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KINETIKO RAISES ADDITIONAL LOAN FUNDS

Perth-based energy exploration company Kinetiko Energy Limited (ASX: "**KKO**" or "**Kinetiko**") is pleased to advise that it has received additional funding by way of loans which are convertible to shares. The Company has entered into several agreements during the period from 3 September to today. The Company has received \$180,000, with a further \$20,000 to be received in the coming weeks. The funds have been lent primarily by unrelated parties, with additional funds being lent to the Company by Chairman Adam Sierakowski (\$30,000) and major shareholder Brendan Gore (\$50,000). Shareholders will be asked to approve conversion of the loans to shares at the Company's upcoming Annual General Meeting.

Key terms of the loans are:

1. Interest is payable at 12% per annum;
2. Each loan terminates on the termination date, being the day 6 months after the date of the agreement;
3. Lenders (other than Mr Sierakowski and Mr Gore) have the option of securing the Loan over the Company's assets;
4. The loans are to be repaid, and fully discharged, by conversion into Shares at \$0.02 per share on the conversion date, being a date elected by the lender, on or before the termination date; and
5. If for any reason the loan is not able to be repaid and fully discharged through the issue of Shares, the Company must repay the loan and interest on the termination date in cash. If the Company were required to repay the loans in cash the Company would have to raise additional funding through either debt or equity.



About Kinetiko Energy

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

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

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