

ASX Release | 4 February 2026

A\$3 million placement to fully fund drilling and flow testing this quarter.

Highlights

- Firm commitments received to raise A\$3m via an oversubscribed Placement.
- Strong support from new and existing sophisticated and professional investors.
- Board participated for A\$1.2m in the Placement, subject to shareholder approval.
- Funds will be applied to support the development of commercial gas flows and progress the Bankable Feasibility Study.
- Botala fully funded for drilling and testing of our first targeted production well this quarter.

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\$3 million (before costs), at an issue price of A\$0.05 per share ("New Shares").

Funds raised from the Placement will be used for:

- Drilling and stimulating Serowe-3.5B, Botala's first targeted commercial production well which is due to commence drilling and flow testing this quarter;
- Maiden Reserve certification and progressing the Bankable Feasibility Study;
- Finalising investment from the Minerals Development Company of Botswana (MDCB) in respect of their proposed (non-binding) project investment of ~A\$4 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 which, as the first phase of our CBM-to-LNG plan, offers considerable re-rating potential as we progress towards commercialisation. Achieving commercial gas flows will serve to de-risk the project and support the Bankable Feasibility Study (BFS)."

Approximately 60 million New Shares will be issued in respect to the Placement, with approximately 23.6 million New Shares issued under the Company's ASX Listing Rule 7.1 capacity and 12.2 million New Shares issued under the Company's ASX Listing Rule 7.1A capacity. Investors in the Placement will receive one new unlisted option for every two New Shares, exercisable at 10c and with a two year expiry ("New Options"). Approximately 17.9 million New Options will be issued under the Company's ASX Listing Rule 7.1 capacity. 2.5 million New Options will also be issued to the Lead Manager.

In addition, subject to the receipt of shareholder approval to be sought at a General Meeting, approximately 24.2 million New Shares and approximately 12.1 million New Options will also be issued at the same terms of the Placement to the Board as investors in the Placement.

The Issue of New Shares and New Options under the Placement (excluding shares to Board and Management) is expected to occur on or around 11 February 2026.

The issue price represents a discount of 15% to the 5-trading day Volume Weighted Average Price ("VWAP").

New Shares and exercised New Options will rank equally with the Company's existing shares on issue.

Salient Corporate acted as Lead Manager to the Placement.

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.

Botala Energy - answering Southern Africa's increasing call for gas.

Botala Energy Ltd (ASX & BSE: BTE) is an Australian natural resources company focused on developing its 100% owned Serowe Coal Bed Methane (CBM) Project in Botswana to serve Southern Africa's emerging gas supply deficit. Detailed engineering, financial modelling, and commercial planning is currently underway for a four-phase plan to deliver a liquefied natural gas (LNG) plant targeting 3.5 petajoules (PJ) of production from 108 wells. Botala has made significant progress since listing on the ASX in 2022. The company has established a major resource, and secured production licences, government and community support, environmental approvals, and an offtake partner. South African steel maker Scaw Metals signed a binding letter of intent in March 2025 to purchase up to 4.7 petajoules annually.