

28 April 2020

Dear Fellow Shareholder

I hope you and your family are safe during these unprecedented times.

Since BotsGas signed the Heads of Agreement earlier this year with Strata-X Energy Ltd (TSX.V:SXE)(ASX:SXA) the coronavirus pandemic has prevented us from drilling the planned due diligence well for which we had already obtained detailed tenders and costings.

In light of pandemic-imposed restrictions the terms for BotsGas' 49% farmin have been amended. The proposed initial exploration and appraisal/development programmes are more flexible and costs have been reduced.

BotsGas will now earn 49% by contributing US\$4.6m over a two-year period. Suitable clauses for an extension have been included should the funding of this prove difficult given the current economic uncertainty. This is a reduction from the previous terms of up to US\$7.15m.

Our first payment has been reduced to A\$600,000, which includes a A\$300,000 placement in Strata-X at 6c per share and one 2-year option at 7 cents for every 2 shares.

The placement provides some security to seed shareholders at 5 cents as BotsGas will commit to the distribution of these shares on a pro-rata basis to seed shareholders should, for whatever reason, BotsGas decide not to proceed to drilling.

The payment of the A\$600,000 is in two tranches of \$300,000 each, with the placement occurring on or before 22 May and the balance on or before 30 June 2020.

The overall goal during the farmin is to establish sufficient third party certified CBM reserves to supply the nearby Orapa power station with gas. The proposed exploration and development programme will include:

- a) By end Nov 2020: Establishment of a detailed regional database and pre-appraisal drill mapping with the goal that every appraisal well intersects high grade CBM.
- b) 2021/22:
 - Drill and complete every appraisal well that intersects high grade CBM for long term production testing.
 - Adjust completion production methods along the way.
 - Drill, complete and production test pilot wells around the best performing appraisal wells to prove sustained, commercial gas flows.
 - Obtain third party certification of CBM reserves.



We are progressing with our fund raising and are confident that we will have the necessary funds in place to pay the required \$600,000.

I confirm that I am participating in the placement to the value of \$200,000.

Please note that our CBM project is independent of international oil and gas prices as we are not competing with these commodities, but rather we are aiming to supply cheaper and more reliable energy to the local market. This will replace the expensive and unreliable electricity currently imported from old, South African coal-fired power stations.

Considering the current situation, we will also be reviewing our current capital seed raising deadline.

Please call me on 0417 942 466 or Kris Martinick (M: 0421 322 737; E: kris.martinick@botsgas.com) if you have any queries or require more information.

Kindest regards and stay safe.

A handwritten signature in black ink, appearing to read "Wolf Martinick", with a horizontal line underneath.

Wolf

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