



Botala Energy Ltd

ASX Announcement

Friday, 22 December 2023

A\$2.4M PLACEMENT TO COMPLETE THE COMMERCIAL PILOT PROGRAMME

Highlights:

- **Firm commitments received to raise A\$2.4m via an oversubscribed Placement.**
- **Strong support from new and existing sophisticated and professional investors.**
- **Board participated for A\$775,000 in the Placement, subject to shareholder approval.**
- **Strengthened balance sheet positions Botala strongly to complete its commercial pilot programme.**
- **Funds will be applied to support the development of commercial gas flows.**

Botala Energy Ltd (ACN 626 751 620) ("**Botala**" or "**Company**") is pleased to announce that it has received firm commitments from sophisticated investors for a placement of fully paid ordinary shares to raise a total of A\$2.4 million (before costs) at an issue price of A\$0.09 per share ("**New Shares**") with a free attaching 1 for 1 unlisted option exercisable at A\$0.15, expiring 31 December 2025 ("**Attaching Options**") to complete the commercial pilot programme ("**Placement**").

The issue price represents a premium of 8.4% to the 10-trading day Volume Weighted Average Price ("**VWAP**").

Approximately 26.7 million New Shares, and approximately 26.7 million unlisted options will be issued in respect to the Placement with approximately 18.1 million shares issued under the Company's remaining capacity under Listing Rule 7.1.

Approximately 18.1 million unlisted options will be subject to shareholder approval at a General Meeting anticipated to be held in early 2024. In addition, subject to the receipt of shareholder approval to be sought at the General Meeting, approximately 8.6 million shares and approximately 8.6 million unlisted options will also be issued at the same terms of the Placement to the Board as investors in the Placement.

Funds raised from the Placement will be used to support the completion of the commercial pilot programme, research and development of renewables projects including a Solar Panel Manufacturing Plant in Botswana and general working capital.

The commercial well programme (Project Pitse) consists of 5 drilled wells and is targeting gas production mainly from the promising Serowe and Upper Morupule coal seams.

The Issue of New Shares under the Placement (excluding shares to Board and Management) is expected to occur on or around 29 December 2023 with approximately 8.3 million shares deferred to the March 2024 quarter, once the funds are received.

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

Botala Energy Chief Executive Officer Kris Martinick commented: "Botala is very pleased with the support shown by our existing investors and new investors for our Projects as evidenced by the strong demand for the Placement. The funds secured positions the Company strongly to complete our commercial pilot programme and target commercial gas flows from Project Pitse."

Palomar Advisory Pty Ltd (**Palomar**) and Cadmon Advisory Pty Ltd (**Cadmon**) acted as Joint Lead Managers to the Placement.

This ASX announcement was approved and authorised for release by the CEO.

Yours faithfully

BOTALA ENERGY LTD



Kris Martinick
Chief Executive Officer

For more information please contact:

Kris Martinick.

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

About Botala

ASX-listed Botala is exploring and developing production of coal bed methane (**CBM**) from its 70% owned Serowe CBM Project which is located in a high-grade CBM region of Botswana. The remaining 30% are owned by ASX-listed Pure Hydrogen Corporation Ltd pursuant to a joint venture agreement with Botala. As Operator, Botala is focussed on developing the Serowe CBM Project and related early-stage renewable energy opportunities, and believes that there are considerable opportunities for Botala to commercialise CBM because of the demand for reliable and affordable energy in Botswana and neighbouring countries.

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.