KINETIKO ENERGY LTD

ABN 45 141 647 529

Annual Report
for the Year Ended
30 June 2025

C O N T E N T S

Corporate Directory

Directors
Adam Sierakowski
Dirk Robert Bulder
Donald Mzolisa Jones Ncube
Robert Scharnell

Company Secretary
Simon Whybrow

Public Officer
Adam Sierakowski

Principal Activity
Shallow Conventional Gas Exploration

Principal Place of Business
Level 24, St Martins Tower
44 St Georges Terrace
PERTH WA 6000

Registered Office
Level 24, St Martins Tower
44 St Georges Terrace
PERTH WA 6000

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

Stock Exchange Listing
Australian Securities Exchange
Home Exchange: Perth
Code: KKO

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

Chairman's Address

Dear Shareholders,

It is with great pleasure that I present to you the chairman's address for the financial year ended 30 June 2025 a year that has marked a technical turning point in Kinetiko Energy's journey to become a key domestic energy supplier to South Africa.

A Year of Strategic Progress

Over the past 12 months, we have continued to build momentum across our shallow conventional gas projects in Mpumalanga province. The highlight of the year was undoubtably the success of the latest production test wells particularly the breakthrough result from the production test well 271- KA03PT06 at Brakfontein, which delivered a record peak gas flow of 1,600Mscfd during a choke test– more than three times higher than the best historical test result and four times higher than the choke test recorded from our most recent test well 271-KA03PT10 completed in August.

This achievement was made possible through the application of optimised drilling procedures, which have materially improved outcomes across our expiration activities. As a result of challenges experienced in obtaining reliable gas flow from production test wells completed late last year the company engaged independent gas flow assurance experts Oilfield Technologies Australia Pty Ltd (OT) to undertake permeability testing on drilling samples and conduct laboratory simulations. OT's findings supported the conclusion that sub optimal drilling protocols particularly relating to drilling fluid composition, water management and drilling pressures significantly impaired gas flow performance in the two production test wells completed late last year. In collaboration with OT the company was able to formulate optimise drilling procedures and encouragingly, the performance of the two recent production test has provided immediate positive results with strong gas flows both being completed on time and budget.

Domestic Partnerships

- We also made substantial headway in deepening relationships with strategic partners, local communities, and government agencies. Our collaboration with South African energy stakeholders remains integral to the company's growth trajectory. Notably, we continued to work closely with regulators and successfully completing our permitting processes. In addition, we continued engagement with midstream and downstream offtake partners FFS Refiners (Pty) Ltd (FFS) with whom the company executed a term sheet to co-develop a pilot plant for the production of Liquefied Natural Gas (LNG).
- The Term Sheet seeks to expedite small scale gas production in a first phase from Kinetiko's existing cluster of production wells at Brakfontein which now numbers seven. This involves at the following first phase:
    - Co-funded drilling of an additional production well and upgrading existing production wells to form a producing cluster of wells;
    - Co-funded application for a production right;
    - Design and commissioning of gas reticulation system;
    - Potential LNG production subject to testing and regulatory approval.
- From the successful completion of the first phase the parties will develop a business case for LNG production of 5,000 tpa which can be scaled to 100,000 tpa. The pilot plant development contemplated by this term sheet joint venture with FFS expedites KKO's larger joint venture with the Industrial Development Corporation of South Africa to development South Africa's largest onshore LNG project providing the company with significant joint funding partners on major projects.

Chairman's Address (continued)

Outlook for FY2026

Looking ahead, Kinetiko is well-positioned to enter a new phase of growth. Our focus in FY2026 will be accelerating the production test well program engaging multiple drilling rigs, progressing toward pilot-scale gas production, and continuing to expand our resource base by the granting of significant further exploration rights.

With South Africa's "gas Cliff" steepening, the demand fundamentals for our product remain strong. We are confident in our ability to deliver long-term value for shareholders in particular significantly converting large contingent resources into certified reserves and thereby growing the company's critical role in South Africa's energy future. We are proud of the progress we have made and energized by the opportunities that lie ahead. Together, we are building a cleaner, more resilient energy future—powered by natural gas, developed responsibly, and delivered locally.

Acknowledgments

On behalf of the Board, I extend my sincere thanks to our management team, staff, partners, and contractors for their hard work and dedication throughout the year. I also want to thank you, our shareholders, for your continued support and belief in Kinetiko's vision.

Yours sincerely,

Adam Sierakowski
Executive Chairman

Directors' Report

The directors of Kinetiko Energy Ltd submit herewith the financial report of the consolidated entity consisting of Kinetiko Energy Ltd ("the Company" or "Kinetiko") and its controlled entities ("the Group") for the financial year ended 30 June 2025. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' report as follows:

Directors

The names of the directors in office during the financial year and until the date of this report are:

Adam Sierakowski
Donald Mzolisa Jones Ncube
Dirk Robert Bulder
Robert Scharnell

Information on Directors

Adam Sierakowski, Executive Chairman
Mr Sierakowski is a lawyer and founding director of the legal firm Palisade Corporate (formerly Price Sierakowski). He has more than 21 years of experience in legal practice, much of which he has spent as a corporate lawyer, consulting and advising on a range of transactions to a variety of large private and listed public entities. He has advised and guided many companies undertaking IPO, RTO, fundraising and M&A activities in Australia and overseas.

As the co-founder of Trident Capital, Mr Sierakowski has also advised a variety of public and private clients on the structuring of their transactions and has been engaged in co-ordinating fundraising both domestically and overseas. He has vast experience in restructuring and mergers and acquisitions and has played a key role in the recapitalisation of many ASX-listed companies.

Mr Sierakowski is a member of the Australian Institute of Company Directors and the Association of Mining Exploration Companies.

Special responsibilities:
- None

Directorships held in other ASX-listed companies in the past 3 years:
- Connected Minerals Limited, Non-Executive Director, appointed 3 December 2018 – current.

Donald Mzolisa Jones Ncube, Non-Executive Director
Mr Ncube graduated with a master's degree in Manpower Studies at the University of Manchester in December 1984.

Mr Ncube is recognised and respected as one of the reputable pioneers of Black Economic Empowerment. He is the founder and former Chairman and Chief Executive Officer of Real Africa Holdings (Pty) Ltd, a listed company on the Johannesburg Securities Exchange, that unbundled and distributed assets worth 3 billion Rand to shareholders in 2003.

Mr Ncube carved his professional career in the mining industry. He worked for the Anglo-American Corporation for 22 consecutive years and was the first South African black to sit on the Board of Anglo-American Corporation. Mr Ncube has a performance track record as Chairman of successful corporations such as Sun International, Oceana Fishing Group, South African Airways and Atomic Energy Corporation.

Mr Ncube is currently the Chairman of Badimo and Afro Energy.

Directors' Report (continued)

Information on Directors (continued)

Special responsibilities:
- None

Directorships held in other ASX-listed companies in the past 3 years:
- None

Dirk Robert Bulder, Executive Director (assumed December 2024) and formerly Non-Executive Director
Rob Bulder qualified as a Chartered Accountant in 1987 and has over 30 years of commercial experience.

Mr Bulder has held numerous senior management and executive board positions in the manufacturing, financial services, IT, airline and gas industries, overseeing multi-billion Rand budgets. These positions included that of Group Financial Director of Paragon Business Communications Ltd, a company listed on the Johannesburg Stock Exchange, as well as the position of (acting) Executive Vice-President of South African Airways SOE and CEO of South African Airways Technical Division (Pty) Ltd, a multi-billion Rand division of SAA Ltd and that of the Vice President of Business Development for SAA Ltd.

Mr Bulder has been the Finance Director of Badimo for more than a decade.

Special responsibilities:
- Oversee South African Governance requirements
- Interim Chief Executive Officer (assumed December 2024)

Directorships held in other ASX-listed companies in the past 3 years:
- None

Robert Scharnell, Non-Executive Director
Mr Scharnell is an experienced international business executive with over 30 years of demonstrated achievement at Chevron Corporation in establishing and implementing business strategy. He has conducted business in over 20 countries and under complex situations, for large values including negotiating multi-lingual agreements, sales/purchase transactions, and settling claims and disputes on the scale of over $1 billion in value.

Mr Scharnell's breadth of experience extends beyond the core energy business, with a career highlight in managing the creation and implementation of an award winning economic development and social impact project in Africa. This project transformed Chevron's approach to improving lives within the communities in which it operates.

Special responsibilities:
- None

Directorships held in other ASX-listed companies in the past 3 years:
- None

Company Secretary

Simon Whybrow (ACPA, FGIA, FCG)
Mr Whybrow is a Certified Practising Accountant and Chartered Secretary and has over 25 years corporate and commercial experience within both ASX-listed and unlisted companies. Mr Whybrow was Chief Financial Officer, Chief Operating Officer and Company Secretary for ASX-listed security company Threat Protect Australia Ltd (ASX: TPS) from 2016 to 2020. Prior to that he was involved in several listed and unlisted, public and private, mining companies including chief financial officer and company secretary for RMA Energy Limited 2007 to 2010.

Directors' Report (continued)

Principal Activities
The principal activity of the Group during the financial year was shallow conventional gas exploration.

Operating Results
The loss for the year ended 30 June 2025 after providing for income tax amounted to $5,542,251 (2024: $5,232,581).

The directors of the Company submit herewith the operations report of the Company for the financial year ended 30 June 2025.

Review of Operations
During the year the Group undertook the following activities:

Exploration and Drilling

- Completed the 2022–2024 core hole program with the successful drilling and logging of ER270-11C (Figure 1), which intersected 90 metres of gas-bearing geology, marking the 38th core hole with a 100% gas strike success rate.

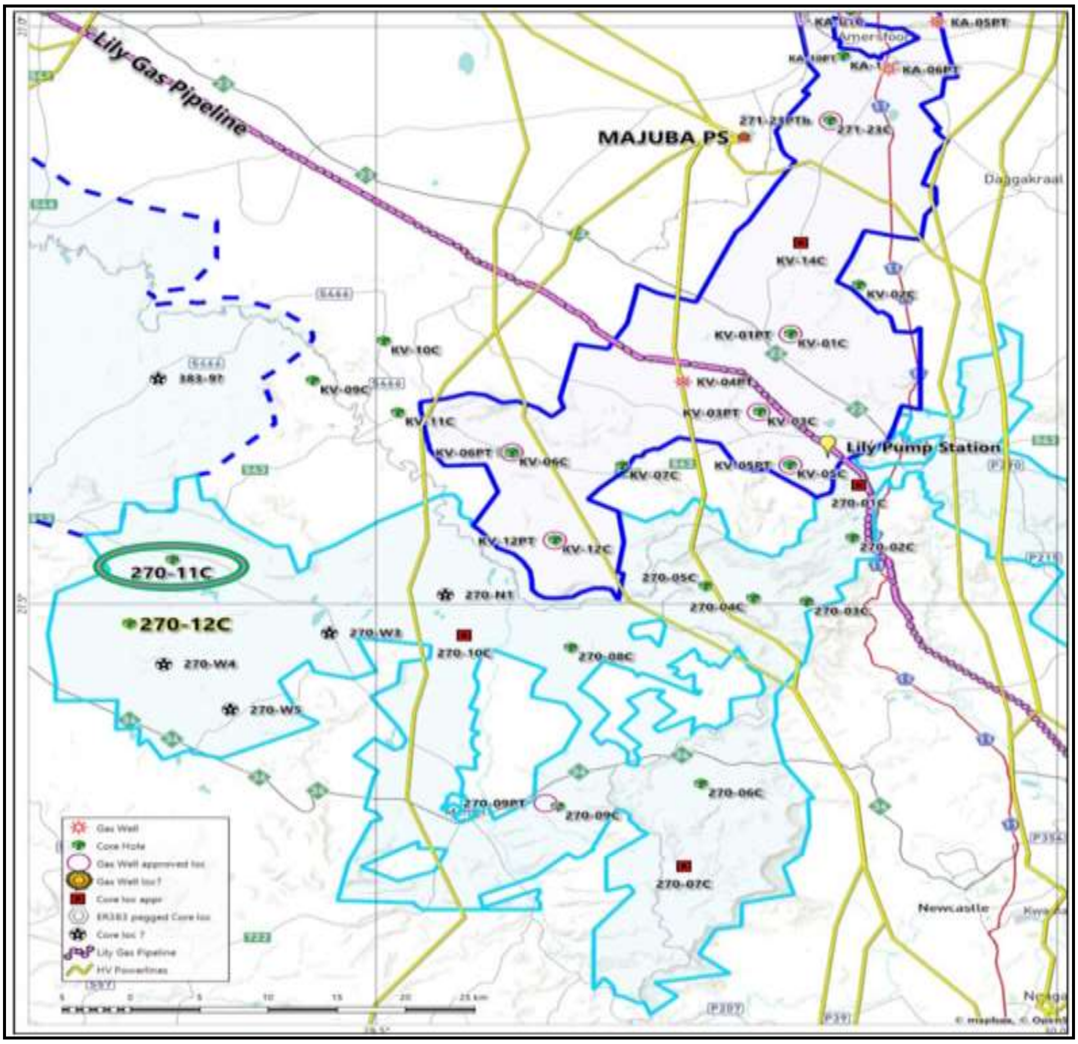

Figure 1 – Map of 270-11C core hole, relative to other locations.
Source: September 2024 Quarterly Report

Directors' Report (continued)

Review of Operations (continued)

- Drilled the first production test well, ER271-23PT (Figure 2), in September 2024. Initial results suggested a non-commercial outcome, but further testing in Q3 revealed increasing gas presence, contradicting early assumptions.

F*igure 2 – Production drilling rig on site for spudding well 271-23PT with Majuba power station in the background.*

Source: September 2024 Quarterly Report

Directors' Report (continued)

Review of Operations (continued)

- Drilled the second production test well, ER271-KV06PT (Figure 3), to 631 metres, confirming sustained gas flow and gas flaring during testing.

Figure 3 – Gas flaring from well 271-06PT
Source: March 2025 Quarterly Report

- Drilled the third production test well, ER271-KA03PT10 (Figure 4), in May 2025 using optimised procedures. This well forms part of a cluster to supply gas to the planned pilot LNG plant.

Directors' Report (continued)

Review of Operations (continued)

Drilling Process Review and Optimisation Results

- Given the two production test wells competed at the end of 2024 exhibited reduced gas flow the Group engaged gas flow assurance experts Oilfield Technologies Australia Pty Ltd (OT) to assess the results of the previous two wells. Their analysis of core samples and laboratory simulations focused on:
    - Accurate determination of formation permeability, porosity and water saturation;
    - Filtration invasion rates;
    - Drilling techniques that have impacted gas flows;
    - Remediation strategies for these two-production tests which can be utilised for previously drilled wells; and
    - Completion strategies to enhance gas flows for future development.

- Key findings from OT's laboratory simulations with reservoir formation core, site water and foam samples used for past drilling provided the following positive conclusions and recommendations:
    - Analyses of actual core samples from recent production test wells confirmed favourable permeability results;
    - Laboratory simulations conducted by OT replicating the effects of water and high viscosity foam (an industry standard biodegradable product used for management of drill cuttings) used on the production test wells demonstrated significant degradation in gas permeability;
    - Laboratory test results indicated gas permeability reductions of up to 85% created by water and foam invasion, establishing strong evidence of why the production test wells failed to deliver expected gas flows;
    - Recommendations provided to optimize future drilling by minimising water invasion and reducing foam use while maintaining down-hole pressure balance.

Directors' Report (continued)

Review of Operations (continued)

Figure 4 – Drilling rig on site for spudding well 271-KA03PT10
Source: June 2025 Quarterly Report

New Applications

- **PR271:** Continued environmental and technical studies in support of the Production Right application, with consultant WSP conducting fieldwork and compiling the Environmental Impact Assessment (EIA).
- **ER383:** EIA for the 2,383 km² block was completed and submitted. This application when granted is expected to increase total acreage by over 60%, extending the Group's footprint across contiguous gas-bearing geology.

Domestic Partnerships

- Substantial progress made developing relationships with strategic partners, local communities, and government agencies. The Group continued engagement with midstream and downstream offtake partners FFS Refiners (Pty) Ltd (FFS) with whom the Group executed a term sheet to co-develop a pilot plant for the production of Liquefied Natural Gas (LNG).

Directors' Report (continued)

Review of Operations (continued)

- The Term Sheet with FFS seeks to expedite small scale gas production in a first phase from Kinetiko's existing cluster of production wells at Brakfontein which now numbers seven. This involves at the following first phase:
    - Co-funded drilling of an additional production well and upgrading existing production wells to form a producing cluster of wells;
    - Co-funded application for a production right;
    - Design and commissioning of gas reticulation system;
    - Potential LNG production subject to testing and regulatory approval.
- From the successful completion of the first phase the parties will develop a business case for LNG production of 5,000 tpa which can be scaled to 100,000 tpa. The pilot plant development contemplated by this term sheet joint venture with FFS expedites KKO's larger joint venture with the Industrial Development Corporation of South Africa to development South Africa's largest onshore LNG project providing the Group with significant joint funding partners on major projects.

ESG (Environment, Social & Governance)

- Zero reportable incidents across 29,484 person-hours worked throughout the year.
- Safety meetings conducted prior to every shift; all work executed in accordance with stringent HSE protocols.
- The Group prioritised local procurement and employment, supporting South African suppliers and contractors.
- Advanced community engagement and environmental audits in support of PR271 and ER383.

Funding

- Completed a $1.89 million capital raise in June 2025, backed by cornerstone shareholders. Shareholder approval was granted in September 2025 to allow directors to participate in the capital raise, representing a contribution of $310,000.
- Ended the year with $1.88 million in available funds, comprised of $1.64 million cash and $247k in joint venture accounts (Afro Gas Development).

Events Occurring After the Reporting Period

August 2025 – Production test well ER271-KA03PT10 successfully drilled to 417m using optimised protocols, with geophysical logging confirming a 144m net pay zone (Figure 5). Choke testing achieved a peak gas flow of 370 Mscfd, with extended flow rate testing underway to determine stabilised production levels. This well is part of a cluster adjacent to existing gas-producing wells, intended to supply a pilot LNG plant targeted for commissioning in late 2026.

Drilling commenced on the next production well, ER271-KA03PT06, located nearby, with first gas results expected mid-September 2025.

September 2025 – Exploration Rights ER270, ER271, and ER272 were renewed for a second two-year term, with granting letters received from PASA. Production testing continues to advance, with ER271-KA03PT06 intersecting gassy sandstone and ER271-KA03PT10 flow testing progressing. The renewed tenure supports Kinetiko's accelerated development strategy and underpins its pilot gas production program.

Directors' Report (continued)

Review of Operations (continued)

Drilling of production test well 271-KA03PT06 at Brakfontein was successfully completed using optimised procedures to a total depth of 405m. Choke test on completion recorded a peak gas flow of 1,600 Mscfd – more than 3x higher than the best historical test 271-03PTR (500 Mscfd, Jan 2013) and 4x higher than 271-KA03PT10 (370 Mscfd, Aug 2025).

These activities, all within Q1 FY26, mark continued momentum in Kinetiko's transition from explorer to producer, aligned with broader commercialisation of onshore methane and helium assets in the region.

Figure 5: Production Test Well 271-KA03PT10 being choke tested

Competent Persons Statement

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

The Group 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.

Directors' Report (continued)

Material Business Risks

The Group makes every effort to identify materials risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Group or by investors in the Company, nor are they in order of significance. Actual events may be different to those described.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

a) Tenure and access risk

Applications
While the Group does not anticipate there to be any issues with the grant of its Exploration and Production Right applications, there can be no assurance that the applications (or any future applications) will be granted. While the Group considers the risk to be very low, there can also be no assurance that when the relevant Exploration and Production Rights are granted, they will be granted in their entirety. In mitigation, however, we have received both written, verbal and implied support for our plans and projects from both the Regulator (a State entity and gatekeeper for permitting) and the Department of Minerals and Energy, the authority for the permit awarding. There is a risk of NGO activity that could delay, but not preclude, the startup of activities in either an Exploration Right or Production Right area.

Renewal
Exploration Rights are subject to periodic renewal. The renewal of the term of granted Rights is subject to the discretion of the relevant authority, Petroleum Agency of South Africa. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas over a portion of the Rights. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Group. Although we have already entered a first renewal period, we have had no indication of any change in conditions.

Access
A number of the Rights overlap certain third-party interests that may limit the Group's ability to conduct exploration and mining activities, including private land and servitudes for railways, roads, grid lines and pipelines.

Where the Project overlaps private land, exploration and mining activity, the Company may require authorisation or consent from the owners of that land. The Group is required to enter into land access agreements to undertake its proposed exploration program on the Rights. However, the Group's current proposed exploration program is not impacted by the known sites of registered heritage significance. In any case where environmental issues (including heritage significance) are found to be in conflict with our field activities, our large geographical spread allows us to show flexibility to avoid said conflict.

b) Exploration Risk

Potential investors should understand that exploration and development are high-risk undertakings. There can be no assurance that exploration of the Project, or any other Rights that may be acquired in the future, will result in the discovery of an economic gas reserve. Even if apparently viable appraisal targets are identified, there is no guarantee that it can be economically exploited. To date, however, we have struck gas in 100% of the 46 boreholes we have drilled across our three existing tenements under Exploration Rights.

The success of the Group will also depend upon the Group having access to sufficient development capital and access to gas exploration and production third party contractors to undertake exploration activities, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Exploration Rights, a reduction in the cash reserves of the Group and possible relinquishment of its projects.

Directors' Report (continued)

Material Business Risks (continued)

c) Climate Change

The operations and activities of the Group are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Group. While the Group will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Group will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Group, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Group operates. The Group's approach is to focus on the mitigating consequence of gas as a greening effect on the environmental landscape, as it is destined to replace coal and other polluting liquid fuels like heavy fuel oil and diesel for thermal industry usage and power generation.

d) Reliance on Key Personnel

The Group's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Group's business.

e) Environmental

The operations and proposed activities of the Group are subject to Australian and South African laws and regulations concerning the environment. As with most exploration projects, the Group's activities are expected to have an impact on the environment, particularly if advanced exploration or development proceeds. It is the Group's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Group's operations more expensive, however, these standards and specifications follow an international benchmark and are not expected to change. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes.

f) Black Economic Empowerment (BEE)

According to relevant legislation contained in the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA) the BEE component of any company wishing to apply for Production Rights for mineral mining or petroleum extraction need to have no less than a 26% participation at the level of the Rights Holder for permit application processing to proceed. The Group is currently oversubscribed for their BEE participation due to Level 1 BEE investors from South Africa on the register. The Upstream Petroleum Resource and Development Bill was assented to on 29th October 2024 but will only come into effect at a future date determined by the President. This Act once in effect requires a minimum of 10% BEE participation and provides the state an option to acquire a 20% carried interest in all exploration and production rights.

Directors' Report (continued)

Material Business Risks (continued)

g) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Group, as well as on its ability to fund its operations.

h) Additional requirements for capital

The Group's capital requirements depend on numerous factors. The Group may require further financing and any additional equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If the Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Group will be able to secure any additional funding or be able to secure funding on terms favourable to the Group.

Significant Changes in State of Affairs

Significant changes in the state of affairs of the Group during the financial year were as follows:

- In November 2024, a resolution was passed by Afro Energy (Pty) Ltd ("Afro Energy") and the Industrial Development Corporation of South Africa ("IDC"), parties of the joint development entity Afro Gas Development SA (Pty) Ltd, to allow access to their original contributions. The first tranche of funds, being approximately $1.366 million to Kinetiko and approximately $1.118 million to the IDC, was paid on 19 December 2024.

  The remaining balance of the original contributions, being approximately $354,000 to Kinetiko and approximately $283,000 to the IDC, was paid in early January 2025.

- In December 2024, the Company's CEO, Mr Nick de Blocq, stepped down for personal reasons to be closer to family after three years of dedicated service. Following his departure, Mr Robert Bulder, stepped into the role of Interim CEO.

- On 12 June 2025, the Company announced that it had received firm commitments from professional and sophisticated investors to raise approximately $2.2 million (before costs) through a Placement of 55,075,000 fully paid ordinary shares in the Company at $0.04 per share ("Placement Shares"), together with one (1) free attaching unlisted option for every one (1) Placement Share subscribed for and issued, exercisable at $0.07 per option on or before 30 June 2027 ("Placement Options").

  As part of the Placement, the Company also successfully negotiated a debt-to-equity conversion of trade payables and borrowings totalling $530,000 on the same terms as the Placement.

  Of the commitments, the Company's Directors agreed to subscribe for a total of 7,750,000 Placement Shares and 7,750,000 Placement Options, representing a contribution of $310,000, which was approved by shareholders at the Company's General Meeting held on 17 September 2025.

- On 24 June 2025, the Company announced that it had completed the first tranche of the Placement via the issue of 47,325,000 Placement Shares and 47,325,000 Placement Options to unrelated investors.

Directors' Report (continued)

Matters subsequent to the end of the financial year

- On 1 July 2025, the Company announced that it had executed a non-binding term sheet with FFS Refiners (Pty) Ltd for the proposed co-development of a pilot gas liquefaction plant for the production of liquefied natural gas (LNG).

  Pursuant to the Term Sheet, the key phases of potential collaboration and proposed activities are as follows:

  Phase 1a – Gas Field Development

  Upon the execution of the binding joint development agreement for the first phase during which Kinetiko and FFS will:

  - Provide funding of ZAR 20 million, to be split Kinetiko 67.50% and FFS 32.50%, for new wells and the updating of two existing wells at the Brakfontein site;
  - Compile the LNG business case proposal ahead of further gas field development; and
  - Complete the submission of a production right application.

  Phase 1b – LNG Proof of Concept

  Subject to a successful outcome of the initial gas field development and production right, Kinetiko and FFS to conclude a joint venture agreement and incorporate a joint venture entity, recognising historic exploration costs incurred by Kinetiko.

  Phase 2 – Full LNG Production

  Following the approval of the final business case, Kinetiko and FFS to scale up production of LNG over an expanded production right area, expected to be 5 times larger than the Phase 1b development and collaborate on the further expansion of LNG production over additional tenement areas held by Kinetiko beyond the Brakfontein area.

- On 18 August 2025, the Company issued a Notice of General Meeting seeking shareholder approval in respect of the ratification of the:
  - Prior issue of 35,325,000 shares at $0.04 each and 35,325,000 free attaching options, representing capital proceeds of $1,413,000, as part of the Company's Placement announced on 12 June 2025;
  - Prior issue of 12,000,000 shares at $0.04 each and 12,000,000 free attaching options, representing capital proceeds of $480,000, to satisfy payment of trade payables and repayment of borrowings from unrelated parties;
  - Approval for the Company's Directors to participate in the Placement, of which the Directors had agreed to subscribe for 7,750,000 shares at $0.04 each and 7,750,000 free attaching options, representing a contribution of $310,000; and
  - Approval for the issue of 3,000,000 unlisted options to Mr Robert Scharnell.

  Following shareholder approval of all of the above resolutions at the Company's General Meeting, 7,750,000 shares and 10,750,000 options were issued to the Directors on 18 September 2025.

- On 4 September 2025, the Company announced that the Petroleum Agency of South Africa had granted the Company's second renewal application for ER 270, 271 and 272 for a further term of two (2) years.

Directors' Report (continued)

Matters subsequent to the end of the financial year (continued)

- On 4 September 2025, the Company further announced the issue of 2,000,000 unlisted options, exercisable at $0.12 each on or before 31 December 2026, as consideration for corporate advisory services provided to the Company.

No other matters or circumstance has arisen since 30 June 2025 that has affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

As Kinetiko Energy Ltd is listed on the Australian Stock Exchange, it is subject to the continuous disclosure requirements of the ASX Listing Rules which require immediate disclosure to the market of information that is likely to have a material effect on the price or value of Kinetiko Energy Ltd securities.

In the opinion of the Directors, it would prejudice the interests of the Group to provide additional information, beyond that which is reported in this Annual Report, relating to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 30 June 2025.

Dividends Paid or Recommended

No dividends were paid during the financial year (2024: nil) and no recommendation is made as to payments of future dividends.

Meetings of Directors

During the financial year, nine (9) meetings of Directors were held. Attendances by each director were as follows:

	Number eligible to attend	**Number Attended**
Adam Sierakowski	9	9
Robert Bulder	9	9
Donald Ncube	9	9
Robert Scharnell	9	8

Directors' Share and Option Holdings

As at the date of this report, the interests of the directors in the Company were:

Director	**Ordinary Shares**	**Unlisted Options**	**Performance Rights**
Adam Sierakowski	80,325,836	6,000,000	7,500,000
Robert Bulder	35,919,384	3,250,000	5,000,000
Donald Ncube	253,120,880	5,000,000	-
Robert Scharnell	2,861,865	5,500,000	-

Directors' Report (continued)

Share Options

As at the date of this report, the unissued ordinary shares of the Company under option are as follows:

Grant date	Expiry date	Exercise price	Number under option
24 November 2023	31 December 2026	$0.12	24,750,000
29 August 2024[1]	31 December 2026	$0.12	2,000,000
24 June 2025[2]	30 June 2027	$0.07	55,075,000
4 September 2025	31 December 2026	$0.12	2,000,000
17 September 2025[3]	23 August 2028	$0.12	3,000,000
			86,825,000

[1] The unlisted options were issued to an employee pursuant to an amendment to their remuneration package.
[2] The unlisted options were issued as part of the Company's June 2025 Share Placement.
[3] The unlisted options were issued to Mr Robert Scharnell following shareholder approval granted on 17 September 2025.

Performance Rights

As at the date of this report, the performance rights on issue are as follows:

Grant date	Expiry date	Number
27 November 2024[1]	6 December 2029	20,000,000
		20,000,000

[1] Refer to Note 15(c) for further details.

Remuneration Report (Audited)

The directors are pleased to present the Group's 2025 remuneration report which sets out remuneration information for the Group's Non-Executive directors, managing director and other key management personnel.

The report contains the following sections:

(a) Principles used to determine the nature and amount of remuneration
(b) Compensation of key management personnel
(c) Services agreements
(d) Shareholdings of key management personnel
(e) Options on issue
(f) Performance rights
(g) Loans with key management personnel
(h) Other transactions with key management personnel
(i) Use of remuneration consultants
(j) Voting and comments made at the Company's 2024 Annual General Meeting

The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

Directors' Report (continued)

Remuneration Report (continued)

(a) Principles used to determine the nature and amount of remuneration

The remuneration policy of the Group has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the company's financial results. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the company.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Group is as follows:

The remuneration policy, setting the terms and conditions for the Executive Directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board of Directors (Board) reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth. Executives are also entitled to participate in the employee share and option arrangements.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes or Binomial methodologies.

The Board policy is to remunerate Non-Executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive directors and reviews their remuneration annually based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive directors is subject to approval by shareholders at the annual general meeting (currently $250,000). Fees for Non-Executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in employee option plans.

The objective of the Group's executive reward framework is set to attract and retain the most qualified and experienced directors and senior executives. The board ensures that executive reward satisfies the following criteria for good reward governance practices:

- Competitiveness
- Acceptability to shareholders
- Performance linkage
- Capital management

Directors' fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Directors' Report (continued)

Remuneration Report (continued)

(a) Principles used to determine the nature and amount of remuneration (continued)

Performance based remuneration

An employee may be granted long term incentives by way of performance rights and options, which vest after certain predetermined periods of service.

The Directors, Chief Executive Officer and other key management personnel have been granted long term incentives by way of unlisted options and performance rights which vest upon the satisfaction of certain predetermined performance or service conditions. Details of these incentives are contained at paragraphs (e) and (f) below.

Company performance, shareholder wealth and Directors' and Executives' remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and Directors and Executives. This is facilitated through the issue of options or performance rights to Directors and Executives to encourage the alignment of personal and shareholder interests. The Group believes this policy will be effective in increasing shareholder wealth. At commencement of mine production, performance based bonuses based on key performance indicators are expected to be introduced.

Remuneration governance

The Group has not formed a remuneration committee. The role of a remuneration committee is instead carried out by the full Board in accordance with the Nomination and Remuneration Committee charter. The Corporate Governance statement provides further information on the role of this committee.

(b) Compensation of key management personnel

The key management personnel of the Group are the Directors, Chief Executive Officer and the Company Secretary. There are no Executives, other than Directors, Chief Executive Officer and the Company Secretary, who have the authority and responsibility for planning, directing and controlling the activities of the Group.

Directors	
Adam Sierakowski	Executive Chairman
Dirk Robert Bulder	Executive Director; Interim Chief Executive Officer (assumed December 2024)
Donald Mzolisa Jones Ncube	Non-Executive Director
Robert Scharnell	Non-Executive Director

Chief Executive Officer	
Nicholas de Blocq Van Scheltinga	Chief Executive Officer (resigned December 2024)

Company Secretary
Simon Whybrow

Directors' Report (continued)

Remuneration Report (continued)

(b) Compensation of key management personnel (continued)

The emoluments for each Director and key management personnel of the Group for the year ended 30 June 2025 are as follows:

Year ended 30 June 2025	**Short-term**				**Post Employment**	
	Salary & Fees	*Profit Share & Bonuses*	*Non Cash*	*Share Based Payments*[4]	*Superannuation*	**Total**
	$	*$*	*$*	*$*	*$*	*$*
Directors						
A Sierakowski	208,890	-	7,770	56,881	-	273,541
D Bulder	260,000[1]	-	7,770	42,661	-	310,431
D Ncube	82,002[2]	-	7,770	42,661	-	132,433
R Scharnell	60,000	-	7,770	-	-	67,770
Chief Executive Officer						
N de Blocq (resigned December 2024)	191,131[3]	-	7,770	71,101	-	270,002
Company Secretary						
S Whybrow	60,000	-	-	21,331	-	81,331
	862,023	-	38,850	234,635	-	1,135,508

[1] Mr Bulders' fees for the year is comprised of director fees of $60,000 plus a salary of $200,000 for his role as interim Chief Executive Officer of the Company. Refer to paragraph (c)(iii) below.

[2] Mr Ncube's fees for the year is comprised of non-executive director fees of $60,000 plus consultancy fees of $22,002 relating to services associated with the renewal of exploration rights 271 and 272.

[3] Mr de Blocq resigned his role as Chief Executive Officer in December 2024. The total salary for the year includes compulsory medical contributions of $14,502.

[4] Refer to paragraph (e) below.

Directors' Report (continued)

Remuneration Report (continued)

(b) Compensation of key management personnel (continued)

The emoluments for each Director and key management personnel of the Group for the year ended 30 June 2024 are as follows:

Year ended 30 June 2024	**Short-term**				**Post Employment**	**Total**
	Salary & Fees	*Profit Share & Bonuses*	*Non Cash*	*Share Based Payments*[2]	*Superannuation*	
	$	*$*	*$*	*$*	*$*	*$*
Directors						
A Sierakowski	199,395	-	6,660	80,889	-	286,944
G Michael (resigned 24 Nov 23)	25,000	-	-	103,328	-	128,328
T Fontaine (ceased 24 Nov 23)	25,000	-	-	103,328	-	128,328
D Bulder (appointed 21 Sep 23)	45,000	-	6,660	60,667	-	112,327
D Ncube (appointed 21 Sep 23)	45,000	-	6,660	60,667	-	112,327
R Scharnell (appointed 24 Nov 23)	35,000	-	6,660	-	-	41,660
Chief Executive Officer						
N de Blocq	307,427[1]	-	6,660	101,112	-	415,199
Company Secretary						
S Whybrow	60,000	-	-	30,333	-	90,333
	741,822	-	33,300	540,324	-	1,315,446

[1] Effective 1 October 2023, the employment agreement with Mr de Blocq was varied to increase the base remuneration from $240,000 per annum to $300,000 per annum excluding superannuation entitlements. The salary for the year comprises of Mr de Blocq's adjusted annual remuneration of $285,000 plus compulsory medical contribution of $22,427.

[2] Refer to paragraph (e) below.

(c) Service agreements

The agreements related to remuneration are set out below:

Current Agreements

(i) The Company entered into an employment agreement with Adam Sierakowski, whereby the base remuneration for services provided by Mr Sierakowski as Executive Director of the Company is $189,900 per annum. Effective from 1 January 2024, the remuneration was revised to $208,890 per annum.

The term of the employment agreement commenced on 1 January 2021 and continues until terminated in accordance with the agreement.

Directors' Report (continued)

Remuneration Report (continued)

(c) *Service agreements (continued)*

(ii) The Company entered into a service agreement with Donald Ncube, whereby the remuneration for services provided by Mr Ncube as Non-executive Director of the Company is $60,000 per annum, commencing 21 September 2023.

(iii) The Company entered into a service agreement with Dirk Robert Bulder, whereby the remuneration for services provided by Mr Bulder as a Director of the Company is $60,000 per annum, commencing 21 September 2023.

During the year, the Company entered into an employment agreement with Mr Bulder, whereby the base remuneration for his services as the Interim Chief Executive Officer of the Company is $240,000 per annum. The term of the employment agreement commenced on 1 September 2024, however the effective date commenced in December 2024 upon the ceasing of Nicholas de Blocq Van Scheltinga's role as Chief Executive Officer, and continues until terminated in accordance with the termination provisions of the agreement.

Key specifics of the terms of the employment agreement are as follows:

Remuneration:	$240,000 per annum
Remuneration review:	On or about 1 October 2025 and on each anniversary of that date thereafter

(iv) The Company entered into a service agreement with Robert Scharnell, whereby the remuneration for services provided by Mr Scharnell as Non-executive Director of the Company is $60,000 per annum, commencing 24 November 2023.

(v) The Company has agreed with Trident Management Services Pty Ltd, a company in which Adam Sierakowski is a Director and shareholder, to pay $5,000 per month for Mr Simon Whybrow's services as Company Secretary.

Terminated Agreements

(vi) The Company had entered into an employment agreement with Nicholas de Blocq Van Scheltinga, whereby the base remuneration for his services as the Chief Executive Officer of the Company was $300,000 per annum.

During the year ended 30 June 2025, the employment agreement with Mr de Blocq was terminated following his decision to step down for personal reasons after three years of dedicated service.

There were no other terminated agreements during the year ended 30 June 2025.

Directors' Report (continued)

Remuneration Report (continued)

(d) Shareholdings of key management personnel

2025	Balance at 01/07/24	Shares Issued	Shares Purchased[1]	Shares Disposed	Balance at 30/06/25
	No.	No.	No.	No.	No.
Directors					
A Sierakowski	78,325,836	-	-	-	78,325,836
D Bulder	35,669,384	-	-	-	35,669,384
D Ncube	251,120,880	-	-	-	251,120,880
R Scharnell	-	-	361,865	-	361,865
Chief Executive Officer					
N de Blocq	-	-	-	-	-
Company Secretary					
S Whybrow	323,916	-	250,000	-	573,916
	365,440,016	-	611,865	-	366,051,881

[1] Shares purchased during the year via the Company's Placement and through on-market purchases.

(e) Options on issue

2025	Balance at 01/07/24	Options Issued[1]	Options Expired	Options Held at Resignation	Balance at 30/06/25
	No.	No.	No.	No.	No.
Directors					
A Sierakowski	4,000,000	-	-	-	4,000,000
D Bulder	3,000,000	-	-	-	3,000,000
D Ncube	3,000,000	-	-	-	3,000,000
R Scharnell	-	-	-	-	-
Chief Executive Officer					
N de Blocq	7,000,000	-	(2,000,000)	(5,000,000)	-
Company Secretary					
S Whybrow	1,500,000	250,000	-	-	1,750,000
	18,500,000	250,000	(2,000,000)	(5,000,000)	11,750,000

[1] Free attaching unlisted options issued during the year as part of the Placement.

Directors' Report (continued)

Remuneration Report (continued)

(e) Options on issue (continued)

Following shareholder approval at the Company's 2023 Annual General Meeting on 24 November 2023, unlisted options were issued to Directors and Management as follows:

Director Options	*No. of Options*	*Management Options*	*No. of Options*
Mr Adam Sierakowski	4,000,000	Mr Nicholas de Blocq[3]	5,000,000
Mr Dirk Robert Bulder	3,000,000	Mr Simon Whybrow	1,500,000
Mr Donald Ncube	3,000,000	**Total**	**6,500,000**
Mr Thomas Fontaine[1]	3,000,000		
Mr Geoffrey Michael[2]	3,000,000		
Total	**16,000,000**		

[1] Ceased 24 November 2023
[2] Resigned 24 November 2023
[3] Resigned December 2024

Pursuant to the vesting condition of the Director and Management Options, the options will vest upon the satisfaction of continuous service from the grant date of the options until 1 December 2024 by the relevant Director and Key Management Personnel. Upon satisfaction of the vesting condition, the Director and Management Options are exercisable at any time on or before the expiry date, being 31 December 2026.

The total fair value of the options granted to Directors and Key Management Personnel was $852,455 which was calculated using the Black-Scholes option valuation methodology and applying the following inputs:

Weighted average exercise price	$0.12
Weighted average life of the options	3.10 years
Weighted average underlying share price	$0.08
Expected share price volatility	76.50%
Risk-free interest rate	4.19%
Expiry date	31 December 2026

Based on the vesting conditions of the options, the remaining balance of $234,635 was recognised as a share based payment to key management personnel for the year ended 30 June 2025.

Director Options

	Mr Sierakowski	**Mr Bulder**	**Mr Ncube**	**Mr Fontaine[1]**	**Mr Michael[2]**	**Total**
Number Issued	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	16,000,000
Grant Date	24 Nov 2023	24 Nov 2023	24 Nov 2023	24 Nov 2023	24 Nov 2023	
Vesting Date	1 Dec 2024	1 Dec 2024	1 Dec 2024	24 Nov 2023	24 Nov 2023	
Vesting Period (days)	373	373	373	Immediately	Immediately	
Value per Option	$0.03444	$0.03444	$0.03444	$0.03444	$0.03444	
Total Value of Rights	$137,770	$103,328	$103,328	$103,328	$103,328	$551,082
Amount Expensed in Prior Period	$80,889	$60,667	$60,667	$103,328	$103,328	$408,879
Amount Expensed in Current Period	$56,881	$42,661	$42,661	Nil	Nil	$142,203

Directors' Report (continued)

Remuneration Report (continued)

(e) Options on issue (continued)

[1] The approval to grant Director Options to Mr Fontaine was conditional upon his re-election as a director under the Notice of Meeting. Although the resolution to re-elect Mr Fontaine was not passed, the Board subsequently resolved to proceed with the issue of the options as a show of appreciation for the contribution and technical input provided by Mr Fontaine during his tenure as a director. As a result of the options vesting immediately, the full value of the options issued has been expensed as a share based payment during the year ended 30 June 2024.

[2] Mr Michael resigned as a director of the Company on 24 November 2023. Although Mr Michael resigned as a director prior to the completion of the vesting condition, the Board subsequently resolved to proceed with the issue of the options and therefore the full value of the options issued has been expensed as a share based payment during the year ended 30 June 2024.

Management Options

	Mr de Blocq	Mr Whybrow	Total
Number Issued	5,000,000	1,500,000	6,500,000
Grant Date	24 Nov 2023	24 Nov 2023	
Vesting Date	1 Dec 2024	1 Dec 2024	
Vesting Period (days)	373	373	
Value per Option	$0.03444	$0.03444	
Total Value of Rights	$172,213	$51,664	$223,877
Amount Expensed in Prior Period	$101,112	$30,333	$131,445
Amount Expensed in Current Period	$71,101	$21,331	$92,432

(f) Performance rights

Director Rights

2025	**Balance at 01/07/24 No.**	**Performance Rights Issued No.**	**Balance at 30/06/25 No.**
Directors			
A Sierakowski	-	7,500,000	7,500,000
D Bulder	-	5,000,000	5,000,000
D Ncube	-	-	-
R Scharnell	-	-	-
Chief Executive Officer			
N de Blocq	-	-	-
Company Secretary			
S Whybrow	-	-	-
	-	12,500,000	12,500,000

Following shareholder approval at the Company's Annual General Meeting on 27 November 2024, a total of 12,500,000 performance rights were granted to Directors. The total fair value of the performance rights was $850,000 which was calculated using the share price of $0.068 at the date that shareholder approval was granted.

Directors' Report (continued)

Remuneration Report (continued)

(f) Performance rights (continued)

Pursuant to the terms and conditions, the performance rights will vest and convert into shares upon the independent certification, in accordance with the PRMS Guidelines, of 2P Reserves of at least one (1) trillion cubic feet within the area comprising licences ER 270, 271, 272 and 383 ("Vesting Condition").

The performance rights were issued on 6 December 2024 and has a period of five (5) years from issue date. To the extent that the performance rights have not converted into shares on or before the expiry date, all unconverted performance rights held will automatically lapse.

As the Board has assessed the probability of the vesting condition being achieved is 0%, no amount has been recognised in respect of the performance rights for the year ended 30 June 2025.

(g) Loans with key management personnel

No loans were advanced to or received from key management personnel during the year.

(h) Other transactions with key management personnel

Transactions with key management personnel related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

		2025 $	2024 $
(i)	Payments to Trident Management Services Pty Ltd, a company of which Adam Sierakowski is a director and shareholder, for company secretarial services provided by Simon Whybrow.	60,000	60,000
(ii)	Payments to Palisade Corporate, a company of which Adam Sierakowski is a director and shareholder, for legal services provided.	48,683	70,205
(iii)	Payments to Trident Management Services Pty Ltd, a company of which Adam Sierakowski is a director and shareholder, for rental of office space.	24,000	8,000
(iv)	Payments to Bulder Consulting, a company of which D Bulder is a director, for the provision of consulting services.	-	5,000
<u>Amounts outstanding at reporting date</u> Aggregates amount payable to Key Management Personnel and their related entities at reporting date.			
(i)	Payables	172,273	234,404

(i) Use of remuneration consultants

The Group did not employ the services of remuneration consultants during the financial year.

Directors' Report (continued)

Remuneration Report (continued)

(j) Voting and comments made at the Company's 2024 Annual General Meeting

The approval of the remuneration report was passed by way of a poll as indicated in the results of Annual General Meeting (AGM) dated 27 November 2024. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

The Company's resolution to re-elect Robert Bulder and Robert Scharnell as Directors were passed via a poll.

The approval of the issue of 12,750,000 performance rights to Directors was passed via a poll.

End of audited remuneration report

Indemnification of Officers

The Group has indemnified the directors and executives of the Group for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Group paid a premium in respect of a contract to insure the directors and executives of the Group against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnification of Auditors

The Group has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Group of any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Company or any related party.

Non-Audit Services

The Group may decide to employ the auditors on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor or a related practice of the auditor is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

No non-audit services have been provided by the Group's auditors in the year ended 30 June 2025. Remuneration paid to the Group's auditors is detailed in Note 17 of this report.

Rounding of Amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporation Instruments to the nearest thousand dollars, or in certain cases, the nearest dollar.

Directors' Report (continued)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included in this Financial Report on page 32.

Environmental Regulations

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

The Group has considered its compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the period of 1 July 2024 to 30 June 2025, the Directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

Proceedings on Behalf of the Group

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

The Group was not a party to any such proceedings during the financial year.

Signed in accordance with a resolution of the Board of Directors:

Adam Sierakowski
Chairman

Dated at Perth, 25 September 2025

Consolidated Entity Disclosure Statement
As at 30 June 2025

Name of entity	Type of entity	Trustee, partner or participant in joint venture	% of share capital held	Country of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
Kinetiko Energy Limited	Body Corporate	-	N/A	Australia	Yes	N/A
Afro Energy (Pty) Ltd	Body Corporate	-	100	South Africa	No	South Africa
Afro Gas Development SA (Pty) Ltd	Body Corporate	-	55	South Africa	No	South Africa

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295(3B)(a) of the *Corporation Acts 2001* defines Australian resident as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295(3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**
  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

- **Foreign tax residency**
  Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

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DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF KINETIKO ENERGY LIMITED

As lead auditor of Kinetiko Energy Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kinetiko Energy Limited and the entities it controlled during the period.

Neil Smith

Director

BDO Audit Pty Ltd

Perth

25 September 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of Kinetiko Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kinetiko Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 10 to the Financial Report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group. Refer to Note 10 of the Financial Report for a description of the accounting policy and significant judgments applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"), the recoverability of exploration and evaluation expenditure requires significant judgment in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to the following: • Obtaining a schedule of the area of interest held by the Group and assessing whether the rights to tenure of that area of interest remained current at balance date, which included obtaining and assessing supporting documentation such as license status records; • Considering the Group's intention to carry out significant ongoing exploration programmes in the respective area of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether such area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 10 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 29 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Kinetiko Energy Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Neil Smith

Director

Perth, 25 September 2025

Directors' Declaration

The directors of the Group declare that:

a) the financial statements and notes, as set out on pages 38 to 70 comply with Accounting Standards and the *Corporations Act 2001* and other mandatory professional reporting requirements;

b) gives a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended to 30 June 2025;

c) in the Directors' opinion, the financial statements and notes are prepared in accordance with International Financial Reporting Standards and Interpretations as adopted by the International Accounting Standards Board; and

d) the information disclosed in the attached consolidated entity disclosure statement is true and correct.

In the Directors' opinion:

(i) At the date of the declaration there are reasonable grounds to believe that the Company will be able to pay its debts as when they become due and payable; and

(ii) the Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2025.

This declaration is made in accordance with a resolution of the Board of Directors.

Adam Sierakowski
Chairman

Dated at Perth, 25 September 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	Note	30 June 2025 $	30 June 2024 $
Other Income			
Other income	**2(a)**	211,456	358,224
Total Income		211,456	358,224
Expenses			
Depreciation		(146,235)	(50,788)
Administration expenses		(304,715)	(246,356)
Consultancy and professional costs	**2(b)**	(675,747)	(509,072)
Employment and contractor expenses		(898,284)	(680,704)
Travel expenses		(95,001)	(140,855)
Occupancy expenses		(34,050)	(21,237)
Foreign exchange gain/(loss)	**2(b)**	224,689	(1,513,324)
Project expenditure		-	(784,460)
Share based payments	**15**	(329,288)	(585,824)
Exploration and evaluation expenditure	**10**	(3,362,437)	(1,008,607)
Interest expense and finance charges		(32,987)	(8,350)
Acquisition related expenditure		-	(12,720)
Finance charges		-	(5,000)
Total expenses		(5,654,055)	(5,567,297)
Share of net loss from associated entities		-	(23,508)
Loss before income tax expenses		(5,442,599)	(5,232,581)
Income tax expense	**3**	(99,652)	-
Loss after income tax expense for the year		(5,542,251)	(5,232,581)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		3,008,577	387,807
Total comprehensive loss for the year net of tax		(2,533,674)	(4,844,774)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

	Note	30 June 2025 $	30 June 2024 $
Total loss for the year attributable to:			
Owners of Kinetiko Energy Ltd		(5,560,481)	(5,320,434)
Non-controlling interest		18,230	87,853
		(5,542,251)	(5,232,581)
Total comprehensive loss attributable to:			
Owners of Kinetiko Energy Ltd		(2,551,904)	(4,932,627)
Non-controlling interest		18,230	87,853
		(2,533,674)	(4,844,774)
Loss per share for loss from operations attributable to equity holders of the company:			
Basic loss per share (cents)	**4**	(0.4)	(0.4)
Diluted loss per share (cents)	**4**	(0.4)	(0.4)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	30 June 2025 $	30 June 2024 $
CURRENT ASSETS			
Cash and cash equivalents	**5(a)**	1,885,237	7,211,726
Receivables	**7**	168,206	871,911
Other	**8**	504,047	235,046
TOTAL CURRENT ASSETS		2,557,490	8,318,683
NON CURRENT ASSETS			
Property, plant & equipment	**9**	727,472	191,772
Capitalised exploration and evaluation assets	**10**	69,455,234	66,446,657
TOTAL NON CURRENT ASSETS		70,182,706	66,638,429
TOTAL ASSETS		72,740,196	74,957,112
CURRENT LIABILITIES			
Trade & other payables	**11**	720,196	1,264,512
Income tax		11,224	-
Borrowings	**12**	109,984	1,467,441
TOTAL CURRENT LIABILITIES		841,404	2,731,953
TOTAL LIABILITIES		841,404	2,731,953
NET ASSETS		**71,898,792**	**72,225,159**
EQUITY			
Contributed equity	**13**	104,919,895	103,037,676
Reserves	**14(b)**	5,325,928	1,992,263
Accumulated losses	**14(a)**	(38,453,114)	(32,892,633)
Equity attributable to owners of Kinetiko Energy Ltd		71,792,709	72,137,306
Non-controlling interest		106,083	87,853
TOTAL EQUITY		**71,898,792**	**72,225,159**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

Year ended 30 June 2025	Ordinary Shares	Accumulated Losses	Reserves	Non-controlling Interests	Total Equity
	$	$	$	$	$
Balance at 1 July 2024	103,037,676	(32,892,633)	1,992,263	87,853	72,225,159
Other comprehensive loss					
Loss for the year	-	(5,560,481)	-	18,230	(5,542,251)
Other comprehensive income	-	-	3,008,577	-	3,008,577
Total comprehensive loss for the year	-	(5,560,481)	3,008,577	18,230	(2,533,674)
Transactions with owners in their capacity as owners					
Shares issued during the year	1,897,200	-	-	-	1,897,200
Share issue costs	(14,981)	-	-	-	(14,981)
Share based payments (refer to Note 15)	-	-	325,088	-	325,088
	1,882,219	-	325,088	-	2,207,307
Balance at 30 June 2025	**104,919,895**	**(38,453,114)**	**5,325,928**	**106,083**	**71,898,792**

Year ended 30 June 2024	Ordinary Shares	Accumulated Losses	Reserves	Non-controlling Interests	Total Equity
	$	$	$	$	$
Balance at 1 July 2023	39,757,715	(27,572,199)	35,433	-	12,220,949
Other comprehensive loss					
Loss for the year	-	(5,320,434)	-	87,853	(5,232,581)
Other comprehensive income	-	-	387,807	-	387,807
Total comprehensive loss for the year	-	(5,320,434)	387,807	87,853	(4,844,774)
Transactions with owners in their capacity as owners					
Shares issued during the year	63,581,678	-	-	-	63,581,678
Share issue costs	(301,717)	-	-	-	(301,717)
Share based payments	-	-	585,824	-	585,824
Release of foreign currency translation reserve	-	-	983,199	-	983,199
	63,279,961	-	1,569,023	-	64,848,984
Balance at 30 June 2024	**103,037,676**	**(32,892,633)**	**1,992,263**	**87,853**	**72,225,159**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	30 June 2025 $	30 June 2024 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,716,404)	(2,450,466)
Interest received		153,613	259,464
Interest and other costs of finance paid		(23,124)	(13,466)
Payment of taxes		(36,284)	(50,149)
Payments relating to proposed acquisition		-	(14,462)
Payments of exploration and evaluation expenditure		(3,400,685)	(1,482,910)
Net cash used in operating activities	**5(b)**	(5,022,884)	(3,751,989)
Cash flows from investing activities			
Loans to associate		-	(210,832)
Payments to acquire Afro Energy, net of cash acquired		-	(3,554,546)
Other payments		-	(20,038)
Deposit paid on property, plant and equipment		(256,612)	(225,320)
Payments for property, plant and equipment		(441,924)	(23,209)
Net cash used in investing activities		(698,536)	(4,033,945)
Cash flows from financing activities			
Proceeds from issue of ordinary shares	**13(a)**	1,413,000	11,556,006
Proceeds for application of ordinary shares		80,000	-
Proceeds from borrowings	**12**	500,000	125,000
Repayment of borrowings from associates	**12**	(125,000)	-
Repayment of contributions from joint venture partners	**12**	(1,400,849)	-
Share issue costs		(72,220)	(244,478)
Net cash provided by financing activities		394,931	11,436,528
Net (decrease)/increase in cash and cash equivalents		(5,326,489)	3,650,594
Cash and cash equivalents at the beginning of the financial year		7,211,726	3,561,132
Cash and cash equivalents at the end of the financial year	**5(a)**	1,885,237	7,211,726

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Note 1: Summary of material accounting policies

The consolidated financial report includes the financial statements and notes of Kinetiko Energy Ltd ("Kinetiko" or "the Company") and its controlled entities ("the Group").

The financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards and Interpretations and other mandatory professional reporting requirements. The financial report of the Group also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs.

The financial statements were authorised for issue by the Directors on 25 September 2025.

The notes to the financial statements are organised into the following sections:

(a) Key performance: Provides a breakdown of the key individual line items in the statement of profit or loss and other comprehensive income that is most relevant to understanding performance and shareholder returns for the year:

Notes

2. Loss from operations
3. Income tax expense
4. Loss per share

(b) Financial risk management: Provides information about the Group's exposure and management of various financial risks and explains how these affect the Company's financial position and performance:

Notes

5. Cash and cash equivalents
6. Financial risk management

(c) Other assets and liabilities: Provides information on other assets and liabilities in the statement of financial position that do not materially affect performance or give rise to material financial risk:

Notes

7. Receivables
8. Other assets
9. Property, plant and equipment
10. Capitalised exploration and evaluation assets
11. Trade and other payables
12. Borrowings

(d) Capital structure: This section outlines how the Group manages its capital structure and related financing costs (where applicable), as well as capital adequacy and reserves:

Notes

13. Contributed equity
14. Reserves and accumulated losses

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 1: Summary of material accounting policies (continued)

(e) Other: Provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements however, are not considered significant in understanding the financial performance or position of the Group:

Notes

15. Share based payments
16. Key management personnel disclosures and related party transactions
17. Remuneration of auditors
18. Investment in controlled entities
19. Commitments and contingencies
20. Segment information
21. Events occurring after reporting period
22. Other accounting policies
23. Parent entity information

Basis of consolidation

The consolidated financial statements comprise of the financial statements of Kinetiko Energy Ltd ("Kinetiko" or "the Company") and its controlled entities ("the Group") as at 30 June 2025.

Subsidiaries are all those entities (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-company transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and cease to be consolidated from the date on which control is transferred out of the Company.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired, and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2025, the Group recorded a loss of $5,542,251 (2024: $5,232,581) and had net cash outflows from operating and investing activities of $5,721,420 (2024: $7,785,934). At 30 June 2025, the Group had a working capital surplus of $1,716,086 (2024: $5,586,730).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 1: Summary of material accounting policies (continued)

Going concern (continued)

In context of this operating environment, the ability of the Group to continue as a going concern is dependent on securing additional funding through debt or equity to continue to fund its operational and exploration activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors believe they can raise additional funding through debt or equity which is actively pursued;
- The Group has a recent proven history of successfully raising capital;
- Following the Group's General Meeting held on 17 September 2025, shareholder approval was granted to allow the Directors to participate in the Placement announced in June 2025, of which a further $230,000 will be contributed post balance date; and
- Cash spending can be reduced or slowed below its current rate if required.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

Foreign currency

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 1: Summary of material accounting policies (continued)

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below and found in the following notes:

Note 10: Capitalised exploration and evaluation assets
Note 15: Share based payments

New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the Group from the adoption of these Accounting Standards and Interpretations are disclosed in Note 22. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 2: Loss from operations

	2025 $	2024 $
Loss from operations before income tax includes the following items of income and expenses		
(a) Other Income		
Interest income	153,613	259,464
Other income	57,843	98,760
Other income	211,456	358,224
(b) Significant Expenses		
Consulting and professional costs		
- Auditing costs	124,957	89,254
- Legal fees	47,371	25,667
- Accountancy fees	93,714	64,075
- Bookkeeping fees	95,964	-
- Other professional fees	313,741	330,076
	675,747	509,072
Foreign exchange (gain)/loss	(224,689)	1,513,324[1]

[1] Included is the release of foreign currency translation reserve of $983,199 which occurred following the Group's acquisition of the remaining 51% of Afro Energy (Pty) Ltd during the year ended 30 June 2024.

Accounting Policy

Interest Income
Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Note 3: Income Tax Expense

(a) The prima facie income tax expense on pre-tax accounting loss reconciles to the income tax expense in the financial statements as follows:

	2025 $	2024 $
Loss from operations	(5,442,599)	(5,232,581)
Income tax benefit calculated at 25% (2024: 25%)	(1,360,650)	(1,308,145)
Non-deductible legal fees	11,843	6,417
Non-deductible share based payments	82,322	146,456
Non-deductible acquisition related expenditure	-	3,180
Non-deductible project expenditure	-	196,115
Non-deductible exploration expenditure	840,609	252,151
(Non-assessable)/non-deductible foreign exchange	(56,172)	378,331
Other adjustments	63,672	-
	(418,376)	(325,495)
Movements in unrecognised timing differences	(35,916)	48,892
Unused tax losses not recognised as a deferred tax asset	553,944	276,603
Income tax expense reported in the Statement of Profit or Loss and Other Comprehensive Income	99,652	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 3: Income Tax Expense (continued)

(b) Unrecognised deferred tax balances: The following deferred tax assets have not been brought to account:	**2025 $**	**2024 $**
Unrecognised deferred tax asset – tax losses	2,049,663[1]	1,578,180[1]
Unrecognised deferred tax asset – other temporary differences	9,017	95,321
Net deferred tax assets not brought to account	2,058,680	1,673,501

[1] Further to the Company's acquisition of the remaining 51% interest in Afro Energy (Pty) Ltd, there are potential further net deferred tax assets in respect of foreign tax losses (with an estimated potential value of circa $2.3 million) that are being reviewed and therefore have not been included above due to their uncertainty.

The taxation benefits of tax losses and timing not brought to account will only be obtained if:

(a) assessable income is derived of a nature and of amount sufficient to enable the benefit from the deductions to be realised;

(b) conditions for deductibility imposed by the law are complied with; and

(c) no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

Accounting Policy

Current tax

Current tax is calculated by reference to the amount of income tax payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be recognize.

However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to recognise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 3: Income Tax Expense (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are recognise or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the entity intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period
Current and deferred tax is recognised as an expense or income in the Statement of Profit or Loss and Other Comprehensive Income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Note 4: Loss per Share	**2025 Cents Per Share**	**2024 Cents Per Share**
Basic loss per share:	(0.4)	(0.4)
Diluted loss per share:	(0.4)	(0.4)

The loss for the year and the weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	2025 $	**2024 $**
Loss for the year after income tax	(5,560,481)	(5,320,434)

	2025 No.	**2024 No.**
Weighted average number of ordinary shares for the purposes of basic earnings per share	1,433,470,553	1,224,492,899

Accounting Policy
Basic earnings per share is calculated as a net profit attributable to the owners of Kinetiko Energy Ltd, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to the owners of Kinetiko Energy Ltd, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 5: Cash and Cash Equivalents

(a) Reconciliation of Cash

For the purposes of the Consolidated Statement of Cash Flows, cash includes cash on hand and in banks. Cash at the end of the financial year as shown in the Consolidated Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position, as follows:

	2025 $	2024 $
Cash at bank and in hand	1,638,198	4,074,295
Restricted cash[1]	247,039	3,137,431
	1,885,237	7,211,726

[1] Represents monies held in Afro Gas Development SA (Pty) Ltd (“Afro Gas”), a joint development entity incorporated to pool the interests of Afro Energy (Pty) Ltd (“Afro Energy”) and the Industrial Development Corporation of South Africa (“IDC”) for the development of gas fields to produce gas for industrial, commercial, transportation or power generation applications.

During the year ended 30 June 2025, a resolution was passed by Kinetiko and IDC to allow access to their original contributions. The first tranche of funds, being approximately $1.366 million to Kinetiko and approximately $1.118 million to the IDC, was paid on 19 December 2024. The remaining balance of the original contributions, being approximately $354,000 to Kinetiko and approximately $283,000 to the IDC, was paid in early January 2025.

The cash and cash equivalents disclosed above and in the Consolidated Statement of Cash Flows includes restricted cash however these funds are not available for general use by the other entities within the Group.

Refer to Note 6 for the Group’s financial risk management on cash.

(b) Reconciliation of Operating Loss After Income Tax to Net Cash Flow from Operations

	2025 $	2024 $
Loss for the year	(5,542,251)	(5,232,581)
Share of loss for the year for investment in associate	-	23,508
Depreciation	146,235	50,788
Share based payments	329,288	585,824
Release foreign currency translation reserve	-	983,199
Interest accrued	9,863	-
Changes in assets and liabilities:		
Trade and other payables	(385,949)	192,294
Receivables	437,660	(393,122)
Provisions	(5,340)	26,723
Prepayments	(12,390)	11,378
Net cash used in operating activities	(5,022,884)	(3,751,989)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 5: Cash and Cash Equivalents (continued)

(c) Non-Cash Financing and Investing Activities

Year ended 30 June 2025
On 21 November 2024, 50,000 fully paid ordinary shares at $0.084 per share were issued to an employee as part of their remuneration package. Refer to Note 15(b) for further details.

On 27 November 2024, following shareholder approval at the Company's Annual General Meeting, a total of 20,000,000 performance rights were granted to Directors and other management personnel. Refer to Note 15(c) for further details.

On 24 June 2025, as part of the Company's Share Placement, trade payables and borrowings totalling $480,000 were satisfied via the issue of shares at $0.04 per share. Refer to Note 13(a) for further details.

On 24 June 2025, 47,325,000 free attaching options exercisable at $0.07 each on or before 30 June 2027 were issued as part of Company's Share Placement.

Year ended 30 June 2024
During the year ended 30 June 2024, the Company completed the acquisition of the remaining 51% interest in Afro Energy (Pty) Ltd via the issue of 495,482,590 fully paid ordinary shares at $0.105 per share.

Note 6: Financial Risk Management

Financial risk management and policies

The Group's exploration activities are being funded by equity and are not exposed to significant financial risks. There are no speculative or financial derivative instruments. Funds are invested for various short term periods to match forecast cash flow requirements.

The Company holds the following financial instruments:

	2025 $	2024 $
Financial assets		
Cash and cash equivalents	1,885,237	7,211,726
Trade and other receivables	168,206	871,911
	2,053,443	8,083,637

	2025 $	2024 $
Financial liabilities		
Trade payables and accruals	720,196	1,264,512
Borrowings	109,984	1,467,441
	830,180	2,731,953

The Group's principal financial instruments comprise cash and short-term deposits.

The main purpose of these financial instruments is to fund the Group's operations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 6: Financial Risk Management (continued)

It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group are capital risk, credit risk, liquidity risk, and interest rate risk. The Board reviews and agrees policies for managing each of these risks and they are recognised below.

(a) Credit risk

Cash at bank is held with internationally regulated banks. As at 30 June 2025, all cash and cash equivalents were held with AA rated banks.

The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, as disclosed in the consolidated statement of financial position and notes to the financial statements. The Group does not hold any collateral.

No provisions have been made against these receivables as the full balance are expected to be recovered. Refer to Note 7 for further details.

(b) Capital risk

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

During the year ended 30 June 2025, the Group's strategy was to keep borrowings to a minimum. The Group's equity management is determined by funds required to undertake exploration activities and meet its corporate and other costs.

(c) Liquidity risk

Maturity profile of financial instruments

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Group's exposure to the risk of changes in market interest rates relate primarily to cash assets and floating interest rates.

The directors monitor the cash-burn rate of the Group on an on-going basis against budget and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

As at reporting date the Group had sufficient cash reserves to meet its requirements. The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place.

The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business and borrowings. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 6: Financial Risk Management (continued)

The following table sets out the carrying amount, by maturity, of the financial instruments including exposure to interest rate risk:

As at 30 June 2025	<1 year	1 – 5 years	Over 5 years	Total	Weighted average effective interest rate %
Financial Assets:					
Cash	1,885,237	-	-	1,885,237	3.38
Receivables & other	168,206	-	-	168,206	-
	2,053,443	-	-	2,053,443	
Financial Liabilities:					
Trade payables & accruals	720,196	-	-	720,196	
Borrowings	109,984	-	-	109,984	24.00
	830,180	-	-	830,180	

As at 30 June 2024	<1 year	1 – 5 years	Over 5 years	Total	Weighted average effective interest rate %
Financial Assets:					
Cash	7,211,726	-	-	7,211,726	5.00
Receivables & other	871,911	-	-	871,911	-
	8,083,637	-	-	8,083,637	
Financial Liabilities:					
Trade payables & accruals	1,264,512	-	-	1,264,512	
Borrowings	1,467,441	-	-	1,467,441	
	2,731,953	-	-	2,731,953	

(d) *Interest rate risk*

The sensitivity analysis has not been determined for the exposure to interest rate risk, because the directors of the Group consider it to be immaterial.

(e) *Foreign exchange risk*

The Group operates internationally and is currently exposed to foreign exchange risk with respect to the South African Rand, the US Dollar and the Great Britain Pound sterling.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity’s functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. If the foreign exchange rates strengthened or weakened by 20% with all other variables held constant the Group’s net asset value would have been $205,000 higher or $205,000 lower.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 6: Financial Risk Management (continued)

The Group's exposure to foreign currency risk at the end of the reporting year, expressed in the South African Rand and the US Dollar was as follows:

	2025		
	ZAR	**USD**	**AUD**
Cash	5,899,214	-	507,804
Receivables	7,238,540	-	623,094
Trade payables	(659,834)	(22,906)	(91,759)
Income tax	(130,393)	-	(11,224)
Borrowings	(1,400)	-	(121)

	2024			
	ZAR	**EUR**	**GBP**	**AUD**
Cash	39,322,261	-	-	3,237,538
Receivables	13,061,313	-	-	1,074,411
Trade payables	(5,363,304)	(48,377)	(5,232)	(524,770)
Borrowings	(16,301,400)	-	-	(1,342,441)

(f) Fair value estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The Group's principal financial instruments consist of cash and deposits with banks, accounts receivable, trade payables and borrowings. The main purpose of these non-derivative financial instruments is to finance the entity's operations.

Note 7: Receivables

	2025 **$**	**2024** **$**
Other receivables – VAT refundable	82,498	103,108
Other receivables – GST refundable	26,815	22,516
Other receivables	58,893	746,287
	168,206	871,911

None of the other receivables are past due or impaired. Refer to Note 6 for the Group's financial risk management and policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 8: Other Assets

	2025 $	2024 $
Prepayments - other	22,115	9,726
Deposits paid	481,932	225,320
	504,047	235,046

Note 9: Property, Plant and Equipment

	2025 $	2024 $
Opening net book value	191,772	219,351
Additions	681,935	23,209
Depreciation charge for the year	(146,235)	(50,788)
Closing net book value	727,472	191,772
Cost	1,025,229	342,525
Accumulated depreciation	(296,988)	(150,753)
Foreign exchange differences	(769)	-
	727,472	191,772

Accounting Policy

Each class of property, plant and equipment is carried at cost less any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Plant and equipment	10% to 66.67%

Note 10: Capitalised Exploration and Evaluation Assets

	2025 $	2024 $
Opening balance	66,446,657	-
Consideration for acquisition of 51% interest	-	66,155,733
Foreign exchange differences	3,008,577	290,924
Closing balance	69,455,234	66,446,657

During the year ended 30 June 2025, the Group incurred $3,362,437 (2024: $1,008,607) in exploration and evaluation related expenditure that was expensed through the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Accounting Policy

Exploration and evaluation costs
Exploration and evaluation expenditures are expensed as incurred, except for acquisition costs associated with rights to explore.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 10: Capitalised Exploration and Evaluation Assets (continued)

Exploration assets acquired from third party are carried forward provided that either i) the carrying value is expected to be recouped through the successful development and exploitation or sale of an area of interest or ii) exploitation and/or evaluation activities in the area have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, active and significant operations in relation to the area are continuing and the rights of the tenure are current. If capitalised exploration and evaluation costs do not meet either of these tests, they are expensed to profit and loss.

Each area of interest is reviewed at least bi-annually to determine whether it is appropriate to continue to carry forward the capitalised costs.

Upon approval for the development of an area of interest, accumulated expenditure for the area of interest is transferred to capitalised development expenditure.

Critical accounting judgements, estimates and assumptions

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively sale, of the underlying mineral exploration properties. The Group undertakes at least on a bi-annual basis, a comprehensive review for indicators of impairment of those assets. Should an indicator of impairment exist, there is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

During the year ended 30 June 2025, the Group conducted an impairment assessment in relation to the capitalised exploration and evaluation assets. Based on the assessment, no impairment indicators were identified and therefore no impairment has been recognised.

Note 11: Trade and other payables

	2025 $	2024 $
Trade payables and accruals	547,923	1,030,108
Trade payables and accruals – related parties[1]	172,273	234,404
	720,196	1,264,512

[1] Refer to Note 16 for further details.

Refer to Note 6 for the Group's financial risk management and policies.

Trade payables are normally settled on 30 day terms. Trade payables are currently being settled in excess of 60 day terms. The amount of payables at reporting date exceeding normal trading terms is $266,378.

Accounting Policy

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 12: Borrowings

	2025 $	2024 $
Opening balance	1,467,441	-
Loan – Industrial Development Corporation of South Africa (“IDC”)[1]	-	1,342,326
Loan – Other[2]	500,000	125,115
Repayments[3]	(1,525,849)	-
Conversion of debt to equity[2]	(400,000)	-
Accrued interest payable	9,863	-
Foreign exchange differences	58,529	-
Closing balance	109,984	1,467,441

[1] Refer to Note 19(b) for further details. The loan represents the IDC’s advances of ZAR 16.3 million as part of its ZAR 70 million commitment. The loan is unsecured, interest free and not subject to any fixed terms of repayment.

[2] During the year ended 30 June 2025, unrelated third parties loaned a total of $500,000 to the Company as short-term working capital. The loans were unsecured, interest calculated at 2% per month and repayable at call. Pursuant to the Company’s June 2025 Placement, borrowings of $400,000 were converted into equity at the election of the respective lenders (refer to Note 13(a)). The remaining principal amount of $100,000 plus accrued interest of $9,863 was repaid post balance date.

[3] During the year ended 30 June 2025, a total repayment of ZAR 16.3 million (approximately AUD $1.401 million) was made in respect of the IDC loan. A further loan from associates of $125,000 was repaid.

Refer to Note 6 for the Group’s financial risk management and policies.

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non- cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of finance leases, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, which are capitalised until the asset is ready for its intended use or sale.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 13: Contributed Equity

(a) Issued Capital

Movements in share capital were as follows:

Year ended 30 June 2025		**Issue Price**	**Fully Paid Ordinary Shares**	**$**
1 July 2024	Opening Balance		1,432,535,103	103,037,676
21 November 2024	Issue to shares to employee as part of remuneration package	$0.084	50,000	4,200
24 June 2025	Issue of shares pursuant to placement	$0.04	35,325,000	1,413,000
24 June 2025	Issue of shares to satisfy trade payables	$0.04	2,000,000	80,000
24 June 2025	Issue of shares in lieu of repayment of borrowings	$0.04	10,000,000	400,000
	Share issue costs		-	(14,981)
30 June 2025	Closing Balance		1,479,910,103	104,919,895

Year ended 30 June 2024		**Issue Price**	**Fully Paid Ordinary Shares**	**$**
1 July 2023	Opening Balance		780,563,522	39,757,715
12 September 2023	Issue of shares pursuant to Afro Energy (Pty) Ltd acquisition	$0.09	72,222,222	6,500,000
22 September 2023	Issue of shares to Badimo in respect of Afro Energy (Pty) Ltd acquisition	$0.105	495,482,590	52,025,672
30 May 2024	Issue of shares pursuant to placement facility	$0.06	84,266,769	5,056,006
	Share issue costs		-	(301,717)
30 June 2024	Closing Balance		1,432,535,103	103,037,676

Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 13: Contributed Equity (continued)

(b) *Options*

The following unlisted options were on issue during the year ended 30 June 2025.

Exercise price	10c	9c	12c	12c	7c
Expiry date	31 July 2024	10 February 2025	31 December 2026	31 December 2026	30 June 2027
Opening balance	2,000,000	1,000,000	-	24,750,000	-
Issued during the year	-	-	2,000,000[1]	-	47,325,000[2]
Expired during the year	(2,000,000)	(1,000,000)	-	-	-
Exercised during the year	-	-	-	-	-
Closing balance	-	-	2,000,000	24,750,000	47,325,000

[1] Refer to Note 15(b).
[2] The unlisted options were issued as part of the Company's June 2025 Share Placement.

The following unlisted options were on issue during the year ended 30 June 2024.

Exercise price	13c	10c	9c	12c
Expiry date	7 July 2023	31 July 2024	10 February 2025	31 December 2026
Opening balance	3,000,000	2,000,000	1,000,000	-
Issued during the year	-	-	-	24,750,000[1]
Expired during the year	(3,000,000)	-	-	-
Exercised during the year	-	-	-	-
Closing balance	-	2,000,000	1,000,000	24,750,000

[1] A total of 24,750,000 Director and Management options were issued in January 2024 following shareholders' approval at the Company's Annual General Meeting. Refer to Note 15(a) for further details.

(c) *Performance Rights*

The following performance rights were on issue during the year ended 30 June 2025.

Expiry date	6 December 2029
Opening balance	-
Issued during the year	20,000,000
Expired during the year	-
Exercised during the year	-
Closing balance	20,000,000

During the year ended 30 June 2025, a total of 20,000,000 performance rights were approved for issue by shareholders at the Company's 2024 Annual General Meeting. Refer to Note 15(c) for further details.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 14: Reserves and Accumulated Losses

14a) Accumulated Losses	**2025 $**	**2024 $**
Balance at beginning of financial year	(32,892,633)	(27,572,199)
Net loss	(5,560,481)	(5,320,434)
Balance at end of financial year	(38,453,114)	(32,892,633)

14b) Reserves

Share Based Payments Reserve	1,811,343	1,486,255
Options Issue Reserve	215,084	215,084
Foreign Currency Translation Reserve	3,299,501	290,924
Total Reserves	5,325,928	1,992,263

(i) Share Based Payments Reserve

Balance at beginning of financial year	1,486,255	900,431
Movement for year	325,088	585,824
Share Based Payments Reserve	1,811,343	1,486,255

(ii) Options Issue Reserve

Balance at beginning of financial year	215,084	215,084
Options Issue Reserve	215,084	215,084

(iii) Foreign Currency Translation Reserve

Balance at beginning of financial year	290,924	(1,080,082)
Movement for year	3,008,577	387,807
Release to profit or loss	-	983,199
Foreign Currency Translation Reserve	3,299,501	290,924

(iv) Nature and purpose of reserves

Share Based Payments Reserve
The Share Based Payments Reserve is used to recognise the fair value of shares and options granted as remuneration and in satisfaction of loans advanced to the Company.

Options Issue Reserve

The Options Issue Reserve is used to recognise the fair value of options issued during the year.

Foreign Currency Translation Reserve

The Foreign Currency Translation Reserve is used to record exchange differences arising from the translation of the financial statements of foreign investments in subsidiaries and previously associates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 15: Share Based Payments

During the year ended 30 June 2025, the following transactions were recognised as share based payments by the Group:

	2025 $	2024 $
Director and management options (Note 15(a))	266,631	585,824
Employee remuneration package – shares and options (Note 15(b))	62,657	-
Director and management performance rights (Note 15(c))	-	-
	329,288	585,824

(a) In January 2024, following shareholder approval granted at the Company's Annual General Meeting on 24 November 2023, 24,750,000 unlisted Director and Management options exercisable at $0.12 per share on or before 31 December 2026 were issued by the Company:

Director Options	*No. of Options*	*Management Options*	*No. of Options*
Mr Adam Sierakowski	4,000,000	Mr Nicholas de Blocq	5,000,000
Mr Dirk Robert Bulder	3,000,000	Mr Simon Whybrow	1,500,000
Mr Donald Ncube	3,000,000	Other management personnel	2,250,000
Mr Thomas Fontaine	3,000,000	**Total**	**8,750,000**
Mr Geoffrey Michael	3,000,000		
Total	**16,000,000**		

Pursuant to the vesting condition of the Director and Management Options, the options will vest upon the satisfaction of continuous service from the grant date of the options until 1 December 2024 by the relevant Director and Management personnel. Upon satisfaction of the vesting condition, the Director and Management Options are exercisable at any time on or before the expiry date, being 31 December 2026.

The total fair value of the options granted to Directors and Management was $852,455 which was calculated using the Black-Scholes option valuation methodology and applying the following inputs:

Weighted average exercise price	$0.12
Weighted average life of the options	3.10 years
Weighted average underlying share price	$0.08
Expected share price volatility[1]	76.50%
Risk-free interest rate	4.19%
Expiry date	31 December 2026

[1] Expected volatility has been determined based on historical volatility of the Company's share price and the life of the options granted.

Based on the vesting conditions of the options, the remaining balance of $266,631 was recognised as a share based payment to key management personnel for the year ended 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 15: Share Based Payments (continued)

Director Options

	Mr Sierakowski	Mr Bulder	Mr Ncube	Mr Fontaine[1]	Mr Michael[2]	Total
Number Issued	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	16,000,000
Grant Date	24 Nov 2023	24 Nov 2023	24 Nov 2023	24 Nov 2023	24 Nov 2023	
Vesting Date	1 Dec 2024	1 Dec 2024	1 Dec 2024	24 Nov 2023	24 Nov 2023	
Vesting Period (days)	373	373	373	Immediately	Immediately	
Value per Option	$0.03444	$0.03444	$0.03444	$0.03444	$0.03444	
Total Value of Rights	$137,770	$103,328	$103,328	$103,328	$103,328	$551,082
Amount Expensed in Prior Period	$80,889	$60,667	$60,667	$103,328	$103,328	$408,879
Amount Expensed in Current Period	$56,881	$42,661	$42,661	Nil	Nil	$142,203

[1] The approval to grant Director Options to Mr Fontaine was conditional upon his re-election as a director under the Notice of Meeting. Although the resolution to re-elect Mr Fontaine was not passed, the Board subsequently resolved to proceed with the issue of the options as a show of appreciation for the contribution and technical input provided by Mr Fontaine during his tenure as a director. As a result of the options vesting immediately, the full value of the options issued has been expensed as a share based payment during the year ended 30 June 2024.

[2] Mr Michael resigned as a director of the Company on 24 November 2023. Although Mr Michael resigned as a director prior to the completion of the vesting condition, the Board subsequently resolved to proceed with the issue of the options and therefore the full value of the options issued has been expensed as a share based payment during the year ended 30 June 2024.

Management Options

	Mr de Blocq	Mr Whybrow	Other management personnel	Total
Number Issued	5,000,000	1,500,000	2,250,000	8,750,000
Grant Date	24 Nov 2023	24 Nov 2023	24 Nov 2023	
Vesting Date	1 Dec 2024	1 Dec 2024	1 Dec 2024	
Vesting Period (days)	373	373	373	
Value per Option	$0.03444	$0.03444	$0.03444	
Total Value of Rights	$172,213	$51,664	$77,496	$301,373
Amount Expensed in Prior Period	$101,112	$30,333	$45,500	$176,945
Amount Expensed in Current Period	$71,101	$21,331	$31,996	$124,428

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 15: Share Based Payments (continued)

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the period:

	2025		2024	
	Number	**Weighted average exercise price $**	**Number**	**Weighted average exercise price $**
Outstanding at the beginning of the year	27,750,000	0.1175	6,000,000	0.1133
Issued during the year	49,325,000	0.0720	24,750,000	0.1200
Expired during the year	(3,000,000)	(0.0967)	(3,000,000)	(0.1300)
Outstanding at the end of the year	74,075,000	0.0881	27,750,000	0.1175
Exercisable at the end of the year	**74,075,000**	**0.0881**	**27,750,000**	**0.1175**

The share options outstanding at the end of the year had a weighted average exercise price of $0.0881 (2024: $0.1175) and a weighted average remaining contractual life of 1.81 years (2024: 2.26 years).

No options were exercised during the year (2024: nil).

(b) On 21 November 2024, 50,000 ordinary shares at $0.084 per share were issued to an employee as part of their remuneration package. The fair value of the shares of $4,200 was recognised as a share based payment and credited to issued capital (refer to Note 13(a)). As part of the same agreement, the employee was further granted 2,000,000 unlisted options on 1 August 2024.

The unlisted options will vest upon the satisfaction of completion of 12 months of service from the issue date. Upon satisfaction of the vesting condition, the options are exercisable at any time on or before the expiry date, being 31 July 2026. Post execution of the agreement, the Board agreed to extend the expiry date of the options to 31 December 2026 to align it to the existing director and management options on issue.

The total fair value of the employee options was $64,074 which was calculated using the Black-Scholes option valuation methodology and applying the following inputs:

Weighted average exercise price	$0.12
Weighted average life of the options	2.42 years
Weighted average underlying share price	$0.08
Expected share price volatility[1]	77.50%
Risk-free interest rate	3.81%
Expiry date	31 December 2026

[1] Expected volatility has been determined based on historical volatility of the Company's share price and the life of the options granted.

Based on the vesting conditions of the options, $58,457 was recognised as a share based payment for the year ended 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 15: Share Based Payments (continued)

(c) Pursuant to the Company's 2024 Annual General Meeting on 27 November 2024, shareholder approval was granted for performance rights to be issued to Directors and other management personnel as follows:

Director Rights	*No. of Rights*	*Management Rights*	*No. of Rights*
Mr Adam Sierakowski	7,500,000	Other management personnel	7,500,000
Mr Dirk Robert Bulder	5,000,000	**Total**	**7,500,000**
Total	**12,500,000**		

The total fair value of the performance rights granted to Directors and other management personnel was $1,360,000 which was calculated using the share price of $0.068 at the date that shareholder approval was granted, being 27 November 2024.

Pursuant to the terms and conditions, the performance rights will vest and convert into shares upon the independent certification, in accordance with the PRMS Guidelines, of 2P Reserves of at least one (1) trillion cubic feet within the area comprising licences ER 270, 271, 272 and 383 ("Vesting Condition").

The performance rights were issued on 6 December 2024 and has a period of five (5) years from issue date. To the extent that the performance rights have not converted into shares on or before the expiry date, all unconverted performance rights held will automatically lapse.

As at 30 June 2025, the Board has assessed the probability of the vesting condition being achieved is 0%. Therefore, no amount has been recognised in respect of the performance rights for the year ended 30 June 2025.

Critical accounting judgements, estimates and assumptions

Employees
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options granted is determined by an internal valuation using a Black-Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The fair value of shares issued is determined by utilising the market price of the Company's shares at the date which shares are issued.

External Consultants
The Group measures the cost of equity-settled transactions with external consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by utilising the market price of the Company's shares at the date which shares are issued.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 16: Key Management Personnel Disclosures and Related Party Transactions

Refer to Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's Key Management Personnel (KMP) for the year ended 30 June 2025.

	2025 **$**	**2024** **$**
Short term employee benefits	900,873	775,122
Share based payments	234,635	540,324
	1,135,508	1,315,446

Key management personnel

Disclosures relating to key management personnel are set out in the remuneration report of the directors' report and above.

Share based payments to key management personnel

Refer to Note 15 for details of options and performance rights issued to key management personnel.

Other transactions with key management personnel

Transactions with key management personnel related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

		2025 **$**	**2024** **$**
(i)	Payments to Trident Management Services Pty Ltd, a company of which Adam Sierakowski is a director and shareholder, for company secretarial services provided by Simon Whybrow.	60,000	60,000
(ii)	Payments to Palisade Corporate, a company of which Adam Sierakowski is a director and shareholder, for legal services provided.	48,683	70,205
(iii)	Payments to Trident Management Services Pty Ltd, a company of which Adam Sierakowski is a director and shareholder, for rental of office space.	24,000	8,000
(iv)	Payments to Bulder Consulting, a company of which D Bulder is a director, for the provision of consulting services.	-	5,000

<u>Amounts outstanding at reporting date</u>
Aggregates amount payable to Key Management Personnel and their related entities at reporting date.

(i)	Payables	172,273	234,404

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 17: Remuneration of Auditors

	2025 $	2024 $
BDO Audit Pty Ltd		
Audit or review of the financial report	120,867	89,254
	120,867	89,254
BDO South Africa Incorporated		
Audit of the financial report of subsidiaries	4,090	-
	4,090	-
	124,957	89,254

The auditor of the Group is BDO Audit Pty Ltd.

Note 18: Investment in Controlled Entities

For the year ended 30 June 2025, the consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name of entity	*Country of incorporation*	*Equity holding 2025 %*	*2024 %*
Afro Energy (Pty) Ltd[1]	South Africa	100%	49%
Afro Gas Development SA (Pty) Ltd[2]	South Africa	55%	-

[1] The entity was incorporated in 2015.
[2] The entity was incorporated on 12 October 2021 of which Afro Energy (Pty) Ltd holds a 55% interest in the entity. The remaining 45% interest is held by the Industrial Development Corporation of South Africa.

Note 19: Commitments and contingencies

(a) Evaluation and Exploration Expenditure

In order to maintain current rights of tenure to exploration tenements, Afro Energy is required to outlay rental and other associated expenditures to meet minimum expenditure requirements.

	2025 $	2024 $
Within one year	1,153,213	3,336,363
One to five years	16,821,295	2,305,836
	17,974,508	5,642,199

(b) Afro Gas Development SA (Pty) Ltd

During the financial year ended 30 June 2022, Afro Energy (Pty) Ltd ("Afro Energy") entered into a joint development agreement (JDA) with the Industrial Development Corporation of South Africa ("IDC"). The JDA involves the development of gas fields to produce gas for industrial, commercial, transportation or power generation applications.

The parties agreed to pool their interests in a joint development entity incorporated in South Africa, Afro Gas Development SA (Pty) Ltd ("Afro Gas"), which will maintain the interest share of 55% Afro Energy and 45% IDC.

Other than noted above, there has been no other significant changes to the Group's contingent assets or liabilities since 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 20: Segment Information

The Group currently does not have production and is only involved in exploration. As a consequence, activities in the operating segments are identified by management based on the manner in which resources are allocated, the nature of the resources provided and the identity of service line manager and country of expenditure. Discrete financial information about each of these areas is reported to the executive management team on a monthly basis.

Based on the above, management has determined that the Group has one operating segment being gas exploration in South Africa. As the Group is focused on gas exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. These areas of interest meet aggregating criteria and are aggregated into one reporting sector. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Accounting Policy
Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director.

Note 21: Events Occurring After Reporting Period

- On 1 July 2025, the Company announced that it had executed a non-binding term sheet with FFS Refiners (Pty) Ltd for the proposed co-development of a pilot gas liquefaction plant for the production of liquefied natural gas (LNG).

  Pursuant to the Term Sheet, the key phases of potential collaboration and proposed activities are as follows:

  Phase 1a – Gas Field Development

  Upon the execution of the binding joint development agreement for the first phase during which Kinetiko and FFS will:
  - Provide funding of ZAR 20 million, to be split Kinetiko 67.50% and FFS 32.50%, for new wells and the updating of two existing wells at the Brakfontein site;
  - Compile the LNG business case proposal ahead of further gas field development; and
  - Complete the submission of a production right application.

  Phase 1b – LNG Proof of Concept

  Subject to a successful outcome of the initial gas field development and production right, Kinetiko and FFS to conclude a joint venture agreement and incorporate a joint venture entity, recognising historic exploration costs incurred by Kinetiko.

  Phase 2 – Full LNG Production

  Following the approval of the final business case, Kinetiko and FFS to scale up production of LNG over an expanded production right area, expected to be 5 times larger than the Phase 1b development and collaborate on the further expansion of LNG production over additional tenement areas held by Kinetiko beyond the Brakfontein area.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 21: Events Occurring After Reporting Period (continued)

- On 18 August 2025, the Company issued a Notice of General Meeting seeking shareholder approval in respect of the ratification of the:
    - Prior issue of 35,325,000 shares at $0.04 each and 35,325,000 free attaching options, representing capital proceeds of $1,413,000, as part of the Company's Placement announced on 12 June 2025;
    - Prior issue of 12,000,000 shares at $0.04 each and 12,000,000 free attaching options, representing capital proceeds of $480,000, to satisfy payment of trade payables and repayment of borrowings from unrelated parties;
    - Approval for the Company's Directors to participate in the Placement, of which the Directors had agreed to subscribe for 7,750,000 shares at $0.04 each and 7,750,000 free attaching options, representing a contribution of $310,000; and
    - Approval for the issue of 3,000,000 unlisted options to Mr Robert Scharnell.

  Following shareholder approval of all of the above resolutions at the Company's General Meeting, 7,750,000 shares and 10,750,000 options were issued to the Directors on 18 September 2025.

- On 4 September 2025, the Company announced that the Petroleum Agency of South Africa had granted the Company's second renewal application for ER 270, 271 and 272 for a further term of two (2) years.

- On 4 September 2025, the Company further announced the issue of 2,000,000 unlisted options, exercisable at $0.12 each on or before 31 December 2026, as consideration for corporate advisory services provided to the Company.

No other matters or circumstance has arisen since 30 June 2025 that has affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 22: Other Accounting Policies

Summary of other material accounting policies

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, superannuation, annual leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

New and Amended Standards and Interpretations adopted

For the year ended 30 June 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting periods beginning on or after 1 July 2024.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to the Group's accounting policies.

New Accounting Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the year ended 30 June 2025.

As a result of this review, the Directors have determined that there are no new and revised Standards and Interpretations that may have a material effect on the application in future periods and therefore, no material change is necessary to the Group's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)

Note 23: Parent Entity Information

The following information is related to the parent entity, Kinetiko Energy Limited, as at 30 June 2025 and 30 June 2024.

	2025 $	2024 $
Current assets	2,486,253	6,923,989
Non-current assets	68,972,274	66,511,036
Total assets	**71,458,527**	**73,435,025**
Current liabilities	836,320	2,126,789
Total liabilities	**836,320**	**2,126,789**
Net assets	**70,622,207**	**71,308,236**
Contributed equity	104,919,895	103,037,676
Reserves	2,026,427	1,701,339
Accumulated losses	(36,324,115)	(33,430,779)
Total	**70,622,207**	**71,308,236**
Loss for the year	(5,560,481)	(5,320,434)
Other comprehensive loss for the year	3,008,577	387,807
Total comprehensive loss for the year	**(2,551,904)**	**(4,932,627)**

SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is as at 23 September 2025.

Shareholdings as at 23 September 2025

Distribution of security holders category	Number of Holders of Ordinary Shares	Number of Holders of Unlisted Options	Number of Holders of Performance Rights
1 - 1,000	26	-	-
1,001 – 5,000	39	-	-
5,001 – 10,000	79	-	-
10,001 – 100,000	407	1	-
100,001 and over	415	38	3
	966	**39**	**3**

Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

Shareholder Name		Number of Shares	Percentage	Date of Notice
PHEFO POWER (PTY) LIMITED		110,602,220	14.23%	16/12/2022
BRENDAN D GORE & ASSOCIATED ENTITIES		119,458,248	8.86%	07/11/2023
AGEUS PTY LTD	M & A A/C	37,046,123	6.82%	30/04/2020
ADAM SIERAKOWSKI & ASSOCIATED ENTITIES		76,929,337	5.71%	06/10/2023

Unmarketable parcels

The number of shareholders holding less than a marketable parcel is 75.

There is only one class of share and all ordinary shareholders have equal voting rights.

Unquoted Securities

<u>Options</u>

Securities	Number of Options	Number of Holders	Holders with more than 20%
Options exercisable at $0.12, expiry 31 December 2026	16,000,000	5	1
Options exercisable at $0.12, expiry 31 December 2026	12,750,000	5	1
Options exercisable at $0.07, expiry 30 June 2027	55,075,000	30	0
Options exercisable at $0.12, expiry 23 August 2028	3,000,000	1	1

The names of the holders of unquoted securities holding more than 20% are listed below:

		Number of options held	Percentage of total options held
1.	IML Holdings Pty Ltd	4,000,000	25.00%
2.	Mr Nicholas de Blocq	5,000,000	39.21%
3.	Mr Robert Scharnell	3,000,000	100.00%

SHAREHOLDER INFORMATION

Performance Rights

Securities	Number of Rights	Number of Holders	Holders with more than 20%
Performance rights, expiry 6 December 2029	20,000,000	3	3

The names of the holders of unquoted securities holding more than 20% are listed below:

		Number of rights held	Percentage of total rights held
1.	Mr Adam Sierakowski	7,500,000	37.50%
2.	Mr Paul Doropoulos	7,500,000	37.50%
3.	Mr Robert Bulder and associates	5,000,000	25.00%

Voting rights
All ordinary shares carry one vote per share without restriction.

On-market buyback
There is no current on-market buy-back.

Stock Exchange listing
Quotation has been granted for the Company's Ordinary Shares.

Twenty largest shareholders – Ordinary Shares

Name	Number of ordinary shares held	Percentage of capital held
DON AND JENNIFER HOLDINGS PTY LTD	194,462,905	13.07%
MR BRENDAN DAVID GORE <GORE FAMILY NO 2 A/C>	130,600,764	8.78%
PHEFO POWER (PTY) LIMITED	120,905,833	8.13%
ROBERT JAMES MACMILLAN	90,394,022	6.08%
TALENT 10 HOLDINGS (PTY) LTD	76,736,110	5.16%
PAUL LEWIS TROMP	64,044,280	4.31%
DONALD MZOLISA JONES NCUBE LTD	58,657,975	3.94%
SVENN LOUW BULDER	36,372,154	2.44%
DIRK ROBERT BULDER	35,919,384	2.41%
PHICUS PTY LTD <PHICUS A/C>	21,807,477	1.47%
MR ADAM SIERAKOWSKI	21,725,640	1.46%
BADIMO GAS (PTY) LIMITED	21,275,139	1.43%
IML HOLDINGS PTY LTD	20,035,328	1.35%
MR ROBERT JAMES MACMILLAN	18,177,800	1.22%
AGEUS PTY LTD <M AND A A/C>	17,507,476	1.18%
CITICORP NOMINEES PTY LIMITED	17,354,866	1.17%
MR RICHARD WOLANSKI	15,260,094	1.03%
MFM AUSTRALIA PTY LIMITED <MCKELVEY FAMILY NO 2 A/C>	13,696,875	0.92%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,906,132	0.87%
JGST PTY LTD <JGST FAMILY SETTLEMENT A/C>	12,813,381	0.86%
TOTAL	**1,000,653,635**	**67.28%**

SHAREHOLDER INFORMATION

Schedule of mining tenements

Tenement Reference	Nature of Interest
ER383	The Environmental Authorisation for Afro Energy 383 has been granted. We are currently in the process of preparing the stakeholder notification documents to inform interested and affected parties of the decision.
ER 270	The second renewal application was granted by the Petroleum Agency of South Africa (PASA) on the 29 August 2025.
ER 271	The second renewal application was granted by the Petroleum Agency of South Africa (PASA) on the 21 August 2025.
ER 272	The second renewal application was granted by the Petroleum Agency of South Africa (PASA) on the 21 August 2025.