

Serowe-3.4A Drilling Completed – Advancing Pitse Production

Highlights

- Second production well for Project Pitse successfully drilled and prepared for production.
- Core analysis from Serowe-3.4A confirms high gas content with desorption rates of 3.2 to 4.21 cc/g in the Serowe seam.
- 14 metres of net coal intersected in Serowe seam; additional 19 metres across Upper and Lower Morupule seams.
- Completion work now underway to bring the well online and test connectivity with Serowe-3.1.

Drilling Milestone Strengthens Project Pitse Cluster

Botala Energy Ltd (ASX and BSE: BTE) (Botala) is pleased to provide the following operational update following the successful completion of drilling at the Serowe-3.4A well, the second well in its Project Pitse pilot cluster, refer to Figure 1 below. This achievement marks a key milestone in the Company's strategy to progress the Serowe CBM Project from exploration through to commercial production.



Figure 1 - Project Pitse Overview (Source: Botala)

Serowe-3.4A was initially drilled and cored using a HQ (96mm) bit, enabling detailed geological analysis and gas content evaluation, core samples are shown in Figure 2 below. Laboratory desorption testing of the core samples returned strong results, with gas desorption rates ranging from 3.2 to 4.21 cc/g in the Serowe coal seam and 2.09 to 3.3 cc/g in the Lower Morupule seams. These results confirm the high quality of Botala's gas resource.



Figure 2 - Serowe-3.4A Core Sampling Programme (Source: Botala)

Geological data from the well continues to reinforce the potential of the Serowe CBM Project. The Serowe coal seam was intersected at a depth of 346m, with the main coals occurring between 357m and 369m, totalling 14 metres of net coal. The Upper Morupule seam was encountered from 374m to 400m with 9 metres of net coal, and the Lower Morupule seam between 400m and 421m delivered 10 metres of net coal.

Following initial coring, the well was re-entered and drilled out from 292m to 395m using a 6-inch bit to remove the cored section, rock chip samples are shown in Figure 3 below. Reaming has commenced, enlarging the wellbore to 10 inches between 345m and 370m, targeting the full interval of the Serowe seam to ensure optimal gas flow. The next stages include an acid wash and then installation of 2 3/8-inch production tubing from surface to 395m, finalising the well's preparation for production testing.



Figure 3 - Serowe-3.4A Drilling Operations and Rock Chip Sampling (Source: Botala)



Notably, Serowe-3.4A is focused solely on the Serowe seam and is positioned approximately 350 metres from the Serowe-3.1 well. The connectivity between these two wells will be monitored closely and will provide key data on lateral reservoir continuity crucial for optimising future well spacing and production cluster design.

The completion of Serowe-3.4A demonstrates Botala's continued progress in de-risking the Serowe CBM Project targeting the delivery of Botswana's first CBM-to-LNG pilot. With two wells in the cluster now coming online, the Company remains on track to commission Project Pitse's first commercial output in the near term.

Mr Kris Martinick, Chief Executive Officer of Botala Energy, stated, "The successful completion of Serowe-3.4A adds momentum to the Pitse cluster and represents another tangible step towards commercial production. The gas content, net coal thickness, and reservoir quality confirmed by this well are extremely encouraging, especially when considering its proximity to Serowe-3.1."

With our drilling operations now in full swing and our exploration team equipped with in-house capabilities, we are executing efficiently and building valuable knowledge to support both near-term LNG production and long-term resource growth. We look forward to bringing this well online and continuing our momentum through 2025."

BY ORDER OF THE BOARD

Yours faithfully
Botala Energy Ltd

For further information, please contact:

Kris Martinick
Chief Executive Officer
Botala Energy Ltd

Info@botalaenergy.com.au

This report is lodged on Botala's website, www.botalaenergy.com



About Botala Energy Ltd

Botala Energy Ltd (ACN 626 751 620) is an ASX-listed Coal Bed Methane (**CBM**) exploration and development company focussed 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 focussed 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.

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.



Appendix A – Listing Requirements

The following information is provided in respect of this announcement:

Listing Rule	Rule	Response						
5.30	An entity publicly reporting material exploration and drilling results in relation to petroleum resources must include all 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	a) Well title is Serowe-3-4 and is an appraisal well targeting Coal Bed Methane. b) Serowe-3.4 is located at Latitude -22.24598 and Longitude 26.19531136 in Prospecting Licence PL-400. c) Botala Energy Ltd working interest is 100% in the well. d) <table><tr><td>Serowe</td><td>346-374 metres</td></tr><tr><td>Upper Morupule</td><td>374-400 metres</td></tr><tr><td>Lower Morupule</td><td>400-421 metres</td></tr></table> e) The Geological rock type is coal. f) The coal seam depths will be determined by the ongoing drilling and logging programme. g) Flow-testing to be completed as part of the commercial Pilot Project. h) Gas desorption testing has been completed resulting in a Total desorption rate of 3.2 to 4.21 cc/g in the Serowe coal seam and 2.09 to 3.3 cc/g. 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	Serowe	346-374 metres	Upper Morupule	374-400 metres	Lower Morupule	400-421 metres
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	dioxide, nitrogen, hydrogen sulphide and sulphur. (n) Any other information that is material to understanding the reported results.	
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