

KORHAAN WELLS 3 AND 5 INTERSECT GAS PREPARING TO FLOW TEST ALL WELLS

HIGHLIGHTS

- **Korhaan-5 drilling reached TD (Terminal Depth) at 432m, and has flowed gas.**
- **Logging has been successfully completed.**
- **Korhaan-3 drilling reach TD at 449m, and substantial gas shows have been encountered.**
- **Multi-day well gas flow testing is imminent.**

04 February 2022: Perth-based energy exploration company Kinetiko Energy Limited (ASX: "KKO" or "**Company**") is pleased to update on the status of appraisal/development Korhaan wells.

Korhaan-5: After drilling the Production Section from 150m to 432m, preliminary gas flows were established under down-hole choked conditions. The well was subsequently successfully logged (Figure 1) and gas-bearing sediments detected in various layers, with early calculations showing approximately 133m of cumulative sand intervals which measure over 2m per interval.



Figure 1: Korhaan-5 during logging operations

Korhaan-3: The Surface Section was successfully then cased and cemented. The Production Section drilling completed with TD called at 449m after encountering tight formations. Gas was detected early at around 177m but showed strongly from 265m downwards, going off the scale of the inline meter (>10,000 ppm) from that point onwards. Interestingly and encouragingly, no groundwater inflow was detected during the drilling of the production section.

Well Testing: All three wells will now be flow tested, with long flow and shut-in periods envisaged as we seek stability of rates and pressures with repetition for data confidence. Each well is expected to take 8-10 days to test, giving trustworthy information to assist geological and economic modelling.

The Company has invested heavily in high-technology flow measuring and data acquisition equipment, which is being rigged up on **Korhaan-5 well**. Flowing is predicted to start on Sunday 6th February, after the demobilisation operations for the rig B16 are complete and the rig has left site. The equipment will then be moved over to both **Korhaan-4** and **Korhaan-3** in turn as we continue our well testing operations.

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 and coal bed methane (CBM) opportunities in rapidly developing markets in Southern Africa. South Africa has extensive gassy coal basins, extensive energy infrastructure and a growing gas demand, making it an attractive area for investment. The Company has a large potential exploration area, of which approximately 7000km² is granted and being explored.

Afro Energy (Pty) Ltd. was incorporated as a joint venture founded in 2015 by Kinetiko Energy Ltd (49%) and Badimo Gas (Pty) Ltd of South Africa (51%) as a JV company to own 100% of the exploration rights with required BEE (Black Empowerment Endowment) certification, and facilitate South African investment in order to continue to explore, develop, and commercialise gas production.

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