

STRONG EXPLORATION RESULTS FROM BLOCK ER272

HIGHLIGHTS

- **Consistent geology delivers huge gas pay across Exploration Block ER272**
- **Average gas-cut of 128m measured from geophysical logging**
- **Superior reservoir properties encountered in Block ER272**
- **Proximity to Lily-1 Pipeline and Sasol Synfuel Refinery**

Kinetiko Energy Ltd (ASX: KKO) (**Kinetiko** or the **Company**) is developing an energy transition solution for South Africa and focused on commercialising advanced shallow conventional gas projects in the Mpumalanga Province, is pleased to provide the following update on its onshore gas exploration and production development activities.

Kinetiko CEO, Nick de Blocq, commented:

“The results of our initial exploratory work in Exploration Block ER272, the most northerly tenement, have now been completed and we have analysed the results of six core holes in this area. Due to the dip of the Karoo Basin structures, we find the depths of our boreholes in ER272 to be the shallowest in our Rights portfolio at around 290m average terminal depth. It is therefore especially pleasing to share these results that show sandstone-driven, net gas cuts that sometimes exceed 90% of the sub-igneous stratigraphy. The sediments are literally laden with gas in reservoir formations displaying superior porosity and permeability. Given the proximity of these discoveries to the Lily-1 Pipeline and Sasol’s Secunda Synfuels plant, the commerciality potential is significant (Figure 1).”

ER272 Exploration:

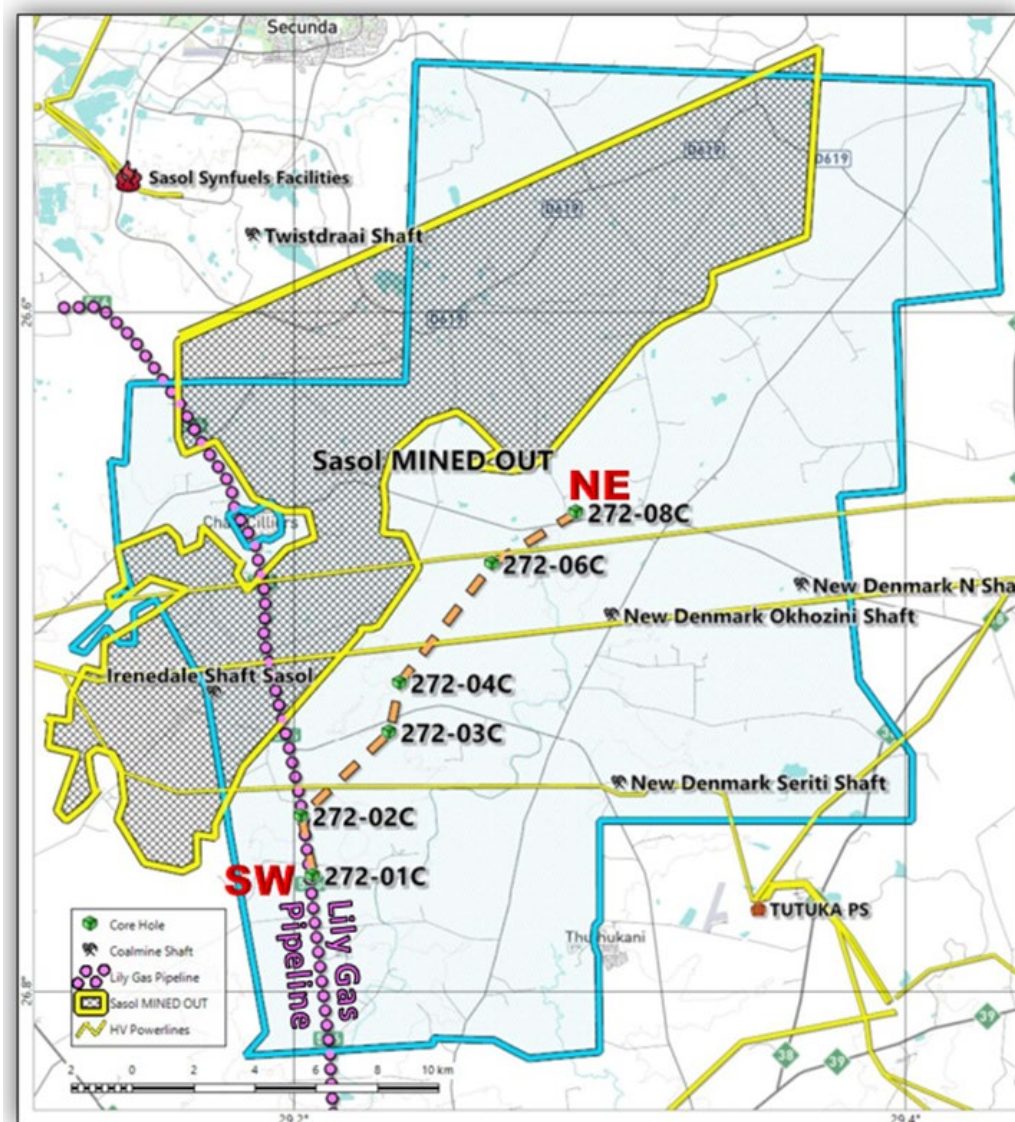


Figure 1: Map of Block ER272 showing cross section for log correlation across all six boreholes

The Company’s initial exploration campaign of six core holes have all delivered excellent results, as visible in the logs below (Figure 2), showing easily correlating geology. The pink-shaded inter-curves in the logs are the crossover between neutron and density responses and represent very gassy sediments between 50m and 343m in the shallowest and deepest cases. Net gas cuts range from 101m to 166m with an average of 128m across the core holes, with core hole 292-06C topping out at 166m out of 178m of sub-igneous stratigraphy, or 93% of the bore length being gas-laden. The reservoirs display the most superior porosities and permeabilities across our Rights areas, thereby holding the potential for commercial flow rates.

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These are the wireline logs from the 6 core exploration holes within ER 272 situated in the unmined area between the massive Sasol Secunda Synfuels Plant and the Tutuka Power Station. The datum in this cross-section is the top of the main coal seam.

The holes have between 101-166m gassy sandstones (pink crossover) below dolerite sill caps, especially below the coal seam targeted for mining. The depth of the gassy sandstones ranges from 50 to 343m. Tapping the gas with production wells will have the added benefit of removing the gas ahead of underground mining.

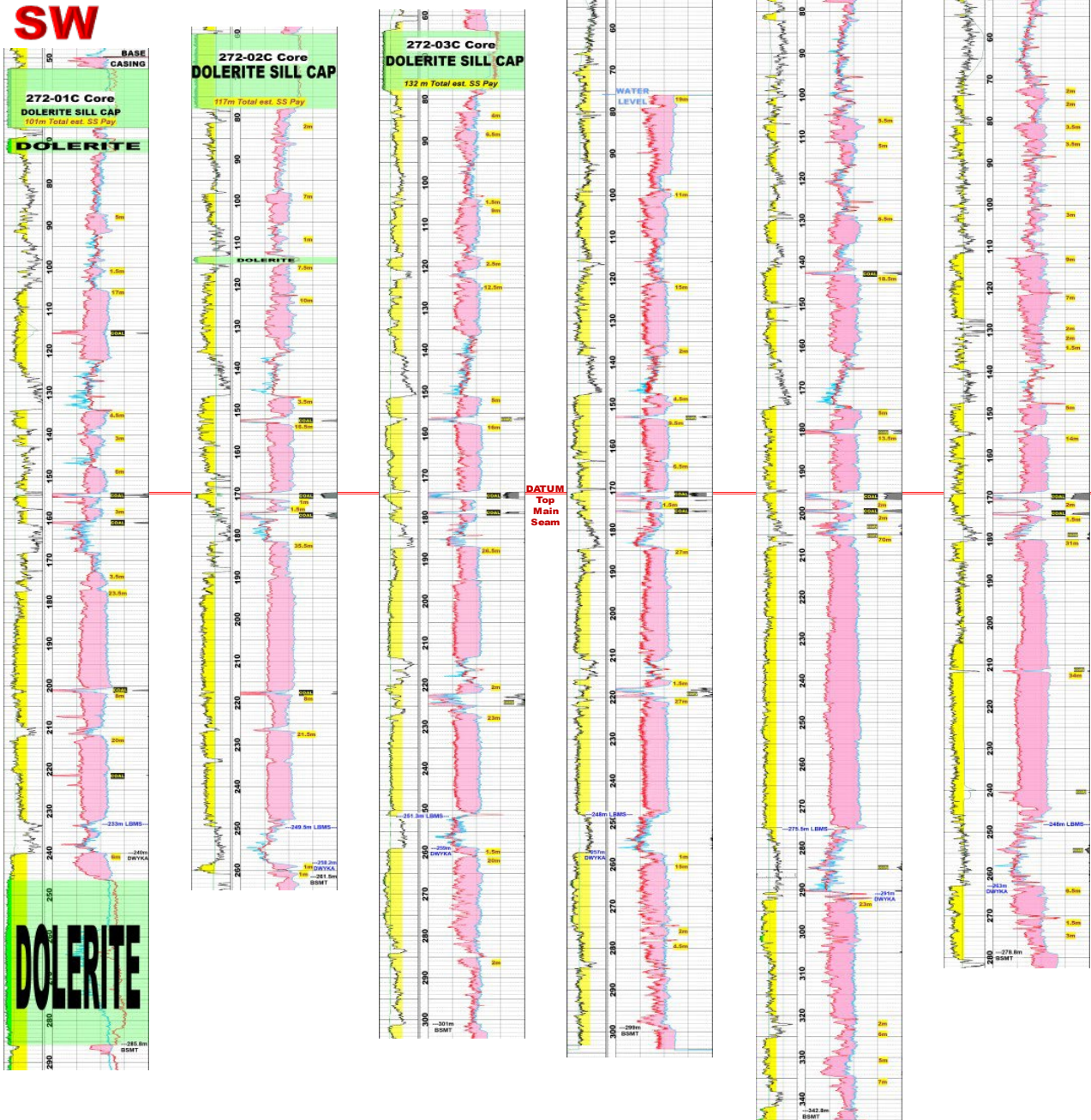


Figure 2: Combined logs of all six core holes in block ER272. Pink colouring indicates neutron-density crossover and therefore gas-bearing sediments.

The geographical position of such a high-potential exploration success being in the vicinity of both the Sasol Synfuels plant at Secunda and the Lily-1 pipeline has obvious commercial advantages. Sasol intends to utilise an increasing amount of its own gas from their historical source in Mozambique, a lot of which is currently in national reticulation. That source is expected to deplete substantially post-2026. In an obvious solution to mitigate the pollutive effects of coal, Sasol also plans to replace a significant amount of coal in their Coal-to-Liquids Synfuel plant with cleaner gas, leaving less process gas output for the “Lily Line” customers who are facing a real issue with a gas cliff looming.

This therefore represents multiple large offtake opportunities for Kinetiko’s gas in the region, and is one of the major drivers for the huge national coverage this exploration outcome has generated.

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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 opportunities in rapidly developing markets in South Africa. South Africa has extensive gassy coal basins, widespread energy infrastructure and growing gas demand. The Company has achieved maiden gas reserves with positive economics and a 6 Tcf 2C contingent resources establishing an enormous world class on shore gas project.

The Company’s vision is to commercialise an energy transition solution for South Africa.

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