Botala Energy Ltd
Level 1, 1292 Hay Street,
West Perth 6005

ABN 41 626 751 620
info@botalaenergy.com.au

botalaenergy.com.au
ASX/BSE: **BTE**

ASX Release | 28 May 2026

Serowe CBM Project: Pitse principal production well 3.5B reaches total depth, coal seams intersected as planned.

Highlights:

- **Drilling of Botala's first fully stimulated commercial production well, Pitse Pilot well 3.5B, has reached Total Depth of 449m.**
- **Rock chip samples confirm the Serowe coal seams were intersected and consistent with the geological model estimating the total thickness at ~10m and correlating with offset Pitse wells 3.1 and 3.5A.**
- **The Exploration Geophysics wireline logging team arrived on site 26 May with open-hole logging due to commence on 27 May.**
- **Flow testing will commence as soon as possible following wireline testing and reservoir stimulation. Formal coal seam characterisation results are expected to be reported to the market early next week.**
- **Completion readiness is well advanced with stimulation chemicals on site, the cementing system function-tested, 5½" production casing staged, and water storage infrastructure in place for the stimulation program.**
- **Zero recordable safety incidents.**

Botala Energy Ltd (ASX/BSE: BTE) (Botala) advises that its principal commercial production well, Pitse Pilot well 3.5B, at its 100%-owned Serowe Coal Bed Methane (CBM) Project in Botswana reached Total Depth (TD) of 449m on 26 May 2026.

TD was called by the on-site geologist on confirmation that the target coal seam interval had been fully intersected. The Exploration Geophysics wireline logging team arrived on site the same day, with open-hole logging commencing overnight.

Rock chip samples confirm the Serowe coal seams were intersected at approximately 377m depth and demonstrate that the coal intervals are indicative of initial estimates and correlate with offset Pitse wells 3.1 and 3.5A, confirming the well is in the expected structural position. Formal characterisation of the coal seam intervals will follow wireline logging, with results expected to be reported to the market early next week.

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

"Reaching total depth at Pitse Pilot well 3.5B is a significant milestone for Botala and the broader Serowe CBM to LNG development pathway.

"This is our first fully stimulated commercial production well, and the program has been completed carefully and methodically to ensure the wellbore is properly prepared for the next phase. The key

completion materials are now on site, the cementing system has been tested, water storage infrastructure is in place, and the wireline logging team has arrived.

"We are now focused on completing the well, undertaking reservoir stimulation and progressing as efficiently as possible toward flow testing.

"In parallel, Botala continues to manage four support wells, which are dewatering and are expected to move toward their desorption points over the coming weeks."

Figure 1. *Serowe Coal Rock Chips – Bright coal with well-formed cleats (Source: Botala)*

Pitse Pilot Well 3.5B: Built for completion and flow testing

Well 3.5B was spudded on 28 March 2026 and reached total depth of 449m on 26 May 2026.

As Botala's first fully stimulated commercial production well, the program was undertaken with a deliberate focus on wellbore quality, completion readiness and operational control. The drilling phase included three casing and cementation stages, continuous geological sampling, coordination with production activities across four support wells, and the mobilisation of key completion materials to site.

Botala notes that this initial program was managed conservatively given the importance of establishing the preferred execution model for future commercial production wells. Learnings from Pitse Pilot well 3.5B are expected to support more efficient drilling and completion cycles as Botala advances subsequent wells within the Serowe development program.

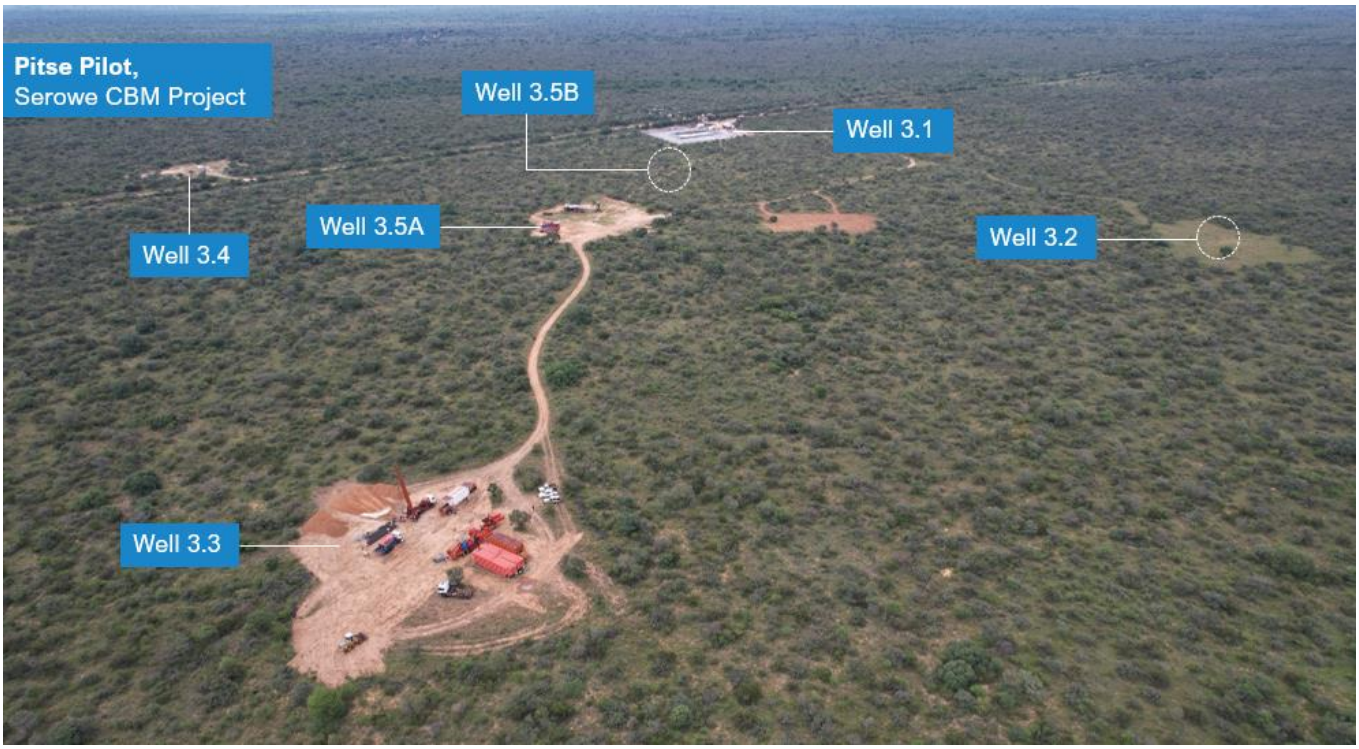

Figure 2. The Phase-1 Pitse Pilot at Botala's Serowe CBM Project in Botswana is designed to establish a production pathway to 3.5 petajoules of LNG per year. (Source: Botala)

Completion Program: Status as at 27 May 2026

Step	Detail	Status
Drill to Total Depth	449m TD reached 26 May 2026 — depth called by geologist on coal seam intersection	**Complete**
Open-hole wireline logging	Exploration Geophysics team on site 26 May; logging commences 27 May	**Underway**
Run 5½" production casing	Casing staged at Thabala; stimulation chemicals on site; cement system function-tested	**Mobilised**
Cement Bond Log (CBL)	Confirms cement placement before perforation	**Upcoming**
Perforation of coal seams	Serowe seam interval	**Upcoming**
DSIT & step rate test	Reservoir injectivity; stimulation design parameters	**Upcoming**
Main stimulation program	Multi-stage strata stimulation	**Upcoming**
Extended flow testing	90-day production period; CPR dataset for reserves reclassification	**Upcoming**

Geology: what the drill found

Rock chip samples collected continuously during drilling provide a complete stratigraphic record from surface to total depth. The sequence encountered is consistent throughout with the regional geological model for the Serowe area, and every expected formation appeared at the predicted depth.

The character of chip returns changed at approximately 317m, where carbonaceous material was noted in the diverter pond foam — the first direct indicator of organic-rich material from the Morupule Formation. This was a positive signal logged by the drilling team in real time. By 357m, chip returns included vitrinite stringers and minor coal chips, confirming the well was entering the coal seam interval. The geologist confirmed the main Serowe coal seam intersection at approximately 377m depth, with a thickness in line with estimates which will be confirmed in the logging. Preliminary information indicates the presence of the Serowe and Upper Morupule as predicted pre-drill. The current logging program will confirm thickness.

Structural correlation with Pitse Pilot wells 3.1 and 3.5A confirms the well is on the planned 3-1 / 3-2 fault block, approximately 15m deeper than well 3.5A, exactly consistent with the 20m fault displacement incorporated into the well design. The geological model has been validated by the drill.

Figure 3: *Chip samples – notable changes in lithology as drilling progressed into the coal seams (Source: Botala)*

The open-hole wireline logging program starting on 27 May will formally quantify what the chip samples have qualitatively identified. The key log outputs — gamma ray (seam boundary definition), resistivity (gas saturation proxy), density/porosity (coal quality), and caliper (borehole geometry for perforation design) — will define the net coal thickness, depth and quality of the Serowe and Upper Morupule seam intervals with the precision required for perforation and stimulation planning. These results, expected early next week, are the first data from this well suitable for formal reserves assessment by an independent Competent Persons assessor.

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 Bankable Feasibility Study for a Serowe-to-Leupane gas development targeting LNG production of 3.5 petajoules (PJ) per year from 108 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.

For further information:

Kris Martinick
Chief Executive Officer
info@botalenergy.com.au

Gareth Quinn
Investor Relations
gareth@republicir.com.au
0417 711 108

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.

BOTALA ENERGY

Appendix A – Listing Requirements

The following information is provided in respect of this announcement and the reporting of contingent resources and prospective resources.

Listing Rule	Rule	Response
5.30	An entity publicly reporting material exploration and drilling results in relation to petroleum resources must include all of the following information in that report and give the report to ASX for release to the market. (a) The name and type of well. (b) The location of the well and the details of the permit or lease in which the well is located. (c) The entity's working interest in the well. (d) If the gross pay thickness is reported for an interval of conventional resources, the net pay thickness. (e) The geological rock type of the formation drilled. (f) The depth of the zones tested. (g) The types of test(s) undertaken and the duration of the test(s). (h) The hydrocarbon phases recovered in the test(s). (i) Any other recovery, such as, formation water and water, associated with the test(s) and their respective proportions. (j) The choke size used, the flow rates and, if measured, the volumes of the hydrocarbon phases measured. (k) If flow rates were tested, information about the pressures associated with the flow and the duration of the test. (l) If applicable, the number of fracture stimulation stages and the size and nature of fracture stimulation applied. (m) Any material volumes of non-hydrocarbon gases, such as, carbon dioxide, nitrogen, hydrogen sulphide and sulphur. (n) Any other information that is material to understanding the reported results.	a) Well title is Serowe-3.5B and is an appraisal well targeting Coal Bed Methane. b) Serowe-3.5B is located at Latitude -22.24839 and Longitude 26.19624 in Mining Licence ML-52 (previously Prospecting Licence PL-400). c) Botala Energy Ltd working interest is 100% in the well. d) Coal seam thickness is estimated at 10m and is currently being logged. e) The Geological rock type is coal. f) The Serowe seam was encountered at a depth of 377m and the Upper Morupule seam was encountered at a depth of 397m. g) Not applicable – well being logged h) Gas is the target hydrocarbon and will be measured once well is completed. i) Water volumes will be tested in subsequent flow-testing. j) Not Applicable. k) Not Applicable. l) Not Applicable m) Not Applicable. n) Not Applicable.