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Serowe CBM Project: Pitse Pilot wells come to life as drilling of principal production well 3.5B continues.

Highlights:

- Drilling of Botala's first fully stimulated commercial production well, Pitse Pilot well 3.5B, has reached 360m, or 83% of the 435m target depth, with intermediate casing set and operations advancing to plan.
- Support well 3.1 has recently flared, de-pressuring gas build-up, with gas flows reaching ~6.5 gigajoules (GJ) /day from a simple, unstimulated open-hole well confirming the field is producing gas ahead of full stimulation.
- Serowe-3.4 is actively dewatering at 45 barrels per day, progressively reducing reservoir pressure across the pilot area and to support production once online.
- Pump control commissioning is complete on Serowe-3.3 and Serowe-3.5A with both wells commencing dewatering operations, bringing four of the five-support wells into active pressure management, with drilled Serowe-3.2 the final, sixth well in the program awaiting completion.
- For the first time, four support wells are operating together around 3.5B as it drills toward its coal seam targets.
- Zero safety incidents recorded across all drilling and production operations.

Botala Energy Ltd (ASX/BSE: BTE) (Botala) advises that the multi-well Pitse Pilot at its 100%-owned Serowe Coal Bed Methane (CBM) Project in Botswana is tracking according to schedule with its first fully stimulated commercial production well, 3.5B, reaching 360m, or 83% of the 435m target depth.

Well 3.5B is about to intersect its coal seam targets, whilst the other pilot support wells are dewatering, with well 3.1 completing a successful flare cycle in March, again confirming gas production from the reservoir.

With commissioning of wells 3.3 and 3.5A now complete, four completed wells in the cluster are active for the first time. Serowe-3.2, which has been drilled and targets the Serowe coal seam only, will be stimulated next.

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

"The Pitse Pilot is performing exactly as designed. We have taken a deliberate and disciplined approach to its development, prioritising data, stability, and long-term performance. Now is the time to reap the rewards of this work."

While attention is naturally focused on 3.5B, and rightly so as the key production well, another key part of the story is the coordinated performance of the entire well cluster."

“Gas has already flared at pilot well 3.1, an unstimulated well, confirming reservoir productivity and responsiveness to dewatering. Well 3.4 is steadily drawing down pressure, while wells 3.3 and 3.5A have now been commissioned and are commencing dewatering.

For the first time, four support wells are operating together in support of 3.5B and a fifth, Serowe-3.2, is already drilled and cased ready for stimulation and completion. The system is working as intended. The reservoir is responding. The field produces gas. Everything is set for our first production well Serowe-3.5B.”



Figure 1. Well 3.5B spudding (Source: Botala)

Upcoming News Flow: What to Expect Over the Coming Weeks

Serowe-3.5B is about to intersect coal seam targets from ~360m onwards and reach its total depth of 435m this weekend. The drill string is then pulled and a wireline logging suite run across the full coal seam intervals — measuring water flows, screening for free gas, and recording gas observations that will characterise the Serowe and Upper Morupule seams in this well. Coal seam thickness data from the logs will follow shortly after.

From there, the completion sequence moves quickly. Production casing will be run and cemented, with a Cement Bond Log confirming placement before any perforation work begins. Within approximately five days of reaching total depth, the stimulation rig will be in place and connected — at which point the well transitions from a drilling project into a completion and flow program.

Perforation and jetting of the coal seams will generate the first direct pressure data from the Serowe-3.5B reservoir interval. That pressure response, combined with the step rate test that follows, will be the earliest quantitative indicators of how this well is likely to perform on full stimulation. The step rate test at Serowe-3.5B is expected to be materially larger than those conducted at any previous Pitse well — a reflection of the completion design and the reservoir conditions encountered at this depth and location.

Each of these steps builds sequentially on the last, tightening the technical picture ahead of the main stimulation program. The 90-day extended flow period that follows stimulation will complete the dataset required for the independent Competent Persons Report and reserves reclassification. Botala will update the market at completion of each stage of this program.

If Serowe-3.5B delivers the flow rates targeted by the program, the stimulation rig moves directly to Serowe-3.2 which is already drilled, cased, and ready for completion. Serowe-3.2 has been completed in

the Serowe seam only and represents the final support well in the five-well cluster. Its design mirrors that of Serowe-3.3.

Commercial production well 3.5B drilling update

Serowe-3.5B was spudded on 28 March 2026. The 9⁵/₈" intermediate casing has been set at 161m and cemented in place, and drilling is continuing through the intermediate section toward the primary coal seam targets.

The well has been drilled in two distinct phases. The first phase, the 12" surface hole section, was completed to 161m and cemented with two successful cement jobs; the first establishing the 12" conductor casing, and the second setting the 9⁵/₈" intermediate casing. Each cement job was completed to specification, with an average weight of 12.9 ppg confirming good cement placement.

Methodical execution: How the well was drilled

The drilling of well 3.5B has been executed to plan with the ability to adapt as required when conducting multiple simultaneous operations in a remote African field environment. An operational standdown over the Easter period was used deliberately to plan, forecast and secure diesel for operations over the next quarter given the current international fuel crisis. This has been successfully completed, ensuring no supply constraints as drilling accelerates toward the coal seam targets.

Throughout the entire program from spud to the current date, the Botala field team has recorded zero safety incidents across all drilling and production operations, a record that reflects well on the discipline and professionalism of the team working in demanding conditions.

What completion of well 3.5B will deliver

Well S3.5B is the stimulated centerpiece of the Pitse Pilot. It will be drilled, cased, and perforated in the Serowe seam, and subjected to a multi-stage stimulation program. Against the open-hole baseline established by wells S3.1 and S3.4, it is designed to quantify the production uplift delivered by strata stimulation and determine whether the program can replicate or exceed the performance of the neighbouring MAS-13 analogue well, which sustained a flow rate of approximately 120,000 scfd (~120GJ/Day) following an similar stimulation program.

From 360m, the remaining work on the well includes:

- Drilling to 435m total depth through the Serowe and Upper Morupule coal seams;
- Running and cementing 5¹/₂" production casing to TD, followed by Cement Bond Logging (CBL) and Casing Collar Log;
- Perforation of the Serowe coal seam intervals;
- Step-rate test, Diagnostic Stimulation Injection Test (DSIT), and main stimulation program, designed using reservoir response data from well S3.3 in February 2026; and
- Extended flow testing to establish a sustained commercial gas flow rate for reserves determination and the Bankable Feasibility Study (**BFS**). Whilst a 90-day flow rate is the target, Botala will keep the market updated on any early flow test results.

A minimum 90-day sustained flow period across the cluster, with continuous downhole pressure monitoring, will generate the reservoir engineering dataset — permeability, drainage area, inter-well connectivity and stimulation effectiveness — required by an independent Competent Persons Report to support reclassification of resources to reserves. Depending on the de-watering by the support wells to-date the Serowe-3.5B well may take 1-2 months before stabilising of flowrates.

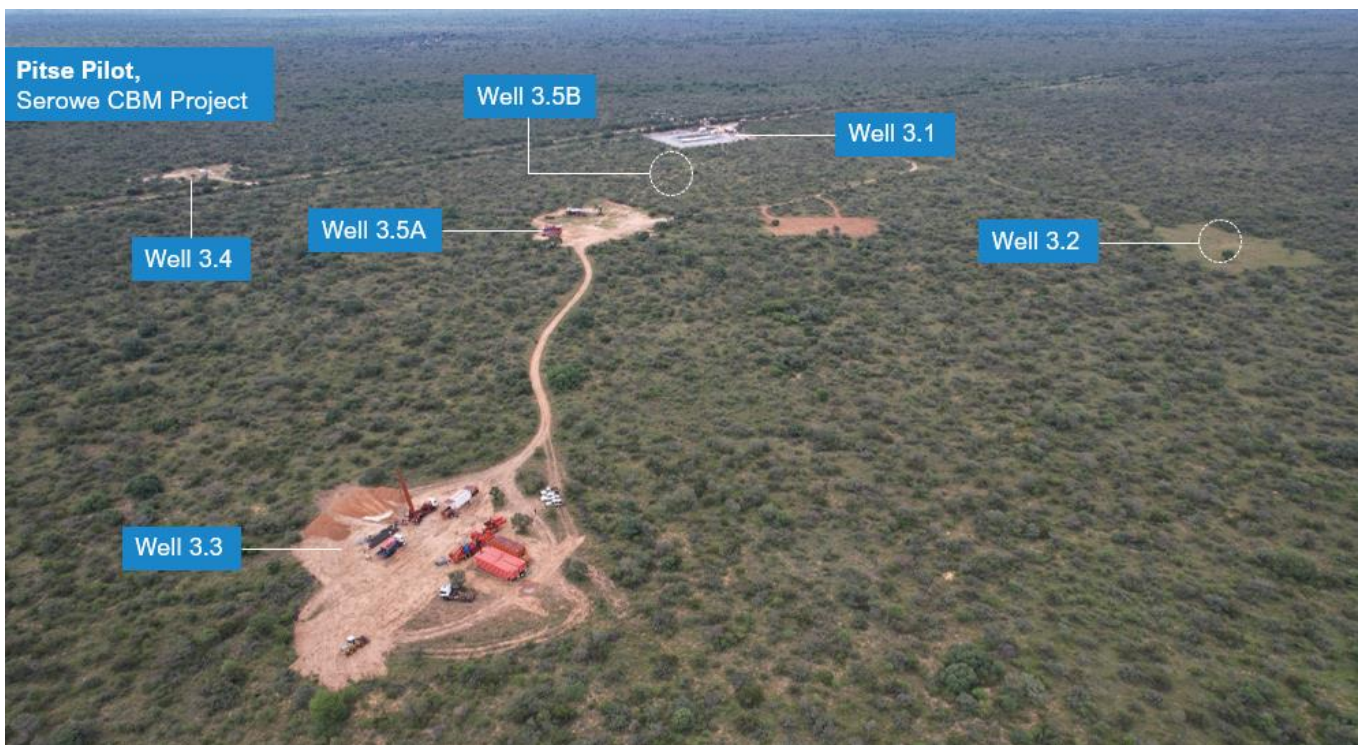


Figure 2. The Phase-1 Pitse Pilot at Botala’s Serowe CBM Project in Botswana is a “proof-of-concept” to establish a production pathway to 3.5 petajoules of LNG per year. (Source: Botala)

Project Pitse: A precision reservoir operation

Each of the six wells in the Pitse program is designed to answer a specific question about the reservoir. Five of the six are now drilled; Serowe-3.2, completed in the Serowe Seam, is the final well awaiting stimulation and flow testing. Each well is designed to answer a specific question about the reservoir, seam productivity, lateral connectivity, fault boundary behaviour, and stimulation uplift, generating the auditable dataset required to reclassify 454 Bcf of contingent resources into bankable 2P reserves.

The Pitse area targets three gas-bearing coal seams between 360-480m depth: the Serowe Seam (expected about 360m, is the shallowest and has highest-prospectivity), the Upper Morupule Seam (expected about 390m is an emerging material contributor with strong gas content data), and the Lower Morupule Seam (see Figure 3). Botala’s wells target the Serowe and Upper Morupule seams which are the two shallower, higher-quality horizons. Botala’s acreage extends over both the upper seams in their thickest sections.

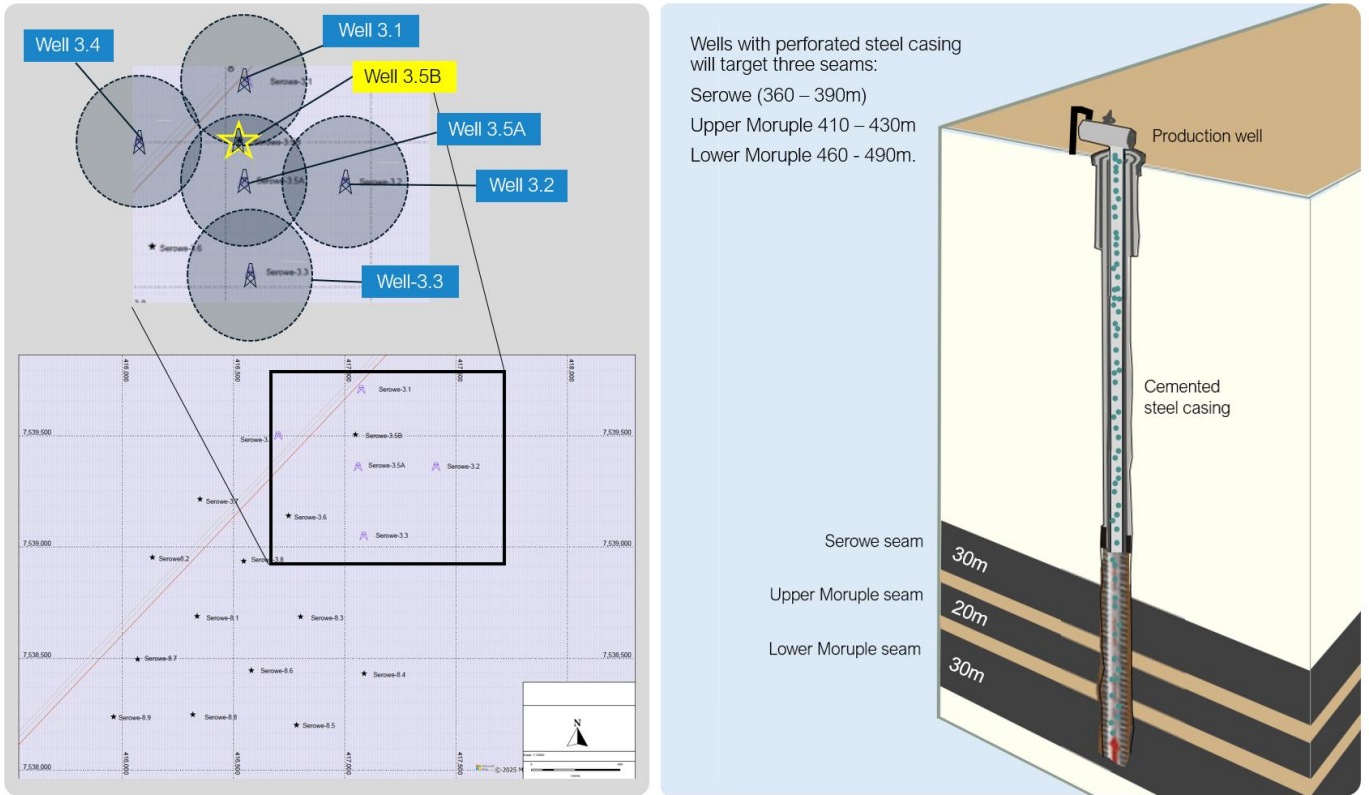


Figure 3. Diagrams showing Pitse Pilot layout (left) and the three target coal seams targeted by the pilot wells (right).

A fault running through the pilot area displaces the seams by 20m between the northern and southern parts of the cluster. The well program has incorporated it deliberately by straddling the fault with precisely targeted completions, the program tests seam connectivity both within and across the fault boundary, generating structural and hydraulic data that a single-block well program could not provide.

Well 3.1: Open-hole baseline — gas confirmed

Serowe-3.1 has been producing since November 2024 and serves as the open-hole baseline for the entire cluster establishing the natural, unstimulated flow rate against which the performance of Serowe-3.5B on stimulation will be measured.

In March 2026, the well completed a flare cycle with gas flows reaching approximately 6,500 scf/day (~6.5 GJ/day). Casing pressure depleted from ~68 psi to ~4 psi over approximately 6.5 hours, confirming effective pressure depletion and measurable gas desorption. The well received no perforation or jetting, only a mild acid wash in 2025. The gas produced came from natural desorption under dewatering alone.

Well 3.1 is an open-hole completion across all three coal seams. Operational experience has shown that maintaining the fluid level above the Lower Morupule Seam reduces its water contribution and produces higher casing pressure and faster pressure build-up from the upper two seams. The planned workover will therefore plug off the Lower Morupule Seam, converting well 3-1 to a two-seam completion across the Serowe and Upper Morupule Seams. This is a deliberate reservoir management decision to optimise

dewatering performance and does not reflect adversely on the Lower Morupule Seam's production potential.

Following the flare, well 3.1 was shut in pending the workover. Prior to shut-in, casing pressure was rebuilding at approximately 3 psi per day, confirming ongoing gas desorption. The well will return to operation as a two-seam producer on completion of the workover.

Serowe-3.2: Serowe Seam — North of Fault, Drilled and Cased

Serowe-3.2 is completed in the Serowe Seam only, located north of the fault on the down-throw block. It is the second Serowe Seam well on the northern block and provides an additional lateral connectivity data point at a different azimuth from Serowe-3.4. The well has been drilled and cased and is awaiting perforation, stimulation and flow testing, which is planned to follow the completion of Serowe-3.5B. A successful stimulation result at the production well will be directly followed by a replication program at Serowe-3.2.

Well 3.4: Dewatering active

Well 3.4 is a simple open-hole well completed in the Serowe Seam only, located approximately 350m west of well 3.1 on the same down-throw block north of the fault. It provides a second Serowe Seam data point in a different azimuthal direction, extending lateral connectivity testing across the western flank of the Pitse cluster footprint. Together, S3.1 and S3.4 are drawing down the primary Serowe Seam across a meaningful areal extent ahead of S3.5B's stimulation.

The well is currently pumping at a water rate of approximately 45 barrels per day. The team is maintaining a conservative drawdown rate.

Well 3.3: Upper Morupule Seam — South of fault, commissioning complete

Well 3.3 is completed in the Upper Morupule Seam on the up-throw side of the fault. It isolates the productivity of the emerging middle seam independently, allowing a direct seam-by-seam performance comparison with the Serowe Seam data generated by the northern wells. It was also the well at which stimulation in February 2026 delivered the strongest reservoir pressure and water flow response recorded at Pitse to date, confirming permeability and seam responsiveness in the Upper Morupule Seam, data that directly informs the S3-5B stimulation design.

Pump control system commissioning has been finalised, and the well is now commencing dewatering operations.

Well 3.5A: Critical connectivity indicator — south of fault, commissioning complete

Well 3.5A occupies the most strategically informative position in the cluster. Located 100m south of 3.5B on the up-throw side of the fault and completed in both the Serowe and Upper Morupule seams, it sits at the same absolute depth as the Serowe Seam in Serowe-well 3.5B on the down-throw side.

This geometry makes S3-5A the most sensitive connectivity indicator in the cluster. When Serowe-3.5B is produced and stimulated, S3-5A will register the first and most direct pressure response providing a

critical test of whether the fault boundary enhances or restricts cross-block drainage between the two prospective seams. This is the data that validates the well spacing and drainage area assumptions underpinning the economics of a 300+ well full-field development.

Commissioning has been completed and dewatering is commencing.

With wells S3.3 and S3.5A now online, four of the five support wells are dewatering simultaneously for the first time, with the five-well pressure management network now fully active around Serowe-3.5B. Interference testing between wells during the extended flow period will validate the reservoir connectivity and well spacing assumptions that are critical to BFS completion and project financing.

About the Serowe CBM Project

The Serowe CBM Project in central Botswana is designed to develop a domestic source of natural gas to support power generation, industrial energy demand and LNG supply for Southern Africa. The project is 100% owned by Botala through its wholly owned Botswana subsidiary, Botala Gas (Pty) Ltd.

Project Pitse is the first of four development phases, targeting a cluster of six wells designed to demonstrate commercial CBM production and underpin the BFS for a Serowe-to-Leupane gas development targeting LNG production of 3.5 petajoules (PJ) per year from 108 CBM wells. All environmental approvals are in place across the Serowe gasfield, LNG production facilities, Energy Hubs, and pipeline corridor.

Approved by the Board of Botala Energy Ltd.

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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.

