

EXPLORATION SUCCESS IN ER270 CONTINUES

HIGHLIGHTS

- **First core hole of 2024 spudded on 22 January at site 270-08C**
- **Huge gassy sandstone intervals encountered in deep stratigraphy**
- **Large, gassy coal seams intersected**

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

Kinetiko CEO, Nick de Blocq, commented:

“Following an incredibly successful exploration program in 2023 the Company spudded the first borehole of the year at 270-08C, slightly north of the town of Memel. I am delighted to report that early indications from observations of gassy core samples show a huge gassy interval at depth. Coring is currently deeper than 600m with terminal depth (TD) expected around 700m.”

Core Well 279-08C Exploration Coring:

The new core well is approximately 17 km North of the town of Memel, approximately 6 km from the high voltage grid, and 26 km from South Africa’s longest gas pipeline, the Lily Pipeline, which feeds the industries of the KZN midlands and coastal cities. Core well 270-08C (Figure 1 and 2) is designed to test the potential of the sediments overlaying the southerly-dipping basin structures. This core well is anticipated to provide deeper, higher-pressured gassy sandstones and coal sequences. Core hole 270-08C was spudded on 22 January, 2024 and is currently drilling below 600m.

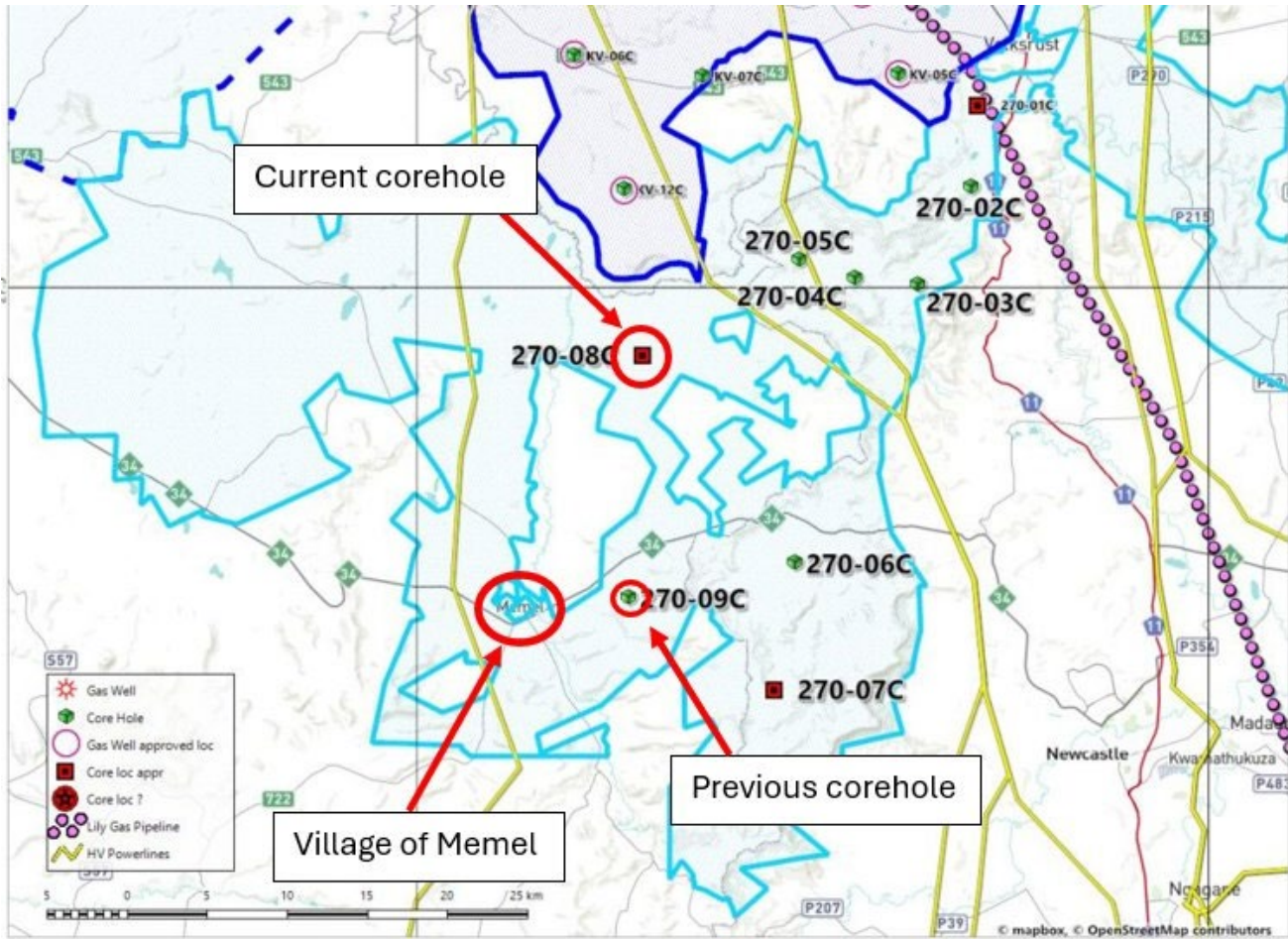


Figure 1. Map of the south-western portion of ER270.



Figure 2. The 270-08C exploration coring site in late February 2024. Dolerite sills were encountered down to 477m, with a great package of gassy sandstones and coals below the dolerite cap.

Core well 270-08C encountered huge gassy sandstone intervals in deep stratigraphy below 500m. Figures 3 - 10 are examples of residual gas bubbles emitting from coals and sandstones as each 3 metre run of coring reaches the surface. Sandstone with residual gas bubbles continues below the coal zones, as well as carbonaceous sandstone/siltstone/mudstone. Coal totalling 2.53m was sealed in desorption canisters and the gas content is already ranging between 2 and 4 m³/tonne after less than one week. When terminal depth is achieved and the hole is completed, a full set of wireline logs will confirm an abundance of gas-bearing zones at depths of over 477m.

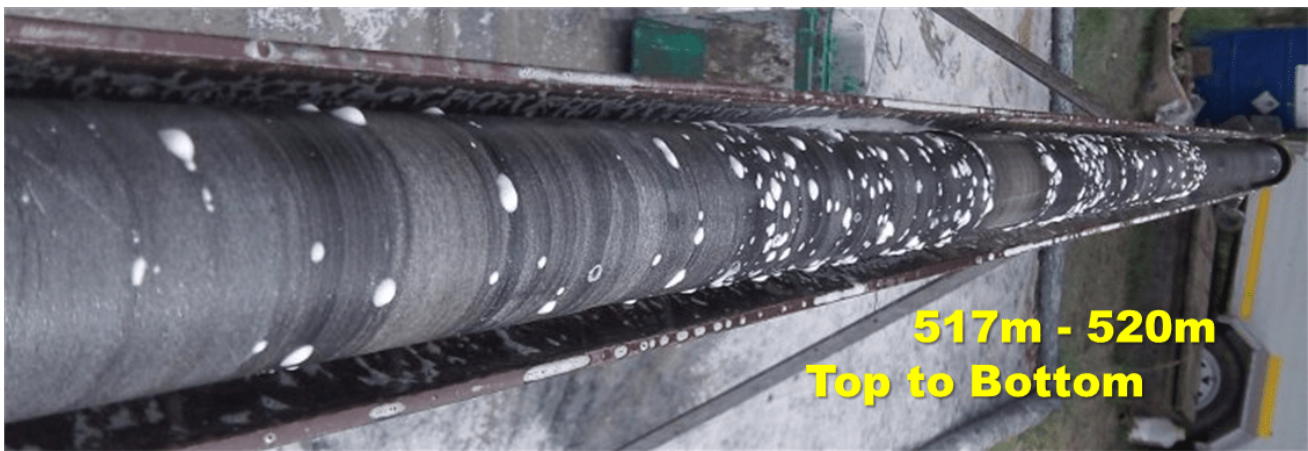


Figure 3. Three metre core run from 517-520m. "Zebra" sandstone/siltstone/mudstone displaying residual gas bubbles, with higher bubble concentrations where there are thin coal bands.

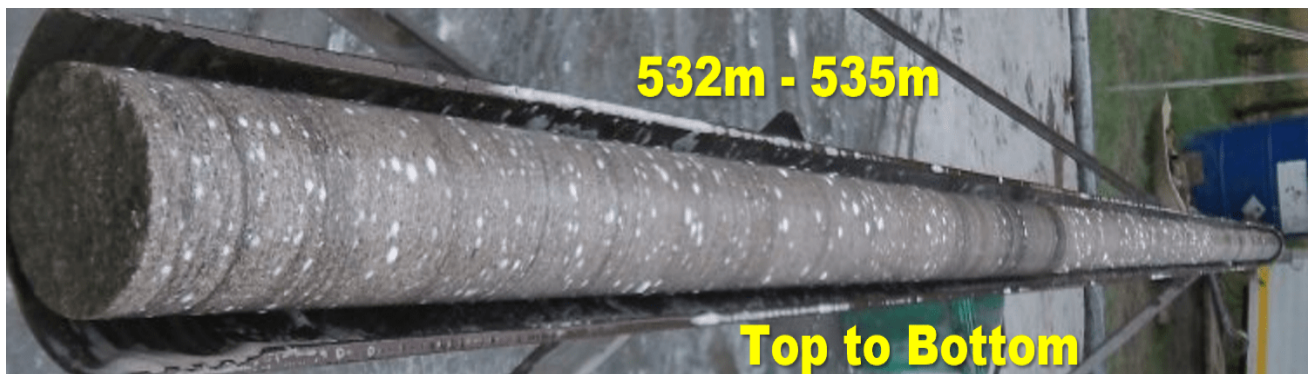


Figure 4. Three metre core run from 532-535m. Medium to coarse grained sandstone displaying residual gas bubbles.

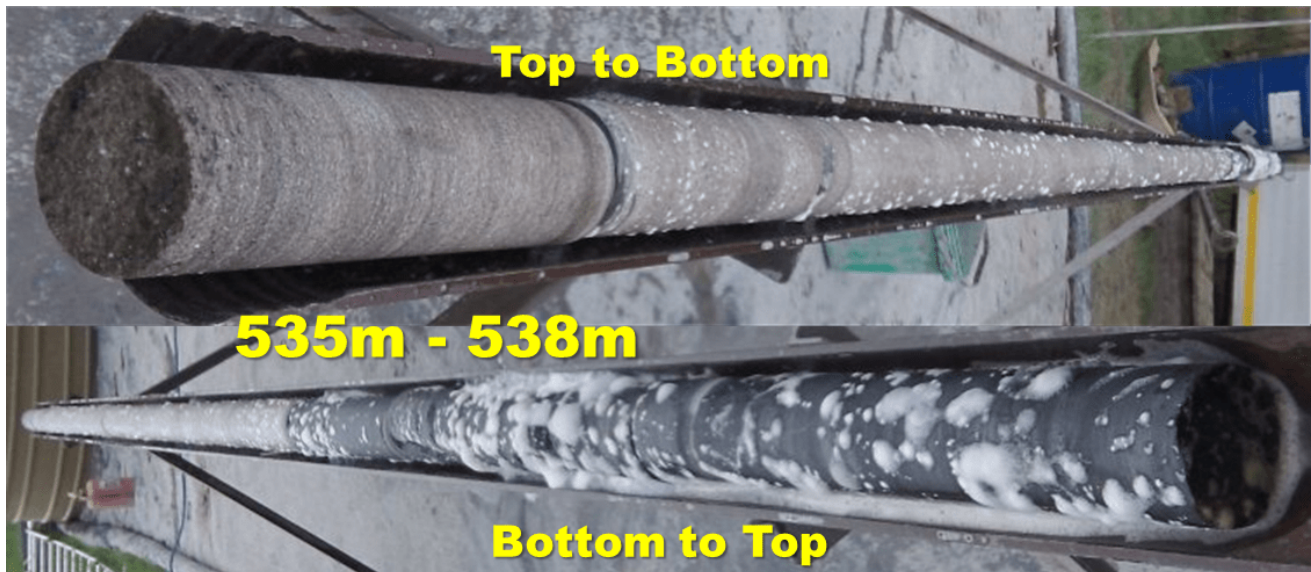


Figure 5. Three metre core run from 535-538m exhibited gassy sandstone overlying coal.

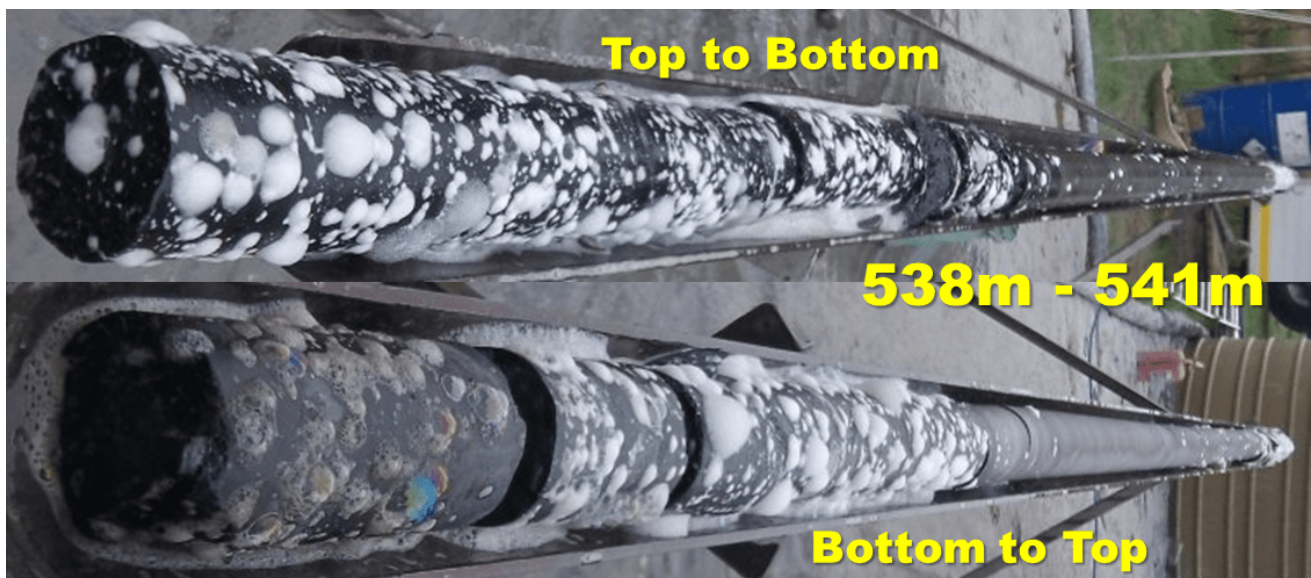


Figure 6. Three metre core run from 538-541m with gassy sandstone/siltstone sandwiched above and below by coal.

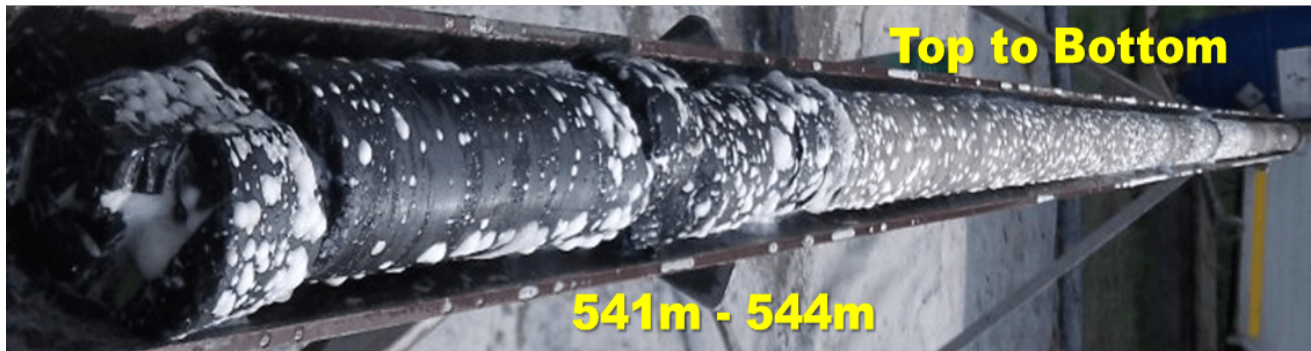


Figure 7. Three metre core run from 541-544m with coal overlying gassy sandstone.



Figure 8. Three metre core run from 547-550m with gassy sandstone below coal zones.



Figure 9. Three metre core run from 556-559m with gassy sandstone and dark carbonaceous zones below coal zones.



Figure 10. Three metre core run from 559-562m with Gassy sandstone below coal zones.

This continued exploration success strengthens the Company's assumptions that the geology over the exploration rights is substantially contiguous and establishes an expanding gas resource play with conventional sandstone reservoirs in honeycombed dolerite compartments. This phase of exploration in ER270 will include 2 more core wells in 2024.

-ENDS-

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 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.

ASX: KKO | kinetikoenergy.com.au

