

ASX Release | 24 March 2026

Pitse Pilot, Serowe Project: Well S3.3 confirms multi-seam gas potential and strong stimulation response.

Highlights

- **Second coal seam validated: Upper Morupule confirmed as a potentially productive target below the Serowe seam, expanding project scale.**
- **Free gas observed at surface, supporting high gas saturation and presence of moveable gas.**
- **Strong reservoir response to stimulation, indicating that permeability can be improved with relatively simple, low-cost techniques.**
- **Permeability (1–3mD), gas pressure (~630psi) and injectivity (>10bpm) consistent with producible coal bed methane reservoirs.**
- **Rig now mobilised to well-S3.5B, with spudding imminent.**

Botala Energy Ltd (ASX/BSE: BTE) (“Botala” or “the Company”) reports a material increase in confidence in the commercial production potential of its flagship Serowe Coal Bed Methane Project following a successful step-rate test at well S3.3, one of six Pitse Pilot wells.

The overall results indicate that, in addition to the Serowe seam, the Upper Morupule seam is also capable of delivering gas, significantly expanding development optionality and project scale.

Free gas at surface and indicators of supersaturation further support the presence of moveable gas within the coal seams, a key requirement for commercial production.

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

“These results are a major step forward for the Serowe Project. We have now demonstrated that it’s not just the Serowe seam that has potential – the Upper Morupule seam is gas-charged and could contribute meaningfully to future production with clear evidence of free gas and supersaturated conditions.”

“What is particularly encouraging is that the coals are injectable and have responded well to relatively simple stimulation. We’ve observed a clear improvement in permeability without the need for complex or high-cost interventions, which supports a scalable and efficient development pathway.”

“We have also defined the behaviour of the coal, which gives us a high degree of confidence in how to design and execute the next stage of stimulation.”

“The data from well-S3.3 is already being integrated into the design of our next well, 3.5B, which is the key production well in this pilot. With the rig now on location and spudding imminent, we are moving quickly into the next phase of the development program.”

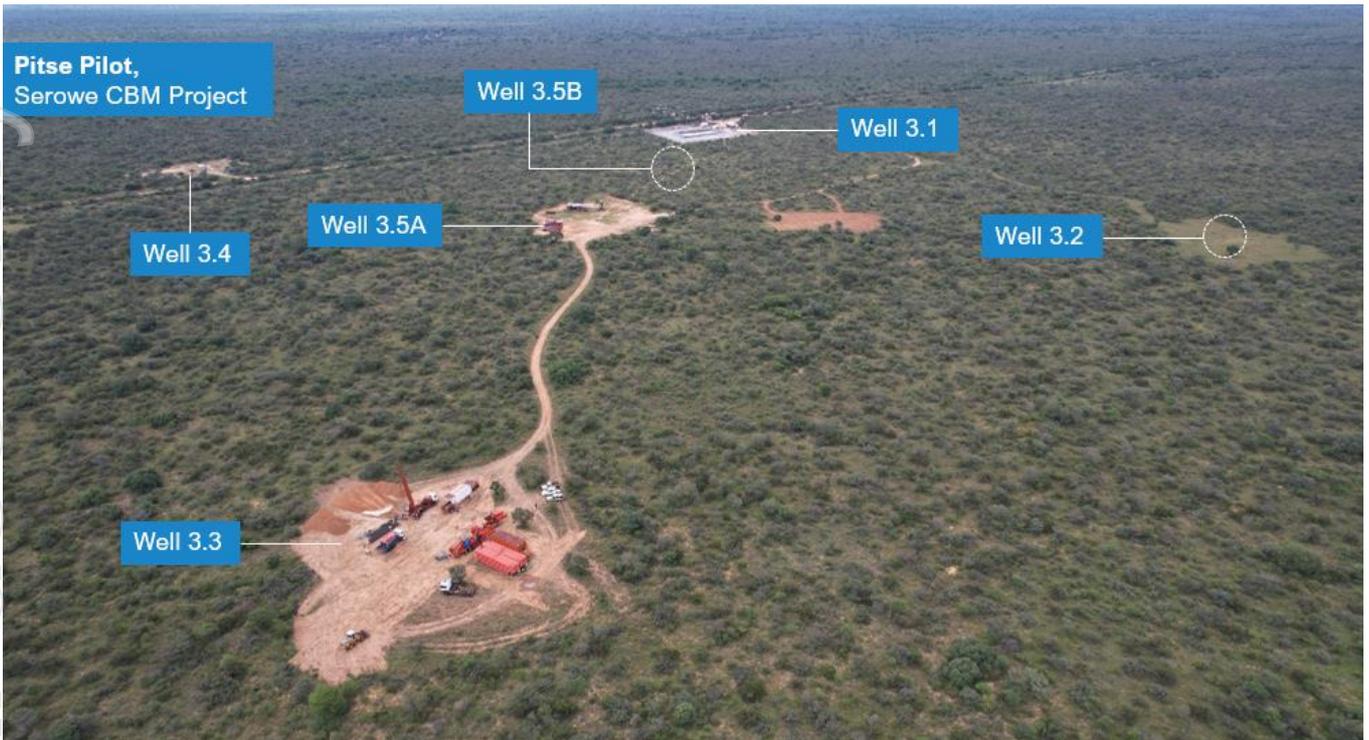


Figure 1. The Phase 1 Pitse Pilot at Botala’s Serowe CBM Project in Botswana is a “proof-of-concept” to establish a production pathway to 3.5 petajoules of LNG per year to meet growing demand in southern Africa. (Source: Botala)

Gas-charged reservoir with defined stimulation envelope

The step-rate test confirms that the Upper Morupule seam is a tight but gas-charged coal reservoir, with clearly defined pressure behaviour and the characteristics within the cleat systems, making low-cost stimulation techniques feasible.

The identification of a consistent closure pressure range and manageable stimulation gradient provides a reliable framework for stimulation design, significantly reducing technical uncertainty ahead of the next phase of operations.

Importantly, the reservoir exhibits mild overpressure and measurable permeability, supporting the presence of moveable gas and the ability to deliver flow under stimulation.

Reservoir response and stimulation implications

The step-rate test has demonstrated that the well can be reliably injected at rates exceeding 10 barrels per minute, confirming both the capacity of the reservoir to accept fluid, and the capability of the surface equipment to deliver higher-rate stimulation treatments.

The coal seam has responded positively to jetting and injection, with indications of:

- Improved near-wellbore connectivity.
- Enhanced permeability and flow pathways through interconnected cleats.
- Effective stimulation using relatively simple techniques.

These results support a development approach focused on efficient, repeatable and potentially low-cost stimulation methods.

Integration with development program

Data obtained from the well S3.3 step-rate test will be directly incorporated into the design of Botala's upcoming stimulation program, including:

- Optimisation of abrasive sand jetting perforation strategy.
- Selection of injection rates and fluid systems.
- Calibration of stimulation initiation pressures and operating limits.

This integration is expected to enhance execution certainty and maximise stimulation effectiveness in the upcoming production well.

Well 3.5B – Next phase of operations

A drilling rig has now been mobilised to the well S3.5B location, with spudding of the next well imminent.

The well is planned as a key step in the Pitse Pilot's program and will benefit directly from the data and operational learnings obtained from the well S3.3 step-rate test.

Next steps

- Finalisation of detailed reservoir and pressure analysis.
- Execution of well S3.5B drilling and completion.
- Stimulation and flow testing of the well.



Figure 1. Pitse Pilot well S3.3 perforation and jetting operations. (Source: Botala)

We use the same coal bed methane wells as Queensland's established industry.

Wells with perforated steel casing will target three seams:

Serowe (360 – 390m)

Upper Moruple 410 – 430m

Lower Moruple 460 - 490m.

Serowe seam
Upper Moruple seam
Lower Moruple seam

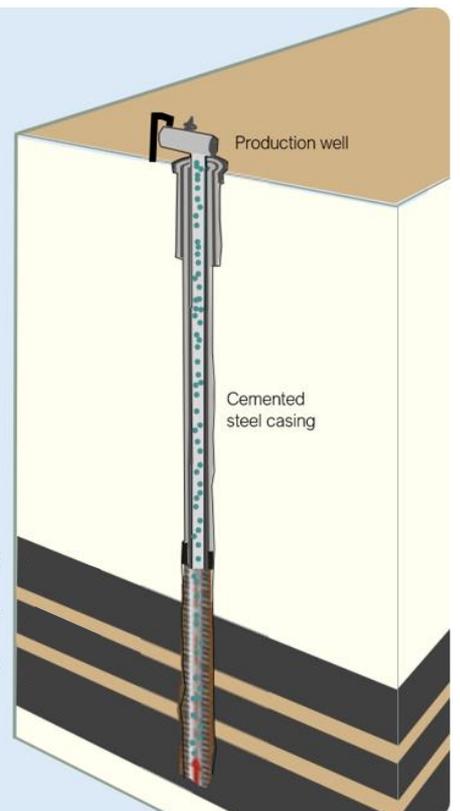


Figure 3. Simple, shallow conventional wells with perforated casing and standard completions will target three seams at the Serowe CBM Project. (Source: Botala)

Approved by the Board of Botala Energy Ltd.

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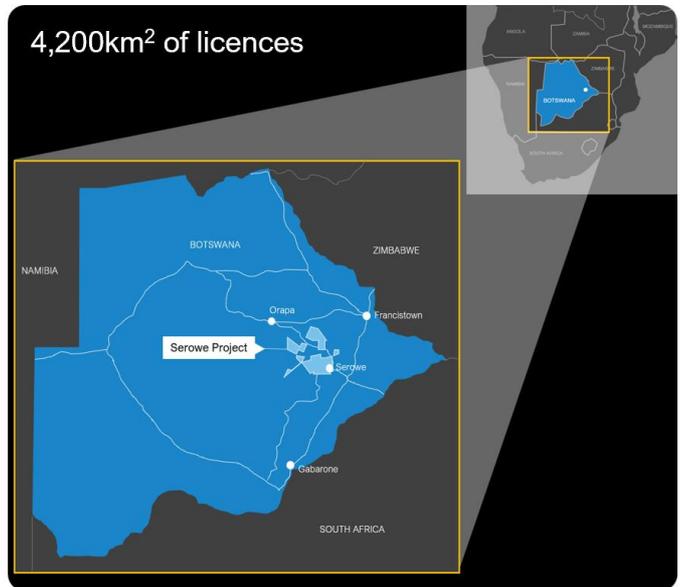
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Forward-looking Statements

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 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.



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	<p>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.</p> <p>(a) The name and type of well.</p> <p>(b) The location of the well and the details of the permit or lease in which the well is located.</p> <p>(c) The entity’s working interest in the well.</p> <p>(d) If the gross pay thickness is reported for an interval of conventional resources, the net pay thickness.</p> <p>(e) The geological rock type of the formation drilled.</p> <p>(f) The depth of the zones tested.</p> <p>(g) The types of test(s) undertaken and the duration of the test(s).</p> <p>(h) The hydrocarbon phases recovered in the test(s).</p> <p>(i) Any other recovery, such as, formation water and water, associated with the test(s) and their respective proportions.</p> <p>(j) The choke size used, the flow rates and, if measured, the volumes of the hydrocarbon phases measured.</p> <p>(k) If flow rates were tested, information about the pressures associated with the flow and the duration of the test.</p> <p>(l) If applicable, the number of S stimulation stages and the size and nature of stimulation applied.</p> <p>(m) Any material volumes of non-hydrocarbon gases, such as, carbon dioxide, nitrogen, hydrogen sulphide and sulphur.</p> <p>(n) Any other information that is material to understanding the reported results.</p>	<p>a) Well title is Serowe-3.3 and is an appraisal well targeting Coal Bed Methane.</p> <p>b) Serowe-3.3 is located at Latitude -22.24598 and Longitude 26.19531136 in Mining Licence ML-52 (previously Prospecting Licence PL-400).</p> <p>c) Botala Energy Ltd working interest is 100% in the well. Coal seam thickness is 24m.</p> <p>d) Not Applicable.</p> <p>e) The Geological rock type is coal.</p> <p>f) The Serowe seam was encountered at a depth of 342m and the Upper Morupule seam was encountered at a depth of 373m.</p> <p>g) Upper Morupule Seam has been jetted as part of the perforation program to open the casing; the well has undergone a ‘Step-rate’ test prior to installation of the completion ahead of flow-rate testing, results are: - ISIP: ~910 psi BHP. - Closure Pressure: 820–840 psi BHP. - Reservoir Pressure: ~630 psi (over pressured). - Stimulation Gradient (388 m mid-depth): ~0.72 psi/ft. - Permeability: Estimated between 1–3mD (not rigorously determinable as the fall-off did not reach radial flow). - Radius of Investigation: circa 25 metres (rough estimate extrapolated from late-time data).</p> <p>h) Logging results will identify the hydrocarbon content, gas has been measured at surface, gas flow-testing is underway.</p> <p>i) Water volumes will be tested in subsequent flow-testing.</p> <p>j) Not Applicable.</p> <p>k) Not Applicable.</p> <p>l) Not Applicable – Coals have been ‘jetted’ as part of the casing perforation process. A downhole tool compiled of jetting nozzles inject under high pressure a mixture of water and abrasive sand to cut open the steel casing. Once the steel was perforated, the operation continues to allow the perforation to extend into the coal itself. The size of the perforation into the coals is likely to be less than 1 metre.</p> <p>m) Not Applicable.</p> <p>n) Not Applicable.</p>