



Tuesday, 20 August 2024

## **LEUPANE ENERGY HUB AND INDUSTRIAL PARK: ENVIRONMENTAL APPROVAL**

### **Highlights:**

- a. Environmental approval granted to develop the Leupane Energy Hub and Industrial Park.**
- b. Significant Milestone for:**
  - i. Near term (2 years) Development of:**
    - **Stage-1 (250MW) of 500MW solar project in joint venture with AAAS of Netherlands.**
    - **Photovoltaic (PV) panel manufacturing plant in joint venture with Solar Finland.**
  - ii. Medium term (years 3 to 5) Development of:**
    - **200MW gas fired electricity generation plant.**
    - **Liquefied Natural Gas (LNG) or Compressed Natural Gas (CNG) production facility.**
    - **Industrial Park for industries attracted by reliable energy and Botswana's attributes.**
    - **Beneficiation Plant for interested parties to process copper concentrates and achieve the Botswana Government objective of in-country value-adding.**

Botala Energy Ltd (ACN 626 751 620) ("**Botala**") is pleased to advise that it has received environmental approval from the Department of Environmental Protection to proceed with commercial development of its Leupane Energy Hub and Industrial Park, as outlined in its Environmental Impact Assessment (**EIA**) and shown in Figure 1. The approval is subject to conditions that are relatively standard for such projects.

Future developments will need to secure relevant licences and permits from local authorities. The necessary building and planning applications for development of the PV manufacturing plant have been submitted and will be submitted shortly for the solar farm both of which form part of the Leupane Energy Hub and Industrial Park.

**Kris Martinick, CEO of Botala said:** *"We are pleased to have secured the necessary environmental approvals following a detailed social and environmental appraisal. Coupled with the previously announced environmental approvals to develop our Serowe gasfield, complete with a gas pipeline to Leupane, we are well positioned to achieve our energy objectives on schedule and in a sustainable and socially responsible manner."*

*This approval allows Botala and our solar farm partner AAAS Energy to progress the planned 250MW solar project at the Leupane Energy Hub and Industrial Park."*

Whilst Botala's prime focus is the development of its 100% owned Serowe coal bed methane gas project, our secondary focus, as an energy company, is on developing related renewable (especially solar) energy and other related opportunities. Hence, development of the 1520ha Leupane Energy Hub and Industrial Park adjacent to Palapye in Botswana.

This includes staged development of a 500MW solar farm. Stage-1 is envisaged to be developed in joint venture with AAAS Energy BV (**AAAS**) of the Netherlands as announced to the ASX on 12 April 2024. A binding agreement requires AAAS to farm-into 50% of the Project for A\$1 million, with AAAS being responsible for all initial development capital. A Bankable Feasibility Study is expected to be completed by the end of 2024.

The Leupane Energy Hub and Industrial Park is poised to become a cornerstone for renewable and gas fired power generation in the region. Botala has completed initial plans to develop 700MW of hybrid gas and solar power generation capacity on the site (Section 3.7 of Prospectus, 16 May 2022). Grid connection studies completed in conjunction with the Botswana Power Corporation confirm the site has sufficient capacity for 700MW. This initiative aligns with both Botala's vision of delivering sustainable and affordable energy.

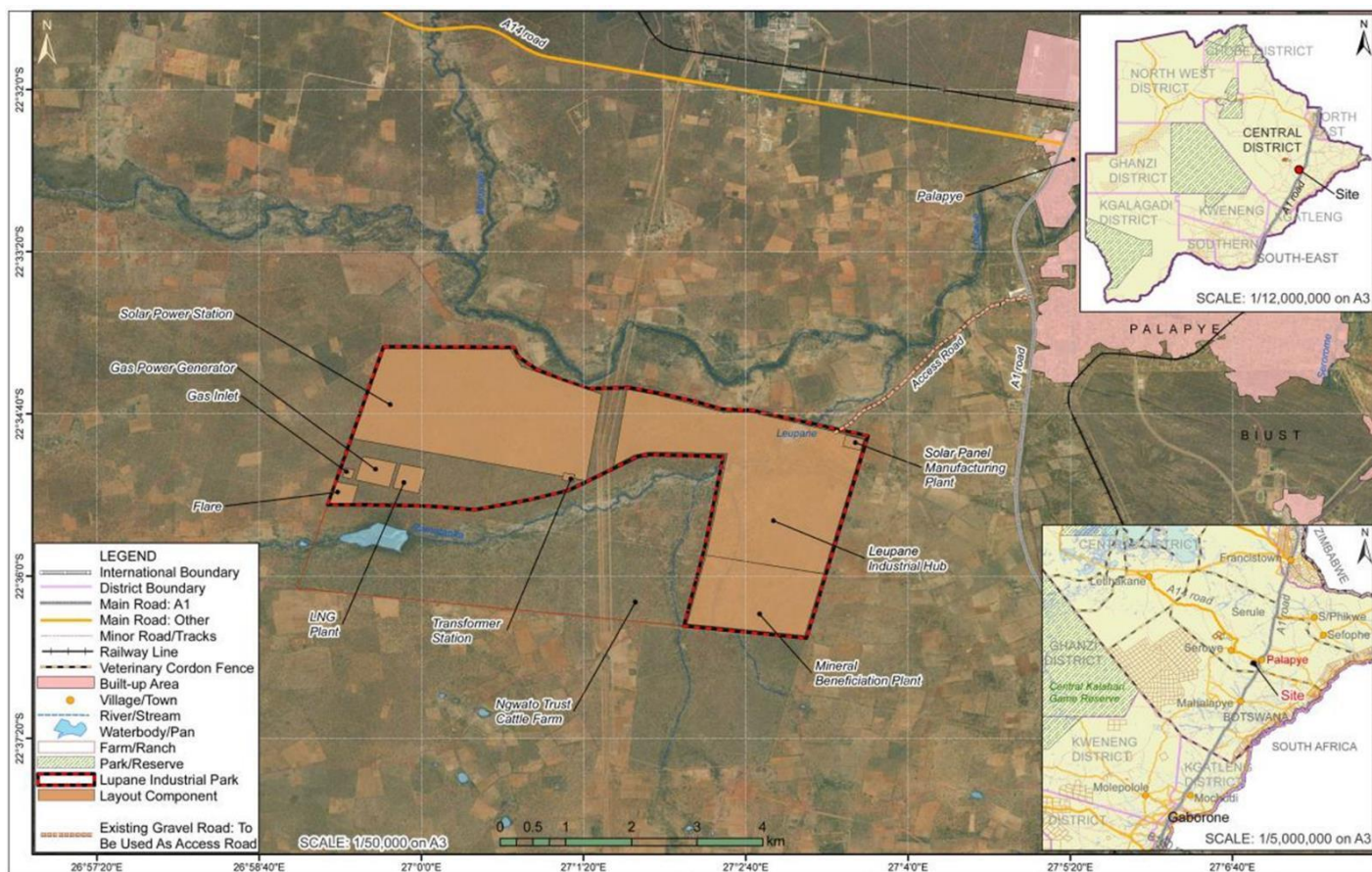


Figure 1 - Proposed Leupane Energy Hub and Industrial Park Preliminary Layout

Botala is progressing with development of a PV panel manufacturing plant in partnership with Solar Finland as announced to the ASX on 5 June 2023.

The granted environmental approvals remove a requirement Botala had to satisfy in its agreements with AAAS and Solar Finland.

#### Overview of approvals requested in EIA include:

- a. Hybrid Power Station, developed progressively to 700MW; with scope to expand further with growth in the demand for electricity. This will be 500MW solar energy and 200MW gas generated power, complete with:
  - i. Supportive batteries for energy storage for supply of constant electricity.
  - ii. Gas generators or turbines to provide reliable baseload electricity.
  - iii. Transformers and related infrastructure to connect to the existing electricity distribution grid.
- b. PV Panel Manufacturing Plant for which a Special Economic Zone Licence has been granted. Approval was specifically requested for this plant.
- c. Liquefied Natural Gas (**LNG**) and Compressed Natural Gas (**CNG**) plants to produce and distribute LNG and/or CNG within Botswana and to neighbouring countries, especially South Africa.
- d. Other industries, especially new-age industries, attracted by reliable, affordable power and other favourable attributes of the site. Industries are likely to include, but not be limited to:
  - i. Battery manufacture and recycling for renewable energy industries.
  - ii. Electrolyser to manufacture hydrogen from water and solar energy.
  - iii. Hydrogen production from CBM to produce black carbon, graphite, and graphene.
  - iv. Ammonia plant to utilise CBM.
- e. Land servicing: Services such as roads, power distribution, water supply and sewage.
- f. Offices and workshops for administration, storage, and maintenance.
- g. Mineral Beneficiation Plant: To value-add to minerals mined in Botswana, especially its emerging copper mining industry, which currently exports copper concentrates for beneficiation in other countries, especially China. Botala's interest in this plant will be limited to providing an environmentally approved site in a logistically ideal location and supplying the required energy. Approval was specifically requested for this plant.

BY ORDER OF THE BOARD

Yours faithfully

**BOTALA ENERGY LTD**

A handwritten signature in black ink, appearing to read 'Kris Martinick', with a horizontal line extending to the right.

Kris Martinick

**Chief Executive Officer**

**For more information please contact:**

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This report is lodged on Botala's website, [www.botalaenergy.com](http://www.botalaenergy.com)

## **About Botala**

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 a demand for gas 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.