



Tlou Energy Ltd  
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Our Ref: Stephen Rodgers  
Your Ref:

6 November 2013

Company Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

Dear Sir / Madam

**RE: Chairman and Managing Director – Annual General Meeting Presentations**

In accordance with Listing Rule 3.13.3, I enclose the presentations of the Chairman and Managing Director, which will be delivered today at the Tlou Energy Limited 2013 Annual General Meeting.

Yours Faithfully  
**Tlou Energy Limited**

STEPHEN RODGERS  
Company Secretary

## **Chairman's address - AGM**

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It gives me great pleasure to deliver the Chairman's address at Tlou's first AGM as a listed entity.

The past year has been an exciting year for Tlou, with the listing of the company on the Australian Securities Exchange, the continuing development of our Botswana projects and the important work being done establishing entry into new acreage positions.

Tlou's primary focus has been on the Botswana Karoo Central project this year. This project has reached a number of operational milestones which Tony will discuss in his address.

Once the current operational program is complete, the next step in the Karoo Central project's development plan is to continue to develop a 'desktop' analysis of the infrastructure required to extract and transport the gas to potential consumers such as power stations as well as entering into non-binding memoranda of understanding for gas supply agreements with these potential consumers.

We are confident the upcoming period will reveal increased shareholder wealth through the continuation of the Karoo Central project development, and the maturing of exploration and new venture opportunities.

Tlou is also excited by the opportunity to assist in the development of countries in Southern Africa by helping to explore and cultivate energy opportunities associated with CBM gas. The establishment of a CBM gas industry within those countries will provide employment, income and an alternative cleaner energy source for these countries, all of which are positive effects.

I would like to take this opportunity to recognise the support of our shareholders, without whom this would not be possible.

Thank you.

## **Managing Director's address - AGM**

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Welcome to this first AGM as a listed entity.

The company had a strong start to the drilling program immediately post the IPO in April of this year. The work program on listing primarily comprised the drilling of six wells in Karoo Central. These wells were designed as pilot gas production wells.

I will today discuss some of the key achievements since the IPO.

- Tlou has successfully completed all six vertical well components of the drilling program.
- Good gas indications from the coal were observed when under-reaming the Selemo vertical production well.
- Tlou has successfully completed the first “Horizontal to Vertical” pilot gas production well combination in the country.
- We are aiming to have this first well (Selemo 1R-A) on pump flowing water (the precursor to flowing gas) by mid-November.
- We are aiming to complete additional Horizontal to Vertical pilot gas production wells at Lesedi by December.
- The coal intersected by the horizontal drilling to date has been of consistently good quality throughout.
- The commercial equation has become even more favourable for Tlou since the IPO (ie. the need for gas has increased).
- We consider the project to have significant upside in terms of potential share price appreciation for the shareholders on successful reserves booking in 1H14.
- Tlou is actively managing its capital requirements during the current operational phase and is exploring a number of options with respect to further funding. Having 100% ownership of our key projects provides us with considerable flexibility in this regard.

Attachment 1 – Botswana Karoo Central Project

Attachment 2 – Karoo Central Commercialisation

Thank you for your continued support.



TLOU ENERGY

# TLOU ENERGY

## BOTSWANA KAROO CENTRAL PROJECT

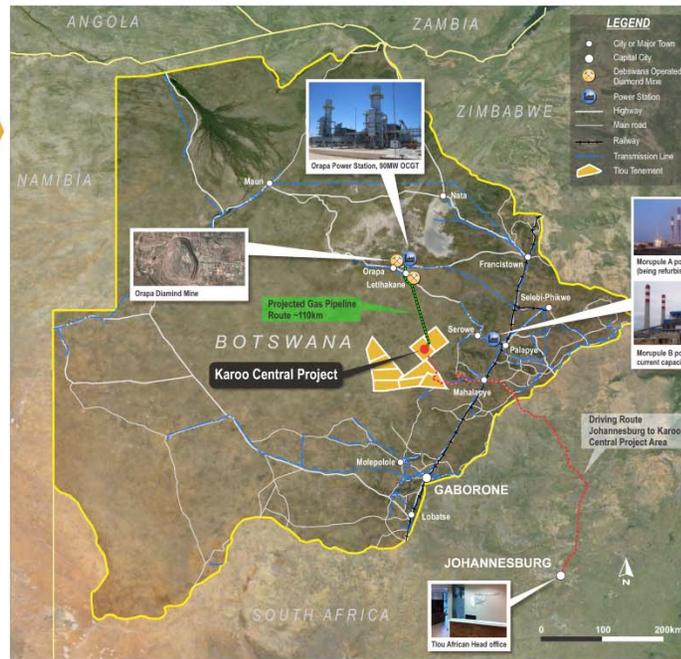


### BOTSWANA PERMITS

- 100% ownership of ~7,000km<sup>2</sup> of granted CBM permits - Karoo Central and Karoo West
- Work program aiming to prove up reserves in Karoo Central in first half of 2014
- Additional area under application



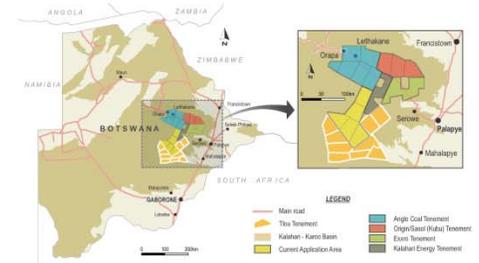
Karoo Central 2013 Horizontal pilot well drilling program



### INFRASTRUCTURE

- Established gas laboratory and associated equipment in Francistown
- Permanent operations camp with over 20 personnel onsite
- Tlou equipment
  - Service rig and ancillary equipment
  - Vehicles and drilling consumables
  - Onsite mechanical and medical facilities

### COMPETITORS



### contact

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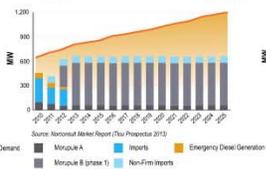
# TLOU ENERGY

## KAROO CENTRAL COMMERCIALISATION

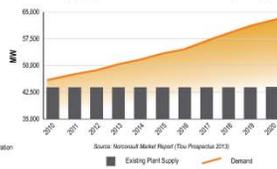
### Commercialisation Opportunity

- Botswana power demand outstripping supply
- Government focused on broadening fuel supply options, including gas
- Potential to replace dependence on excessive diesel fueled generation
- Gas represents attractive alternative for off-grid temporary power solutions
- Potential for additional gas fired generation plants to address regional shortage
- South African energy market under pressure to meet growing demand
- Demand has outstripped supply since 2007/2008
- Potential shortfalls of up to 2,000MW p.a. up to 2016
- Provides numerous opportunities for Tlou to export power/gas to help address shortages

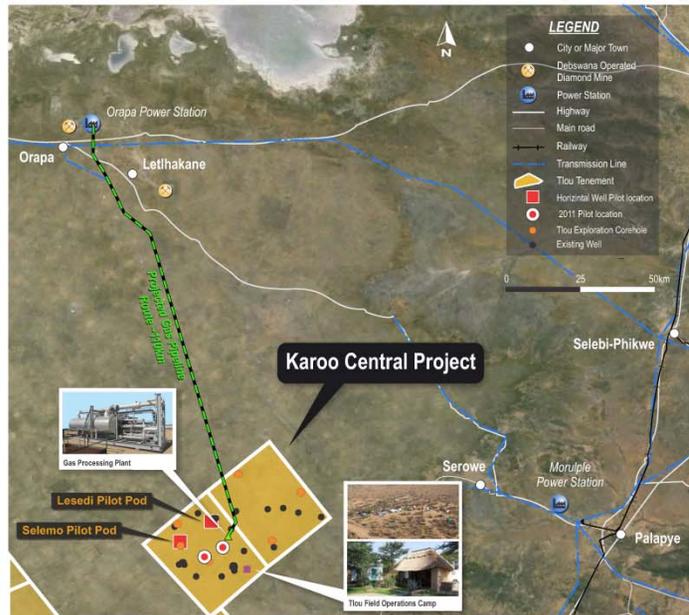
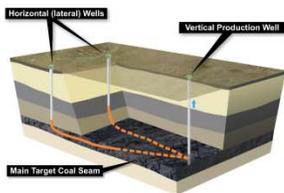
Botswana Electricity Supply / Demand Estimate (MW)



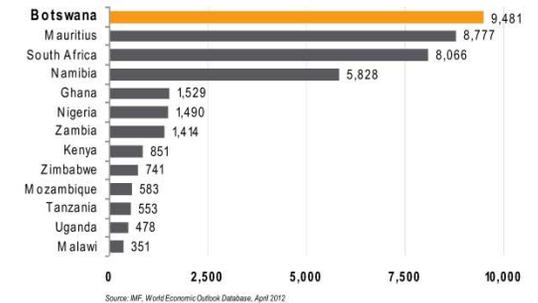
South Africa Electricity Supply / Demand Estimate (MW)



### Horizontal Pilot Well Schematic



### Real GDP Per Capita 2011



### Corruption Perceptions Index



Source: Transparency International, 2011

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