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ASX: KKO

29 January 2020

Madeleine Green
Senior Adviser, Listing Compliance
ASX Compliance Pty Ltd
Level 40 Central Park
152-158 St Georges Tce
PERTH WA 6000

Dear Madeleine,

Kinetiko Energy Limited ("Company") – Quarterly Activities Report September 2017

It has been brought to the Company's attention that the Quarterly Activities Report for the quarter ended 30 September 2017 has not been received by ASX. Accordingly, please see following the Quarterly Activities Report for that period.

Yours Sincerely

Stephen Hewitt-Dutton
Company Secretary
Kinetiko Energy Ltd

29th September 2017

September 2017 QUARTERLY OPERATIONS REPORT

CORPORATE

Perth-based energy exploration company Kinetiko Limited (ASX: KKO) is pleased to report on corporate developments and its activities at the Amersfoort Project and adjacent tenements in South Africa, for the quarter ending September 2017. Activities at the Amersfoort Project are carried out through Afro Energy Ltd, owned by Kinetiko Energy Ltd (49%) and its South African shareholder Badimo Gas Ltd (51%).

Afro Energy Exploration Rights & Applications

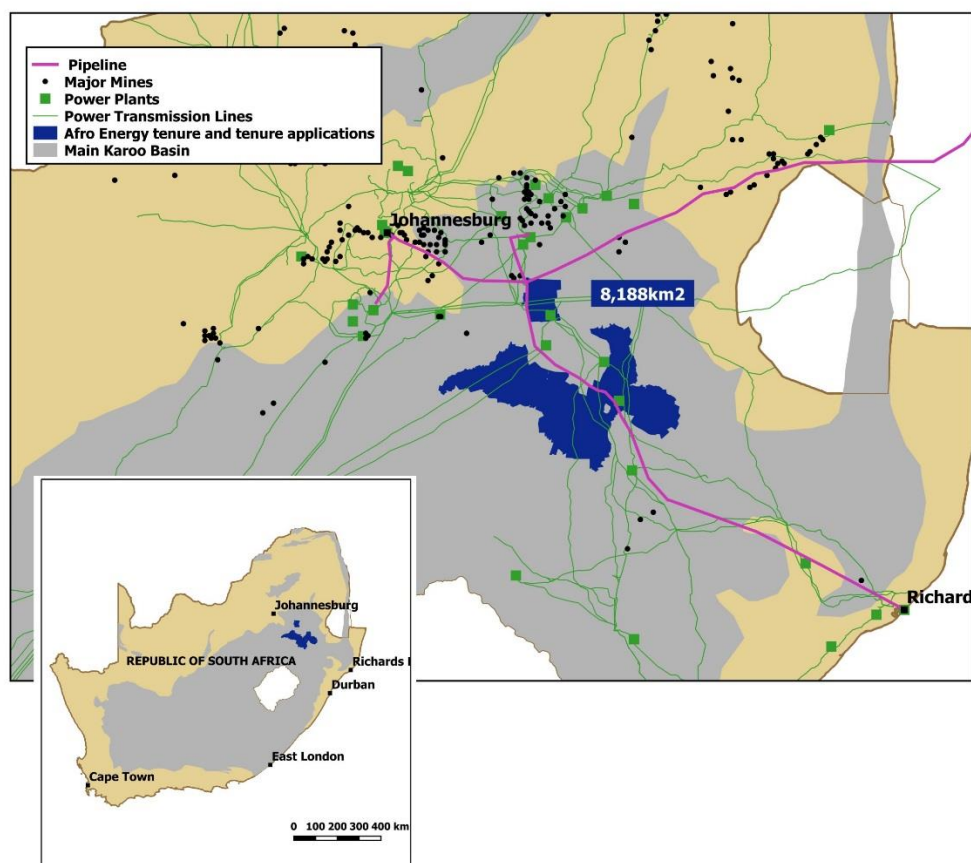


Figure 1

OPERATIONS (Amersfoort Project South Africa - KKO 49%)

ER270, 271 & 272

PASA still awaits the outcome of a planned Regional Mining Environmental Committee meeting regarding the Exploration Rights applications of tenements ER270, ER271 & ER272.

12/3/320ER

PASA accepted Afro Energy's application for Exploration Rights, in terms of Section 79 of the Mineral and Petroleum Resources Development Act, to explore for Petroleum and Gas. Afro Energy appointed an Environmental Assessment Practitioner, SLR Consulting, to prepare the application for Environmental Authorization in terms of Regulation 16 of the Environmental Impact Assessment Regulations of 2014.

Currently SLR Consulting is awaiting clarification on several environmental matters being considered by the regulatory authorities before completing its Environmental Scoping Report as part of Afro Energy's ER 12/3/320 exploration rights application.

12/3/38ER

The Afro Energy board is currently reviewing the work program proposed by Kinetiko to be undertaken in 38ER in order to achieve a similar appraisal/production program of wells as that of 12/3/56ER. Kinetiko is promoting the acquisition of an aeromagnetic survey similar to that carried out previously on ER56 to enable optimal appraisal well location for two proposed well (Figure 3).

12/3/56ER

The next phase of the project will include both a monetization drilling and zone isolation drilling program conducted concurrently and in a way that one activity would not compromise the other. This will be achieved by locating the respective activities in separate but proximal, aeromagnetically defined compartments.

- Monetization drilling of up to 9 additional wells, which will be located within the aeromagnetically defined compartment that already hosts well KA-03PTR (Area 1) (Figure 2);
- The zone isolation (DST) drilling is planned to be conducted next to the previously drilled and plugged KA-02C core well (Area 4) (Figure 2). Two DST wells will be drilled and tested where after 8 appraisal/production wells, predicated on the results of the 2 DST wells, are planned.
- Kinetiko is also promoting the acquisition of further aeromagnetic survey data to extend the area covered on ER56 to include other prospective areas east of the highly successful first survey Figure 3).
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PROJECT FUNDING

Afro Energy is progressing the fundraising campaign to underpin the above-mentioned programs and has to date achieved the following;

- Afro Energy elicited positive response from funding institutions culminating in an Expression of Interest from the IDC to fund and participate in the Project;
- To date the IDC has completed a successful 8-month technical, financial, commercial and legal due diligence on the Project and reached agreement with Afro Energy to provide funding for a pilot production development. This agreement was subject to, *inter alia*, IDC Executive Policy Committee approval;
- IDC advised of its Executive Policy Committee decision not to fund the development of the Project at this time due to an issue unrelated to KKO or the Project.
- Since the commercial viability of the Project remains robust, alternative funding opportunities continue to be explored for the Amersfoort Project and associated activities.

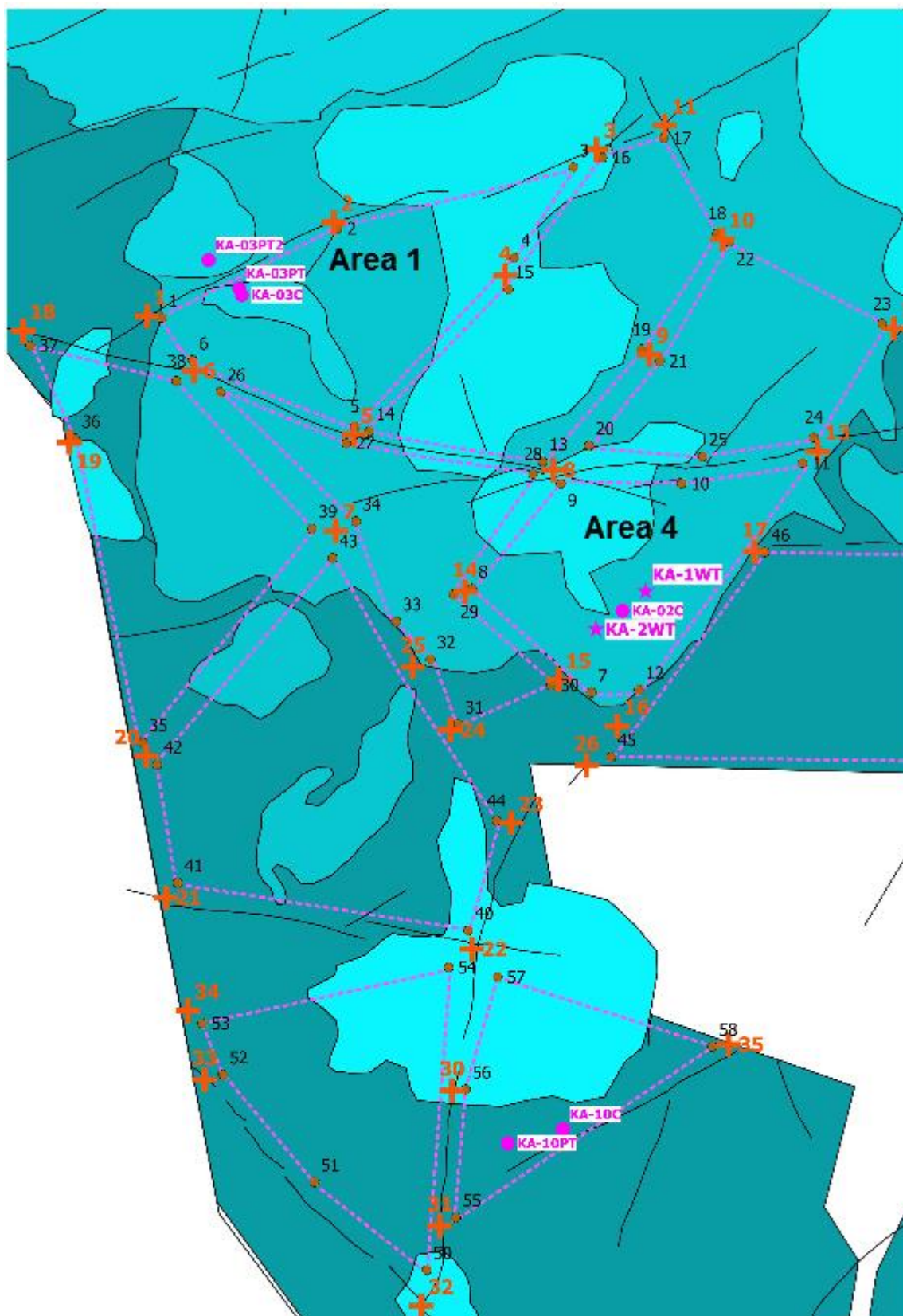


Figure 2 Proposed work program for Areas 1 and 4 - ER56.

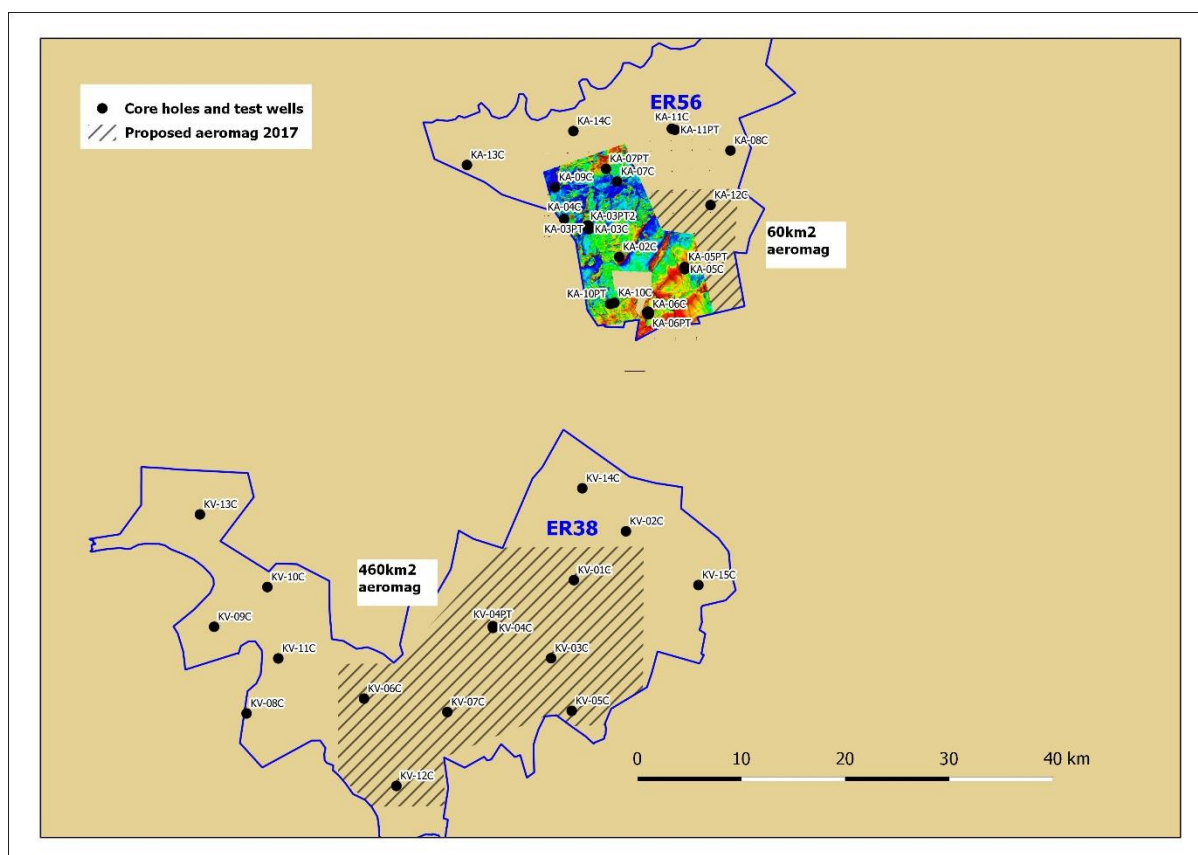


Figure 3 Proposed aeromagnetic surveys 2017

TENURE

Clause	Area of Interest	Tenement reference	Nature of interest	Interest Jun 2017	Interest Sep 2017
Interest	Amersfoort Project – South Africa				
		30/5/2/3/38ER	2 nd renewal period granted	49%	49%
		30/5/2/3/56ER	1 st renewal period granted	49%	49%
		ER320 (TCP 106)	Application for conversion from TCP to exploration right approved by regulator	49%	49%
		ER 270	Recommended by Petroleum Agency of South Africa to Department of Mineral Resources	49%	49%
		ER 271	Recommended by Petroleum Agency of South Africa to Department of Mineral Resources	49%	49%
		ER 272	Recommended by Petroleum Agency of South Africa to Department of Mineral Resources	49%	49%



About Kinetiko Energy

Kinetiko Energy is an Australian gas explorer focused on advanced gas and coal bed methane (CBM) opportunities in rapidly developing markets in Southern Africa. Its flagship Amersfoort project which is conducted through Afro Energy and its co shareholder Badimo Gas is being developed around the infrastructure rich and energy starved industrial region of South Africa. South Africa has extensive gassy coal basins, extensive energy infrastructure and a growing gas demand, making it an attractive area for investment.

For more information visit: www.kinetikoenergy.com.au

*Or contact Geoff Michael or James Searle, Joint Managing Directors, Kinetiko Energy Limited
+618 6315 3500*

** On the 17/2/2016 Kinetiko reported in full to the ASX the Gustavson and Associates LLC the new resource for ER56 at the Amersfoort Project. This resource remain current.*

Except where indicated, technical comments above have been compiled by James Searle BSc (hons), PhD, a Member of the Australian Institute of Mining and Metallurgy, and a Director of Kinetiko Energy Ltd with over 30 years' experience in metallic and energy minerals exploration and development, including over 5 years' experience in petroleum exploration. Dr Searle consents to the inclusion of this technical information in the format and context in which it appears.