

**TLOU ENERGY LIMITED****27 November 2013****Equity raising to fund expanded pilot and core hole program at Karoo Central and additional working capital****Key points:**

- **Placement to raise up to approximately A\$5.7m**
- **1 for 4 accelerated non-renounceable entitlement offer to raise up to approximately A\$7.7m**
- **Combined proceeds will primarily fund an expanded pilot and core hole program at Karoo Central and additional working capital**
- **Offer price of A\$0.30 per share represents a 19% discount to the theoretical ex-rights price**

*Note: All times quoted are referenced to Australian Eastern Daylight Time (AEDT) unless otherwise stated*

Tlou Energy Limited ("Tlou") is pleased to announce an equity raising of up to approximately A\$13.4m ("Equity Raising") comprising:

- an institutional placement of up to 19.0 million shares to raise up to approximately A\$5.7m ("Placement"); and
- a 1 for 4 accelerated non-renounceable entitlement offer via the issue of up to approximately 25.7 million shares to raise up to approximately A\$7.7m ("Entitlement Offer"). The Entitlement Offer comprises an accelerated institutional component ("Institutional Entitlement Offer") and a retail component ("Retail Entitlement Offer").

The issue price for the Equity Raising is \$0.30 per share ("Issue Price") which represents a:

- 19% discount to the theoretical ex-rights price ("TERP")<sup>1</sup>;
- 21% discount to the 10-day volume weighted average price ("VWAP"); and
- 25% discount to the last traded price of Tlou shares prior to the date of this announcement being \$0.40 per share.

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<sup>1</sup> TERP is the theoretical price at which Tlou shares should trade after the ex-date for the Entitlement Offer. TERP is calculated by reference to Tlou's closing price on Tuesday, 26 November 2013 of A\$0.40 per share, being the last trading day prior to this announcement.

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The proceeds of the Equity Raising will be applied to an expanded pilot and core hole program at Karoo Central. In addition, the Equity Raising will be applied to corporate overheads and provide additional working capital.

Up to approximately 44.7m new Tlou shares (“New Shares”) will be issued in connection with the Equity Raising (representing up to approximately 43% of the current issued capital).

Under the Entitlement Offer, eligible shareholders will be invited to subscribe for 1 New Share at the Issue Price for every 4 Tlou ordinary shares held at 7.00pm (AEDT) on Monday, 2 December 2013 (“Record Date”).

As the Entitlement Offer is non-renounceable, there will be no rights trading.

Under the Institutional Entitlement Offer, entitlements not taken up by existing institutional shareholders will be offered to other eligible institutional investors by way of an institutional bookbuild at the Issue Price.

Under The Retail Entitlement Offer, eligible shareholders will be invited to subscribe for 1 New Share at the Issue Price for every 4 Tlou ordinary shares held at the Record Date. The Retail Entitlement Offer will include a top up facility under which eligible shareholders who take up their full entitlement may apply for additional New Shares from a pool of entitlement shares not taken up by other eligible retail shareholders. There is no guarantee that applicants under this top up facility will receive all or any of the additional shares they apply for under the facility.

Details of the Equity Raising are also contained in an investor presentation which Tlou has provided to the ASX today (“Investor Presentation”). The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to Tlou and the Equity Raising, and applies to this announcement as if set out in full in this announcement.

Tlou expects to announce the outcome of the Placement and Institutional Entitlement Offer to the ASX prior to market open on Friday, 29 November 2013 with the trading of Tlou shares expected to recommence on that day.

Eligible retail shareholders will receive a Retail Entitlement Offer booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Retail Entitlement Offer.

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The key dates for the Equity Raising are set out below:

<b>Event</b>	<b>Date</b>
Placement and Institutional Entitlement Offer opens	Wed, 27 November 2013
Placement and Institutional Entitlement Offer closes	Thurs, 27 November 2013
Announce completion of Placement and Institutional Entitlement Offer	Fri, 29 November 2013
Tlou shares resume trading on an ex-entitlement basis	Fri, 29 November 2013
Record Date for the Entitlement Offer (7.00pm AEDT)	Mon, 2 December 2013
Retail Entitlement Offer booklet, and Acceptance Form dispatched	Wed, 4 December 2013
Retail Entitlement Offer opens	Wed, 4 December 2013
Settlement of Placement and Institutional Entitlement Offer	Fri, 6 December 2013
Allotment and normal trading of New Shares issued under the Placement and Institutional Entitlement Offer	Mon, 9 December 2013
Retail Entitlement Offer closes	Thurs, 19 December 2013
Allotment of New Shares issued under the Retail Entitlement Offer	Tues, 24 December 2013
Normal trading of New Shares issued under the Retail Entitlement Offer	Mon, 30 December 2013
Dispatch of holding statements	Tues, 31 December 2013

All dates are indicative and subject to change. Tlou reserves the right to withdraw or vary the timetable without notice. All references to time are to Australian Eastern Daylight Time (AEDT). The commencement of quotation of New Shares is subject to confirmation from ASX.

Morgans Corporate Limited and Integra Advisory Partners Pty Ltd are Joint Lead Managers to the Equity Raising.

**Important Information**

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"), or under the securities laws of any state or jurisdiction of the United States, unless the securities have been registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available.

This document may not be distributed or released in the United States.

This announcement contains certain "forward-looking statements" within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "should", "expect", "anticipate", "estimate", "scheduled" or "continue" or the negative thereof of comparable terminology. Any forecasts or other forward looking statements contained in the announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Tlou does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

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