13 July 2018

Companies Announcement Officer
Australian Securities and Exchange Limited
Exchange Centre
Level 4,
20 Bridge Street
Sydney NSW 2000   ***By Electronic Lodgement***

ISSUE OF NON-RENOUNCEBLE ENTITLMENT SHARES

Tlou Energy Limited (ASX:TOU) announced on 11 July 2018 it had raised approximately A$5.5 million (before costs) through the issue of 54,911,760 fully paid shares via a partially underwritten non-renounceable rights issue (**Entitlement Offer**) to eligible shareholders and the Placement to Institutions and Sophisticated Investors of the surplus entitlement shares not subscribed for under the Entitlement Offer.

Tlou Energy Limited is today seeking quotation for **49,594,440** new fully paid ordinary shares at $0.10 per share pursuant to the Entitlement Offer. These are the shares representing the applications made by eligible shareholders and the Underwriter. (**Offer Shares**).

The balance of 5,317,320 fully paid ordinary shares (**Shortfall Shares**) which have been placed will be allotted to the participants of the Placement by Wednesday 18 July 2018.

Please find ***attached*** the Appendix 3 B reflecting the issue of the Offer Shares under the Entitlement Offer.

Per: Solomon Rowland
Company Secretary
Tlou Energy Limited

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Name of entity

Tlou Energy Limited

ABN

79 136 739 967

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Ordinary Fully Paid Shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	**49,594,440** Ordinary Fully Paid Shares pursuant to the Non-Renounceable Rights Issue described in the announcement lodged with the ASX on 6 June 2018. (the Offer Shares)
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Ordinary Fully Paid Shares

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	The issued Ordinary Shares will rank equally with the existing class of quoted shares.

5	Issue price or consideration	$0.10 per share

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The net proceeds of the Offer Shares will be used to fund the drilling of new production pods, core-hole operations, regulatory approvals, as well as general working capital requirements.

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes

6b	The date the security holder resolution under rule 7.1A was passed	25 October 2017

6c	Number of +securities issued without security holder approval under rule 7.1	45,906,427

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil

+ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2	

6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not Applicable

6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable

6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Total Combined Remaining Capacity [rule 7.1: 7,780,416 + rule7.1A: 35,791,228] = 43,571,644.

7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	Friday, 13 July 2018

8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	Number	+Class
		403,818,715	Ordinary Shares

9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	Number	+Class
		Unlisted Performance Rights 2,275,000	Tranche 2 Expiring 31 Jan 2024

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not Applicable

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-Renounceable
13	Ratio in which the ⁺securities will be offered	1:6 (one new share for every six shares held at the Record Date)
14	⁺Class of ⁺securities to which the offer relates	Ordinary Fully Paid Shares
15	⁺Record date to determine entitlements	Friday, 15 June 2018
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not Applicable
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of shareholders' entitlements under the Entitlement Offer they will be rounded down to the next whole number of new shares.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Only Shareholders who have a registered address in Australia or New Zealand or UK are eligible to participate. The Company has determined that Shareholders who have a registered address in any other country not listed will not be sent the Offer Booklet.
19	Closing date for receipt of acceptances or renunciations	Friday, 6 July 2018
20	Names of any underwriters	Taylor Collison Limited ACN 008 172 450
21	Amount of any underwriting fee or commission	6% of the Underwritten Amount.
22	Names of any brokers to the issue	Taylor Collison Limited ACN 008 172 450
23	Fee or commission payable to the broker to the issue	See above
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	2%

+ See chapter 19 for defined terms.

25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Wednesday, 20 June 2018
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements *in full* through a broker?	Not Applicable
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	+Issue date	Friday 13 July 2018

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34   Type of +securities
     (*tick one*)

(a)   ☒   +Securities described in Part 1

(b)   ☐   All other +securities

     Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35　☐　If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36　☐　If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37　☐　A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38　Number of ⁺securities for which ⁺quotation is sought

Not Applicable

39　⁺Class of ⁺securities for which quotation is sought

40　Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?

If the additional ⁺securities do not rank equally, please state:
- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41　Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)

Number	+Class

42   Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)

Quotation agreement

1   +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2   We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3   We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4   We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ....   Date: 13 July 2018
(~~Director~~/Company secretary)

Print name: Solomon Rowland

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ⁺ordinary securities on issue 12 months before the ⁺issue date or date of agreement to issue	304,042,848
Add the following: • Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	2,000,000 (on exercise of Options) 2,275,000 (vesting of Performance Rights) 49,594,440 (Non-Renounceable Rights Issue announced issued 13 July 2018)
Subtract the number of fully paid ⁺ordinary securities cancelled during that 12 month period	Nil
"A"	357,912,288

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	53,686,843

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	21,153,845 (Placement 12.12.2017) 24,752,582 (Placement 20.06.2018)
"C"	**45,906,427**

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	53,686,843
Subtract "C" *Note: number must be same as shown in Step 3*	45,906,427
Total ["A" x 0.15] – "C"	7,780,416 *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	357,912,288
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	35,791,228
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil
"E"	Nil

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	34,449,011
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	34,449,011 *Note: this is the remaining placement capacity under rule 7.1A*