SPUDDING OF FIRST WELL IN FIVE-WELL GAS PRODUCTION TEST PROGRAM – UNLOCKING SOUTH AFRICA'S ENERGY POTENTIAL

HIGHLIGHTS

- **Drilling commenced at well 271-23PT marking a significant further step in the five-production well test program**
- **Completion and first gas flow results are expected by early November 2024, providing critical data on gas flow rates and depletion curves**
- **Production test program will flow-test each well for up to 90 days, gathering essential data for the certification of reserves and future development clusters**
- **6 TCF of 2C contingent resources are already confirmed, with potential for significant growth as a result of this testing program**
- **Wells are strategically located near key energy infrastructure, such as the Majuba Power Station, optimising the program's commercial potential and delivery of gas to off-takers**

Kinetiko Energy Ltd (ASX: KKO) (**Kinetiko** or the **Company**) is developing an energy solution for South Africa focused on commercialising 100% owned advanced shallow conventional gas projects in the Mpumalanga Province. Kinetiko is pleased to announce the commencement of drilling at well 271-23PT on **Friday, 27 September**. This well represents a key milestone in the Company's ongoing efforts to commercialise its advanced shallow conventional gas projects, which are poised to deliver cleaner, reliable energy to a nation facing critical shortages.

The five-well production test program is expected to provide significant insights into the reservoir dynamics of Kinetiko's 100% owned gas fields. With South Africa urgently needing alternative energy solutions, this program is a critical step toward unlocking the potential of the Company's 6 TCF (2C) contingent resource, discovered across Kinetiko's expansive onshore tenement package.

Kinetiko Executive Chairman Adam Sierakowski commented:

> *"The spudding of our first well in this five-well production test program is exciting for Kinetiko and its stakeholders. We are one step closer to demonstrating the commercial viability of our vast gas resources and contributing to South Africa's urgent need for cleaner, more reliable energy solutions.*
>
> *With well 271-23PT located near the Majuba Power Station, we are ideally positioned to deliver gas to key infrastructure. We expect this test program to provide invaluable data on flow rates and depletion curves. These results will underpin the expansion of our gas reserves and pave the way for future production clusters."*

Key Milestones and Program Timeline

Drilling of the first well, 271-23PT with completion and initial gas flow results anticipated in early November 2024. The program involves drilling five production test wells, each expected to be completed within 4 weeks. After drilling, each well will undergo an extended dewatering and gas flow testing process, for up to 90 days to determine flow rates and depletion curves.

The data gathered will be instrumental in certifying gas reserves, estimating the life of future production clusters, and optimising Kinetiko's gas field development plans.

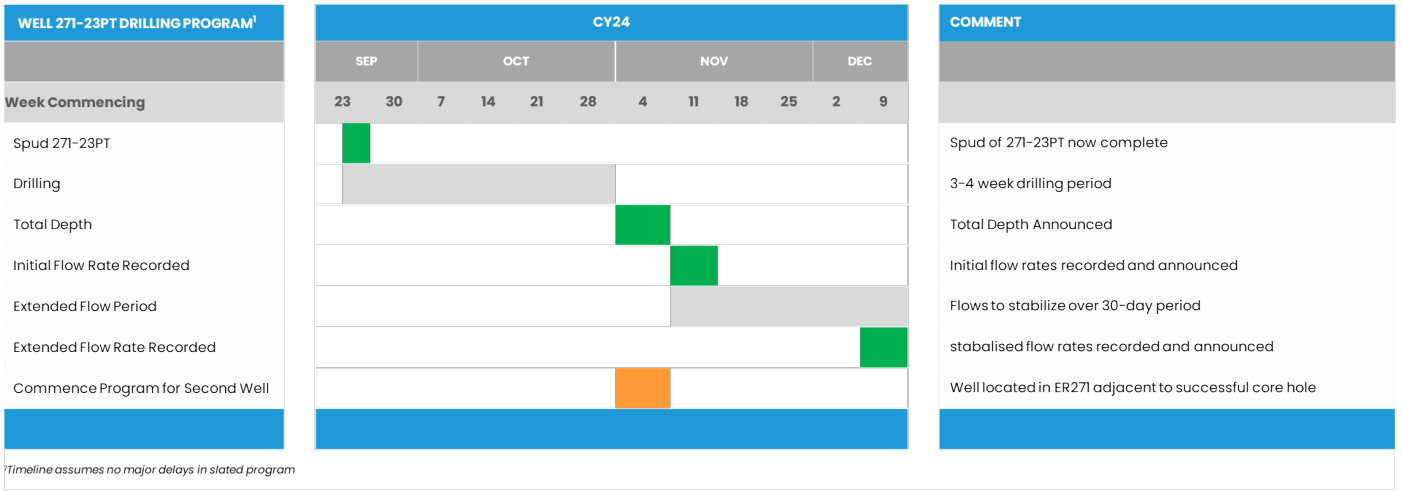


Figure 1 *indicative drilling timeline for first well*

Production Well Program

The production test program will individually flow-test each of the five wells for an extended period. This process is designed to capture critical data on flow rates, reservoir pressure, and depletion curves, which will then be used to model the economics of future gas field developments. Based on prior reserves calculations, a flow rate of 50,000 SCF/day has been assumed, with the aim of exceeding this threshold and significantly improving the project's commercial metrics.

Well 271-23PT is strategically positioned just 5 kilometres from the Majuba Power Station, one of South Africa's key energy infrastructure sites, ensuring rapid commercialisation of any discovered gas. Adjacent

wells are also located near essential infrastructure, including gas pipelines and transmission lines, further positioning Kinetiko as a potential major supplier to South Africa's power grid.

The Company will regularly update the market on the drilling and flow testing results of each individual well as it progresses through the program.



***Figure 2** shows the production drilling rig on site for spudding well 271-23PT with Majuba power station in the background.*

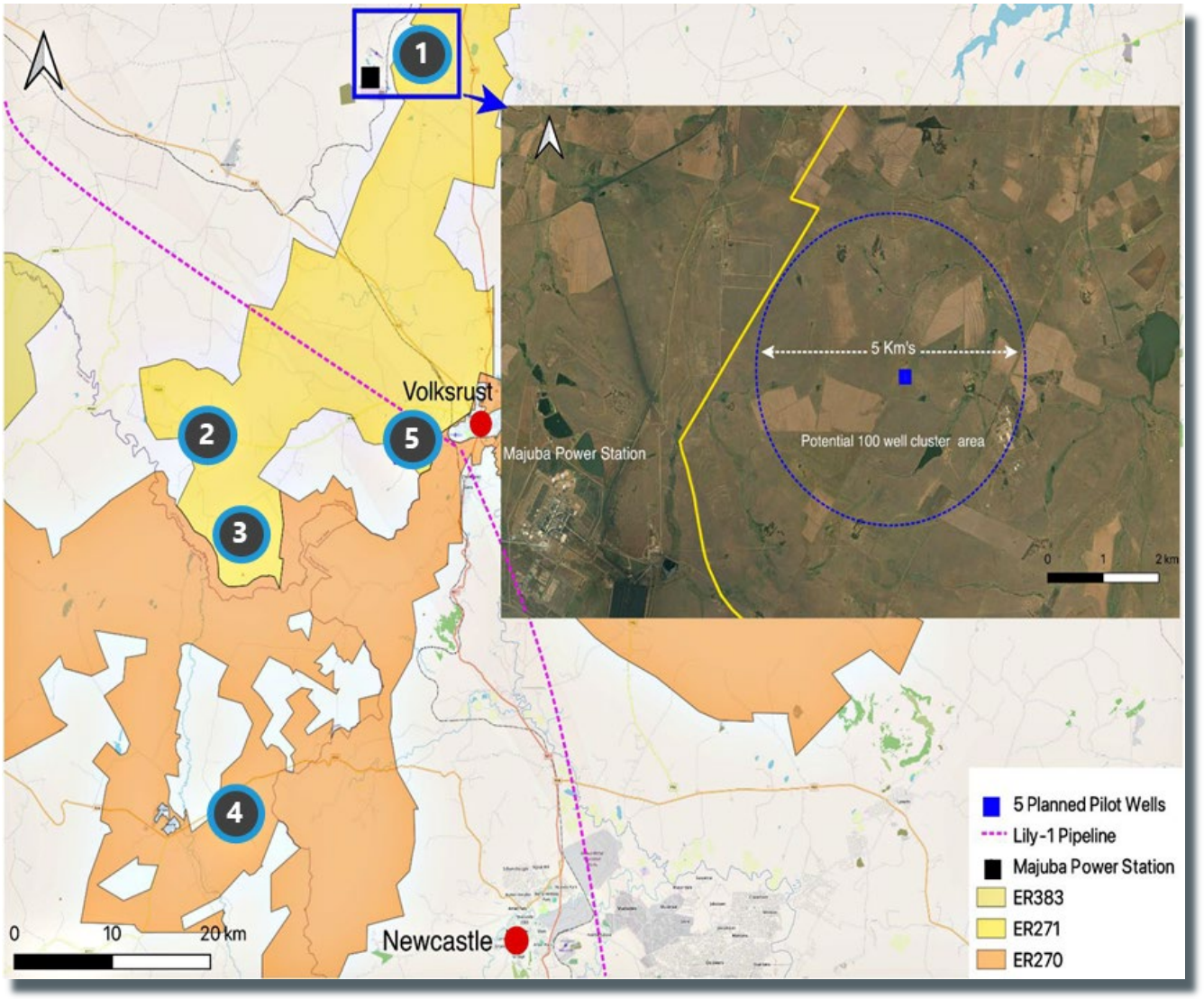


Figure 3: *Indicative Production Test Well Locations*

Projected Resource Growth and Future Plans

Kinetiko's existing 6 TCF (2C) contingent resource, equivalent to 1 billion barrels of oil, is expected to grow significantly as a result of the current five-well testing program. Each well has been carefully positioned based on successful results from prior exploration, which identified extensive gassy pay zones. The results of this program will also aid in converting a portion of the Company's 5.8 TCF of 2U Prospective Resources into contingent resources.

The success of this program will further de-risk future drilling campaigns and accelerate Kinetiko's efforts to become a major contributor to South Africa's evolving energy landscape.

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About Kinetiko Energy

Kinetiko Energy is a gas exploration company with a focus on advanced onshore shallow conventional gas opportunities in South Africa.

Kinetiko's tenements are located in South Africa's primary power-producing region, near aging coal-fired power stations and infrastructure. As South Africa shifts towards modern power solutions, the gas from Kinetiko's deposits is expected to provide base load power and act as backup to renewables as part of the country's long-term energy future.

The Company has achieved maiden gas reserves with positive economics and has 6 trillion cubic feet (Tcf) of 2C contingent resources, establishing a substantial world-class onshore gas project.

Kinetiko's vision is to commercialise an energy solution for South Africa.



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Competent Persons and Compliance Statements

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

The Company confirms that it is not aware of any new information or data that materially affect the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.