

KINETIKO BECOMES FIRST COMPANY IN SOUTH AFRICA TO PRODUCE POWER FROM ONSHORE GAS

HIGHLIGHTS

- In a first of its kind in South Africa, Kinetiko has successfully demonstrated power production from a gas well at Amersfoort in cooperation with FFS Refiners
- A fully compliant gas train was constructed on-site to feed a 1.2MW gas generator
- Gas was produced from one existing gas well, which forms parts of a 5 well cluster near Amersfoort which is located in ER271
- The successful demonstration primes the Company's plans to develop an LNG production cluster of approximately 30 wells at this location as part of its joint venture with the Industrial Development Corporation of South Africa (IDC)
- This milestone represents a significant step forward, illuminating the potential of the Company's substantial 6Tcf 2C gas resource to provide desperately needed power to South Africa's economy

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, Freestate and KwaZulu-Natal Provinces. Kinetiko is pleased to provide the following update on its onshore gas exploration and production development activities.

Kinetiko CEO, Nick de Blocq, commented:

"We have spent the last few months working hard to demonstrate the Company's ability to generate power from our natural gas at its Amersfoort project in Mpumalanga. We obtained respected, professional engineering and equipment suppliers to support this project and we are absolutely thrilled to have become the pioneers of onshore Gas To Power (GTP) from a local, conventional source, which represents another significant milestone for the Company, establishing it as a proven solution within the energy mix planned to alleviate South Africa's energy crisis."

Gas-to-Power demonstration:

On 5 May 2024, natural gas, supplied by a single well, Korhaan-1 (aka ‘The Beast’) in the vicinity of Amersfoort in the Mpumalanga Province of South Africa, ran a gas generator linked to a newly built gas train (Figure 1). The gas generator was a 12-cylinder CAT, capable of 1.2MW output, and supplied and containerised by Barloworld of Johannesburg. The gas generator was disassembled after the 4 day trial and returned to Barloworld (Figure 2).

This pioneering demonstration proves the ability of the Company’s high-quality natural gas to be utilised commercially. The calibrated gas quality meter measured close to 99% methane and 1% nitrogen during the flow periods. KKO intends to produce LNG from this specific field, which will require GTP to energise the eventual production wellfield (pumps, instrumentation, cryoboxes, etc.) off-grid. Numerous gas samples were collected for lab analysis.

The Company, along with its demonstration of GTP partner FFS Refiners (**FFS**), hosted a field visit event on 7 May 2024. Over 50 representatives from the investment, technical, regulatory, and gas users’ industries attended the event on-site (Figure 3) to see the gas generator rigged up and witness flaring from four of the team of production wells known as the Korhaan cluster.

As part of the Company’s non-binding memorandum of understanding and intention to co-develop and co-fund gas production fields in South Africa ([refer to ASX Announcement dated 2 March 2023](#)), the company worked alongside and shared costs with FFS to complete the demonstration of GTP. With the proof-of-concept GTP completed, the parties intend to progress in their collaboration to develop an LNG production field, with FFS having an existing relationship with the micro LNG containerised production group Galileo Technologies.

The successful GTP demonstration primes the Company’s plans to expand the Korhaan cluster of 5 wells to develop an LNG production cluster of approximately 25 more wells as part of its joint venture with the IDC ([refer to ASX Announcement dated 5 April 2023](#)).



Figure 1: Gas generator powering on KKO gas flow from The Beast well



Figure 2: Well testing ahead of flow to gas generator



Figure 3: KKO management presenting the project to guests at the field visit event

Competent Persons and Compliance Statements

Unless otherwise specified, information in this report relating to operations, exploration and related technical comments have been compiled by CEO, Mr. Nick de Blocq, who has over 36 years of experience in energy minerals exploration and production. He is assisted by registered Petroleum Geologist, Mr Paul Tromp, who has over 40 years of onshore oil and gas field experience. Mr de Blocq consents to the inclusion of this information in the form and context in which it appears.

-ENDS-

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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