

FIRST WELL OF KORHAAN PROJECT SPUDED

HIGHLIGHTS

- **First of three new Korhaan Project wells spudded at Korhaan-4.**
- **Air/percussion drilling has commenced to an estimated depth of 450m.**
- **Following casing of dolerite sills, gas hosting sandstone and coal geology anticipated to be intersected.**
- **A second well at Korhaan-3 is expected to be spudded in the week commencing 15 November 2021.**
- **A third well at Korhaan-5 will be spudded within days after Korhaan-4 has been drilled to designed depth.**

4 November 2021: Perth-based energy exploration company Kinetiko Energy Limited (ASX: "KKO" or "Company") is pleased to update that it has commenced drilling the first of three wells on the Korhaan Project.

The first well named Korhaan-4 is estimated to reach a depth of 400m-450m to test the gassy sandstones and coal bed methane ("CBM") horizons from the known coal beds that were intersected and observed to be gassy from adjacent (400m away) flow tested gas wells KA-03PT2 and KA-03PTR (Figure 1). All five wells are intended to become our early, pilot-production sources of gas, with comingled production to an infield offtake facility being planned.



Figure 1: The well locations of the Korhaan drilling project

Wells Korhaan-4 and -5 will be drilled using air/percussion mechanisms while Korhaan-3 will be drilled with air to 150m and then using a rotary mud methodology to designed depth. The efficacy of each method will be studied in terms of safety, environmental impact, rate of penetration (“**ROP**”) and “skin” damage. This will inform the Company’s approach to the planning and design of future, multi-well batch drilling projects. The design of the wells and geological cross section is shown at Figure 2.

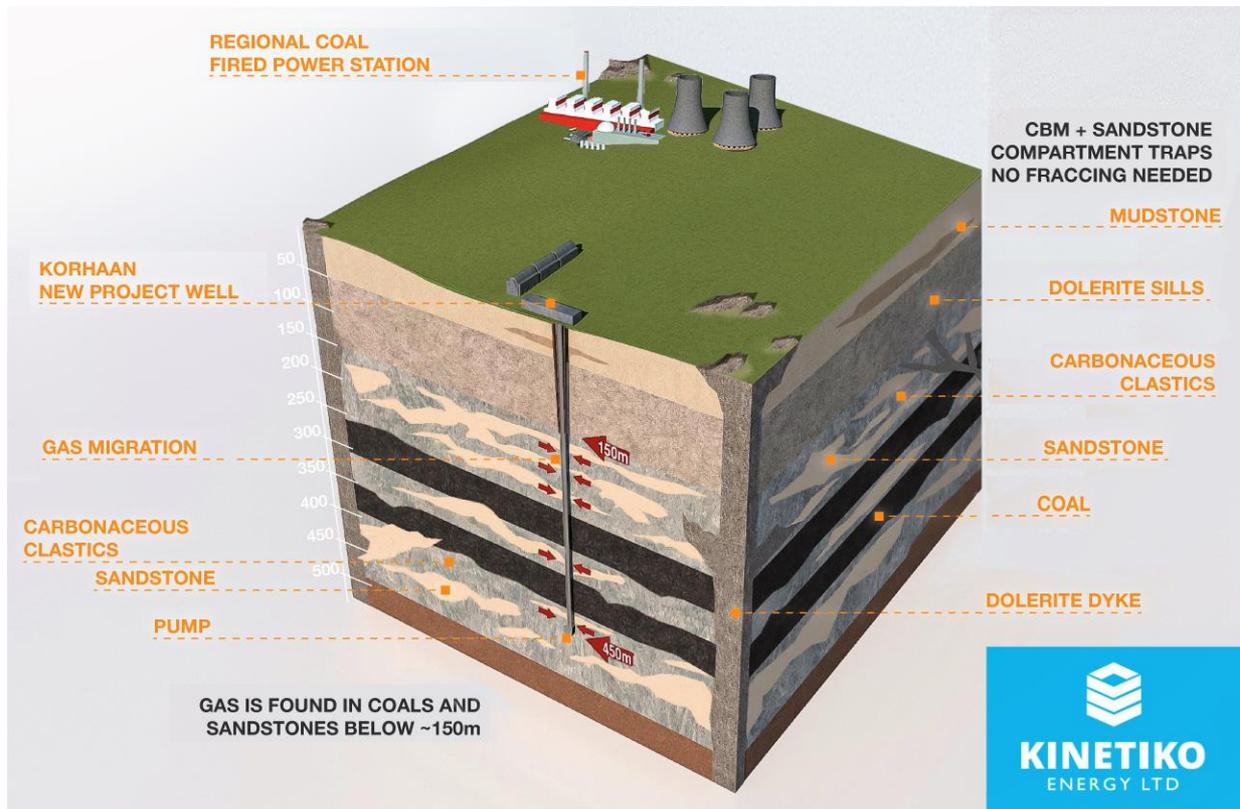


Figure 2: A graphic representation of a typical Korhaan production well

The upcoming three-well drilling program to be drilled within 400 metres of KKO's proposed gas collection terminal at Amersfoort where access and infrastructure is being established. The Company has also engaged experienced contractors to complete the well cementing and wireline logging.

Preliminary gas flow rates will be assessed following completion of well Korhaan-4, with further reports to follow each well conclusion.

This announcement is authorised for release to the market by the Board of Directors of Kinetiko Energy Limited. For more information visit: www.kinetiko.com.au or contact,

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About Kinetiko Energy and Afro Energy

Kinetiko Energy is an Australian gas explorer focused on advanced shallow conventional gas and coal bed methane (CBM) opportunities in rapidly developing markets in Southern Africa. South Africa has extensive gassy coal basins, extensive energy infrastructure and a growing gas demand, making it an attractive area for investment. The Company has a large potential exploration area, of which approximately 7000km² is granted and being explored.

Afro Energy (Pty) Ltd. was incorporated as a joint venture founded in 2015 by Kinetiko Energy Ltd (49%) and Badimo Gas (Pty) Ltd of South Africa (51%) as a JV company to own 100% of the exploration rights with required BEE (Black Empowerment Endowment) certification, and facilitate South African investment in order to continue to explore, develop, and commercialise gas production.

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