KINETIKO ENERGY LTD

Announcement
30 November 2022

SIGNIFICANT GAS RESULTS FROM MAJUBA CORE HOLE AND GASSY ZONES ENCOUNTERED ON CORE WELL 270-06C

HIGHLIGHTS

- **Significant results from gas desorption testing from core hole 271-23C achieving gas content of over 11m^3/t and rising**
- **Wireline logging results have established 131.5m of sandstone pay zones, six coal seams and carbonaceous sediments making up the balance below the dolerite sill cap**
- **Drilling of core hole 270-06C has intersected strong gassy zones in targeted carbonaceous geology extending the potential contiguous gassy sandstone geology by approximately 30km South**

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, has completed gas desorption testing and wireline logging results indicate significant potential for gas field development. Approximately 64km further south, core well 270-06C has intersected strong gassy geology with the hole currently below 445m and still penetrating gassy sandstone beds.

Kinetiko CEO, Nick de Blocq, commented:

> *"We have proven and re-proven the productivity of our unique geology. Following the success of core hole 271-23C near Majuba power station, our first borehole in block ER270 has kept our 100% strike rate intact. Our 31st borehole showed signs of gas from within the fractured, lower dolerite, which strengthened substantially as we broke*

Barrington House
283 Rokeby Road
Subiaco WA 6008

T +61 8 6315 3500
info@kinetiko.com.au

ACN: 141 647 529
kinetikoenergy.com.au

through to the sandstone formations beneath. The desorption testing on the Majuba samples is now upwards of 11m³/ton and increasing, a very rewarding result from a strategically placed core hole. We aim to complete the current coring and logging on 270-06C before mid-December and allow the gas desorption analysis to proceed."

Gas Testing Results 271-23C

Eleven coal samples are continuing to desorb in test canisters. Two are over 11m³/tonne and rising. The graph below shows one of these:

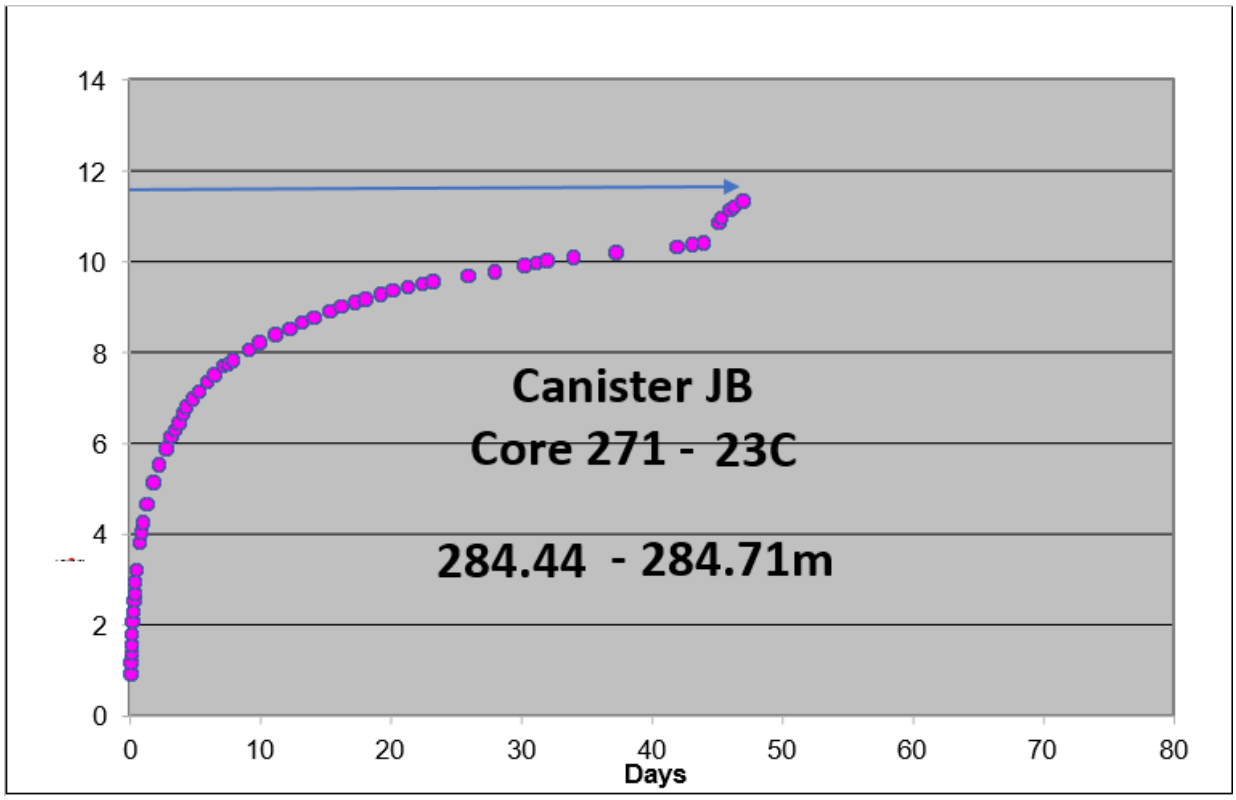

Figure 1: Desorption testing result over 10m3/tonne from coal samples from core hole 271-23C

The sample above (still desorbing) has already set a new project record for as-received gas content. The wireline logs show a gas-effect crossover of 131.5m of sandstone pay between 225-473m, sandwiched between carbonaceous formations.

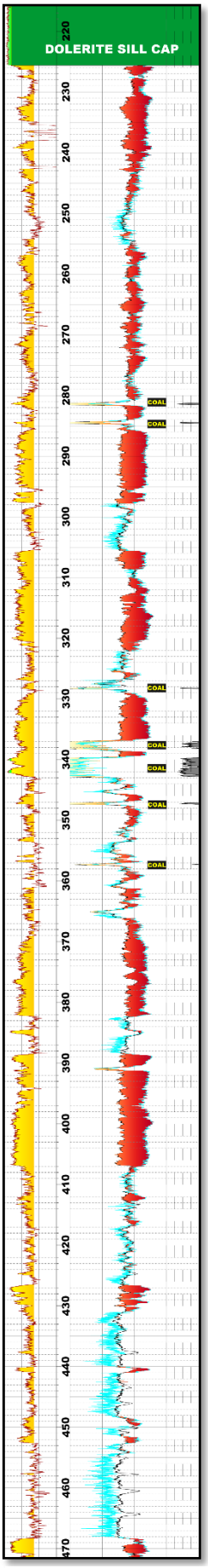

Figure 2: Wireline Log Results 271-23C

The wireline log in Figure 2 (left) shows four (4) major features of the 271-23C exploration hole near the Majuba Power Station:

- The dolerite sill cap rock provides a vertical gas seal down to 226m above the sedimentary rock below
- The low natural gamma radiation in the top half is highlighted yellow to emphasise the sandstone reservoir layers
- At the bottom the seams of coal are displayed with low density
- And the best feature of all is in the middle, the gas-effect crossover in the sandstones, shaded red, interbedded with carbonaceous layers without the gas effect

Below the dolerite, most of the formations are either gas source rock or gas reservoir rock

Exploration Update 270-06C

Core hole 270-06C is currently coring at below 445m and still penetrating gassy sandstone beds, having drilled through capping dolerite to 241m before breaking through into carbonaceous and sandstone zones. We are aware, from aeromag surveys, that the dolerite sill undulates and we have encountered a thick sill section in this borehole. Historical exploration indicates that thicker sills can produce deeper sandstones with higher gas volume and pressure.

Onsite gas emission and desorption analysis is being performed on the core samples. On completion of the drilling the Company will log the borehole, collect sandstone samples and analyse the results, tying in with regional stratigraphy and extending the proven gas resource.

At this time, whilst the drilling continues, it is already clear that we have another gas discovery hole over 30kms beyond our previous gas discoveries in southern ER271.

Figure 3:Core well 270-06C visible gas emissions observed from core sample at depths between 277.75-280.75m

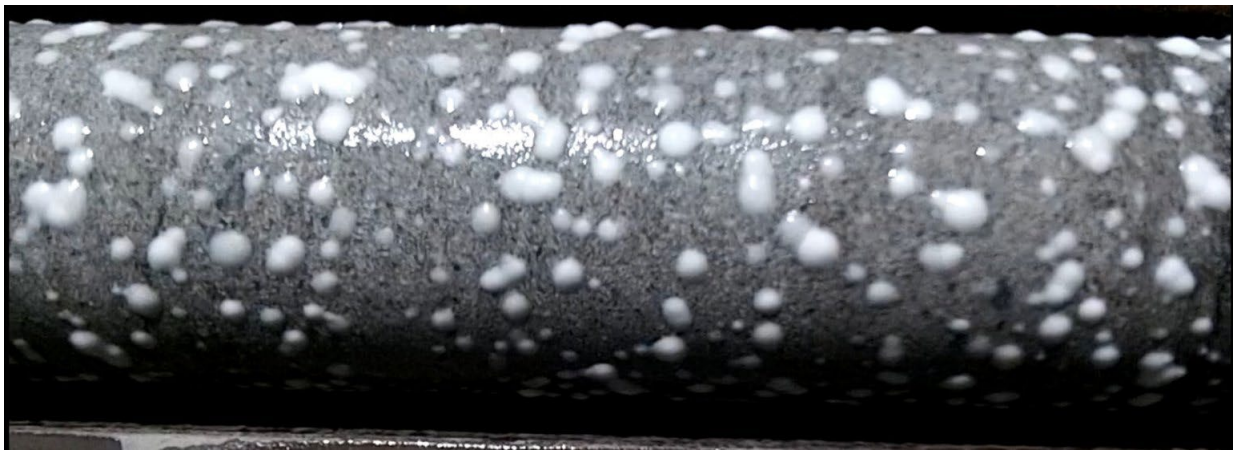

Figure 4: Core well 270-06C visible gas emissions observed from core sample at depths between 409.75-412.75m

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,

Adam Sierakowski
Executive Chairman
08 6211 5099
adam@kinetiko.com.au

Evy Litopoulos
Investor Relations
ResolveIR
evy@resolveir.com

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 7000km^2 is granted and being explored.

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

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