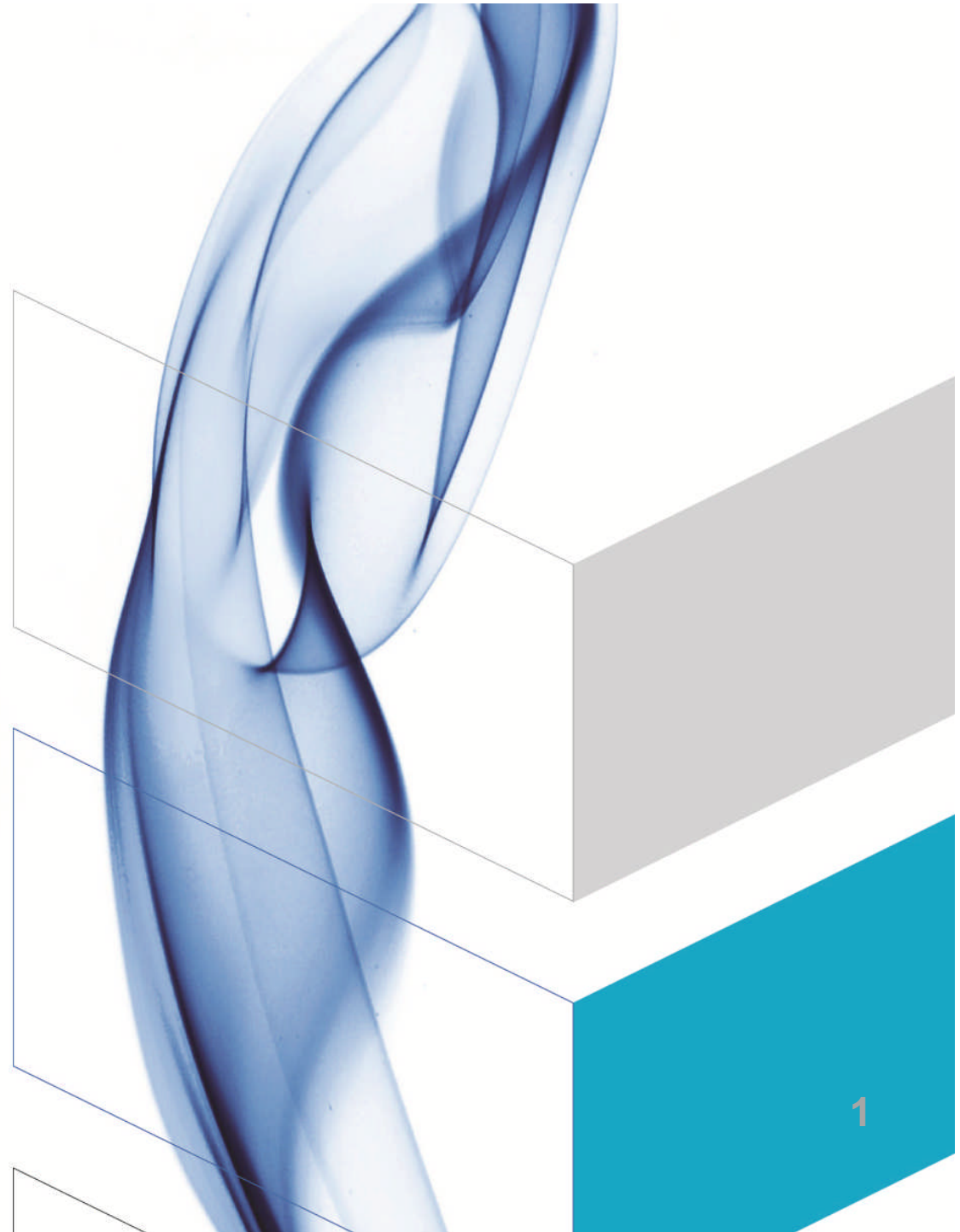




**KINETIKO**  
ENERGY LTD

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**Broker Presentation**  
November 2011



# Disclaimer

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# Contents

- ◆ Highlights
- ◆ RSA Demand & Amersfoort Project
- ◆ Strategic Growth & Exploration
- ◆ Market is strong and growing

## Highlights

- ◆ Land access approvals, and drilling on time and under budget
- ◆ 3 months after listing we began drilling
- ◆ Company has potentially tripled land holding\*
- ◆ >\$7M cash will fund work program over next 18 months
- ◆ Strong JV, team and PASA relationships which work
- ◆ Growing interest in Southern African CBM Opportunities
- ◆ RSA Gas demand is increasing further

\*Subject to PASA granting all Technical Commercial Permits (TCP)

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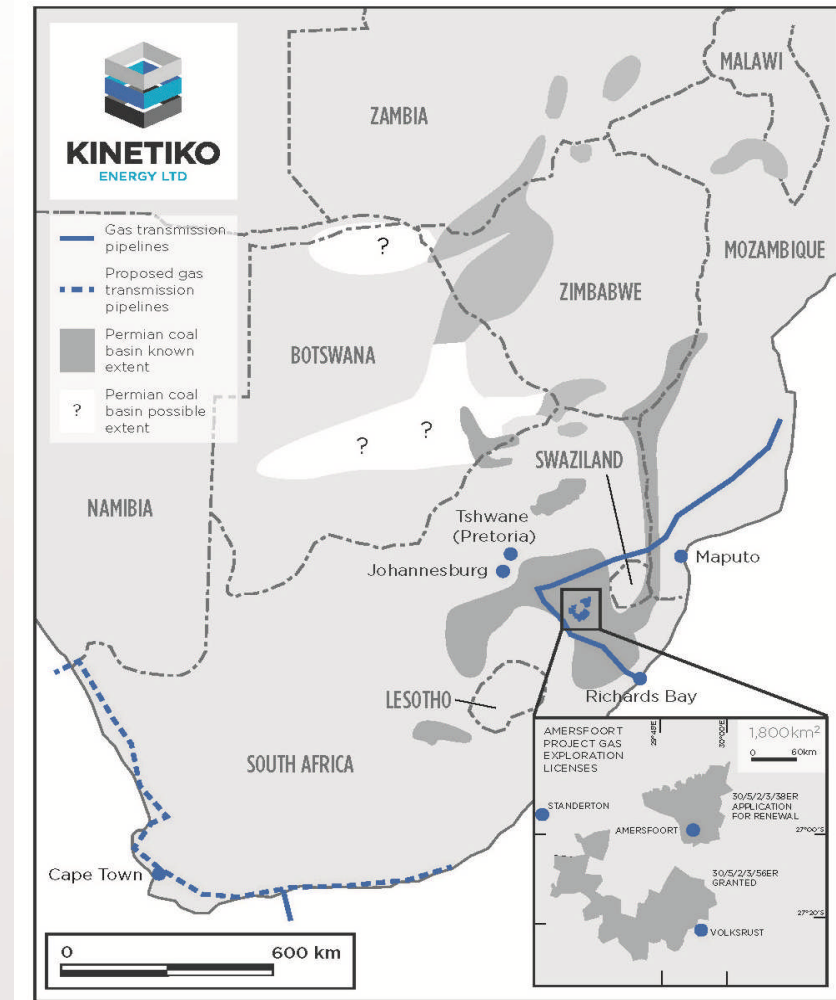
# RSA needs alternative forms of Gas supply

- ◆ Little Conventional Gas availability in RSA
- ◆ Power demand exceeds supply and is growing
  - ◆ Rolling blackouts still common and a blight on economic growth
- ◆ Coal supplies 77% of energy needs - which is not environmentally friendly, gas is cleaner
  - ◆ Competition for quality coal from the export trade
  - ◆ Coal mining costs are rising as open pit reserves deplete and get deeper
- ◆ Increasing need for Gas in existing Coal power generation
- ◆ Government policies of replacing coal with cleaner methods, including Gas



# Amersfoort Project Overview

- ◆ Gustavson and Associates (CBM resource experts)
  - ◆ Gas in place (GIP) 1.7Tcf
  - ◆ Prospective Resource of 1.12Tcf
  - ◆ Assessment from 800+ holes
- ◆ 250km SE of Johannesburg - South of Witbank coal mining region
- ◆ 2 granted gas exploration permits (one subject to renewal) total 1,800km<sup>2</sup>
- ◆ Exploration and Evaluation
  - ◆ Land access agreements and Environmental Plans underway
  - ◆ Committed to at least 16 hole diamond coring program
  - ◆ Committed to at least 5 Permeability test wells



# CBM Potential at Amersfoort

Over 800 coal exploration drill holes in the Amersfoort area

- ◆ Rare and unique definition of coal seam distribution, thickness and other data
- ◆ Underground colliery operations nearby indicates gas content and seam conditions

Major Commercialisation potential - access to established customers and infrastructure

- ◆ Significant scale potential with current land position to host a large 100 plus well operation

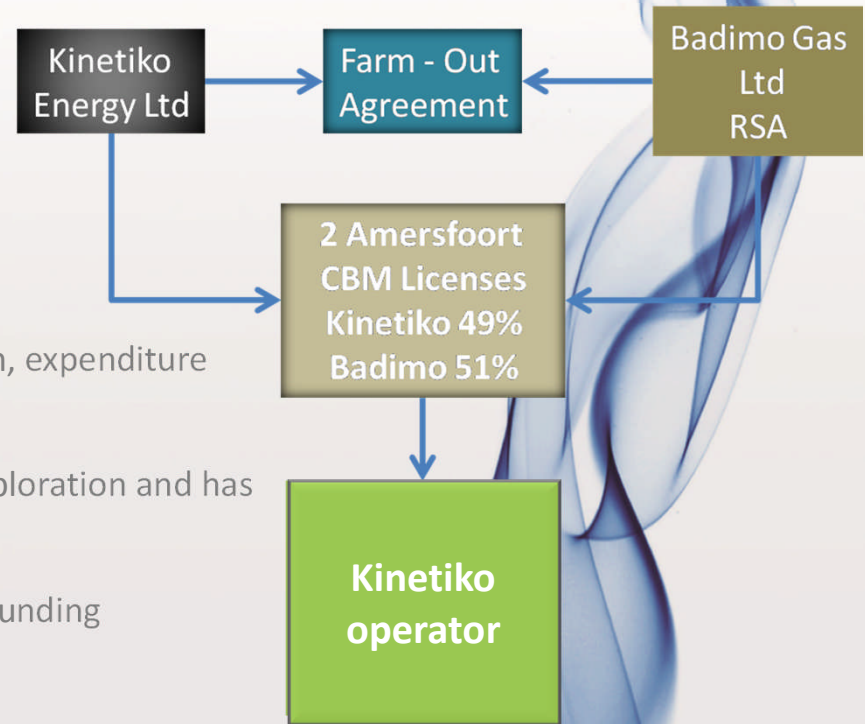
Commercially and technically astute JV partner Badimo Gas and qualified and experienced Kinetiko Management team and Board of Directors.





# Structure of the Amersfoort JV

- ◆ RSA Section 11 application granted in May 2011
- ◆ Tenure registered in Amersfoort Exploration rights
  - ◆ Kinetiko 49% equity
  - ◆ Badimo 51% equity
- ◆ Kinetiko is Operator and has control of the JV exploration, expenditure budgets and technical outcomes
- ◆ Kinetiko to spend first ZAR26m (approx. AUD\$4m) on Exploration and has reimbursed past costs of ZAR10m (~A\$1.4m) to Badimo
- ◆ Opportunity to dilute Badimo interest at the next stage funding (BEE must hold at least 26%)



# Kinetiko Directors



**Adam Sierakowski - Non-Executive Chairman**

- ◆ Lawyer and founding Director of Price Sierakowski Law firm and corporate advisor at Trident Capital. Extensive experience in capital raising and ASX transactions for major companies;
- ◆ Director of ASX listed Coziron Resources Ltd and Triangle (Global) Energy Ltd



**Andrew Lambert - Managing Director** BSc (Hons), MSc, MMgt

- ◆ Geologist and Petroleum Geophysicist. Over 7 years O&G and Resources Management Consulting and Advisory (Top Tiers) and 7 years Resources focused industry experience;
- ◆ Applied Project Management experience in Conventional LNG and CBM Commercialisation



**Donald James Searle - Non-Executive Director** BSc(Hons), PhD, MAIMM, MAICD,

- ◆ Geologist with over 30 years experience in resources sector in Australia and overseas
- ◆ Experience in metal project discovery, development, financing and management worldwide. Exploration for hydrocarbons - North Sea, Central Australia & Sub Saharan Africa
- ◆ Served on 6 ASX listed resource company boards



**Agapitos Marcus Geoffrey Michael - Non-Executive Director** B.A. (UWA)

- ◆ 20 years experience in investment, project development & operations in Australia & overseas
- ◆ Director of ASX listed Metaliko Resources Ltd
- ◆ Director of Unison Holdings Ltd – Engineering, Construction ,project developers

# JV Partner



**Badimo Gas are an Experienced BBE partner with a significant land position**



**Mr Donald Ncube** – Chairman & controlling shareholder of Badimo

- ◆ Respected businessman, Community leader & pioneer of the BEE initiative
- ◆ 22 years in senior management with Anglo Gold Ltd
- ◆ Currently Non Executive Director of Goldfields Ltd
- ◆ Former Chairman at: South African Airways, South African Atomic Energy Commission, JSX listed Real Africa Holdings Ltd,



**Mr Paul Tromp BSc, MSc** - Technical Director, AAPG Cert. Petroleum Geologist #4402 (1981)

- ◆ Drilling & operations involvement on >2000 CBM wells for 7 companies
- ◆ Consultant, founder and shareholder - Africa & North America CBM since 1990
- ◆ Lead technical advisor Amersfoort Project Operations & Badimo representation on Joint Operating Committee
- ◆ University of Zimbabwe Lecturer 1987-92



# Amersfoort 56ER – 8 out of 12 Drill Holes

Strategy is to optimise spatial coverage and target gassy holes



View Kinetiko website gallery section for photographs and video media.

# Exploration Next Steps

- ◆ Aim is to improve Resource definition in 56ER and 38ER within 18 months
  - ◆ Drill 8 Exploration Drill Holes in 56ER
  - ◆ Drill 8 Exploration Drill Holes in 38ER
  - ◆ 2-3 Permeability Wells in 56ER
  - ◆ 2-3 Permeability Wells in 38ER
- ◆ Key identified Risks
  - ◆ CBM Asset (down to Geology)
  - ◆ PASA and Landowner relationships
  - ◆ Approval of Permeability Wells

KA04 - Sample of Carbonaceous Mudstones with Gassy bubbles (desorption)

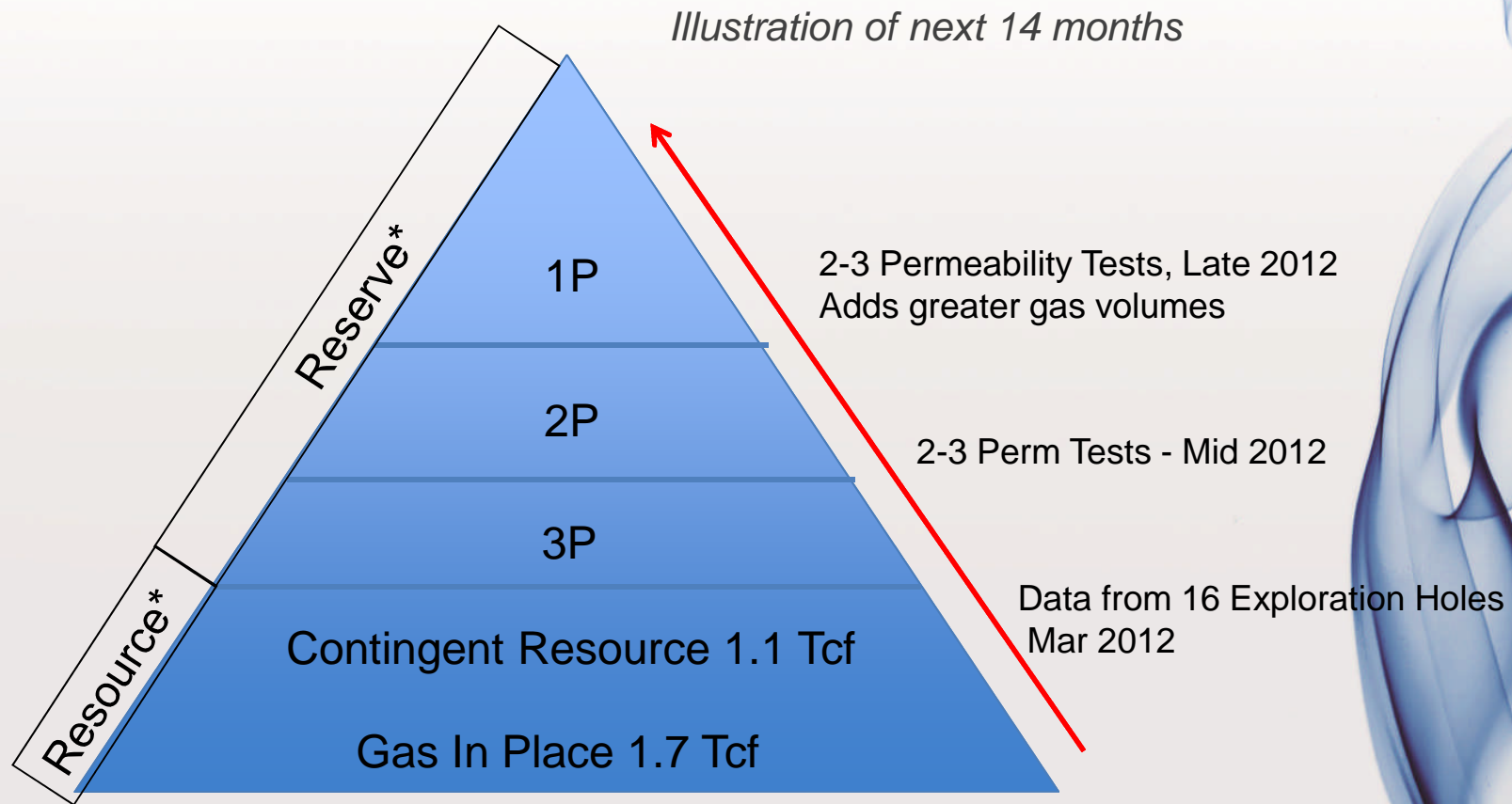


KA02 - Sample of Coal with Gassy bubbles (desorption)



# Exploration program will improve Project certainty\*

## Permeability Tests are key for Reserve definition

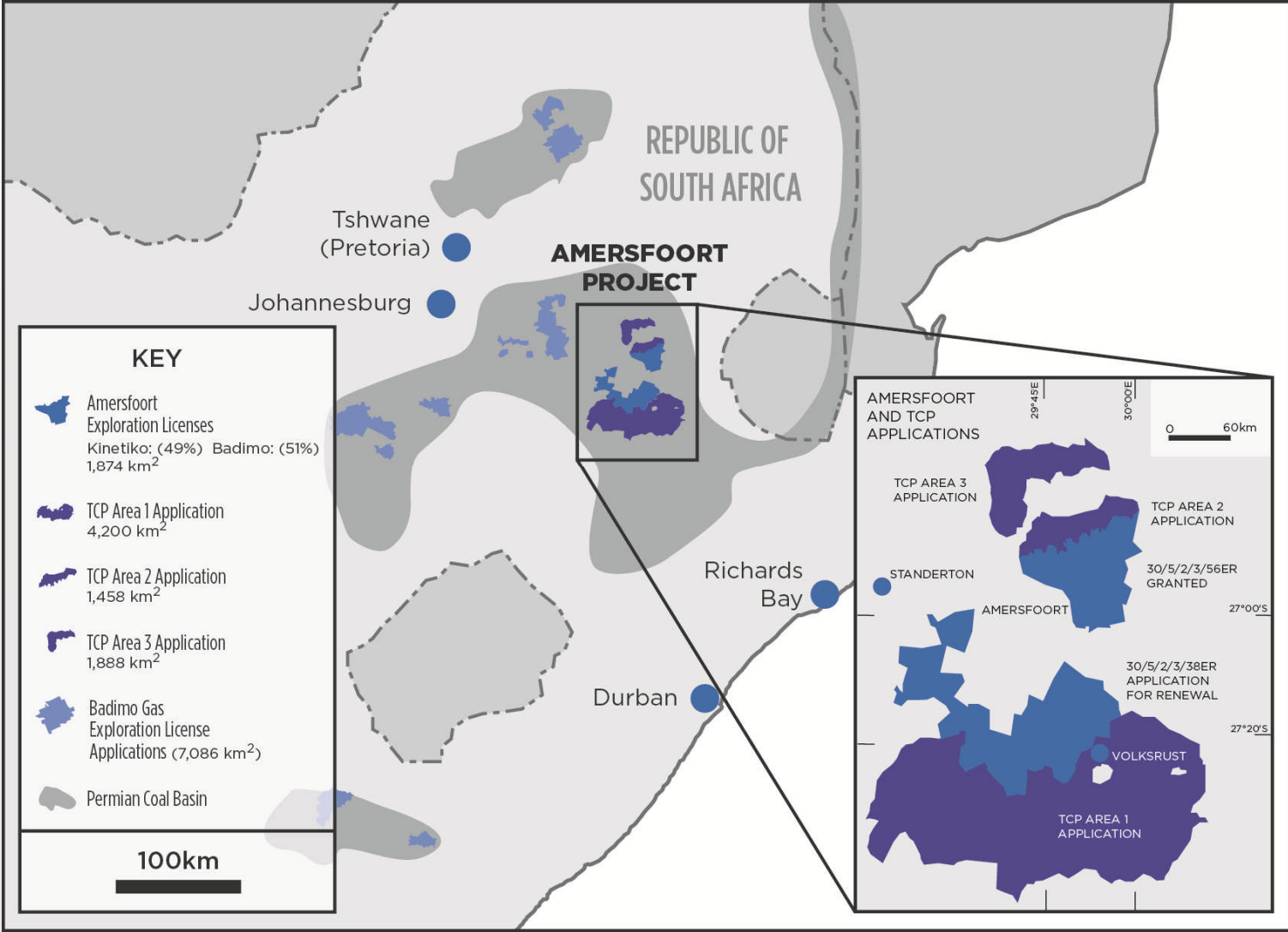


\*SPE Petroleum Resources Management System (PRMS)

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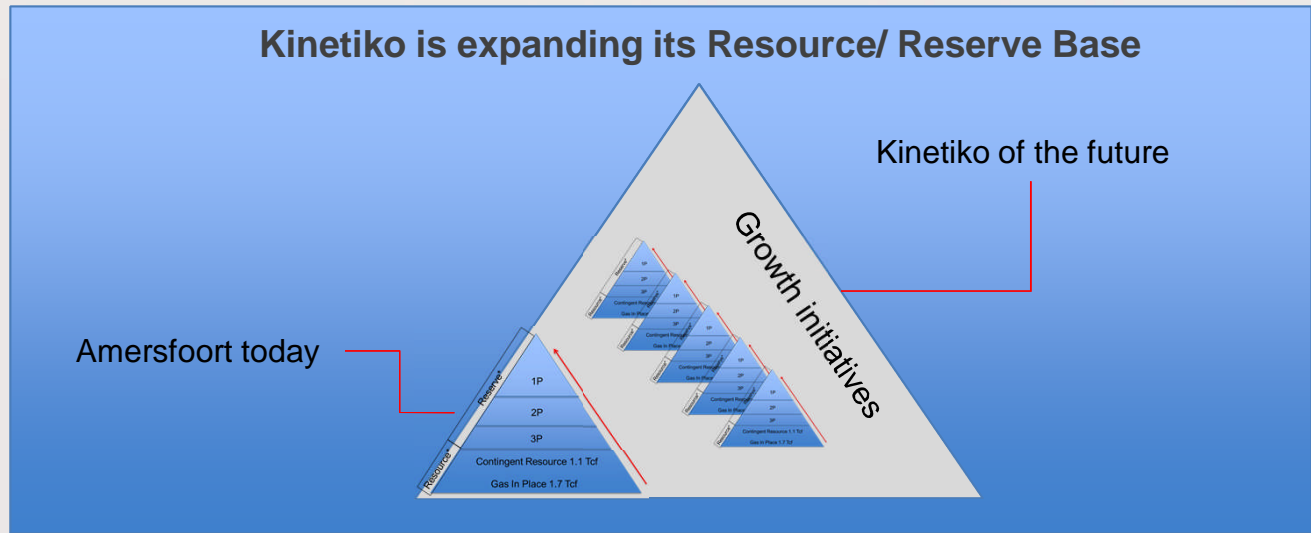
# Kinetiko Growth – leverage off Amersfoort





# Kinetiko Growth

Kinetiko's actual and potential exploration area	
Amersfoort Project JV actual	1,874Km <sup>2</sup>
TCP Area 1 potential	4,329Km <sup>2</sup>
TCP Area 2 potential	1,458Km <sup>2</sup>
TCP Area 3 potential	1,888Km <sup>2</sup>
<b>Total Area (if applications are granted by PASA)</b>	<b>9,549Km<sup>2</sup></b>



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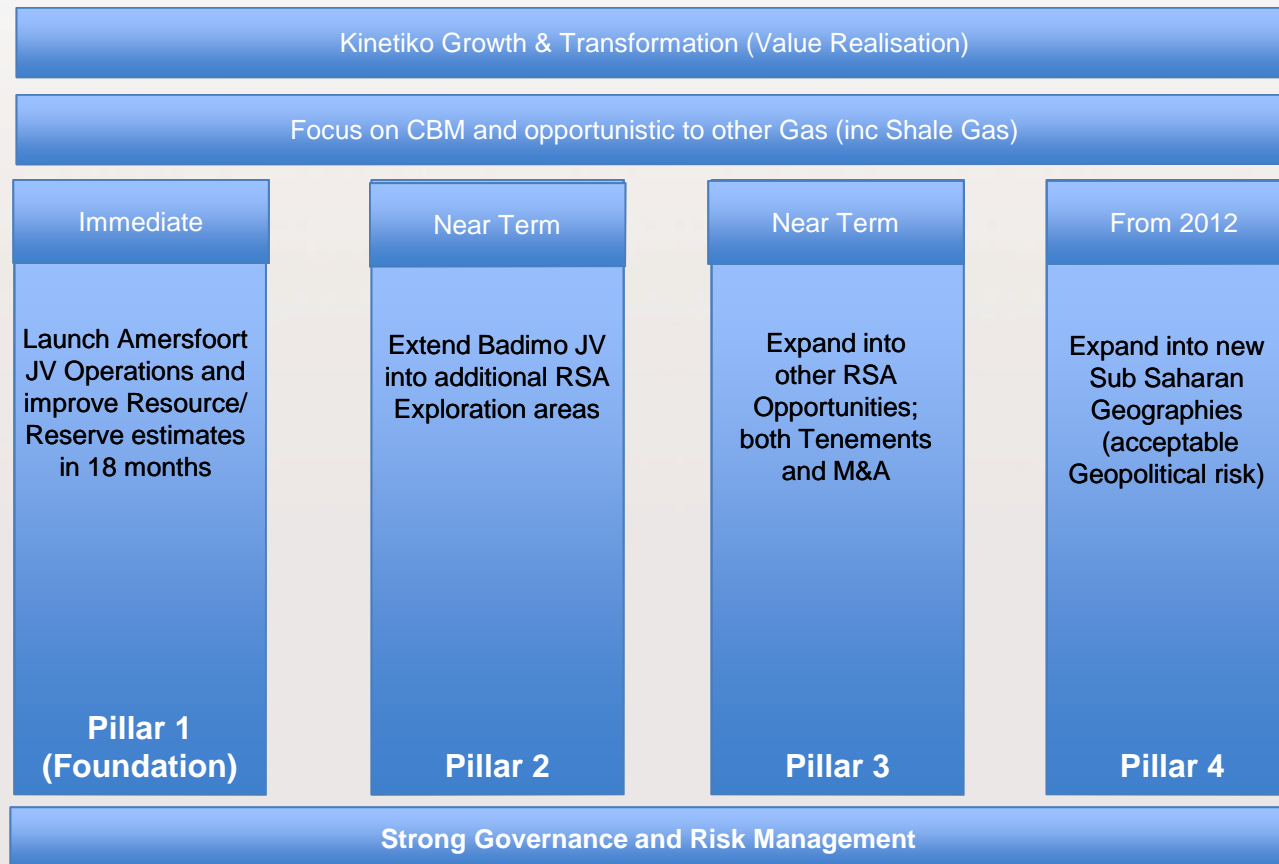
# Gas Markets in South Africa

- ◆ 10 of South Africa's largest coal fired power stations within 250km's of Amersfoort Project owned by Eskom which is seeking to burn coal more efficiently with gas
- ◆ RSA gas consumption increased over 200% between 2005 and 2008
- ◆ Sasol imports most of RSA's gas from Mozambique via its 900km pipeline which runs adjacent Amersfoort project
- Sasol operates Secunda and Sasolburg, two huge coal and gas to energy liquids plants. Secunda is 87km's NW of Amersfoort Project, Sasolburg is 80km's south of Johannesburg
- ◆ Potential gas sales to broad domestic customer base in Johannesburg and mining industry
- ◆ South Africa's biggest power station, Majuba (4,100Mw) is located on the edge of Kinetiko's Amersfoort project is already taking gas.



# Our High Level 5 Year Strategy

Our 5 Year Strategy is focussed CBM Exploration and selective targeting of other Gas opportunities; our approach is comprised of Four Key Pillars.



# Corporate Structure

Capital Structure	Shares
Existing Shareholders	50 million
Seed Shareholders @ 10 cents	10 million
Initial Public Offering @ 20 cents	50 million
Total Shareholding	110 million

Market Capitalisation on IPO @ 20 cents	AUD \$22M
Market Capitalisation 16 Nov @ 18 cents	AUD \$20M
Approximate Cash	AUD \$7M+

**Advanced Exploration project, rapidly expanding gas market and asset base expansion potential.**



**Any Questions?**