

CORE HOLE 270-03C INTERSECTS SIGNIFICANT GASSY ZONES

HIGHLIGHTS

- Core hole 270-03C intersects significant gassy zones in targeted deeper carbonaceous geology.
- The core well is approximately 2kms from South Africa's largest gas pipeline.
- Ongoing exploration success supports potential for large scale production.

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 270-03C spudded on 24 January 2023 approximately 2kms from South Africa's largest gas pipeline, the Lily Pipeline, which feeds the industries of the KZN midlands and coastal cities. The core hole started encountering significant gassy zones from a depth beyond 300m with strong visible gas emissions observed from core samples at depths between 380-390m with drilling continuing. (Figure 1)

Kinetiko CEO, Nick de Blocq, commented:

"Core hole 270-03C is the second of three sites we have planned in the current coring program. We are delighted to report that, once again, we have struck gas. We first sensed hydrocarbons in a sandy lens within the upper dolerite sill, which gave us a good indication of what was to come, and then once through the deepest dolerite sill structure in our drilling experience, we discovered the expected gassy sediments and coals lying beneath. We believe that our 100% success rate is unprecedented in such wide, shallow, conventional onshore plays and each exploratory drilling effort becomes an invitation to return and drill production wells."

Exploration Update

Core hole 270-03C is currently coring at below 460m meters having drilled through dolerite to 290m before breaking through to the sedimentary / carbonaceous zones. The Company is aware, from aeromagnetic and gravimetry surveys, that the dolerite sill undulates and we have encountered a thick sill section in this core hole. However, recent and historic drilling gives the Company confidence that thicker sills can mean deeper sands and therefore the terminal depth (and potential associated gas pay cut in the profile) of this core hole could be similar to recent core holes (270-06C - 147m of gas-bearing sediments) and possibly significantly deeper.

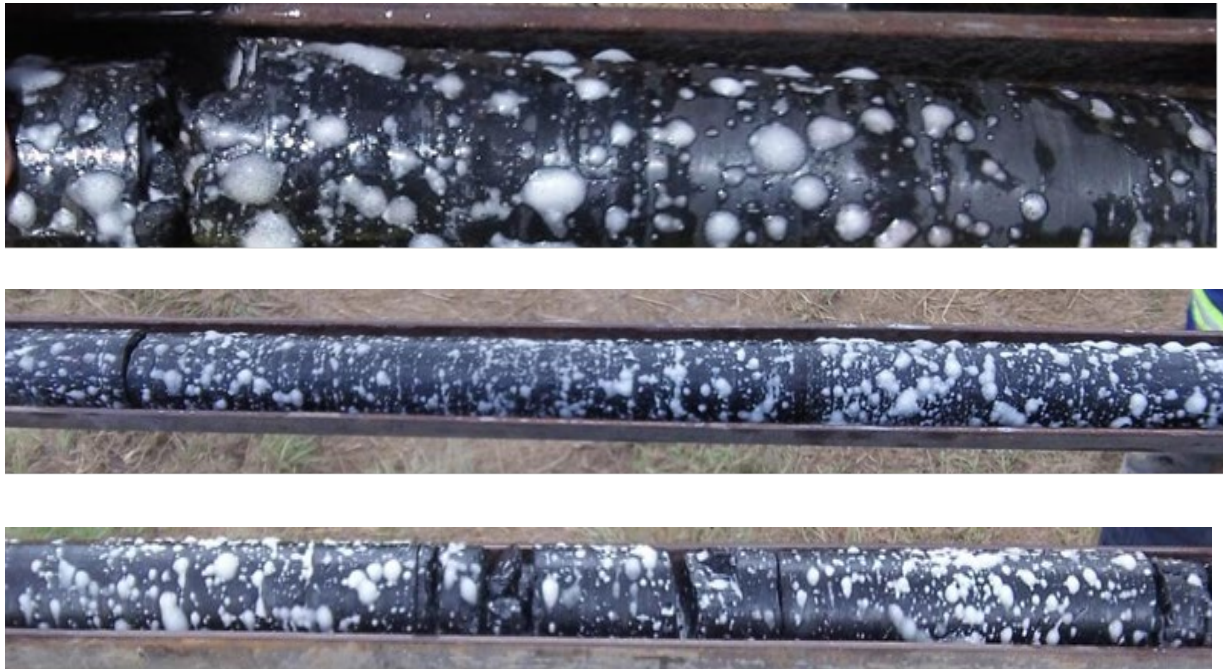


Figure 1: Core well 270-23C visible gas emissions observed from core samples at depths between 380-390m

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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