



SUCCESSFUL DRILLING OF MAJUBA CORE HOLE COMPLETED

HIGHLIGHTS

- **Core hole 271-23C intersects significant gassy zones in targeted carbonaceous geology**
- **Gas bearing geological sequences totalling 247 metres were intersected with assessment of gas desorption underway**
- **Next core well ready for spudding in most Southern geology where basement is anticipated to be deeper with potential for thicker gassy zones to be intersected**

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 271-23C, spudded on 21 September 2022 in the vicinity of Majuba power station (Figure 1), has successfully been completed with strong gassy geology intersected to a TD of 478 metres.

Kinetiko CEO, Nick de Blocq, commented:

“After a highly successful return to exploration work in our Rights Area ER271, we have been able to prove once again the productive nature of our unique geology. Geographically we are very well placed with borehole 271-23C to expand into a position of material assistance in terms of supplying the nearby plant and grid with either baseload or peaking capacity, or indeed both. The next borehole, our initial effort into the physical exploration of Rights Area ER270 to the south represents an exhilarating step in our journey! Following on from recent aeromagnetic and gravimetry surveys, we believe that we should be able to continue proving the gassy content of our sedimentary formations, and open an entirely new area for possible production from what we expect to be deeper and higher pressured wells.”

Exploration Update

The 271-23C exploration core hole, in sight of the Majuba Power Station, has been completed and logged to a depth of 478m, with a thick, capping dolerite sill between 80 to 226m, and gassy intercalated sandstone, coal and carbonaceous siltstones and mudstones below. Gas shows were nearly continuous below the dolerite during the drilling. Gas desorption analysis is being completed on the core samples of the coal intervals and wireline logs are currently being processed. Desorption gas content is already as high as 9 m³/tonne as-received and still rising.



Figure 1: Core well 271-23C (previously KV-14C) being drilled with the Majuba Power station in the background

New Core Well Sites Approved

Numerous locations were approved by the South African regulators, and the 1st choice to drill before the end of the year is one that targets the potential to provide gas to the industries at Newcastle and the KwaZulu-Natal coast which currently receive low quality process gas from the Lily Pipeline. Core well 270-06C is anticipated to encounter deeper sandstones and coals in the region and the Company is pursuing a gas compartment discovery in the highlands to the west. A nearby coal exploration hole drilled in 1979 had coal as deep as 408m, and sandstone gas reservoirs are anticipated both above and below the coal. Success at core well 270-06C will extend gas resources 25km further south than prior discoveries.

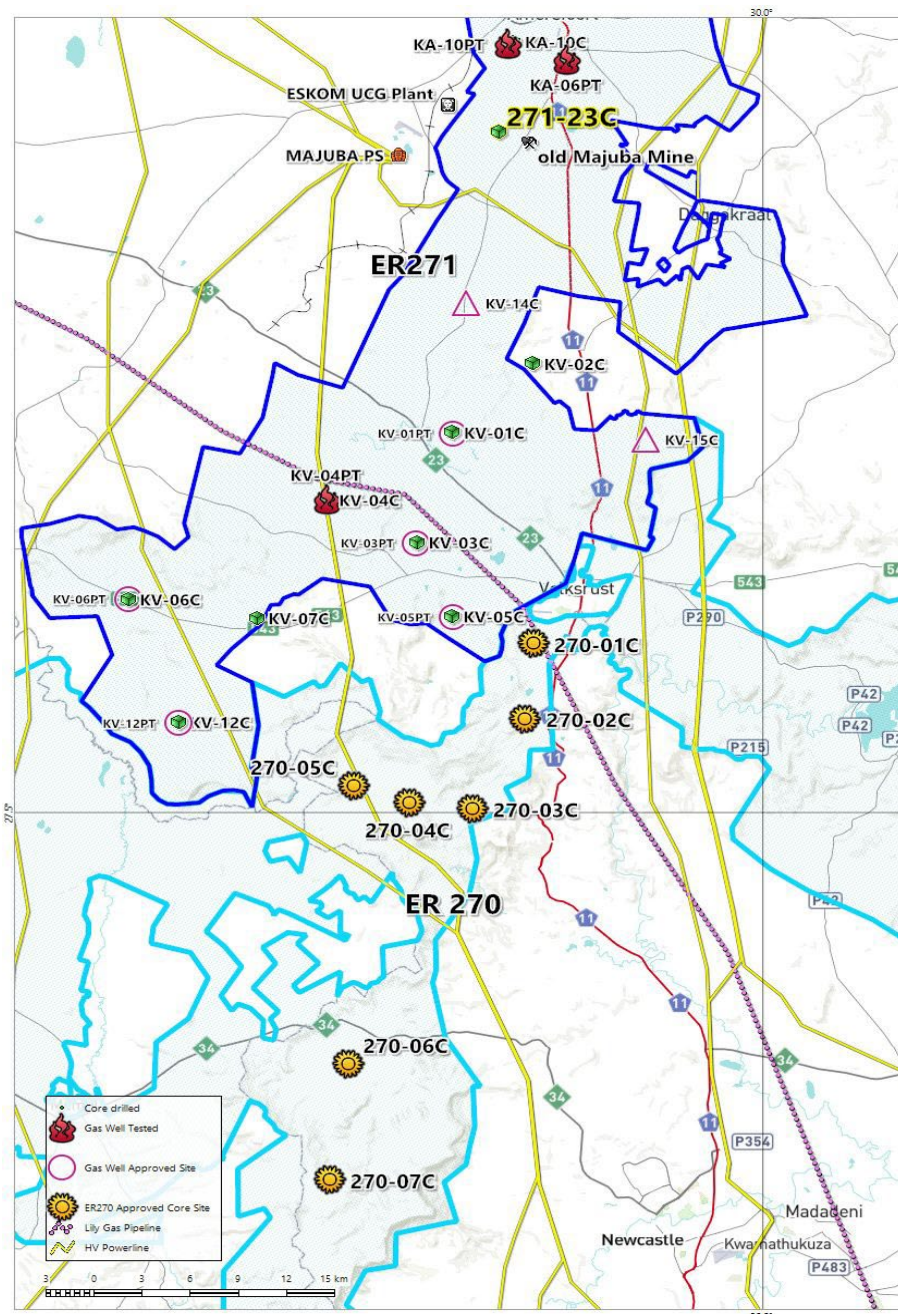


Figure 2: Borehole locations approved by the South African regulators,

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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