

ASX Release | 23 October 2026

A\$1.35 million targeted placement to fund strategic deliverables.

Highlights

- Firm commitments received to raise A\$1.35 million via a targeted Placement.
- Strong support from new and existing sophisticated and professional investors.
- Board and management participated for A\$0.4 million in the Placement, with Board participation subject to shareholder approval.
- Funds to be applied to demonstrating commercial gas flows at Pitse, Reserves certification and finalisation of the Phase 2 Bankable Feasibility Study.

Botala Energy Ltd's (ASX and BSE: BTE) (Botala) has received firm commitments from sophisticated investors for a placement of new fully paid ordinary shares to raise a total of A\$1.35 million (before costs), at an issue price of A\$0.045 per share ("New Shares").

Funds raised from the Placement will be used for:

- Continued flow testing of Serowe-3.5B;
- Target maiden Reserve certification with Sproule ERCE;
- Finalising the Phase 2 development Bankable Feasibility Study ("BFS");
- Finalising investment from the Minerals Development Company of Botswana ("MDCB") in respect of their proposed project investment of ~A\$3.6 million (see ASX announcement 8 December 2025); and
- General working capital and expenses of the offer.

Botala Energy Chief Executive Officer Kris Martinick commented:

"The funds raised will be used to advance the Pitse Pilot at our Serowe coal bed methane (CBM) project in Botswana, including continued flow test of Serowe 3.5B. Achieving our target commercial gas flow benchmark will further de-risk the project and directly support the Reserves classification assessment and completion of the Phase 2 BFS. Our conversations with MDCB on their equity investment into the Serowe CBM project have been progressing. Finalising that transaction remains subject to concluding commercial agreements"

Placement Details

Approximately 30 million New Shares will be issued in respect to the Placement, with approximately 22.8 million New Shares issued under the Company's ASX Listing Rule 7.1 capacity.

In addition, subject to the receipt of shareholder approval to be sought at a General Meeting, approximately 7.2 million New Shares will also be issued at the same terms of the Placement to the Board as investors in the Placement.

The Issue of New Shares under the Placement (excluding shares to Board) is expected to occur on or around 2 November 2026.

The issue price represents a discount of ~18% to the 5-trading day Volume Weighted Average Price (“VWAP”) of 5.5 cents.

New Shares will rank equally with the Company’s existing shares on issue.

In addition to the Placement, Botala intends to undertake a share purchase plan (“SPP”) to enable eligible shareholders the opportunity to acquire shares at the same price as the Placement. Further details in relation to the SPP including the record date and offer details will be provided to ASX shortly.

This announcement has been authorised for release 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 focused on developing its 100%-owned Serowe Coal Bed Methane (CBM) Project in Botswana. The Company is currently advancing the Pitse Pilot at the project to de-risk reservoir performance, support reserves determination and progress a Bankable Feasibility Study for future commercial development. Botala’s strategy is to establish a scalable CBM-to-LNG production pathway capable of supplying domestic and regional energy markets in Southern Africa. With certified gas resources, granted development tenure and a growing operational footprint, Botala is positioned to support Botswana’s energy security and create long-term value for shareholders. Botala is listed on the Australian Securities Exchange and the Botswana Stock Exchange.