

ASX Release | 11 February 2026

Principal production gas well 3.5B to be spudded in March and immediately flow tested.

Highlights

- **Pitse Pilot central production well 3.5B scheduled to be spudded in the first week of March, marking a major milestone in the transition from appraisal to commercial validation.**
- **Work progressing on Pitse well-3.3, with stimulation activities expected to be completed by the end of the month.**
- **A\$3 million raised on the ASX.**
- **Botala management currently in Cape Town undertaking 121 meetings and progressing commercial and investor discussions.**
- **Minerals Development Company Botswana (MDCB) ~A\$4 million funding remains on track, supporting the pathway through Bankable Feasibility Study (BFS) and toward Final Investment Decision (FID)¹.**

Botala Energy Ltd (ASX/BSE: BTE) (“Botala” or “the Company”) is on track to take a milestone stride along its coal bed methane (CBM) to liquefied natural gas (LNG) pathway in southern Africa with its Pitse Pilot commercial production well 3.5B due to be spudded in early March at the Company’s flagship Serowe CBM Project in Botswana.

Botala Energy Chief Executive Officer, Mr Kris Martinick, said:

“Operationally, we are now entering an exciting period of meaningful milestones at our Serowe CBM Project where we have established our multi-well, proof-of-concept Pitse Pilot.

“Well 3.3, the last of five dewatering wells at Pitse is nearing completion ahead of spudding the main commercial production well, 3.5B, which is designed to unlock reserves certification and provide a key data point for the BFS and future LNG development planning.

“The dewatering support wells we have put in place are there for a reason—they reduce risk, improve data quality and give us a much better platform from which to evaluate the reservoir.”

“With much of the hard work now done we eagerly await spud and flow test results from our 3.5B well.”

Pitse Pilot, Serowe CBM Project - moving towards the main commercial well

To date, five wells have been drilled across the Pitse Pilot area ahead of well 3.5B, the central production well, due to be spudded in the first week of March:

¹ Refer ASX Release dated 8 December 2025 *MDCB increases investment proposal to A\$4 million.*

- **Well-3.1** – an early, very low-cost well providing valuable reservoir, dewatering and operational learnings.
- **Well-3.2** – an outer production well drilled and cased, planned to be perforated as part of the next phase of work.
- **Well-3.3** – an outer production well currently being prepared for jetting of the Upper Morupule Seam (the middle seam), expected to be completed by the end of the month.
- **Well-3.4** – online and dewatering the Serowe seam, contributing to understanding water handling and pressure behaviour.
- **Well-3.5A** – a centrally located dewatering well, completed and equipped with a downhole pump to initiate controlled pressure drawdown across the pilot area.

In simple terms, wells 3.1, 3.3, 3.4 and 3.5A are primarily designed to remove water and reduce pressure in the coal seams before the main production well is drilled and stimulated. This helps stabilise the reservoir, improves data quality, and reduces uncertainty once well 3.5B is brought online.

This methodical sequencing means that much of the “boring but necessary” work—dewatering, pressure management, equipment testing and operational learning—has already been completed ahead of the main commercial well.



Figure 1. The Phase 1 Pitse Pilot at Botala’s Serowe CBM Project in Botswana is a “proof-concept” to establish a production pathway to 3.5 petajoules of LNG per year to meet growing demand in southern Africa.

Funding position strengthened

Botala is well-positioned to execute the next phase of the field program and advance the project toward commercial decision.

The Company recently completed a successful A\$3 million capital raising on the ASX. The Board considers this result a strong endorsement of Botala’s strategy and project positioning.

The Company also confirms that the indicative investment from the MDCB remains on track. As previously disclosed, the proposed MDCB funding is structured on a back-in rights basis linked to historical project costs and is intended to support the project through BFS and toward FID.

We anticipate with successful drilling and flow testing of the production well 3.5B we can add significant value to the Serowe CBM Project for the benefit of Botala shareholders and the Government of Botswana.

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.

About Botala Energy Ltd

Botala Energy Ltd (ACN 626 751 620) is an ASX-listed Coal Bed Methane (**CBM**) exploration and development company focused on developing production from its 100% owned Serowe CBM Project located in a high-grade CBM region of Botswana (and related early-stage renewable energy opportunities). Botala (as Operator) is focused on developing the Serowe CBM Project and believes that there is a considerable opportunity for it to commercialise the project due to the demand for stable power supply in Botswana and elsewhere in Southern Africa. Botala is listed on the Australian Securities Exchange and the Botswana Stock Exchange.