



30 October 2026

Tlou Energy Limited
("Tlou" or "the Company")

Quarterly Activities Report for the quarter ended 30 September 2026

Highlights

- Production testing, dewatering and well-performance monitoring continued at Lesedi during the quarter, with a significant influx of coal fines recorded.
- Kala Data Centre continued to operate at proof-of-concept scale, utilising electricity generated at Lesedi.
- Planning progressed to assess the power supply and infrastructure requirements for scaling up Kala Data Centre beyond the proof-of-concept phase

During the September quarter, the company continued to prioritise production testing and well performance at Lesedi while maintaining power generation operations for Kala Data, albeit at a proof-of-concept scale.

Lesedi Project – Botswana

The Lesedi Project integrates the key components of Tlou's gas-to-power business model, encompassing gas production from wells, gas gathering infrastructure and on-site power generation. Together, these elements establish the foundation for converting locally produced coal bed methane into electricity. The Lesedi project remains the Company's most advanced project.

Data Centre & Power Generation

During the September quarter, electricity generated at Lesedi continued to supply the Kala Data Centre, which remained operational at proof-of-concept scale. Planning to expand Kala's operations focused on evaluating the existing gas-to-power process, identifying potential operational improvements and assessing the additional power supply and infrastructure required to support growth beyond the proof-of-concept phase.

The proposed integration of solar generation remains under consideration as a means of supporting Kala's future expansion and supplementing electricity supply during periods of reduced gas availability. This remains a proposed development, with no binding agreement in place, and is subject to securing funding and obtaining the necessary approvals.

Gas Production and Field Development

Production testing, dewatering and well-performance monitoring continued at Lesedi 4 and Lesedi 6 during the September quarter, with activities focused on evaluating well performance and identifying opportunities for optimisation. Operations encountered several challenges, including significant and recurring coal fines influxes, which affected well operations.

Following persistent coal influxes and ongoing pump inefficiencies, a strategic decision was made to temporarily shut down Lesedi 6. Monitoring and data collection at Lesedi 4 continued to support the assessment of well performance and the potential gas supply requirements associated with future expansion of the Kala Data Centre.

Development planning remains focused on evaluating gas supply and infrastructure options, alongside the proposed integration of solar generation, to support potential growth at Kala without assuming an increase in available gas supply. Additional funding will be required to advance material development activities.

Substation and Grid Connection

Grid connection remains a key near-to-medium term development priority. The Lesedi substation is approximately 90% complete, with the remaining construction works deferred pending funding availability.

The substation is the intended link between on-site generation and grid-based electricity sales. Once completed, it is intended to accommodate both gas-fired and solar generation within the Lesedi power system.

Solar and Hybrid Power Strategy

The Company continues to progress its hybrid gas solar strategy, designed to combine gas fired generation with solar PV and associated storage technologies. Options remain under review for an initial 5MW solar development, with scalability under review. Potential expansion of the Kala Data Centre may provide an opportunity to progressively introduce elements of this strategy, subject to technical and commercial assessments, funding availability and the necessary approvals.

Project Funding and Corporate

The Company's shareholder loan facility remains at A\$10 million, of which A\$7.13 million had been drawn by quarter end, leaving approximately A\$2.87 million available. The facility provides support for operating expenditure and serves as a bridging funding arrangement while the Company pursues additional capital to advance and scale its development activities.

During the quarter, discussions with prospective funding partners continued. The Company remains reliant on securing further funding to progress material development activities, with management continuing to engage with potential financiers and strategic partners while maintaining a disciplined approach to cash management.

Financial Summary

At 30 September 2026, the Company held approximately A\$57,000 in cash (unaudited). Payments to related parties and their associates during the September quarter amounted to A\$45,000 and related to directors' salaries, fees, and associated statutory payments including tax and superannuation.

Metric	September 2026 Quarter
Cash at end of quarter	A\$57k
Net operating cash flow	(A\$201k)
Investing cash flow	(A\$237k)
Financing cash flow	A\$370k
Available funding	A\$2.93m

Appendix 5B

The Appendix 5B cash flow report for the quarter ended 30 September 2026 accompanies this announcement.

Outlook

Near-term development activities are focused on evaluating a pathway to expand Kala Data Centre beyond proof-of-concept operations. This includes improving operational efficiency, assessing power supply and infrastructure requirements, considering the proposed addition of solar generation and progressing discussions with potential funding partners. Production testing and monitoring continue at Lesedi 4 to inform the assessment of well performance and potential gas supply. Any expansion remains subject to demonstrating sustainable gas flow rates, reliable power generation performance, securing additional funding and obtaining the necessary approvals.

The Company's key priorities for the coming period are to:

- Improve operational reliability: Strengthen plant reliability and refine maintenance schedules to support more consistent operational performance.
- Optimise infrastructure and operations: Continue electrical reticulation mapping and asset optimisation to identify opportunities to improve efficiency. Proof-of-concept operations do not, in themselves, demonstrate sustained commercial-scale electricity output.
- Progress stakeholder engagement: Maintain engagement with relevant authorities and counterparties to support development planning and align key milestones.
- Maintain prudent capital management: Evaluate funding alternatives while managing available cash resources carefully and considering the capital requirements of future development activities.
- Provide timely market updates: Keep shareholders informed of material developments in accordance with the Company's continuous disclosure obligations under ASX Listing Rules.

By Authority of the Board of Directors

Dr. Ian Campbell
Executive Chairman

For further information regarding this announcement please contact:

Tlou Energy Limited	+267 316 0857
Ian Campbell, Executive Chairman	
Wedu Mbayi, Company Secretary	

Forward-Looking Statements

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