

## SECOND WELL SPURRED IN FIVE WELL GAS PRODUCTION TEST PROGRAM

### HIGHLIGHTS

- Drilling commenced at well 271-KV06PT, the second well in the five production well test program
- Initial gas flow results from 271-06PT are expected in November 2024, providing critical data on gas flow rates and depletion curves
- The location is just 41m away from KV-06C core, which had 86.5m of gassy sandstone between 360-630m and coals which desorbed over 7m<sup>3</sup>/tonne gas.
- Production test program will flow-test each well for up to 90 days, gathering essential data for the certification of reserves and future development clusters
- Wells are strategically located near key energy infrastructure optimising the program's commercial potential and delivery of gas to off-takers

**Kinetiko Energy Ltd** (ASX: KKO) (**Kinetiko** or the **Company**) is developing an energy solution for South Africa focused on commercialising 100% owned advanced shallow conventional gas projects in the Mpumalanga Province. Kinetiko is pleased to announce the spudding of well 271-06PT, the second well in the Company's five-well production test program. Drilling commenced on 24 October 2024, and the well is located near essential energy infrastructure, including the Lily pipeline. This well represents a key milestone in the Company's ongoing efforts to commercialise its advanced shallow conventional gas projects, which are poised to deliver cleaner, reliable energy to a nation facing critical shortages.

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



**Kinetiko Executive Chairman Adam Sierakowski commented:**

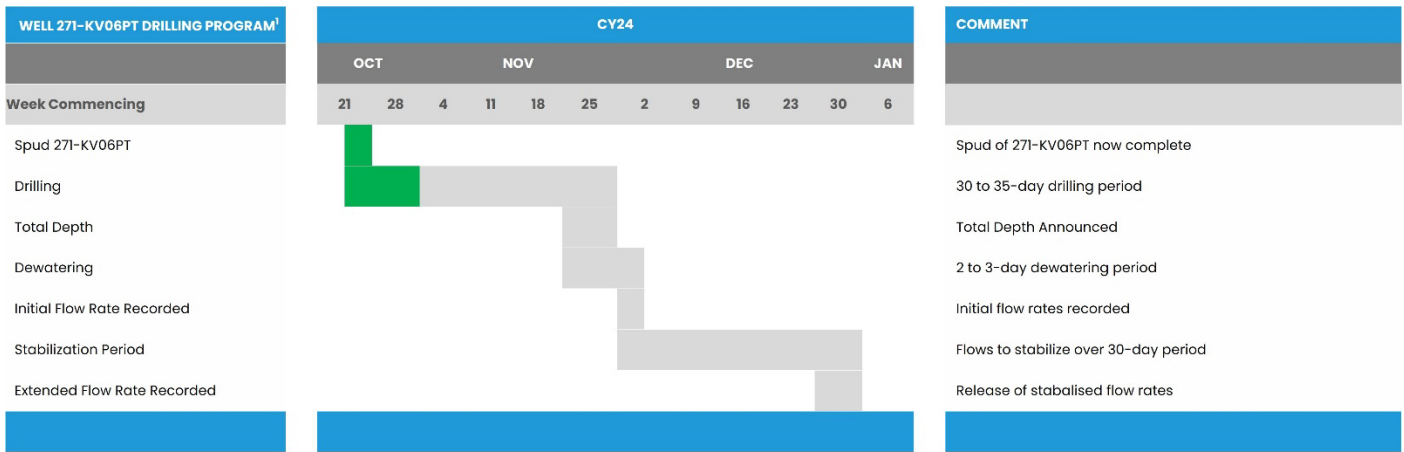
*"The spudding of our second well in this five-well production test program is ahead of schedule. We continue our search to demonstrate the commercial viability of our vast gas resources and contributing to South Africa's urgent need for cleaner, more reliable energy solutions.*

*Well 271-KV06PT is located in an area adjacent to the Lily pipeline, and is well positioned to deliver gas to key infrastructure. We expect this test program to provide invaluable data on flow rates and depletion curves. These results will underpin the expansion of our gas reserves and pave the way for future production clusters."*

**Key Milestones and Program Timeline**

Drilling of the second well, 271-KV06PT with completion and initial gas flow results anticipated in November 2024. The program involves drilling five production test wells, each expected to be completed within 4 weeks. After drilling, each well will undergo an extended dewatering and gas flow testing process, for up to 90 days to determine flow rates and depletion curves.

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



<sup>1</sup>Timeline assumes no major delays in slated program

**Figure 1** indicative drilling timeline for second well

**Production Well Program**

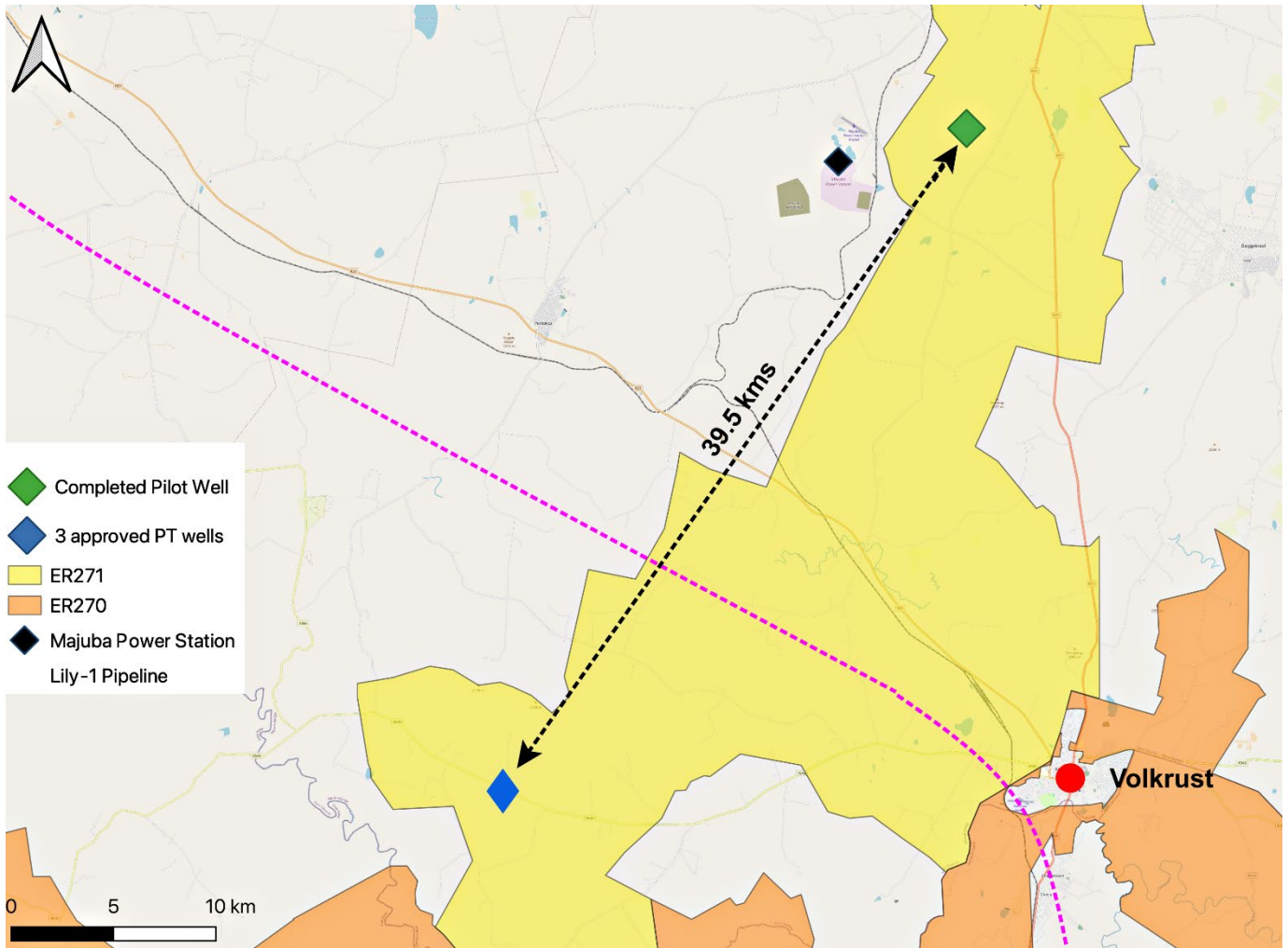
The production test program will individually flow-test each of the wells for an extended period. This process is designed to capture critical data on flow rates, reservoir pressure, and depletion curves, which will then be used to model the economics of future gas field developments. Based on prior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

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

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



*Figure 2 shows the production drilling rig on site for spudding well 271-KV06PT*



**Figure 3: Indicative Production Test Well Location**

### Projected Resource Growth and Future Plans

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

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

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For more information visit: [www.kinetiko.com.au](http://www.kinetiko.com.au) or contact,

Adam Sierakowski  
**Executive Chairman**  
08 6211 5099  
[adam@Kinetiko.com.au](mailto:adam@Kinetiko.com.au)

Evy Litopoulos  
**Investor relations** Resolve IR  
[evy@resolveir.com](mailto:evy@resolveir.com)

### About Kinetiko Energy

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

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

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

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

[ASX: KKO](https://www.asx.com.au/kko) | [KINETIKO.COM.AU](http://www.kinetiko.com.au)



### Competent Persons and Compliance Statements

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

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