

CORE WELL KV-14C SPUDDED

HIGHLIGHTS

- **Core well KV-14C, which is strategically located within 5kms of Majuba power station's 20MW gas generator, has been spudded**
- **First of seven core holes programmed to be drilled over the next 4-5 months**
- **Drilling continues to focus on identifying further gas-laden sandstones, coals and other carbonaceous structures**

Kinetiko Energy Ltd (ASX: KKO) (**Kinetiko** or the **Company**) an Australian gas explorer and developer focused on advanced shallow conventional gas and coal bed methane in South Africa, is pleased to provide the following update on its onshore gas exploration and production development activities.

Core hole KV-14C spudded on 21 September 2022 in the vicinity of Majuba power station to test the productivity potential of the surrounding gassy geology as a possible supply source to the gas generator within the power station complex.

Kinetiko CEO, Nick de Blocq, commented:

"Core hole KV-14C is of great significance as it represents the restart of our exploration program with a core hole very close to Majuba Power Station, which has a 20MW gas generator awaiting a source of fuel. This will be followed by at least another 6 boreholes in both the northerly and southerly parts of our Rights areas within the coming months.

This drilling campaign forms part of our response to the very positive narrative from both the South African President and the CEO of Eskom regarding the need for domestic South African gas. The value of gas in any energy transition is absolutely clear due to its decarbonisation effect and its ability to support other means of energy creation."

Kinetiko expects to core the entire stratigraphical profile from the surface, through the dolerite and lower gassy sediments, to an approximate terminal depth of up to 450m. On completion of the drilling the Company will log the borehole and perform onsite gas emission and desorption analysis.



Core well KV-14C being drilled with the Majuba Power station in the background

Further exploration core holes remain planned on Exploration Right 272 (ER 272) near the Secunda synthetic fuel refinery owned by Sasol and on Exploration Right 270 (ER 270) in the South where aeromagnetic surveys have identified the most prospective gassy compartment targets. The southerly dipping geological basement is anticipated to provide deeper, higher pressured gassy sands in ER270. At least three core holes are planned to be drilled in each of ER 272 and ER 270 during Q4-22 / Q1-23.

About Majuba Power Station

Majuba Power Station between Volksrust and Amersfoort in Mpumalanga, South Africa, is a coal-fired power plant operated by Eskom. Majuba has three 665 MW dry-cooled and three 716 MW wet-cooled power generation units with a total installed capacity of 4,110MW. In addition to coal, the Majuba Power Station can be fired by syngas which was originally designed to be produced from underground coal gasification.

This announcement is authorised for release to the market by the Board of Directors of Kinetiko Energy Limited.

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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, widespread energy infrastructure and growing gas demand. The Company has a 4.9Tcf contingent resources and large potential exploration area, of which approximately 7000km² is granted and being explored.

The Company's vision is to continue to explore, develop, and commercialise gas production.

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