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Serowe Project: Pitse Pilot Update - part of staged CBM to LNG development.

Highlights

- Additional data from the Pitse Pilot is advancing the Bankable Feasibility Study (**BFS**) for Botala's Serowe Coal Bed Methane (**CBM**) Project in Botswana to develop a liquefied natural gas (**LNG**) plant producing up to 3.5 petajoules (PJ) per year.
- The first phase of Botala's four-phase program is to deliver Project Pitse, a proof-of-concept pilot currently made up of six wells:
 - Serowe-3.1 continues to provide valuable reservoir and operational data at very low well cost.
 - Serowe-3.4 is online and dewatering the Serowe seam, contributing to the understanding of reservoir response and water handling characteristics.
 - Serowe-3.5A is completed and equipped to support pressure drawdown across the pilot.
- Completion of Serowe-3.2, stimulation of Serowe-3.3, and drilling plus stimulation of Serowe-3.5B is planned for early 2026.

Botala Energy Ltd (ASX & BSE codes: BTE; Botala) made good progress in December on the Phase 1 proof-of-concept pilot at its flagship Serowe CBM Project in Botswana by perforating and equipping the Serowe-3.5A well with a downhole pump.

This well is designed to initiate controlled reservoir pressure drawdown across the pilot and forms a key component of the multi-well interference testing programme required for Serowe's BFS.

Ongoing testing of Serowe-3.1, dewatering of Serowe-3.4 and completion of Serowe-3.5A are providing valuable technical and operational data for Botala's staged CBM-to-LNG development strategy.

Botala Energy Chief Executive Officer, Mr Kris Martinick, said

"The Pitse pilot studies confirmed these wells can be developed in a disciplined and cost-effective manner. Low-cost wells preserve capital, reduce risk and align with our longer-term LNG developments."

"Congratulations to our field team and contractors for their excellent safety performance, particularly given the extreme heat and heavy rainfalls in the field."

A clear production pathway.

A phased, risk-managed approach to grow production.

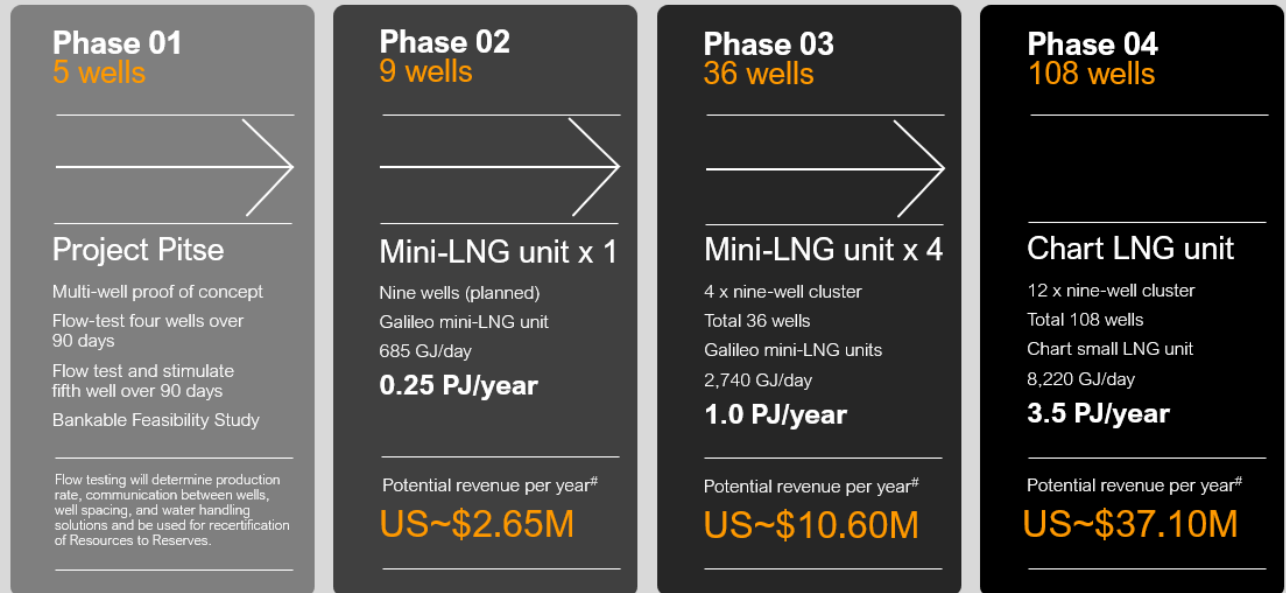


Figure 1. Botala Energy has a phased, risk managed approach to grow gas production at its Serowe CBM Project in Botswana to serve Southern Africa’s emerging industrial gas supply crisis¹.

Current field program

The current field program, including Serowe-3.1, 3.4 and 3.5A, feeds directly into the BFS and is aligned with a staged gas-to-LNG development strategy (Figure 1) with regard to:

- pressure build-up and drawdown behaviour.
- dewatering performance.
- surface equipment operability.
- data required for reservoir modelling.
- reservoir connectivity and interference assessment.
- production behaviour under dewatering conditions.
- well design optimisation.
- gas deliverability assumptions for LNG development across phases 02 to 04.

¹Sale price per gigajoule = US\$10.60. Calculation is based on multiplying the potential sales agreement with the current gas price in South Africa as per the following: SASOL Announcement 5-August-2022 “SASOL Position on gas prices”, piped gas price R133,34/GJ (1 Rand = 0.086 A\$ 24/2/2025). NOTE: This is for pipeline gas and not LNG prices which are anticipated by NERSA to be higher.



Figure 2. The first phase of Botala’s four-phase CBM to LNG plan is the delivery of Project Pitse, a proof-of-concept pilot made up of five producing wells (3.1 – 3.5B) and one central dewatering well (3.5A)

Early 2026 program

The fully funded work program planned for early 2026 includes:

- perforation of Serowe-3.2 (outer production well) previously drilled and cased but not yet completed.
- stimulation of Serowe-3.3 (outer production well) to enhance permeability and contribute to interference testing.
- drilling and stimulation of Serowe-3.5B (central production well) to provide core production data for the BFS.
- continued integration of field results into reservoir models, development planning and LNG feasibility workstreams.

MDCB investment – supporting progression towards FID

As previously announced, Botala has entered into an indicative, non-binding term sheet with the Minerals Development Company Botswana (MDCB) for up to BWP 35 million (~A\$4 million)² of project-level funding.

The proposed investment:

- is intended to support the project through BFS and toward a Final Investment Decision (FID).
- is structured on a back-in rights basis linked to historical costs incurred and does not represent a valuation of the Serowe CBM Project.
- would strengthen the Company’s funding position during the appraisal and feasibility phase.

² Currency exchange rate as at 5 December 2025 (1 Botswana pula = 0.11 AUD)

Approved by the Board of Botala Energy Ltd.

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Forward-looking Statements

This document may contain certain statements that may be deemed forward-looking statements. Forward looking statements reflect Botala's views and assumptions with respect to future events as at the date of the Announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth due to various factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the gas industry, including environmental regulation; economic conditions in Botswana and globally; geological technical and drilling results; predicted production and reserves estimates; operational delays or an unanticipated operating event; physical, environmental and political risks; liabilities inherent in gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favourable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Botala, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this Announcement sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise.

Botala Energy - answering Southern Africa's increasing call for gas.

Botala Energy Ltd (ASX & BSE: BTE) is an Australian natural resources company focused on developing its 100% owned Serowe Coal Bed Methane (CBM) Project in Botswana to serve Southern Africa's emerging gas supply deficit. Detailed engineering, financial modelling, and commercial planning is currently underway for a four-phase plan to deliver a liquefied natural gas (LNG) plant targeting 3.5 petajoules (PJ) of production from 108 wells. Botala has made significant progress since listing on the ASX in 2022. The company has established a major resource, and secured production licences, government and community support, environmental approvals, and an offtake partner. South African steel maker Scaw Metals signed a binding letter of intent in March 2025 to purchase up to 4.7 petajoules annually.

