

The Clean Energy Solution for South Africa

MAY 2022

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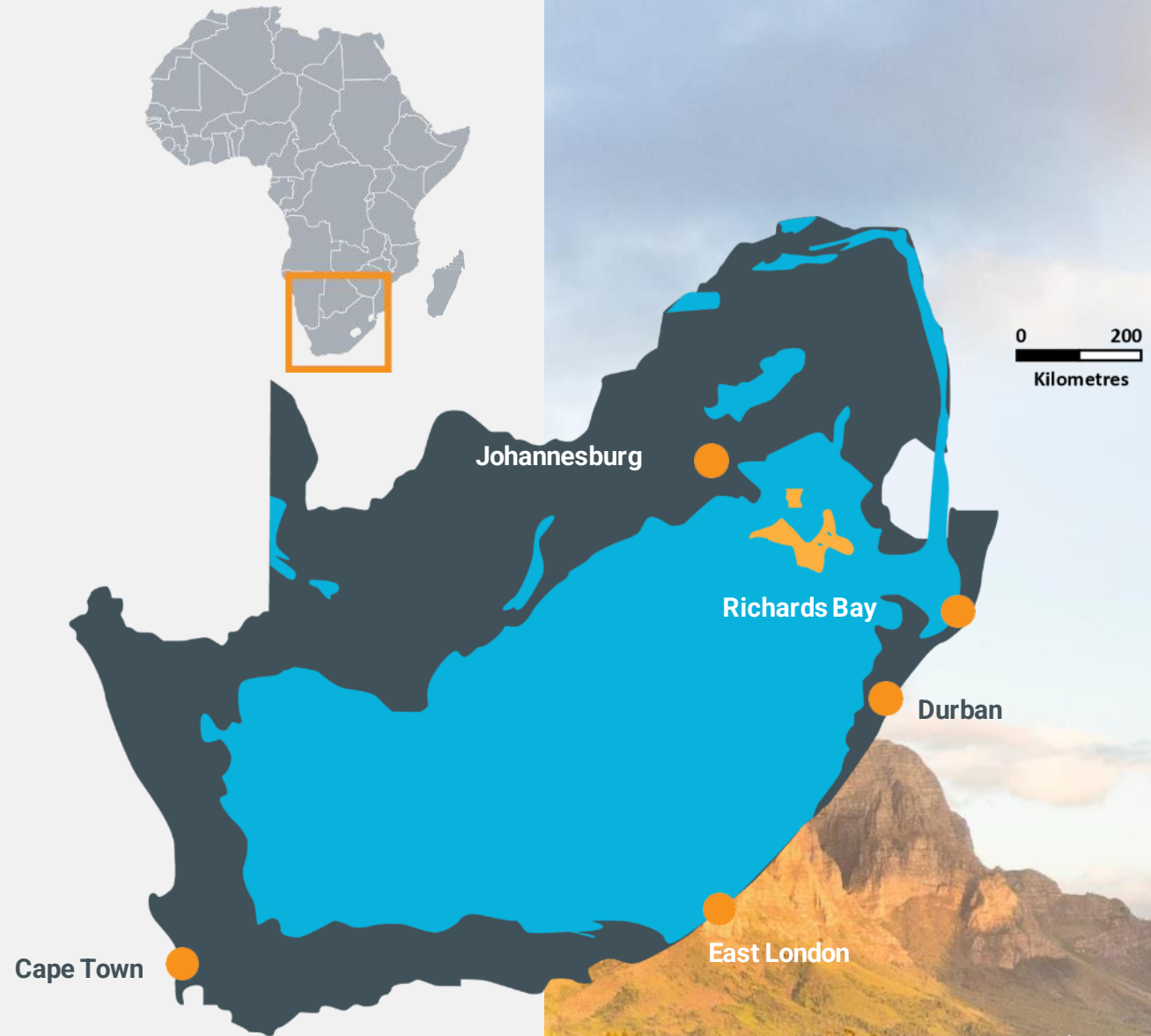
This presentation contains technical information derived from third party sources and not generated by the company, as such while the Company considers the information presented and any conclusions drawn correct it is unable to guarantee the veracity of the information or therefore the appropriateness of the conclusions reached.

Unless otherwise specified information in this report relating to exploration and related technical comments have been compiled by Dr James Searle, a Member of the Australian Institute of Mining and Metallurgy, and a non-executive Director of Kinetiko Energy Ltd with over 30 years experience in metallic and energy minerals exploration and development, including over 9 years experience in hydrocarbon exploration. Dr Searle consents to the inclusion of this information in form and context in which it appears.



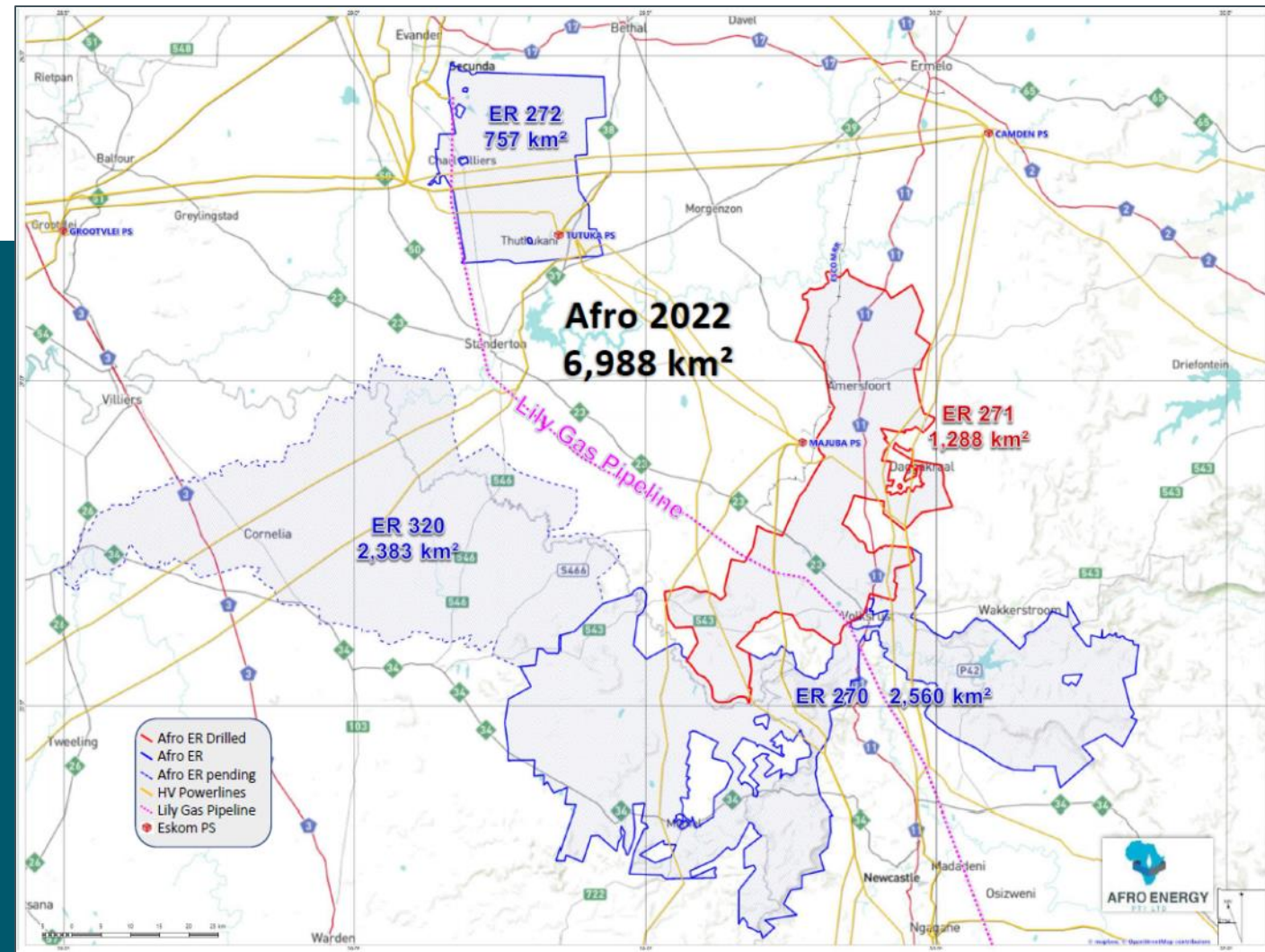
100%* owner and operator of Afro Energy

- › Over 12 years activity in South Africa
- › Kinetiko vision to become South Africa's largest on shore gas producer
- › Strategic location in the centre of South African energy infrastructure
- › Not a shale gas company with no hydraulic fracturing required
- › Wells are shallow with conventional sandstone reservoirs



Largest continuous landowner in the heart of the Permian Age Coal Fields

- Project area covers 7,000km² with 4,604km² of granted exploration rights
- Proven and highly prospective Permian Age Coal Fields
- Equating to approximately 2% of South Africa's total land mass



Decisive advantages to drive investment return

01

Unmatched strategic resource

Independently certified 2C gas resource of 4.9 TCF



03

Significant infrastructure in place

Pipelines, Electricity grids and virtual gas networks



05

Transformational commercialisation options

Multiple channels to monetisation and sales



02

Premium land position

So far 79 potential gas compartments discovered



04

South African energy crisis driving demand

No energy alternatives leads gas prioritisation



06

Early-stage production underway

Rapid development plans and pathway to production

Strategic Partnerships and Capital have been secured to expedite growth

Joint Development Agreement with the Industrial Development Corporation of South Africa

- › Afro Energy has entered into a joint development agreement ("JDA") with the Industrial Development Corporation of South Africa ("IDC")
- › The IDC is a wholly owned subsidiary of the South African government mandated to promote economic growth and industrial development in South Africa
- › JDA to develop around 20 gas fields to produce gas for industrial, commercial, transportation or power generation applications

Strategic South African investor secured

- › Kinetiko has secured a subscription of ZAR\$10m from South African energy investment group, Phefo Power
- › Investment group stakeholders comprise leading South African oil and gas executives
- › The subscription substantially bolsters the Kinetiko Black Economic Empowerment (BEE) certification

Rights issue launched

- › The investor subscription was combined with a 1 for 15 pro rata renounceable rights issue to raise a combined total of A\$4m
- › On completion, Kinetiko will be well-funded to pursue further exploration and for general working capital



Kinetiko continues to attract South African investment as its vision to become a strategic energy solution in South Africa gains momentum.

- Kinetiko Executive Chairman, Adam Sierakowski

Drilling

Adding to two existing, pilot production wells, KKO drilled three wells in similar and neighbouring compartments. They were called **Korhaan-3**, **Korhaan-4** and **Korhaan-5** in honour of the Blue Korhaan, an endemic bird species of the SA Grasslands Biome where KKO are currently operating.

Each well had dolerite sills cased (to about 150m) they were TD'd between 430m - 450m. They were logged with easy lithological correlations between them and the existing wells. Logs showed an average of over 100m of pay per well.



After three well campaign, intention to focus on the following aspects of the expansion

Extending the Korhaan well collection to create a minimum production volume to support a modular infield GTP generator (scalable from 1MW to 5MW output) and to support the construction of an in-field LNG plant (producing approx. 900 GJ/d (18T LNG) per module) which can be increased as more gas is brought onstream.

Creating the foundation of a similar well basis in the region of Volksrust, where the geological basement appears about 200m deeper, pressure stronger and the production rates could be better. From Volksrust, either LNG or gas to pipeline solutions are available.

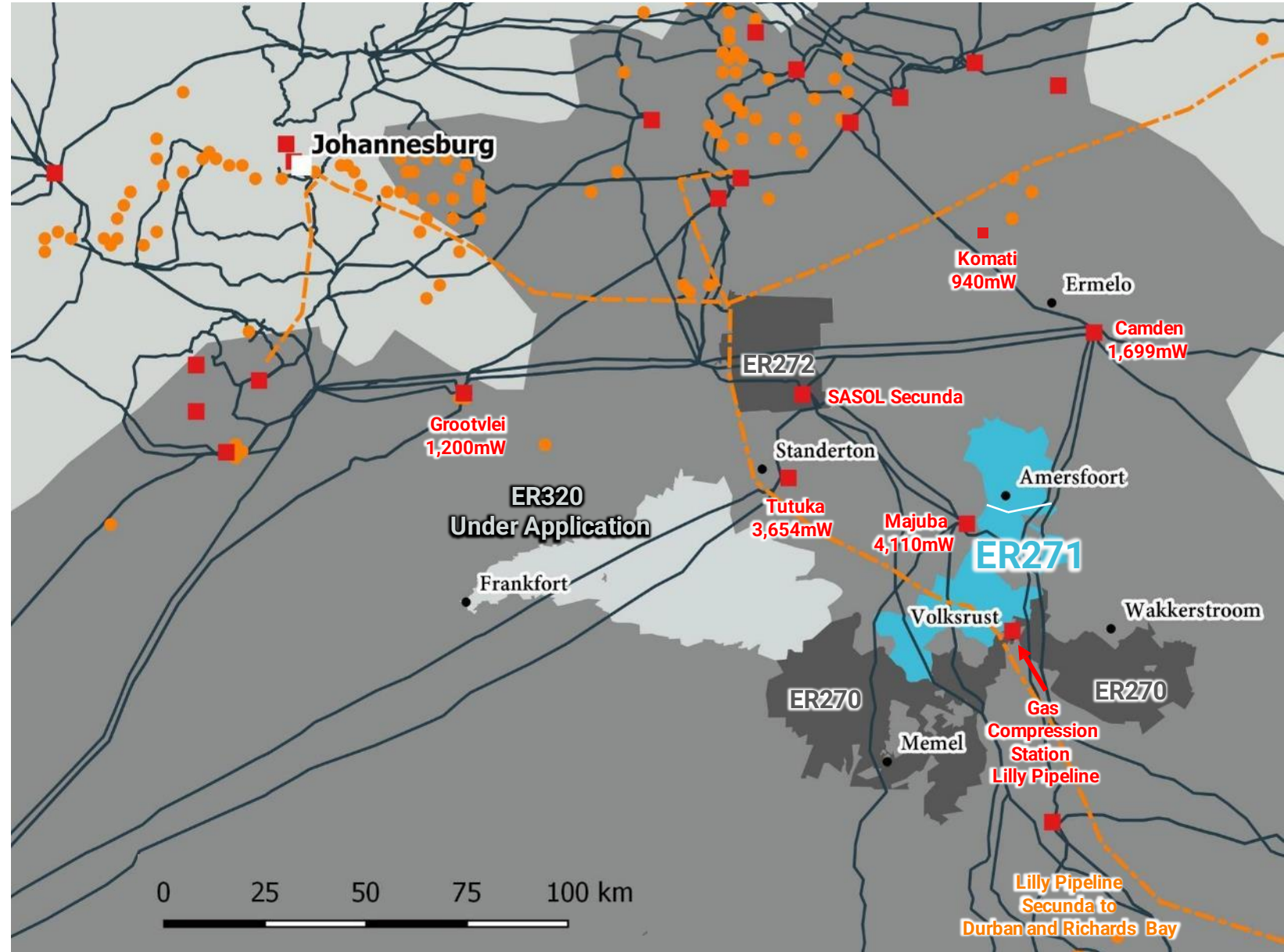
KKO can also open up new areas to exploration and development, especially in the northern blocks bordering on Secunda (for potential supply via pipeline to Sasol) and in the south-western region for potential GTP.



Gas to market with immediate gains

- › Power stations, gas pipelines, high voltage transmission lines, road and rail
- › All adjacent to exploration rights, existing and available

■	Power Plants
—	Power Transmission Lines
●	Major Mines
—	Gas Pipelines
■	Major Karoo Basin
■	Amersfoort Project
Exploration Right 38:	649km ²
Exploration Right 56:	378km ²
Exploration Right 271:	260km ²
■	Exploration Rights
Exploration Right 270:	2,560km ²
Exploration Right 272:	757km ²
■ ■	Total Exploration Rights: 4,604km ²
■	Under Application
Exploration Right 320:	2,394km ²
■ ■	Total Exploration Area: 6,998km ²



Amersfoort Project: Independently certified contingent 2C gas resource of 4.9 TCF*

Resource Statement Gas Gross

Unit=Billion Cubic Feet				Unit=Billion Cubic Metre		
Gas In Place	1C	2C	3C	1C	2C	3C
CBM	3114.2	6883.8	13097.2	88.2	194.9	370.9
Gas in Sandstone	1089.8	2422.8	4367.8	30.8	68.6	123.7
Total	4204.0	9306.6	17465.0	119.0	263.5	494.6

Unit=Billion Cubic Feet				Unit=Billion Cubic Metre		
Prospective Resource	1U	2U	3U	1U	2U	3U
Gas in Sandstone	361.0	902.5	1766.7	10.2	25.6	50.0

Unit=Billion Cubic Feet				Unit=Billion Cubic Metre		
Contingent Resources	1C	2C	3C	1C	2C	3C
CBM	2047.1	4492.0	8621.2	58.0	127.2	244.1
Gas In Sandstone	189.8	369.8	629.4	5.4	10.5	17.8
Total	2236.9	4861.8	9250.6	63.4	137.7	261.9

Resource Statement Gas Net to Kinetiko Energy Limited

Unit=Billion Cubic Feet				Unit=Billion Cubic Metre		
Gas In Place	1C	2C	3C	1C	2C	3C
CBM	1526.0	3373.1	6417.6	43.2	95.5	181.7
Gas in Sandstone	534.0	1187.2	2140.2	15.1	33.6	60.6
Total	2060.0	4560.2	8557.9	58.3	129.1	242.4

Unit=Billion Cubic Feet				Unit=Billion Cubic Metre		
Prospective Resource	1U	2U	3U	1U	2U	3U
Gas in Sandstone	176.9	442.2	865.7	5.0	12.5	24.5

Unit=Billion Cubic Feet				Unit=Billion Cubic Metre		
Contingent Resources	1C	2C	3C	1C	2C	3C
CBM	1003.1	2201.1	4224.4	28.4	62.3	119.6
Gas In Sandstone	93.0	181.2	308.4	2.6	5.1	8.7
Total	1096.1	2382.3	4532.8	31.1	67.5	128.3

*ASX Announcement 29 July 2020

High quality results from 2018 independent GAS flow testing

- 95% gas recovery with low levels of groundwater produced
- 99.5% methane content
- Possible elimination of gas treatment due to high quality
- Evidence of strong gas reservoir recharge over time

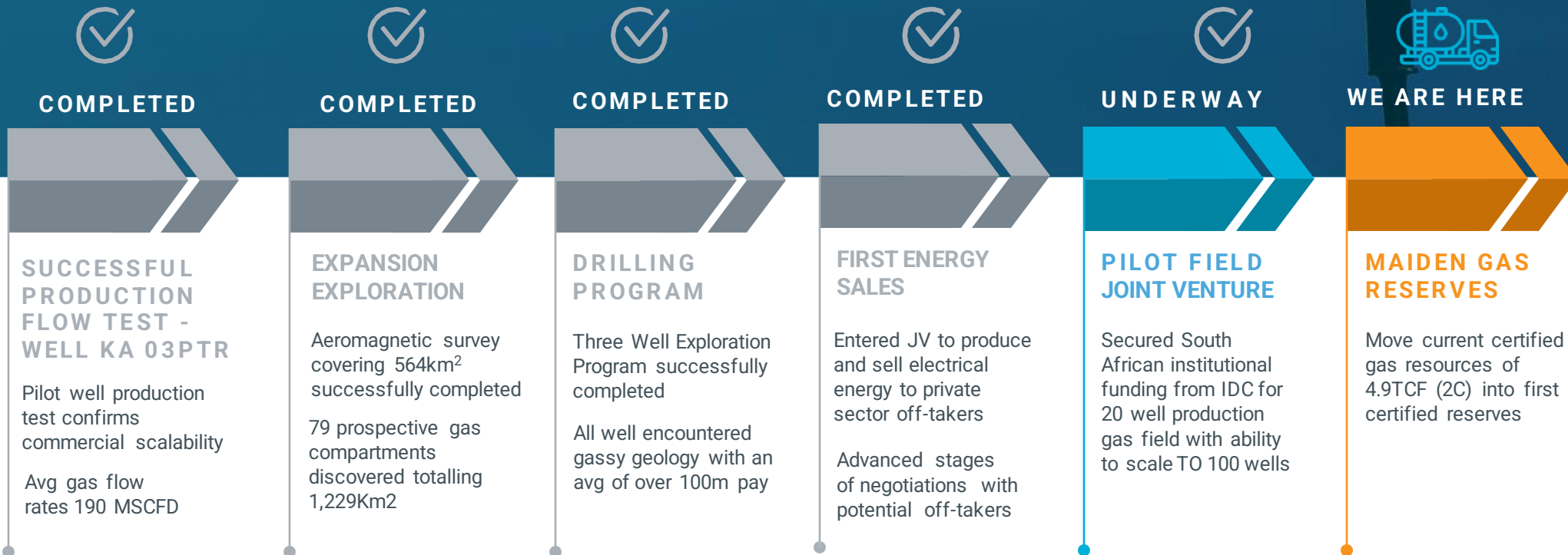
Isolated coal measures remain untested for CBM potential

- Results so far from simple well completions not fully optimised for gas production
- Coal and carbonaceous formations as yet to be tested in isolation

Significant exploration upside

- Only 15% of total land package explored
- Know Karoo coal formation deepen and thicken providing high priority targets
- Long term development potential

Roadmap progress to become the region's gas leader



Majorly undervalued share price compared to peers, equating to excellent growth potential

	ASX:	Location	Cash (m)	Share Price	Shares (m)	Mkt Cap (m)	EV (m)	2P BCF (net)	3P BCF (net)	2C TCF (net)
 ¹	KKO	South Africa	\$1.0	\$0.083	626	\$52	\$52	-	-	4.9
 ²	RLT	South Africa	\$51.2	\$3.87	123	\$476.6	\$519.5	407.0	600.1	-
 ³	TOU	Botswana	\$1.0	\$0.04	600	\$24.0	\$19.8	25.2	252.0	0.3
 ^{4,9}	BLU	Australia	\$9.7	\$0.083	1530	\$127.0	\$117.4	67.3	282.4	1.2
 ^{5,9}	COI	Australia	\$7.2	\$0.18	860	\$154.8	\$154.1	100.5	173.5	0.2
 ^{6,9}	GLL	Australia	\$10.2	\$0.30	332	\$99.7	\$89.9	-	-	2.4
 ⁷	GAS	Australia	\$6.1	\$0.345	200	\$68.9	\$62.9	-	-	-
 ⁸	EXR	Mongolia	\$28.4	\$0.175	892	\$156.1	\$127.8	-	-	0.1
 ⁹	STX	Australia	\$40.9	\$0.31	2030	\$629.3	\$599.4	-	-	0.1
 ⁹	IVZ	Zimbabwe	\$1.0	\$0.185	667	\$123.4	\$122.9	-	-	-

Financial data:

Cash as at quarter ending 31 March 2022

Share Price, Shares, Mkt Cap, EV as at market close on 1 May 2022

Sources: Bloomberg, Yahoo Finance

Reserves data:

¹ Resource/Reserves from KKO company announcement, 29 July 2020

² Resource/Reserves from RLT quarterly activity report, 31 December 2021

³ Resource/Reserves from TOU company presentation, 20 October 2021

⁴ Resource/Reserves from BLU quarterly activity report, 31 December 2021

⁵ Resource/Reserves from COI company presentation, 16 November 2021

⁶ Resource/Reserves from GLL company presentation, 23 March 2022

⁷ Resource/Reserves from EXR company presentation, 17 March 2021

⁸ Resource/Reserves from WGO media release, 11 October 2021 (based on STX 50% share)

⁹ Any peers reported in PJ converted on basis of 1PJ = 0.947817120 BCF

A winning formula for investment success

Headquartered
in Perth,
Western
Australia



Elephant-scale
4.9Tcf
prospective gas
resource over
known coal
sequences



Pilot Gas
Production Flow
Rates >332
Mscf/day &
Offtake
Agreements
pending

Experienced
Team on
the ground



Rapidly
developing and
supportive
political support
for clean energy
supply in South
Africa



Multiple
downstream
market
opportunities

\$55M
Market Cap
@\$0.08



Low valuation in
comparison to
peers equating
to huge
opportunity



High-quality
surrounding
infrastructure

First Mover,
Future Energy
Leader



Significant
Southern African
energy shortage
means
overwhelming
gas demand



Sustainable and
clean energy
solution, with
low impact on
community and
environment

Capital structure assuming rights issue completion

698M

Current Shares

\$0.083

Share Price

\$57.9M

Market Cap

\$4.0M

Cash

\$53.9M

Enterprise Value

9M

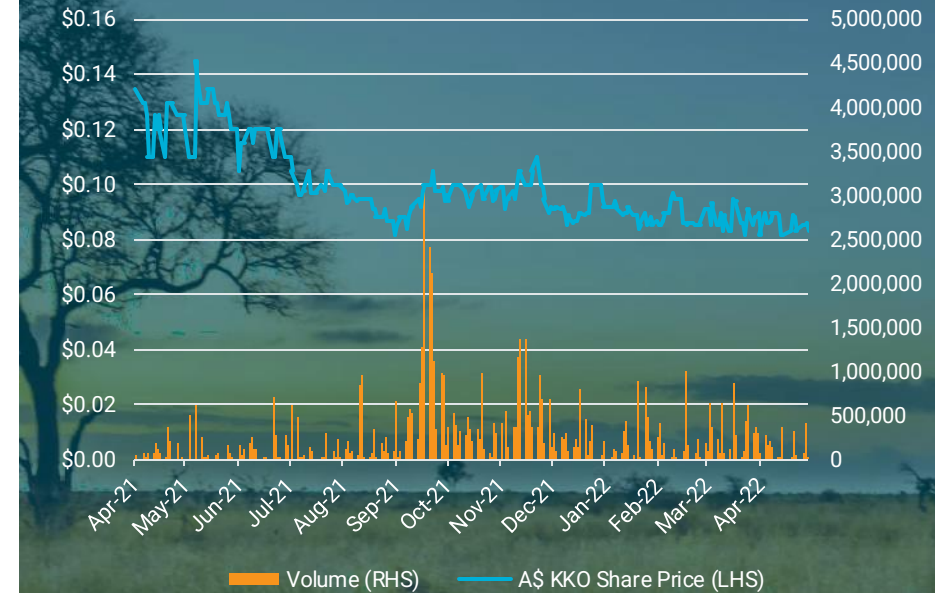
Options*

707M

Fully Diluted

*3m Expiry July 23, \$0.13 exercise

*6m Expiry 3 years from issue, \$0.15 exercise



Merger Terms Agreed



49% +



BADIMO GAS

51% = 100%



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This presentation was approved for release by
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