

RENOUNCEABLE ENTITLEMENT OFFER

HIGHLIGHTS

- **Company to undertake a renounceable, pro-rata entitlement offer of New Shares on the basis of one (1) New Share for every sixteen (16) Shares held on the Record Date.**
- **New Shares attractively priced at an issue price of \$0.06 per New Share based on providing a suitable discount to the illiquid and volatile average price of the shares trading on the ASX and to reward long term shareholders for their support.**
- **Maximum Subscription to Entitlement Offer will raise approximately \$5,056,006 (before costs) for the Company.**
- **Funds to be used for, amongst other things, exploration and development of the Company's projects.**

Kinetiko Energy Ltd (ACN 141 647 529) (ASX: KKO) ("**KKO**" or the "**Company**") is pleased to announce a renounceable, pro-rata entitlement offer of up to 84,266,771 fully paid ordinary shares ("**New Shares**") on the basis of one (1) New Share for every sixteen (16) Shares held at 5:00pm (AEST) on Monday, 20 May 2024 ("**Record Date**"), at an issue price of \$0.06 per New Share to raise up to approximately \$5,056,006 (before costs) ("**Entitlement Offer**"). Persons who are registered as a holder of Company shares as at the Record Date and have a registered address in Australia or New Zealand (and certain other shareholders (including, but not limited to, certain shareholders with registered addresses in South Africa) as identified in the Offer Document) ("**Eligible Shareholders**") may also apply for additional New Shares which comprise the New Shares not validly applied for by Eligible Shareholders pursuant to their entitlement under the Entitlement Offer ("**Shortfall**"), at an issue price of \$0.06 per New Share ("**Shortfall Offer**").

Together, the Entitlement Offer and Shortfall Offer are referred to as the "**Offers**" and they will be made under an offer document pursuant to the *Corporations Act 2001* (Cth) ("**Corporations Act**"), which for the avoidance of doubt, is not a prospectus pursuant to section 708AA of the Corporations Act ("**Offer Document**") which will be lodged with the ASX forthwith. The Offers are not underwritten or lead managed. The Company has nominated Euroz Hartleys Limited (ACN 104 195 057) (AFSL 230052) ("**Nominee**") to act as nominee to arrange for the sale of the Entitlements that would have been given to Ineligible Shareholders.

The New Shares are attractively priced at \$0.06 per New Share based on providing a suitable discount to the illiquid and volatile average price of the shares trading on the ASX and to reward long term shareholders for their support. All New Shares will rank equally with existing shares on issue and the Company will apply for quotation of the New Shares.

The funds raised from the Offers will enable the Company to, amongst other things, aggressively advance the Company's gas exploration activities that are underway and highlighted by the five (5) appraisal production wells to be drilled this year and planned to achieve the highest flow rates and technical outcomes, and for general working capital. Further details in this regard are set out in Section 3.1 of the Offer Document.

The indicative timetable for the Offers is as follows:

Event	Date ²
Announcement of Offers Lodge Offer Document, Appendix 3B and notice under section 708AA(2)(f) of the Corporations Act with ASX	Before 10:00am (AEST) on Wednesday, 15 May 2024
'Ex' date Rights trading commences on a deferred settlement basis	Friday, 17 May 2024
Record Date	5:00pm (AEST) on Monday, 20 May 2024
Opening Date Offer Document sent to Eligible Shareholders Announcement of delivery of Offer Document	9:00am (AEST) on Thursday, 23 May 2024
Rights trading ends at close of trading	4:00pm (AEST) on Monday, 27 May 2024
New Shares quoted on a deferred settlement basis	Tuesday, 28 May 2024
Last day to extend the Closing Date of the Entitlement Offer ¹	Before 12:00pm (AEST) on Wednesday, 29 May 2024
Closing Date of the Entitlement Offer	5:00pm (AEST) on Monday, 3 June 2024
Announcement of acceptances of Entitlement Offer to ASX Issue of New Shares under the Entitlement Offer Lodgement of Appendix 2A with ASX applying for quotation of the New Shares Despatch of Holding Statements	Before 12:00pm (AEST) on Tuesday, 11 June 2024
Quotation of New Shares under the Entitlement Offer	Wednesday, 12 June 2024
Issue and quotation of Shortfall Shares Lodgement of Appendix 2A with ASX applying for quotation of the Shortfall Shares Despatch of Holding Statements	Before 5:00pm (AEST) on Monday, 2 September 2024

Notes:

1. Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date at their discretion without notice. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.
2. These dates are indicative only and are subject to change.

For the purposes of Listing Rule 7.7.1(c), the Company has appointed Euroz Hartleys Limited (ACN 104 195 057) (AFSL 230052) ("**Nominee**") as nominee for the purposes of section 615 of the Corporations Act to arrange for the sale of the rights to subscribe for New Shares pursuant to the Offer Document ("**Entitlements**") to which Ineligible Shareholders are entitled. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale. Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the

Company. Notwithstanding that the Nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX or that there will be a liquid market in traded Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements or if you trade your Entitlements before they are allotted (whether on the basis of confirmation of the allocation provided by the Company or otherwise).

Copies of the Offer Document will be mailed to Eligible Shareholders in accordance with the timetable set out above. Copies will also be made available on the ASX website (ASX: KKO) and the Company website (www.kinetikoenergy.com.au). The Company confirms that the Offer Document will be sent to Eligible Shareholders and a letter in accordance with Listing Rule 7.7.1 will be sent to ineligible shareholders and Company option holders. Eligible Shareholders should consider the Offer Document in deciding whether to acquire New Shares under the Offers and will need to follow the instructions on the entitlement form that accompanies the Offer Document.

-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,

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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.

ASX: KKO | kinetikoenergy.com.au





KINETIKO

ENERGY LTD

(ACN 141 647 529)

Offer Document

ENTITLEMENT OFFER

For a renounceable, pro-rata entitlement offer of up to 84,266,771 New Shares on the basis of one (1) New Share for every sixteen (16) Shares held on the Record Date, at an issue price of \$0.06 per New Share to raise up to approximately \$5,056,006 (before costs) ("**Entitlement Offer**").

SHORTFALL OFFER

For an offer to Eligible Shareholders of the Shortfall to the Entitlement Offer, at an issue price of \$0.06 per New Share ("**Shortfall Offer**").

OFFER PERIOD

The Offers open at 9:00am (AEST) on Thursday, 23 May 2024 and the Entitlement Offer closes at 5:00pm (AEST) on Monday, 3 June 2024. Valid acceptances under the Entitlement Offer must be received by the Closing Date.

IMPORTANT NOTICE

This Offer Document (and the accompanying Acceptance Form) contain important information and should be read in their entirety. This Offer Document is not a prospectus or other form of disclosure document and it does not contain the same level of information as such documents. If you have any questions about the Offers or this Offer Document, you should speak to your professional advisers. The Securities offered by this Offer Document should be considered as a speculative investment.

TABLE OF CONTENTS

IMPORTANT INFORMATION	3
CORPORATE DIRECTORY	6
INDICATIVE TIMETABLE	7
KEY OFFER DETAILS	8
LETTER FROM THE EXECUTIVE CHAIRMAN	9
1 DETAILS OF THE OFFER	10
2 HOW TO APPLY	15
3 PURPOSE AND EFFECT OF THE OFFERS	20
4 RISK FACTORS	25
5 MATERIAL CONTRACTS	32
6 ADDITIONAL INFORMATION	33
7 DIRECTORS' AUTHORISATION	44
8 DEFINITIONS	45
ACCEPTANCE FORM	48

IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offers.

NATURE OF DOCUMENT

This Offer Document is issued by Kinetiko Energy Ltd (ACN 141 647 529) ("**Company**") under section 708AA of the Corporations Act, as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* ("**ASIC Instrument 2016/84**"). In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Offers.

The Offer Document is dated Wednesday, 15 May 2024 ("**Offer Document Date**") and a copy of this Offer Document was lodged with ASIC on that date. Neither ASIC or ASX take any responsibility for the contents of this Offer Document or the merits of the investment to which this Offer Document relates.

This Offer Document is not a prospectus or other disclosure document. It does not contain all of the information which would be found in a prospectus or other disclosure document, or which may be required by an investor to make an informed investment decision regarding the Offers or New Shares.

Eligible Shareholders should carefully read all of this Offer Document before making a decision about the Offers. Eligible Shareholders should pay particular attention to the risk factors set out in

Section 4. These risks could affect the operations, financial position and performance of the Company.

NOT INVESTMENT OR FINANCIAL PRODUCT ADVICE

The information in this Offer Document does not constitute investment or financial product advice and does not take into account the investment objectives, financial situation, taxation impact or particular needs of individual Eligible Shareholders. The potential tax effects of the Offers will vary between Eligible Shareholders. Eligible Shareholders should contact their stockbroker, accountant or other professional adviser if they have any questions regarding the Offers and investing in the Company.

PUBLICLY AVAILABLE INFORMATION

This Offer Document should be read in conjunction with the public announcements made by the Company which are available on the ASX market announcements platform (www.asx.com.au) using the Company's ASX code 'KKO', as well as the Company's website (www.kinetiko.com.au). These announcements do not contain all of the information that would be included in a prospectus, but still contain important information about the Company. Eligible Shareholders are encouraged to have regard to such announcements before making a decision whether or not to participate in an Offer. These announcements (and the contents of any websites on which they may be found) do not form part of this Offer Document.

The Company may release further announcements after the date of this Offer Document and throughout the offer period, which may be relevant to Eligible Shareholders' consideration of the Offers. Eligible Shareholders are encouraged to check whether any new announcements have been released by the Company after the date of this Offer Document before deciding whether or not to participate in an Offer.

DISCLAIMER OF REPRESENTATIONS

The Company has not authorised any person to give any information, or to make any

representation, in relation to the Offers that is not contained in this Offer Document, and any such information or representation may not be relied on. Except and to the extent required by law, neither the Company nor any other person warrants or guarantees the future performance of the Company or any return on investment made pursuant to this Offer Document.

FORWARD-LOOKING STATEMENTS

This Offer Document contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements have been prepared with all reasonable care and attention, based on an evaluation of current economic, financial and operating conditions, as well as assumptions regarding future events. These events are, as at the Offer Document Date, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside the Company's control. They may be affected by matters such as those outlined in Section 4. This may result in the actual circumstances being materially different to those anticipated. Eligible Shareholders are cautioned not to place undue reliance on any forward-looking statements.

The Company and the Directors cannot, and do not, give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur as, and when, stated. Except to the extent required by law (including the ASX Listing Rules), the Company does not give any undertaking to update or revise any forward-looking statements after the date of the Offer Document to reflect any changes in expectations in relation to forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

Eligible Shareholders should note that past performance (including past share price performance) cannot be relied on as an indicator of, and does not provide any guidance as to, future

performance, including future share price performance.

JURISDICTIONAL RESTRICTIONS

The Company has not taken any action to register or qualify New Shares or the Offers, or otherwise to permit a public offering of New Shares, in any jurisdiction outside Australia, New Zealand or, to a limited extent, South Africa.

The distribution of this Offer Document (including in electronic form) in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons outside Australia who obtain this Offer Document should seek advice on, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. The Company disclaims all liability to such persons.

This Offer Document does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation. By applying or paying for New Shares, an Eligible Shareholder represents and warrants that there has not been any breach of such laws.

NEW ZEALAND SHAREHOLDERS

The Offers are being made in New Zealand pursuant to the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offers do not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

NOTICE TO NOMINEES AND CUSTODIANS

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offers does not

breach regulations in the relevant overseas jurisdiction. Return of a duly completed Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

LIMITED PARTICIPATION – SOUTH AFRICA

Without limiting the above, participation under this Offer Document will be permitted in respect of certain Shareholders resident in South Africa who meet specific eligibility criteria. Please refer to section 1.6 for details in this regard.

US APPLICATIONS

Without limiting the above, this Offer Document or other documents relating to the Offers may not be sent or distributed to (wholly or partially), nor relied upon by, persons in the USA or to persons that are acting for the account or benefit of a US Person.

This Offer Document does not constitute an offer to sell, or the solicitation of an offer to buy, any Shares in the USA or to, or for the account or benefit of, any person in the USA.

The New Shares offered under this Offer Document have not been registered under the US Securities Act or any other state securities laws, and may not be offered, sold, or transferred directly or indirectly, in the USA, or to or for the account of a US Person, unless registered or an exception to the registration requirements applies.

PRIVACY

Eligible Shareholders who apply for New Shares will provide personal information to the Company and the Share Registry. By applying for New Shares under an Offer, an Eligible Shareholder will be taken to have consented to the Company and the

Share Registry collecting, holding and using the Eligible Shareholder's personal information in order to assess their Acceptance, process the Acceptance, service their needs as a Shareholder, provide facilities and services that the Eligible Shareholders requests, and carry out appropriate administrative functions. Corporate and taxation laws require the Company to collect some personal information. Eligible Shareholders who do not provide the information requested may not have their Acceptances processed efficiently, or at all.

GOVERNING LAW

This Offer Document and the accompanying Acceptance Forms are governed by the laws of the State of Western Australia. Eligible Shareholders who apply for New Shares under an Offer submit to the non-exclusive jurisdiction of the courts of the State of Western Australia.

MEANING OF TERMS

Capitalised terms and certain other terms used in this Offer Document are defined in Section 8.

References to "*our*", "*us*" and "*we*" are references to the Company whilst references to "*I*", "*you*" and "*your*" are references to an Eligible Shareholder.

CURRENCY

References to "*\$*", "*A\$*", "*AUD*", or "*dollar*" are references to Australian currency, unless otherwise stated.

TIME

References to time relate to the time in Perth, Western Australia, unless otherwise stated.

CORPORATE DIRECTORY

DIRECTORS

Adam Sierakowski
Executive Chairman

Robert Bulder
Non-Executive Director

Donald Ncube
Non-Executive Director

Robert Anthony Scharnell Jr.
Non-Executive Director

COMPANY SECRETARY

Simon Whybrow

REGISTERED OFFICE

Level 22, 44 St Georges Terrace
PERTH WA 6000

CONTACT DETAILS

Telephone: (+61 8) 6315 3500
Facsimile: (+61 8) 8481 1947
Email: info@kinetiko.com.au
Website: www.kinetiko.com.au

ASX CODE

KKO

SHARE REGISTRY*

Automic Registry Services Pty Ltd
Level 5, 191 St Georges Terrace
PERTH WA 6000

Telephone: (+61) 1300 288 664

Facsimile: (+61 2) 9698 5414

AUDITOR*

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

NOMINEE

Euroz Hartleys Limited
QV1, Level 37
250 St Georges Terrace
PERTH WA 6000

LEGAL ADVISER

Palisade Corporate Lawyers Pty Ltd
Level 24, St Martins Tower
44 St Georges Terrace
PERTH WA 6000

Telephone: (+61 8) 6211 5000

Facsimile: (+61 8) 6211 5055

** These entities are included for information purposes only. They have not been involved in the preparation of this Offer Document.*

INDICATIVE TIMETABLE

The indicative timetable for the Offers is as follows:

Event	Date ²
Announcement of Offers Lodge Offer Document, Appendix 3B and notice under section 708AA(2)(f) of the Corporations Act with ASX	Before 10:00am (AEST) on Wednesday, 15 May 2024
'Ex' date Rights trading commences on a deferred settlement basis	Friday, 17 May 2024
Record Date	5:00pm (AEST) on Monday, 20 May 2024
Opening Date Offer Document sent to Eligible Shareholders Announcement of delivery of Offer Document	9:00am (AEST) on Thursday, 23 May 2024
Rights trading ends at close of trading	4:00pm (AEST) on Monday, 27 May 2024
New Shares quoted on a deferred settlement basis	Tuesday, 28 May 2024
Last day to extend the Closing Date of the Entitlement Offer ¹	Before 12:00pm (AEST) on Wednesday, 29 May 2024
Closing Date of the Entitlement Offer	5:00pm (AEST) on Monday, 3 June 2024
Announcement of acceptances of Entitlement Offer to ASX Issue of New Shares under the Entitlement Offer Lodgement of Appendix 2A with ASX applying for quotation of the New Shares Despatch of Holding Statements	Before 12:00pm (AEST) on Tuesday, 11 June 2024
Quotation of New Shares under the Entitlement Offer	Wednesday, 12 June 2024
Issue and quotation of Shortfall Shares Lodgement of Appendix 2A with ASX applying for quotation of the Shortfall Shares Despatch of Holding Statements	Before 5:00pm (AEST) on Monday, 2 September 2024

Notes:

1. Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date at their discretion without notice. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.
2. These dates are indicative only and are subject to change.

KEY OFFER DETAILS

The key details of the Offers are as follows:

Offer	Detail
Entitlement Offer	
Eligibility	Shareholders registered on the Record Date with an address in Australia, New Zealand or South Africa, who are not U.S Persons.
Ratio	One (1) New Share for every sixteen (16) Shares held on the Record Date.
Price per New Share	\$0.06
Number of New Shares offered	Up to 84,266,771 New Shares
Minimum Subscription (before costs)	There is no minimum subscription
Maximum Subscription (before costs)	Approximately \$5,056,006
Underwriting	The Offers are not underwritten.
Shortfall Offer	
Eligibility	Shareholders registered on the Record Date with an address in Australia, New Zealand or South Africa, who are not U.S Persons.
Price per New Share	\$0.06
Number of New Shares offered	Up to 84,266,771 New Shares
Maximum Subscription (before costs)	Approximately \$5,056,006

LETTER FROM THE EXECUTIVE CHAIRMAN

Dear Shareholder,

On behalf of Kinetiko Energy Ltd (ACN 141 647 529) (“**Company**”), I am pleased to invite you to participate in a renounceable, pro-rata entitlement offer available to Eligible Shareholders of up to eighty four million, two hundred and sixty six thousand, seven hundred and seventy one (84,266,771) New Shares on the basis of one (1) New Share for every sixteen (16) Shares held on the Record Date, at an issue price of \$0.06 per New Share to raise up to approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs) (“**Entitlement Offer**”) and add to your existing investment in the Company. Eligible Shareholders may also apply for additional New Shares which comprise the Shortfall to the Entitlement Offer, at the same issue price of \$0.06 per New Share (“**Shortfall Offer**”).

As a result of strong indications of support by many of the Company’s Shareholders the Board holds expectations for greater Shareholder rights participation. The Company has nominated Euroz Hartleys Limited (ACN 104 195 057) (AFSL 230052) (“**Nominee**”) to act as nominee to arrange for the sale of the Entitlements that would have been given to Ineligible Shareholders.

Funds raised under the Offers will be used to aggressively advance the Company’s gas exploration activities that are underway and highlighted by the five (5) appraisal production wells to be drilled this year and planned to achieve the highest flow rates and technical outcomes, and for general working capital. Further details in this regard are set out in Section 3.1.

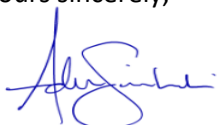
The Offers are open to all Eligible Shareholders, being Shareholders of the Company on the Record Date who have a registered address in Australia, New Zealand or South Africa (who are not U.S Persons). Notwithstanding the above, the Company may (in its absolute discretion) extend the Entitlement to certain Shareholders who have registered addresses outside the eligible countries in accordance with applicable law. The Company is subject to a range of risks, both those relating to the success of its gas exploration operations in South Africa, as well as those which apply to the gas and energy sector, such as a loss of key personnel and commodity price fluctuations. These risks are discussed in more detail in Section 4.

Eligible Shareholders may apply for some, or all, of their Entitlement under the Entitlement Offer and may also apply for additional New Shares in excess of their Entitlement pursuant to the Shortfall Offer (for further details see Section 2). The Entitlement Offer is scheduled to close at 5:00pm (AEST) on Monday, 3 June 2024. As the Entitlement Offer is renounceable, your right to participate in the Entitlement Offer is transferable. You may trade your Entitlement on ASX or transfer it to another person. Further details of how this may be done are provided in Section 2.1. Your Entitlement may have value and it is important that you determine whether to take up, sell or do nothing with your Entitlement.

Details of how to participate in the Offers are provided on the Acceptance Form and to participate you will need to ensure that you have paid all Application Monies before the Closing Date.

The Directors are very appreciative of the long-term support and loyalty of the Company’s Shareholders and invite you to consider this opportunity to further support the Company’s immediate focus to deliver a series of appraisal production gas wells to accelerate towards its’ vision to become the largest on share gas producer in South Africa.

Yours sincerely,



Adam Sierakowski
Executive Chairman
Kinetiko Energy Ltd

1 DETAILS OF THE OFFER

1.1. ENTITLEMENT OFFER

The Company is making a renounceable pro-rata offer to Eligible Shareholders of up to eighty four million, two hundred and sixty six thousand, seven hundred and seventy one (84,266,771) New Shares on the basis of one (1) New Share for every sixteen (16) Shares held on the Record Date, at an issue price of \$0.06 per New Share to raise up to approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs) ("**Entitlement Offer**"). Any New Shares not taken up by Eligible Shareholders will form the Shortfall Shares.

Eligible Shareholders are being sent this Offer Document together with a personalised Acceptance Form and are invited to apply for New Shares. The number of New Shares to which you are entitled is shown on your personalised Acceptance Form ("**Entitlement**"). The Entitlement Offer opens at 9:00am (AEST) on Thursday, 23 May 2024 and closes at 5:00pm (AEST) on Monday, 3 June 2024.

Entitlements under the Entitlement Offer will be rounded down to the nearest whole number. Entitlements of Shareholders that round down to zero will not have any entitlement under the Entitlement Offer.

Based on the current capital structure of the Company as at the date of this Offer Document, a maximum of eighty four million, two hundred and sixty six thousand, seven hundred and seventy one (84,266,771) New Shares will be issued pursuant to this Entitlement Offer to raise up to five million and fifty six thousand and six dollars (\$5,056,006) (before costs).

1.2. SHORTFALL OFFER

Any Shares which are offered to Eligible Shareholders as part of their Entitlement but are not taken up will form the Shortfall Shares. The Directors reserve the right to issue any Shortfall Shares at their discretion within three (3) months after the Closing Date and the Shortfall Shares will be issued at the same price as the New Shares under the Entitlement Offer ("**Shortfall Offer**").

Eligible Shareholders who have subscribed for their Entitlements in full may apply for Shortfall Shares by completing the relevant section of their Acceptance Form and returning it to the Company together with the relevant Application Monies.

Shortfall Shares will be allocated to Eligible Shareholders who apply for Shortfall Shares in accordance with the following policy (subject to availability):

- the additional Entitlements will only be issued to the extent that the issue of Shortfall Shares to that Eligible Shareholder will not take their voting power in excess of 19.99% or from a starting point of above 20% and below 90% in breach of section 606 of the Corporations Act;
- the additional Entitlements will only be issued to the extent there is a sufficient number of available Entitlements;
- applications may be scaled back by the Company in accordance with the policy and discretions set out in this Offer Document; and
- the additional Entitlements will be issued at the Entitlement Offer price of \$0.06 per New Share.

Therefore, applications under the Shortfall Offer may not be successful (whether wholly or partially) and the Company does not guarantee the allocation of Shortfall Shares to any applicant. The decision of the Company on the number of Shortfall Shares to be allocated (if any) will be final. Any Application Monies received for more than an applicant's final allocation of Shortfall Shares will be refunded (without interest) by the Company in accordance with the Corporations Act.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and Shortfall Shares will be issued within three (3) months after the Closing Date.

The Directors reserve the right to issue Shortfall Shares at their absolute discretion and subject to the Corporations Act and Listing Rules to issue Shortfall Shares in a manner that is in the Company's best interests, however, no Shortfall Shares will be placed to any person if it would cause that person or any of their associates to breach the takeover prohibition in section 606 of the Corporations Act (i.e. no person or their associate will have voting power in the Company in excess of 19.99% after the issue of the Shortfall Shares). The Company will ensure that the Entitlement Offer (including the dispersion of any Shortfall Shares) complies with the provisions of Chapter 6 of the Corporations Act and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

Similarly, no New Shares will be issued via the Shortfall Offer to any related parties of the Company (or any other party requiring shareholder approval) without prior shareholder approval. Shortfall Shares will not be allocated and issued where the Company considers that to do so would result in a breach of the Corporations Act, the ASX Listing Rules or any other relevant law.

1.3. CONDITIONAL OFFER

The Offers under this Offer Document are not conditional upon the Company raising any minimum subscription.

1.4. ELIGIBLE SHAREHOLDERS

Eligible Shareholders for the purposes of the Offers are those persons who:

- are registered as a holder of Shares as at 5:00pm (AEST) on the Record Date; and
- have a registered address in Australia, New Zealand or South Africa (to the extent permitted in section 1.6).

The Offers made to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

Notwithstanding the above, the Company may (in its absolute discretion) extend the Entitlement to certain Shareholders who have registered addresses outside the eligible countries in accordance with applicable law (see section 1.5 below).

1.5. INELIGIBLE SHAREHOLDERS

Shareholders who are not Eligible Shareholders are "**Ineligible Shareholders**".

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Offers to Ineligible Shareholders, having regard to:

- the small number of Ineligible Shareholders;

- the small number and value of the New Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, this Entitlement Offer is not being extended to any Shareholders outside Australia or New Zealand (except to the extent permitted in Section 1.6). The Company will notify all Ineligible Shareholders of the Entitlement Offer and advise that the Company is not extending the Entitlement Offer to those Shareholders.

For the purposes of Listing Rule 7.7.1(c), the Company has appointed the Nominee as nominee for the purposes of section 615 of the Corporations Act to arrange for the sale of the Ineligible Shareholders' Entitlements and to account to them for the net proceeds of the sale (if any). The net proceeds of sale (in Australian dollars) will be distributed to the Ineligible Shareholder for whose benefits the Entitlements have been sold in proportion to their shareholding as at the Record Date (after deducting the costs of the sale). There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX or that there will be a liquid market in traded Entitlements. Even where the Nominee is able to sell Entitlements, Ineligible Shareholders may receive no net proceeds if the costs of the sale are greater than the sale proceeds. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements or if you trade your Entitlements before they are allotted (whether on the basis of confirmation of the allocation provided by the Company or otherwise).

Ineligible Shareholders who wish to apply for Shortfall Shares and, where it is lawful to do so, should contact the Company Secretary on (+61 8) 6211 5099.

1.6. FOREIGN SHAREHOLDER RESTRICTIONS

The Offer Document does not constitute an offer in any jurisdiction where, or to any person to whom, it would not be lawful to issue this Offer Document or make such an offer. No action has been taken to register or qualify the Shares or the Entitlements Offer or otherwise to permit an offering of the Shares in any jurisdiction outside of Australia and New Zealand (except to the extent permitted in this Section 1.6).

Where the Offer Document has been dispatched to Shareholders domiciled outside Australia or New Zealand and where that country's securities code or legislation prohibits or restricts in any way the making of the Entitlements Offer contemplated by this Offer Document, then the Offer Document and accompanying Acceptance Form are provided for information purposes only. It is the responsibility of any applicant to ensure compliance with any laws of a country relevant to their application. The return of a duly completed Acceptance Form will be taken by the Company as a representation and warranty by the Applicant that there has been no breach of such laws and that the Applicant is an Eligible Shareholder.

Notwithstanding the above, this Offer Document may be distributed in South Africa only to Eligible Shareholders. This Offer Document does not constitute a prospectus prepared and registered under the *South African Companies Act 2008* and may not be distributed to the public in South Africa. This document has not been registered with, or approved by, the South African Companies and Intellectual Property Commission. Any offer of New Shares in South Africa will be made by way of a private placement to, and capable of acceptance only by, investors who fall within one of the specified categories listed in section 96(1)(a) of the *South African Companies Act 2008*. An entity or person resident in South Africa may not implement participation in the Offer unless (i) permitted under the South African Exchange Control Regulations or (ii) a specific approval has been obtained

from an authorised foreign exchange dealer in South Africa or the Financial Surveillance Department of the South African Reserve Bank.

1.7. Notice to nominees and custodians

Nominees and custodians may not distribute this Offer Document (or any part of it) in any country outside Australia, except to Eligible Shareholders (or certain other Shareholders in such other country in which the Company may determine, in advance, that it is lawful and practical to make the Offers).

1.8. MINIMUM SUBSCRIPTION

There is no minimum level of subscription for the Offers.

1.9. RANKING OF NEW SHARES

New Shares to be issued pursuant to the Offers will be issued on a fully paid basis and will rank equally in all respect with existing Shares. A summary of the rights and liabilities attaching to the New Shares is set out in Section 6.4.

1.10. ISSUE OF NEW SHARES

The issue of New Shares under this Offer Document will occur in accordance with the timetable. Upon New Shares being issued under the Offers, Holding Statements will be issued to applicants as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the New Shares. Applicants who sell their New Shares before they receive their holding statement will do so at their own risk.

1.11. ASX QUOTATION

The Company will apply to ASX for quotation of the New Shares offered under this Offer Document in accordance with the timetable.

1.12. APPLICATION MONIES HELD IN TRUST

All Application Monies will be held in a separate trust account on behalf of applicants until the New Shares are issued pursuant to the Offers. Any interest earned on Application Monies (including those which do not result in the issue of New Shares) will be retained by the Company.

1.13. CHES

The Company participates in the Clearing House Electronic Subregister System (“**CHES**”). ASX Settlement Pty Ltd (“**ASX Settlement**”), a wholly-owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and the ASX Settlement Operating Rules.

ASX Settlement will send a CHES statement to Shareholders who are broker sponsored following the completion of each of the Offers. Each CHES statement will set out the number of New Shares issued to the Shareholder under this Offer Document and provide details of the Shareholder’s holder identification number and the participant identification number of the sponsor. CHES allotment advices will be sent by the Share Registry.

The Share Registry will send a statement to Shareholders who are registered on the Issuer Sponsored sub-register following the completion of the Offers. Each statement will contain the number of New Shares issued to the Shareholder under this Offer Document and the Shareholder’s security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.

1.14. PRIVACY DISCLOSURE

Persons who apply for New Shares under this Offer Document are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications, to provide facilities and services to security holders and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications may not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

1.15. TAXATION

It is the responsibility of all Shareholders to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers by consulting their own professional tax advisers. Neither the Company nor the Directors accept any liability or responsibility in respect of the taxation consequences for Shareholders as a result of the matters referred to in this Offer Document.

2 HOW TO APPLY

This Section 2 sets out the choices for an Eligible Shareholder with respect to applying for New Shares under the Offers. Please refer to Section 1.3 to determine who is an Eligible Shareholder.

2.1. CHOICES AVAILABLE

Eligible Shareholders may do any of the following:

- take up all of their Entitlement (refer to Section 2.1.1);
- take up all of their Entitlement and apply for additional New Shares under the Shortfall Offer (refer to Section 2.1.2);
- sell all of their Entitlement on ASX (refer to Section 2.1.3);
- take up a proportion of their Entitlement on ASX and sell the balance on the ASX (refer to Section 2.1.4);
- take up a proportion of their Entitlement and allow the balance to lapse (refer to Section 2.1.5);
- sell all or a proportion of their Entitlement other than on ASX (refer to Section 2.1.6); or
- allow all of their Entitlement to lapse (refer to Section 2.1.7).

No.	Choices Available	Summary
2.1.1	Taking up all of your Entitlement	Should you wish to accept all of your Entitlement, then Applications for New Shares under this Offer Document must be made by completing a BPAY® payment, in accordance with the instructions referred to in this Offer Document and on the Acceptance Form. Please read the instructions carefully. Payment can be made by the methods set out in Section 2.2 and, accordingly, you do not need to return the Acceptance Form.
2.1.2	Taking up all of your Entitlement and applying for additional New Shares under the Shortfall Offer	Should you wish to accept all of your Entitlement and apply for additional New Shares under the Shortfall Offer, then Applications for New Shares under this Offer Document must be made by completing a BPAY® or EFT payment, in accordance with the instructions referred to in this Offer Document and on the Acceptance Form. Please read the instructions carefully.
2.1.3	Sell all of your Entitlement on ASX	The Entitlements under the Entitlement Offer are renounceable, which means that all, or part, of an Eligible Shareholder's rights to subscribe for New Shares under the Entitlement Offer may be traded on ASX. If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement you wish to sell on ASX. Trading of Entitlements on ASX will commence on Friday, 17 May 2024 and will cease at 4:00pm (AEST) on Monday, 27 May 2024.

No.	Choices Available	Summary
2.1.4	<p>Taking up a proportion of your Entitlement and selling the balance on the ASX</p>	<p>If you wish to take up only part of your Entitlement and sell the remainder on the ASX, then Applications for the proportion of the New Shares that you wish to take up under this Offer Document must be made by completing a BPAY® payment, in accordance with the instructions referred to in this Offer Document and on the Acceptance Form. Please read the instructions carefully.</p> <p>Subsequently, provide instructions to your stockbroker regarding the remaining proportion of your Entitlement that you wish to sell on ASX. Trading of Entitlements on ASX will commence on Friday, 17 May 2024 and will cease at 4:00pm (AEST) on Monday, 27 May 2024.</p>
2.1.5	<p>Taking up a proportion of your Entitlement and allowing the balance to lapse</p>	<p>If you wish to take up only part of your Entitlement and allow the balance to lapse, then Applications for the proportion of the New Shares that you wish to take up under this Offer Document must be made by completing a BPAY® payment, in accordance with the instructions referred to in this Offer Document and on the Acceptance Form. Please read the instructions carefully.</p> <p>If you take no further action thereafter, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.</p>
2.1.6	<p>Selling all or a proportion of your Entitlement other than on the ASX</p>	<p>You may elect to transfer all, or a proportion, of your Entitlement to another person rather than selling that Entitlement on the ASX. If the purchaser of your Entitlement is an Ineligible Shareholder or a person that would be an Ineligible Shareholder if they were a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.</p> <p>If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) to:</p> <p style="text-align: center;">Kinetiko Energy Ltd C/- Automic Registry Services Pty Ltd Level 5, 191 St Georges Terrace PERTH WA 6000</p> <p>(by delivery or by post at any time after the Opening Date and on or before the Closing Date).</p> <p>The applicable transferee will also need to pay the Application Monies for the New Shares that they wish to subscribe for in accordance with Section 2.2.</p>

No.	Choices Available	Summary
		If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for New Shares the transferee of the Entitlement wants to acquire must be received by Share Registry in accordance with Section 2.2.
2.1.7	Allow all of your Entitlement to lapse	<p>Shareholders should be aware that their Entitlement may have value. Entitlements are renounceable, which enables Eligible Shareholders who do not wish to take up part or all of their Entitlement to seek to sell or trade all or some of their Entitlement on ASX.</p> <p>If you do not wish to accept or trade any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement or dispose of your Entitlement by the Closing Date, the Offers to you will lapse.</p>

2.2. PAYMENT OPTIONS

Eligible Shareholders have two (2) payment options in order to take up their Entitlement under the Offers.

2.2.1 BPAY® PAYMENT

For payment by BPAY®, please follow the instructions on the Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- you do not need to submit the Acceptance Form but are taken to have made the declarations on that Acceptance Form;
- if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00 pm (AEST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one (1) shareholding of Shares and consequently receive more than one (1) Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Acceptance Form. Do not use

the same CRN for more than one (1) of your Shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one (1) of your Shareholdings (with the result that any Application Form in respect of your remaining Shareholdings will not be valid).

2.2.2 ELECTRONIC FUNDS TRANSFER

For payment by Electronic Funds Transfer (“EFT”), please follow the instructions on the Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- you do not need to submit the Acceptance Form but are taken to have made the declarations on that Acceptance Form;
- if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and
- if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

2.2.3 NO PAYMENT BY CHEQUE

Payment by cheque will not be accepted.

2.3. EFFECT OF MAKING AN APPLICATION

Making a BPAY® or EFT payment will be taken to constitute a representation by the applicant that it:

- has received a printed or electronic copy of this Offer Document accompanying the form and has read it in full;
- agrees to be bound by the terms of this Offer Document and the Constitution;
- makes the representations and warranties in this Section 2.3 and confirms its eligibility in respect of an offer of New Shares under the Offer;
- declares that all details and statements in the Acceptance Form are complete and accurate;
- declares that it is over eighteen (18) years of age and has full legal capacity and power to perform all of its rights and obligations under the Acceptance Form;
- acknowledges that once the Acceptance Form is returned or a BPAY® or EFT payment is made its acceptance may not be withdrawn;
- agrees to being issued the number of New Shares it applies for at the price per New Share under the Offers (or a lower number issued in a way described in this Offer Document);
- authorises the Company to register it as the holder(s) of the New Shares issued to it;
- acknowledges that the information contained in this Offer Document is not investment advice or a recommendation that the New Shares are suitable for it, given its investment objectives, financial situation or particular needs; and
- authorises the Company and its officers or agents to do anything on its behalf necessary for New Shares to be issued to it, including correcting any errors in its Acceptance Form or

other form provided by it and acting on instructions received by the Share Registry using the contact details in the Acceptance Form.

2.4. ENQUIRIES

This Offer Document is important and should be read in its entirety. Shareholders who are in any doubt as to the course to follow should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Questions relating to the Offers and completion of the Acceptance Forms can be directed to the Share Registry on (+61) 2 9698 5414.

3 PURPOSE AND EFFECT OF THE OFFERS

3.1. PURPOSE OF THE OFFERS

The funds raised from the Offers (assuming Maximum Subscription) are planned to be used in accordance with the table set out below:

Allocation of funds	Completion of the Offers
Exploration & development expenditure	\$3,682,784
Environmental Impact Assessment for Production Right (ER271)	\$237,156
Gas to Power Generation - Proof of Concept trials	\$207,987
Gas Separation Testing Kit	\$282,017
General working capital ²	\$589,766
Costs of the Offers	\$56,297
Total³	\$5,056,006

Notes:

1. The proposed use of funds table is indicative only and may vary subject to the Corporations Act, the Listing Rules, other applicable laws and otherwise at the absolute discretion of the Company.
2. Working capital may include wages, payments to contractors, rent and outgoings, insurance, accounting, audit, legal and listing fees, payments to creditors, interest payments, other items of a general administrative nature and cash reserves which may be used in connection with the Company's activities, as determined by the Board at the relevant time.
3. Funds include current cash at bank held by the Company prior to completion of the Offers, being an amount of approximately two million, one hundred and ninety thousand dollars (\$2,190,000) and funds from the Offers, which are anticipated to be approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs).

The above table is a statement of the Board's current intention as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

If Entitlements under the Offers are not fully taken up by the Shareholders then this may have an effect on the rate at which any plans are undertaken by the Company, such as exploration programs. Additional funding through debt or equity may be considered by the Board where it is appropriate to accelerate a specific project or transaction.

3.2. PRINCIPAL EFFECT OF THE OFFERS

The principal effect of the Offers (assuming Maximum Subscription) will be to increase:

- cash reserves by approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs); and

- the number of Shares on issue from one billion, three hundred and forty-eight million, two hundred and sixty-eight thousand, three hundred and thirty four (1,348,268,334) to approximately one billion, four hundred and thirty two million, five hundred and thirty five thousand, one hundred and five (1,432,535,105).

3.3. CAPITAL STRUCTURE

The table below provides a summary of the capital structure of the Company at the date of this Offer Document and upon completion of the Offers (assuming Maximum Subscription).

Securities ¹	Existing	Completion of Offers ⁶
Existing Shares ²	1,348,268,334	1,348,268,334
New Shares ³	-	84,266,771
Total (undiluted)	1,348,268,334	1,432,535,105
Existing Options ⁴	27,750,000	27,750,000
Nominee Options ⁵	-	2,000,000
Fully Diluted Share Capital⁶	1,376,018,334	1,462,285,105

Notes:

- Assumes no additional securities are issued between the date of this Offer Document and completion of the Offers.
- See section 6.4 for further information on the existing Shares.
- See sections 1.1 and 1.2 for further information on the New Shares under the Entitlement Offer and Shortfall Offer.
- See section 6.5 for further information on the existing Options.
- See sections 5.1 and 6.6 for further information on the Nominee Options.
- See sections 1.1 and 1.2 for further information on the Maximum Subscription.

3.4. PRO FORMA STATEMENT OF FINANCIAL POSITION

Set out on the following page is the audit reviewed statement of financial position for the Company at 31 December 2023. The audited pro forma statement of financial position has been prepared on the basis and assumption that there have been no material movements in the assets and liabilities of the Company between 31 December 2023 and completion of the Offers other than the:

- issue of up to eighty four million, two hundred and sixty six thousand, seven hundred and seventy one (84,266,771) New Shares at an issue price of \$0.06 per New Share through the Offers to raise up to approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs); and
- the estimated expenses of the Offers are fifty six thousand, two hundred and ninety seven dollars (\$56,297), which amounts are shown as a deduction against issued capital.

3.6. DETAILS OF SUBSTANTIAL SHAREHOLDERS

The Company currently has the following substantial Shareholders, being a Shareholder with a relevant interest of five percent (5%) or more of the Shares on issue individually or through associated entities:

Shareholder Name	Number of Shares	Percentage
Don And Jennifer Holdings Pty Ltd	188,606,896	13.99%
Mr Brendan David Gore <Gore Family No 2 A/C>	113,712,306	8.43%
Phefo Power (Pty) Limited	110,602,220	8.20%
Robert James Macmillan	90,394,022	6.70%
Adam Sierakowski	76,929,337	5.71%
Talent 10 Holdings (Pty) Ltd	72,222,222	5.36%
Paul Lewis Tromp	70,535,324	5.23%

Notes: The substantial Shareholders listed above have indicated to the Company that they intend to take up all of their Entitlement under the Entitlement Offer (but no Shortfall Shares under the Shortfall Offer).

3.7. EFFECT OF THE ENTITLEMENT OFFER ON CONTROL

3.7.1 GENERAL

There will be no effect on the control of the Company if all Shareholders take up their Entitlement.

As the Entitlement Offer is renounceable and for the purposes of Listing Rule 7.7.1(c), the Company has appointed the Nominee to act as nominee to arrange for the sale of the entitlements that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale.

Given the structure of the Offers, the Directors do not believe that there will be any material effect on the control of the Company as a result of the Offers.

The issue of New Shares under the Offers will provide funds for the purposes set out in Section 3.1.

3.8. POTENTIAL DILUTION

Shareholders should note that, if they do not participate in the Offers, their holdings will be diluted. Examples of how the dilution from the Offers may impact Shareholders are set out in the table below:

Holder	Holding as at the Record Date	Percentage at Record Date	Entitlements under the Offer	Holdings if Entitlement not taken up ¹	Percentage holding if Entitlement not taken up ²
Shareholder 1	100,000,000	7.42%	6,250,000	100,000,000	6.98%

Holder	Holding as at the Record Date	Percentage at Record Date	Entitlements under the Offer	Holdings if Entitlement not taken up ¹	Percentage holding if Entitlement not taken up ²
Shareholder 2	50,000,000	3.71%	3,125,000	50,000,000	3.49%
Shareholder 3	20,000,000	1.48%	1,250,000	20,000,000	1.40%
Shareholder 4	10,000,000	0.74%	625,000	10,000,000	0.70%
Shareholder 5	5,000,000	0.37%	312,500	5,000,000	0.35%

Notes:

1. This is based on a share capital of one billion, three hundred and forty-eight million, two hundred and sixty-eight thousand, three hundred and thirty four (1,348,268,334) Shares on issue at the date of this Offer Document and assumes no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue.
2. The dilution effect shown in the table is the maximum percentage dilution on the assumption that the Maximum Subscription is achieved.

The dilution effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are subscribed for under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall is not subsequently taken up, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

4 RISK FACTORS

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This Section 4 identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Offer Document and consult their stockbroker, lawyer, accountant or other professional adviser before deciding whether to apply for New Shares.

4.1. SPECIFIC RISKS

4.1.1 EXPLORATION, GEOLOGICAL AND DEVELOPMENT RISKS

Hydrocarbon exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves (amongst other things):

- discovery and proving-up, or acquiring, an economically recoverable resource or reserve;
- access to adequate capital throughout the acquisition/discovery and project development phases;
- securing and maintaining title to hydrocarbon exploration projects;
- obtaining required development consents and approvals necessary for the acquisition, exploration, development and production phases; and
- accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.

There can be no assurance that exploration will result in the discovery of an economic hydrocarbon resource or reserve. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.

The exploration activities of the Company may be adversely affected by a range of factors including geological conditions, operational risks and changing government laws and regulations. Further, whether positive income flows result from projects on which the Company will expend exploration and development capital is dependent on many factors including successful exploration, establishment of production facilities, cost control, commodity price movements, successful contract negotiations for production and stability in the local political environment.

In addition, significant expenditure may be required to establish necessary hydrocarbon extraction and treatment processes to develop and exploit any hydrocarbon reserves identified. There is no assurance that the Company will have sufficient working capital or resources available to do this.

4.1.2 FUTURE PROFITABILITY

The Company's profitability will be impacted by, among other things, the success of its exploration and gas production activities, economic conditions in the markets in which it operates, competition factors and any regulatory developments. Accordingly, the extent of future profits (if any) and the time required to achieve sustained profitability are uncertain and cannot be reliably predicted.

4.1.3 OPERATIONAL RISKS

The operations of the Company may be affected by various factors, including:

- failure to locate or identify hydrocarbon deposits;
- failure to achieve predicted grades in hydrocarbon exploration and production;
- operational and technical difficulties encountered in gas production;
- insufficient or unreliable infrastructure, such as power, water and transport;
- political or civil unrest, including outbreaks of violence or other hostilities;
- difficulties in commissioning and operating plant and equipment;
- mechanical failure or plant breakdown;
- unanticipated hydrocarbon extraction and treatment processes problems which may affect extraction costs;
- adverse weather conditions;
- industrial and environmental accidents and disputes; and
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected.

4.1.4 ACCESS TO EXPLORATION RIGHTS

The right of the holder of exploration rights to explore for hydrocarbons is subject to the consent of the occupier of the land and, where the land is proximate to certain specified locations, the ministry responsible for the protection of such locations. Immediate access to rights cannot in all cases be guaranteed. The Company currently has the relevant rights and approvals required to access and explore, however these licenses and approvals are subject to change.

4.1.5 GOVERNMENT AND REGULATORY RISK

Operations by the Company may require approvals, consents or permits from government or regulatory authorities, including renewals of existing exploration permits or title transfer to newly acquired exploration permits, which may not be forthcoming or which may not be able to be obtained on terms acceptable to the Company.

Whilst there is no reason to believe that necessary government and regulatory approvals will not be forthcoming, the Company cannot guarantee that those required approvals will be obtained. Failure to obtain any such approvals could mean the ability of the Company to prove-up, develop or operate any project or to acquire any project, may be inhibited or negated.

4.1.6 COMMODITY PRICE AND CURRENCY EXCHANGE RISKS

As the Company's potential earnings will be largely derived from the sale of gas, the Company's future revenues and cash flows will be impacted by changes in the prices and available markets of these commodities. Any substantial decline in the price of those commodities or in transport or distribution costs may have a material adverse effect on the Company and the value of its Shares.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include current and expected future supply and demand, forward selling by producers, production cost levels in major gas producing centres as well as macroeconomic conditions such as inflation and interest rates.

Furthermore, the international prices of most commodities are denominated in United States dollars while the Company cost base will be in Australian dollars. Consequently, changes in the Australian dollar exchange rate will impact on the earnings of the Company. The exchange rate is affected by numerous factors beyond the control of the Company, including international markets, interest rates, inflation and the general economic outlook.

4.1.7 RESOURCE AND RESERVE ESTIMATES

Estimates which were valid when originally made may change appreciably when further information becomes available. Such resource and reserve estimates are by nature imprecise, depending on interpretations which may, with further exploration, prove to be inaccurate. Moreover, should the Company encounter ore bodies or formations which differ from those suggested by past sampling and analysis, resource and reserve estimates may have to be adjusted and any production plans altered accordingly which may adversely impact the Company's plans.

4.1.8 RESULT OF STUDIES

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine economic feasibility within certain limits. There can be no guarantee that any of the studies will confirm economic viability or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

4.1.9 AGENTS AND CONTRACTORS

The Directors are unable to predict the risk of financial failure or default or the insolvency of any of the contractors which will be used by the Company in any of its activities or other managerial failure by any of the other service providers used by the Company for any activity. Any default or insolvency is outside the Company's control and may have an adverse effect on the Company's operations.

4.1.10 INSURANCE

The Company intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available. Further, where coverage is available, the costs may be prohibitive.

4.1.11 ENVIRONMENTAL

The Company's activities are subject to the environmental laws inherent in the hydrocarbon industry and those specific to South Africa. The Company intends to conduct its activities in an environmentally responsible manner and in compliance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject the Company to extensive liability.

In addition, environmental approvals may be required from relevant government or regulatory authorities before activities may be undertaken which are likely to impact the environment. Failure or delay in obtaining such approvals will prevent the Company from undertaking its planned activities. Further, the Company is unable to predict the impact of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

4.1.12 REHABILITATION OF TENEMENTS

In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time.

4.1.13 CLIMATE CHANGE REGULATION

Mining of gas and methane is relatively energy intensive and is dependent on the consumption of fossil fuels. Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

The efforts of the South African government to transition towards a lower-carbon economy may also entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change that could significantly impact the Company. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the Company.

Furthermore, the physical risks to the Company resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. These physical risks may have financial implications for the Company, such as direct damage to assets and indirect impacts from supply chain disruption.

4.1.14 CONTRACT RISK

The operations of the Company will require the involvement of a number of third parties, including suppliers, contractors and customers. With respect to these third parties, and despite applying best practice in terms of pre-contracting due diligence, the Directors are unable to completely avoid the risk of:

- financial failure or default by a participant in any joint venture to which the Company or its subsidiaries may become a party;
- insolvency, default on performance or delivery, or any managerial failure by any of the operators and contractors used by the Company or its subsidiaries in its exploration activities; or
- insolvency, default on performance or delivery, or any managerial failure by any other service providers used by the Company or its subsidiaries or operators for any activity.

Financial failure, insolvency, default on performance or delivery, or any managerial failure by such third parties may have a material impact on the Company's operations and performance. Whilst best practice pre-contracting due diligence is undertaken for all third parties engaged by the Company, it is not possible for the Company to predict or protect itself completely against all such contract risks.

4.2. GENERAL RISKS

4.2.1 CREDIT RISK

There is the credit risk that the other party to a financial instrument will fail to discharge their obligation, resulting in the Company incurring a financial loss. Credit risk arises from cash and cash equivalents (e.g. deposits and investments held with banks and financial institutions), favourable derivative contracts (derivative assets), and receivables, guarantees given on behalf of others and commitments granted but not drawn down at the end of the reporting period.

4.2.2 ACQUISITIONS

The Company may make acquisitions of, or significant investments in, companies or assets that are complementary to its business. Any such future transactions are accompanied by the risks commonly encountered in making acquisitions of companies or assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving mineral exploration success and retaining key staff.

4.2.3 SAFETY

Safety is a fundamental risk for any exploration and production company in regards to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

4.2.4 LITIGATION

The Company may in the ordinary course of business become involved in litigation and disputes, for example with service providers, customers or third parties infringing the Company's intellectual property rights. Any such litigation or dispute could involve significant economic costs and damage to relationships with contractors, customers or other stakeholders. Such outcomes may have an adverse impact on the Company's business, reputation and financial performance.

4.2.5 SHARE MARKET

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the Shares may be subject to fluctuation and may be affected by many factors including but not limited to the following:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- mineral/commodity price fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- terrorism or other hostilities; and
- other factors beyond the control of the Company.

4.2.6 COMMERCIALISATION RISK

Even if the Company discovers commercial quantities of hydrocarbons, there is a risk the Company will not achieve a commercial return. The Company may not be able to transport any gas extracted from its operations at a reasonable cost or may not be able to sell the gas to customers at a rate which would cover its operating and capital costs. There is also a risk that necessary regulatory approvals may not be obtained.

The hydrocarbon industry is competitive and there is no assurance that, even if commercial quantities are discovered, a profitable market will exist for sales of such commodities. There can be no assurance that the quality of the commodity will be such that the properties in which the Company holds and interest can be mined at a profit.

4.2.7 FUTURE CAPITAL NEEDS

Additional funding beyond the funds raised under the Capital Raisings may be required by the Company to support its ongoing operations. There can be no assurance that such funding will be available on satisfactory terms to the Company or at all. Any inability to obtain funding will adversely affect the business and financial condition of the Company and, consequently, its performance and ability to take advantage of opportunities to develop projects.

Further, any additional funding raised by issue of equity will be dilutive to the then current Shareholders. Equally, debt funding, if available in the future, may involve restrictions on financing and operating activities of the Company and its subsidiaries.

4.2.8 CHANGES TO LAWS AND REGULATIONS

The Company may be affected by changes to laws and regulations (in Australia, South Africa and other countries in which the Company may operate) concerning property, the environment, superannuation, taxation trade practices and competition, government grants, incentive schemes, accounting standards and other matters. Such changes could have adverse impacts on the Company from a financial and operational perspective.

4.2.9 CYBER SECURITY

Cyber security and the potential for attacks on the Company's hardware and software systems, networks, and data represents a potential risk to the Company's operations and could result in serious adverse impacts to its financial and other performance.

Exploitation or hacking of any of the Company's systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company's business, financial condition and results. Any cyber or related attacks and theft of this information could seriously impact on the Company's business and is a risk to the Company's future performance.

4.2.10 ECONOMIC RISKS

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the exploration and mining industries including, but not limited to, the following:

- general economic conditions;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the commodities (resources) sector;

- movement in, or outlook on, interest rates and inflation rates; and
- natural disasters, social upheaval, pandemic or war.

4.2.11 FORCE MAJEURE RISK

Events may occur within or outside the markets in which the Company operates that could impact upon the global, South African and Australian economies and the operations of the Company. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease such as pandemics, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

4.3. OTHER RISKS

This list of risk factors above is not an exhaustive list of the risks faced by the Company or by investors in the Company. The risk factors described in this Section 4 as well as risk factors not specifically referred to above may in the future materially affect the financial performance of the Company and the value of its Shares. Therefore, the Shares offered under this Offer Document carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investors should consider that an investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares under this Offer Document.

5 MATERIAL CONTRACTS

5.1. Nominee Mandate

The Company entered into an ineligible foreign shareholder nominee mandate with the Nominee on or about 23 April 2024 to establish the services provided by, and consideration payable to, the Nominee in relation to the Entitlement Offer (“**Nominee Mandate**”).

The key terms of the Nominee Mandate are as follows:

- within five (5) business days of a receipt of a valid tax invoice from the Nominee following the earlier of:
 - the completion of the sale of all of the Ineligible Shareholders’ Entitlements; and
 - five (5) business days after the close of the Entitlement Offer,the Company agrees to provide the following consideration to the Nominee:
 - a fixed cash payment of \$20,000.00 (plus GST) (“**Nominee Payment**”); and
 - the issue of 2,000,000 unlisted options with an exercise price of \$0.12 per option and expiry date of 31 December 2026 (without the requirement for Company shareholder approval) (“**Nominee Options**”),(together, the Nominee Payment and Nominee Options are the “**Consideration**”);
- the Mandate is subject to, amongst other conditions, the following:
 - ASIC approval for the Nominee to act in the nominee capacity for the Entitlement Offer;
 - the Nominee using best endeavours to sell the Ineligible Shareholders’ Entitlements on the ASX during the rights trading period and remit the proceeds of sale (net of expenses) to the Company (or the Share Registry) for distribution to the Ineligible Shareholders (but not making any guarantee that any Entitlements will be sold at any given price, or at all);
 - the Nominee being entitled to procure any buyer for the Ineligible Shareholders’ Entitlements at differing prices (such price being at the sole and absolute discretion of the Nominee);
- the Company will be responsible for payment of all of the ASX and Share Registry costs involved with the Nominee acting in its role;
- the Company agrees to take full responsibility for, and to unconditionally and irrevocably indemnify and keep indemnified and hold harmless, the Nominee (together with its associates) against any and all losses incurred by the Nominee in its role as nominee as contemplated by the Nominee Mandate, other than to the extent that such losses occurred directly and solely as result of the Nominee (or its associates) wilful default, fraud or gross negligence; and
- the Nominee agreed to be named in this Offer Document as the provided of the Nominee services.

6 ADDITIONAL INFORMATION

6.1. CONTINUOUS DISCLOSURE

The Company is a “listed disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to the ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Eligible Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to subscribe for New Shares under this Offer Document.

Copies of documents lodged with ASX in relation to the Company (including its corporate governance policies) may be obtained from the Company’s website (www.kinetiko.com.au) or at the ASX market announcements platform (<https://www.asx.com.au/markets/trade-our-cash-market/todays-announcements>) using the Company’s ASX code ‘KKO’.

6.2. EXPENSES OF THE OFFERS

The estimated expenses of the Offers (exclusive of GST) assuming Maximum Subscription are as follows:

Expense	Amount
Accounting fees	\$3,000
Legal fees	\$25,000
Postage, printing & Share Registry fees	\$7,000
ASIC & ASX fees	\$19,297
Total	\$56,297

6.3. INTERESTS OF DIRECTORS, EXPERTS AND ADVISERS

Other than as set out below or elsewhere in this Offer Document, no Director or proposed Director, person named in this Offer Document as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Offer Document or promoter of the Company, holds at the date of this Offer Document or held at any time during the last two (2) years, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion; or
- the Offers.

Other than as set out below or elsewhere in this Offer Document, no amount has been paid or agreed to be paid, and no benefit has been given or agreed to be given, to any Director or proposed Director either to induce them to become, or to qualify as, a Director of the Company, or otherwise

for services rendered by them in connection with the formation or promotion of the Company or the Offers.

6.3.1 DIRECTORS' RELEVANT INTERESTS IN SECURITIES

The Directors have the following relevant interests in Securities:

Director	Number of Shares held ¹	Entitlement to subscribe for New Shares	Number of New Shares held post-Offers ²
Adam Sierakowski	76,929,337	4,808,084	81,737,421
Robert Bulder	35,669,384	2,229,337	37,898,721
Donald Ncube	247,264,871	15,454,054	262,718,925
Robert Scharnell Jr.	-	-	-

Notes:

1. Assumes that the Directors do not exercise any Options over ordinary Shares prior to the completion of the Entitlement Offer.
2. Assumes all Directors take up their Entitlements (but do not take up any Shortfall Shares under the Shortfall Offer). The Company currently anticipates that all Directors intend to take up their full Entitlements.

6.3.2 DIRECTORS' REMUNERATION

The Constitution provides that the Non-Executive Directors may be paid for their services as non-executive directors a maximum total amount (excluding salaries) determined by the Company in general meeting (currently set at two hundred and fifty thousand dollars (\$250,000)). Executive Directors are entitled to be remunerated by salary or other employment related benefits in accordance with their employment agreements.

The table below sets out the remuneration (Including cash, leave and superannuation) paid or payable to the Directors for the two (2) financial years prior to the date of this Offer Document and for the current financial year until the date of this Offer Document:

Director	Remuneration 2022 financial year	Remuneration 2023 financial year	Remuneration 2024 financial year
Adam Sierakowski	\$189,900	\$189,900	\$199,395
Robert Bulder	-	-	\$45,000
Donald Ncube	--	-	\$45,000
Robert Scharnell Jr.	-	-	\$35,000

6.3.3 EXPERTS AND ADVISERS

Palisade Corporate has acted as legal adviser to the Company. Palisade Corporate's fees for work in relation to the Offers (which includes services in connection with the Entitlement Offer) up to the date of lodgement of this Offer Document will be approximately five thousand dollars (\$25,000) (plus GST and disbursements). Palisade Corporate may receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates. Mr Adam Sierakowski, being

the Executive Chairman of the Company, is both a director and shareholder of Palisade Corporate, which he holds a beneficial interest in, and the Company. As such, Mr Sierakowski may obtain an indirect benefit from this transaction.

6.4. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the New Shares to be issued pursuant to this Offer Document. The New Shares issued under the Entitlement Offer will rank equally in all respects with existing fully paid ordinary shares in the capital of the Company on issue. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, Listing Rules and the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.4.1 GENERAL MEETINGS

Security holders are entitled to be present in person, or by proxy, attorney or representative, to attend and vote at general meetings of the Company.

Security holders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

6.4.2 VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of securities, at general meetings of security holders or classes of security holders:

- each security holder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a security holder or a proxy, attorney or representative of a security holder has one vote, and
- on a poll, every person present who is a security holder or a proxy, attorney or representative of a security holder shall, in respect of each fully paid security held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the security, but in respect of partly paid securities shall have such number of votes as bears the same proportion to the total of such securities registered in the security holder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

6.4.3 DIVIDEND RIGHTS

Subject to the rights of persons (if any) entitled to securities with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the security holders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to securities with special rights as to dividend, all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. The Company may not pay interest in respect of any dividend, whether final or interim.

6.4.4 WINDING UP

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the security holders in kind the whole or any part of the property of the

Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the security holders or different classes of security holders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any securities or other securities in respect of which there is any liability. Where an order is made for the winding-up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, any securities classified as restricted securities at the time of the commencement of the winding up shall rank in priority after all other securities.

6.4.5 TRANSFER OF SECURITIES

Generally, securities in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act.

6.4.6 VARIATION OF RIGHTS

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of security holders, vary or abrogate the rights attaching to securities.

If at any time the share capital is divided into different classes of securities, the rights attached to any class (unless otherwise provided by the terms of issue of the securities of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued securities of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the securities of that class.

6.5. TERMS OF EXISTING OPTIONS

6.5.1 TERMS OF DIRECTOR OPTIONS

1. ENTITLEMENT

Each Director Option entitles the holder to subscribe for one (1) Share upon exercise of the Director Option.

2. EXPIRY DATE

Each Director Option will expire at 5.00pm (AWST) on 31 December 2026 (“**Expiry Date**”).

3. ISSUE AND EXERCISE PRICE

Each Director Option will be granted for no cash consideration but will have an exercise price of \$0.12 per Director Option (“**Exercise Price**”).

4. VESTING, EXERCISE PERIOD AND LAPSING

The Director Options will vest upon the satisfaction of continuous service from the issue date of the Director Options until 1 December 2024 by the relevant Director (“**Vesting Condition**”). Upon satisfaction of the Vesting Condition, the Director Options are exercisable at any time on, or prior to, the Expiry Date (“**Exercise Period**”) and each Director Option will automatically lapse if not exercised by the relevant Director pursuant to these terms and conditions by the Expiry Date.

5. EXERCISE NOTICE AND PAYMENT

Director Options may be exercised by notice in writing to the Company (“**Exercise Notice**”) together with payment of the Exercise Price for each Director Option being exercised. Any Exercise Notice for a Director Option received by the Company will be deemed to be a notice of the exercise of that Director Option as at the date of receipt. Payment in connection with the exercise of Director Options must be in Australian dollars and made payable to the Company in cleared funds.

6. SHARES ISSUED ON EXERCISE

Shares issued on exercise of Director Options will rank equally in all respects with then existing Shares in the Company.

7. QUOTATION OF SHARES

Provided that the Company is quoted on ASX at the time, an application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Director Options.

8. TIMING OF ISSUE OF SHARES

Subject to section 9, within five (5) business days after the later of the following:

- (a) receipt of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price in cleared funds for each Director Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and
- (b) the date that the Company ceases to be in possession of excluded information with respect to the Company (if any) following the receipt of the Exercise Notice and payment of the Exercise Price in cleared funds for each Director Option being exercised by the Company,

the Company will allot and issue the Shares pursuant to the exercise of the Director Options and, to the extent that it is legally able to do so:

- (c) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Director Options.

If the Company is unable to lodge a notice that complies with section 708A(5)(e) of the Corporations Act then the Company may, in its absolute discretion, issue the Shares after the lodgement of a disclosure document issued by the Company complying with Part 6D.2 of the Corporations Act in respect of an offer of Shares (“**Cleansing Prospectus**”) or, if agreed by the holder, issue the Shares after the holder signs an undertaking not to deal in the Shares until the earlier of the Company issuing a Cleansing Prospectus and twelve (12) months from issue, and agrees to a holding lock being placed on the Shares for this period.

9. SHAREHOLDER AND REGULATORY APPROVALS

Despite any other provision of these terms and conditions, exercise of Director Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Director Options would result in any person being in contravention of section 606(1) of

the Corporations Act then the exercise of each Director Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Director Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Director Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

10. PARTICIPATION IN NEW ISSUES

There are no participation rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four business days after the issue is announced. This is intended to give the holders of Director Options the opportunity to exercise their Director Options prior to the announced record date for determining entitlements to participate in any such issue.

11. ADJUSTMENT FOR BONUS ISSUES OF SHARES

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a Director Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Director Option before the record date for the bonus issue and there will be no change made to the Exercise Price.

12. ADJUSTMENT FOR RIGHTS ISSUES

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

13. ADJUSTMENTS FOR REORGANISATION

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

14. QUOTATION

The Company will not apply for quotation of the Director Options on ASX.

15. TRANSFERABILITY

Director Options can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

6.5.2 TERMS OF MANAGEMENT OPTIONS

1. ENTITLEMENT

Each Management Option entitles the holder to subscribe for one (1) Share upon exercise of the Management Option.

2. EXPIRY DATE

Each Management Option will expire at 5.00pm (AWST) on 31 December 2026 (“**Expiry Date**”).

3. ISSUE AND EXERCISE PRICE

Each Management Option will be granted for no cash consideration but will have an exercise price of \$0.12 per Management Option (“**Exercise Price**”).

4. VESTING, EXERCISE PERIOD AND LAPSING

The Management Options will vest upon the satisfaction of continuous service from the issue date of the Management Options until 1 December 2024 by the relevant Management position (“**Vesting Condition**”). Upon satisfaction of the Vesting Condition, the Management Options are exercisable at any time on, or prior to, the Expiry Date (“**Exercise Period**”) and each Management Option will automatically lapse if not exercised by the relevant Management position pursuant to these terms and conditions by the Expiry Date.

5. EXERCISE NOTICE AND PAYMENT

Management Options may be exercised by notice in writing to the Company (“**Exercise Notice**”) together with payment of the Exercise Price for each Management Option being exercised. Any Exercise Notice for a Management Option received by the Company will be deemed to be a notice of the exercise of that Management Option as at the date of receipt. Payment in connection with the exercise of Management Options must be in Australian dollars and made payable to the Company in cleared funds.

6. SHARES ISSUED ON EXERCISE

Shares issued on exercise of Management Options will rank equally in all respects with then existing Shares in the Company.

7. QUOTATION OF SHARES

Provided that the Company is quoted on ASX at the time, an application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Management Options.

8. TIMING OF ISSUE OF SHARES

Subject to section 9, within five (5) business days after the later of the following:

- (a) receipt of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price in cleared funds for each Management Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and
- (b) the date that the Company ceases to be in possession of excluded information with respect to the Company (if any) following the receipt of the Exercise Notice and payment of the Exercise Price in cleared funds for each Management Option being exercised by the Company,

the Company will allot and issue the Shares pursuant to the exercise of the Management Options and, to the extent that it is legally able to do so:

- (c) give ASX a notice that complies with section 708(e) of the Corporations Act; and

- (d) apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Management Options.

If the Company is unable to lodge a notice that complies with section 708A(5)(e) of the Corporations Act then the Company may, in its absolute discretion, issue the Shares after the lodgement of a disclosure document issued by the Company complying with Part 6D.2 of the Corporations Act in respect of an offer of Shares (“**Cleansing Prospectus**”) or, if agreed by the holder, issue the Shares after the holder signs an undertaking not to deal in the Shares until the earlier of the Company issuing a Cleansing Prospectus and twelve (12) months from issue, and agrees to a holding lock being placed on the Shares for this period.

9. SHAREHOLDER AND REGULATORY APPROVALS

Despite any other provision of these terms and conditions, exercise of Management Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Management Options would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Management Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Management Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Management Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

10. PARTICIPATION IN NEW ISSUES

There are no participation rights or entitlements inherent in the Management Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Management Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four business days after the issue is announced. This is intended to give the holders of Management Options the opportunity to exercise their Management Options prior to the announced record date for determining entitlements to participate in any such issue.

11. ADJUSTMENT FOR BONUS ISSUES OF SHARES

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a Management Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Management Option before the record date for the bonus issue and there will be no change made to the Exercise Price.

12. ADJUSTMENT FOR RIGHTS ISSUES

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

13. ADJUSTMENTS FOR REORGANISATION

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

14. QUOTATION

The Company will not apply for quotation of the Management Options on ASX.

15. TRANSFERABILITY

Management Options can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

6.6. TERMS OF NOMINEE OPTIONS

1. ENTITLEMENT

Each Nominee Option entitles the holder to subscribe for one (1) Share upon exercise of the Nominee Option.

2. EXPIRY DATE

Each Nominee Option will expire at 5.00pm (AWST) on 31 December 2026 ("**Expiry Date**").

3. ISSUE AND EXERCISE PRICE

Each Nominee Option will be granted for no cash consideration but will have an exercise price of \$0.12 per Nominee Option ("**Exercise Price**").

4. EXERCISE NOTICE AND PAYMENT

Nominee Options may be exercised by notice in writing to the Company ("**Exercise Notice**") together with payment of the Exercise Price for each Nominee Option being exercised. Any Exercise Notice for a Nominee Option received by the Company will be deemed to be a notice of the exercise of that Nominee Option as at the date of receipt. Payment in connection with the exercise of Nominee Options must be in Australian dollars and made payable to the Company in cleared funds.

5. SHARES ISSUED ON EXERCISE

Shares issued on exercise of Nominee Options will rank equally in all respects with then existing Shares in the Company.

6. QUOTATION OF SHARES

Provided that the Company is quoted on ASX at the time, an application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Nominee Options.

7. TIMING OF ISSUE OF SHARES

Subject to section 9, within five (5) business days after the later of the following:

- (e) receipt of an Exercise Notice given in accordance with these terms and conditions and payment of the Exercise Price in cleared funds for each Nominee Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and

- (f) the date that the Company ceases to be in possession of excluded information with respect to the Company (if any) following the receipt of the Exercise Notice and payment of the Exercise Price in cleared funds for each Nominee Option being exercised by the Company,

the Company will allot and issue the Shares pursuant to the exercise of the Nominee Options and, to the extent that it is legally able to do so:

- (g) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (h) apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Nominee Options.

If the Company is unable to lodge a notice that complies with section 708A(5)(e) of the Corporations Act then the Company may, in its absolute discretion, issue the Shares after the lodgement of a disclosure document issued by the Company complying with Part 6D.2 of the Corporations Act in respect of an offer of Shares (“**Cleansing Prospectus**”) or, if agreed by the holder, issue the Shares after the holder signs an undertaking not to deal in the Shares until the earlier of the Company issuing a Cleansing Prospectus and twelve (12) months from issue, and agrees to a holding lock being placed on the Shares for this period.

8. SHAREHOLDER AND REGULATORY APPROVALS

Despite any other provision of these terms and conditions, exercise of Nominee Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder. If exercise of the Nominee Options would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Nominee Option that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606(1) of the Corporations Act. Holders must give notification to the Company in writing if they consider that the exercise of the Nominee Options may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Nominee Options will not result in any person being in contravention of section 606(1) of the Corporations Act.

9. PARTICIPATION IN NEW ISSUES

There are no participation rights or entitlements inherent in the Nominee Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Nominee Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least four business days after the issue is announced. This is intended to give the holders of Nominee Options the opportunity to exercise their Nominee Options prior to the announced record date for determining entitlements to participate in any such issue.

10. ADJUSTMENT FOR BONUS ISSUES OF SHARES

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a Nominee Option will be increased by the number of Shares which the holder would have received if

the holder had exercised the Nominee Option before the record date for the bonus issue and there will be no change made to the Exercise Price.

11. ADJUSTMENT FOR RIGHTS ISSUES

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.

12. ADJUSTMENTS FOR REORGANISATION

If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. QUOTATION

The Company will not apply for quotation of the Nominee Options on ASX.

14. TRANSFERABILITY

Nominee Options can only be transferred with the prior written consent of the Company, which consent may be withheld in the Company's sole discretion.

7 DIRECTORS' AUTHORISATION

This Offer Document is issued by the Company and its issue has been authorised by a resolution of the Directors.

Signed for and on behalf of the Company on Wednesday, 15 May 2024.



Adam Sierakowski
Executive Chairman
Kinetiko Energy Ltd

8 DEFINITIONS

“**Acceptance Form**” means an acceptance form in the form accompanying this Offer Document pursuant to which Eligible Shareholders may apply for New Shares under the Offers.

“**AEST**” means Australian Eastern Standard Time.

“**Application Monies**” means the monies received from persons applying for New Shares under the Offers.

“**ASIC**” means the Australian Securities and Investments Commission.

“**ASIC Instrument 2016/84**” means *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*.

“**ASX**” means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

“**ASX Settlement**” means ASX Settlement Pty Limited (ACN 008 504 532).

“**ASX Settlement Operating Rules**” means the settlement operating rules of the ASX.

“**AWST**” means Australian Western Standard Time.

“**Board**” means the board of Directors.

“**CHESS**” means the Clearing House Electronic Subregister System operated by ASX Settlement.

“**Cleansing Prospectus**” has the meaning given to it in subsection 8 of section 6.5.1 in the context of Director Options, the meaning given to it in subsection 8 of section 6.5.2 in the context of the Management Options and the meaning given to it in subsection 7 of section 6.6 in the context of the Nominee Options.

“**Closing Date**” means the date that the Offers close, which is 5:00pm (AEST) on Monday, 3 June 2024 or such other time and date as the Company determines.

“**Company**” means Kinetiko Energy Ltd (ACN 141 647 529).

“**Company Secretary**” means the company secretary of the Company.

“**Constitution**” means the constitution of the Company from time to time.

“**Corporations Act**” means the *Corporations Act 2001* (Cth).

“**Director**” means a director of the Company.

“**Director Options**” means the 16,000,000 unlisted Options issued to the Directors with an exercise price of \$0.12 per Option and an expiry date of 31 December 2026.

“**EFT**” means Electronic Funds Transfer.

“**Eligible Shareholder**” has the meaning given in Section 1.3.

“**Entitlement**” means an Eligible Shareholder’s entitlement to New Shares under the Entitlement Offer.

"Entitlement Offer" means the renounceable pro-rata offer to Eligible Shareholders of up to eighty four million, two hundred and sixty six thousand, seven hundred and seventy one (84,266,771) New Shares on the basis of one (1) New Share for every sixteen (16) Shares held on the Record Date, at an issue price of \$0.06 per New Share to raise up to approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs), made pursuant to this Offer Document.

"Exercise Notice" has the meaning given to it in subsection 5 of section 6.5.1 in the context of Director Options, the meaning given to it in subsection 5 of section 6.5.2 in the context of the Management Options and the meaning given to it in subsection 4 of section 6.6 in the context of the Nominee Options.

"Exercise Period" has the meaning given to it in subsection 4 of section 6.5.1 in the context of Director Options and the meaning given to it in subsection 4 of section 6.5.2 in the context of the Management Options.

"Exercise Price" has the meaning given to it in subsection 3 of section 6.5.1 in the context of Director Options, the meaning given to it in subsection 3 of section 6.5.2 in the context of the Management Options and the meaning given to it in subsection 3 of section 6.6 in the context of the Nominee Options.

"Executive Chairman" means the executive chairman of the Company.

"Expiry Date" has the meaning given to it in subsection 2 of section 6.5.1 in the context of Director Options, the meaning given to it in subsection 2 of section 6.5.2 in the context of the Management Options and the meaning given to it in subsection 2 of section 6.6 in the context of the Nominee Options.

"GST" means goods and services tax.

"Holding Statement" means a holding certificate for Securities under CHESS or security holder reference number.

"Ineligible Shareholder" means a Shareholder who is not an Eligible Shareholder.

"Listing Rules" means the official Listing Rules of the ASX.

"Management Options" means the 8,750,000 Options issued to senior management personnel with an exercise price of \$0.12 per Option and an expiry date of 31 December 2026.

"Maximum Subscription" means the maximum subscription of the Offers, being the subscription of eighty four million, two hundred and sixty six thousand, seven hundred and seventy one (84,266,771) New Shares at an issue price of \$0.06 per New Share to raise up to approximately five million and fifty six thousand and six dollars (\$5,056,006) (before costs).

"New Share" means a Share offered under the Offers.

"Nominee" means Euroz Hartleys Limited (ACN 104 195 057) (AFSL 230052).

"Nominee Mandate" has the meaning given to it in section 5.1.

"Nominee Option" has the meaning given to it in section 5.1.

"Non-Executive Director" means a non-executive Director of the Company.

“Offer Document” means this offer document.

“Offer Document Date” means the date of this Offer Document, being Wednesday, 15 May 2024.

“Offers” means the Entitlement Offer and Shortfall Offer.

“Official List” means the official list of ASX.

“Opening Date” means the first date for receipt of acceptances under the Offers, which is 9:00am (AEST) on Thursday, 23 May 2024 or such other time and date as the Company determines.

“Option” means the right to acquire one Share in the capital of the Company.

“Record Date” means the date for determining the entitlement of Shareholders under the Offers, being 5:00pm (AEST) on Monday, 20 May 2024.

“Section” means a section of this Offer Document.

“Securities” has the meaning given to that term in section 92(4) of the Corporations Act.

“Share” means a fully paid ordinary share in the capital of the Company.

“Share Registry” means Automic Registry Services Pty Ltd.

“Shareholder” means the registered holder of one or more Shares.

“Shortfall Offer” means the offer to Eligible Shareholders who subscribe for their full Entitlements to subscribe for the Shortfall Shares.

“Shortfall Shares” means those New Shares not validly applied for by Eligible Shareholders pursuant to their entitlement under the Entitlement Offer.

“Vesting Conditions” has the meaning given to it in subsection 4 of section 6.5.1 in the context of Director Options and the meaning given to it in subsection 4 of section 6.5.2 in the context of the Management Options.

ACCEPTANCE FORM



Kinetiko Energy Ltd | ACN 141 647 529

All Registry Communication to:

AUTOMIC
GPO Box 5193, Sydney NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

Holder Number:
[HolderNumberMasked]

Shares held as at the Record Date at
5.00pm (AEST) on 20 May 2024
[CumBalance]

ENTITLEMENT AND ACCEPTANCE FORM

OFFER CLOSSES 5.00PM (AEST) 3 JUNE 2024 (WHICH MAY CHANGE WITHOUT NOTICE)

On 15 May 2024, Kinetiko Energy Ltd (the Company) announced its intention to raise up to approximately \$5,056,006 (before costs) by way of a renounceable pro-rata entitlement offer of new fully paid ordinary shares.

The Entitlement Offer Booklet dated 15 May 2024 contains information about the Entitlement Offer and you should carefully read the Booklet before applying for Shares.

1 ACCEPTANCE OF ENTITLEMENT OR PART THEREOF

Table with 3 columns: Entitlement Type, Payment Amount A\$ (\$0.06 per Share), and Number of Shares Applied. Rows include Full Entitlement and Partial Entitlement.

2 APPLICATION FOR SHORTFALL SHARES

As an Eligible Shareholder, you are invited to apply for Shortfall Shares, providing you have taken up your full Entitlement.

Table with 3 columns: Application Type, Payment Amount A\$ (\$0.06 per Shortfall Share), and Number of Shortfall Shares Applied. Row includes Shortfall Application.

3 PAYMENT - YOU CAN PAY BY BPAY® OR ELECTRONIC FUNDS TRANSFER (EFT)

Payments must be made by BPAY® or by EFT and may not be made by cheque or money order. You do not need to return this form.

Payment options section containing Option A - BPAY (with BPay logo and fields for Biller Code and Ref No) and Option B - Electronic Funds Transfer (EFT) (with bank account details and unique reference number).

4 ELECT TO BE AN E-SHAREHOLDER

You have received this form by post as you have NOT provided your email address or elected to receive all communications electronically.

Electronic communication section with text: 'We encourage you to elect to receive shareholder communications electronically.' and 'SIMPLY SCAN THE QR CODE TO VISIT HTTPS://INVESTOR.AUTOMIC.COM.AU AND UPDATE YOUR COMMUNICATION PREFERENCE.' Includes a QR code.

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the Entitlement Offer is optional and is offered exclusively to all Shareholders who are registered as holders of fully paid ordinary Shares in the capital of the Company on the Record Date with a registered address in Australia, New Zealand or South Africa (**Eligible Shareholders**).

ACCEPTANCE OF OFFER

By making a BPAY® or EFT payment:

- you represent and warrant that you have read and understood the Entitlement Offer Booklet and that you acknowledge the matters, and make the warranties and representations contained therein and in this Entitlement and Acceptance Form; and
- you provide authorisation to be registered as the holder of Shares acquired by you and agree to be bound by the Constitution of the Company.

1 Acceptance of Full or Partial Entitlement for Shares

If you wish to accept your full entitlement:

- make payment by BPAY® or EFT for your full entitlement by following the instructions on this Entitlement and Acceptance Form.

If you only wish to accept part of your entitlement:

- calculate the payment amount for the portion of your entitlement that you wish to take up in accordance with the partial entitlement section of this Entitlement and Acceptance Form; and
- make payment by BPAY® or EFT for that portion of your entitlement by following the instructions on this Entitlement and Acceptance Form.

2 Applying for Shortfall Shares

If you accept your full entitlement and wish to apply for Shortfall Shares in excess of your entitlement:

- make payment by BPAY® or EFT of the total payment amount for your full entitlement AND your participation in the Shortfall Offer by following the instructions on this Entitlement and Acceptance Form.

Your application for Shortfall Shares may not be successful (wholly or partially). The decision in relation to the number of Shortfall Shares in excess of your entitlement to be allocated to you will be final. No interest will be paid on any application monies received and returned.

3 Payment

By making a payment via BPAY® or EFT, you agree that it is your responsibility to ensure that funds are submitted correctly and received by the Share Registry by the closing date and time. Payment must be received by the Share Registry by 5:00pm (AEST) on 3 June 2024.

By making payment of application monies, you certify that you wish to apply for New Shares under the Entitlement Offer (and, as applicable, the Shortfall Offer) as indicated on this Acceptance Form and acknowledge that your acceptance is irrevocable and unconditional.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 3. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

Payment by EFT: You can make a payment via Electronic Funds Transfer (EFT). Multiple acceptances must be paid separately. Please use your unique reference on this Form. This will ensure your payment is processed correctly to your application electronically.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5:00pm (AEST) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid.

4 Elect to be an e-shareholder - receive communications by email

As a valued shareholder, the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

RENUNCIATION OF RIGHTS

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESSE subregister you must engage your CHESSE controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf. The Application Monies for Shares the transferee of the Entitlement wants to acquire must be received by the Share Registry.

- The Rights referred to in this Entitlement and Acceptance Form may be transferred electronically in CHESSE without surrendering the Entitlement and Acceptance Form.
- The Entitlement and Acceptance Form should not be relied upon as evidence of the current Entitlement of the person named in the Entitlement and Acceptance Form.

DISPOSAL OF YOUR ENTITLEMENT OTHER THAN THROUGH A STOCKBROKER: A Standard Renunciation Form must be used for all disposals of Entitlements other than through a Stockbroker. These may be obtained by contacting Automic.

IMPORTANT NOTICE TO HOLDERS WITH SECURITIES ON THE CHESSE SUB-REGISTER: Holders whose existing Securities are held on the CHESSE Sub-register as detailed overleaf should contact their sponsoring Broker in respect of any proposed sale of their Rights.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 7:00pm (Sydney time).

CLEANSING NOTICE
UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001 (CTH)

Kinetiko Energy Limited (ACN 141 647 529) (ASX: KKO) ("**Kinetiko**" or "**Company**") announced on the same date as this announcement a renounceable, pro-rata entitlement offer of up to 84,266,771 fully paid ordinary shares ("**New Shares**") on the basis of one (1) New Share for every sixteen (16) Shares held on the 5:00pm (AEST) on Monday, 20 May 2024 ("**Record Date**"), at an issue price of \$0.06 per New Share to raise up to approximately \$5,056,006 (before costs) ("**Entitlement Offer**"). Persons who are registered as a holder of Company shares as at the Record Date and have a registered address in Australia or New Zealand (and certain other shareholders as identified in the Offer Document) ("**Eligible Shareholders**") may also apply for additional New Shares which comprise the New Shares not validly applied for by Eligible Shareholders pursuant to their entitlement under the Entitlement Offer ("**Shortfall**"), at an issue price of \$0.06 per New Share ("**Shortfall Offer**").

Together, the Entitlement Offer and Shortfall Offer are referred to as the "**Offers**" and they will be made under an offer document pursuant to the *Corporations Act 2001* (Cth) ("**Corporations Act**"), which for the avoidance of doubt, is not a prospectus pursuant to section 708AA of the Corporations Act ("**Offer Document**") which will be lodged with the ASX forthwith. Further details regarding the Offers are set out in the ASX announcement dated the same day as this announcement.

This notice is given by the Company under section 708AA(2)(f) of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights issue) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*).

Pursuant to section 708AA(2)(f) of the Corporations Act, the Company provides the following information:

1. the Company will offer the New Shares under the Offers without disclosure under Part 6D.2 of the Corporations Act;
2. this notice is being given under section 708AA(2)(f) of the Corporations Act (as modified by applicable legislative instruments including *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*);
3. as at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 and 674A of the Corporations Act;
4. as at the date of this notice, there is no "excluded information" of the type referred to in sections 708AA(8) and/or 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7)(d) of the Corporations Act; and
5. the potential effect that the Offers will have on the control of the Company, and the consequences of the effect will depend on a number of factors including investor demand. However, given the size of the Offers and the structure of the Entitlement Offer as a renounceable, pro-rata offer, the Company does not expect the Offers to have any material effect or consequence on the control of

the Company if fully subscribed. The potential effect the Offers will have on the control of the Company is as follows:

- (a) if all entitlements under the Entitlement Offer are fully exercised by the relevant shareholders, there will no effect on the control of the Company (subject to paragraph 5(b) below);
- (b) in the more likely event that there is a Shortfall, eligible shareholders who do not subscribe for all entitlements under the Entitlement Offer and ineligible shareholders will be diluted relative to those persons who do subscribe for some or all of their entitlements under the Entitlement Offer and/or apply for Shortfall shares;
- (c) any Shortfall remaining after any allocations to Eligible Shareholders who apply for Shortfall shares will not be underwritten; and
- (d) the Shortfall Offer is a separate offer to the Entitlement Offer made under the Offer Document, with the issue price of Shortfall shares being the same as the New Shares offered under the Entitlement Offer.

A notification regarding unquoted securities (i.e. Appendix 3G) with respect to the New Shares proposed to be issued will also be lodged with the ASX on the same day as the date of this announcement.

-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.

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