

UPDATED INDEPENDENT RESOURCE CERTIFICATION UNDERWAY

- Independent oil and gas experts and appraisers Gustavson Associates appointed to undertake an updated Resource Report on existing and newly granted exploration rights
- The Gustavson report will enable new data and information to be considered which will support a potential upgraded assessment of the current gas resource estimates
- Significant newly granted exploration rights to be included in the assessment for the first time
- The Gustavson report is expected to be concluded within four weeks

Kinetiko Energy Ltd (“**Kinetiko**” or “**Company**”) (ASX:KKO) is pleased to announce that it has appointed independent international oil and gas appraisers and certifiers Gustavson Associates LLP from Boulder, Colorado (“**Gustavson**”) to undertake an evaluation of the Company's exploration rights in preparation of a resource report according to the VALMIN standards and update the Company's current resource certification.

Kinetiko chairman Adam Sierakowski stated “Kinetiko through its 49% economic interest in Afro Energy (Pty) Ltd (“**Afro Energy**”) continues to ramp up exploration following its recent re-listing on the ASX and completing an updated resource definition is an essential part of the Company's strategy to build a substantial onshore gas supply presence within existing gas distribution, infrastructure and markets.”

The Company's current certified contingent resource of 1.5 Tcf and prospective resource of 2.4 Tcf (refer ASX Announcement dated 13 August 2012¹) was completed by Gustavson in August 2012. This report was produced following an assessment of the first 10 exploration holes completed on the Amersfoort Project and the identification of significant conventional gas accumulations in the sandstones overlying the coal seams.

New information available to be considered by Gustavson includes the expansion of the addressable geology through the recently granted exploration rights ER270, ER271 and ER272 which hosts contiguous coal geology similar to that drilled on the Amersfoort project and increased Afro Energy's exploration rights by 378% (refer Figure 1). In addition, during the second half of 2018 world leaders in gas process control and pumping systems Endress Hauser and Franklin Electrical conducted gas flow and pressure testing on well KA-03PT situated on ER56. The results of these tests established an improved 95% recovery of gas from produced groundwater from equipment previously used and a higher methane purity of 99.5% which potentially can eliminate the need for the gas to be treated.

The Gustavson report is expected to be completed before 15 July 2020 and forms part of the Company's strategy to continue to explore and assess the most gas prone areas within the 4,604kms² of exploration rights held. This Includes the technical information that will be derived from the scheduled aeromagnetic survey which has the potential to enable a further revision of the new Gustavson resource report.

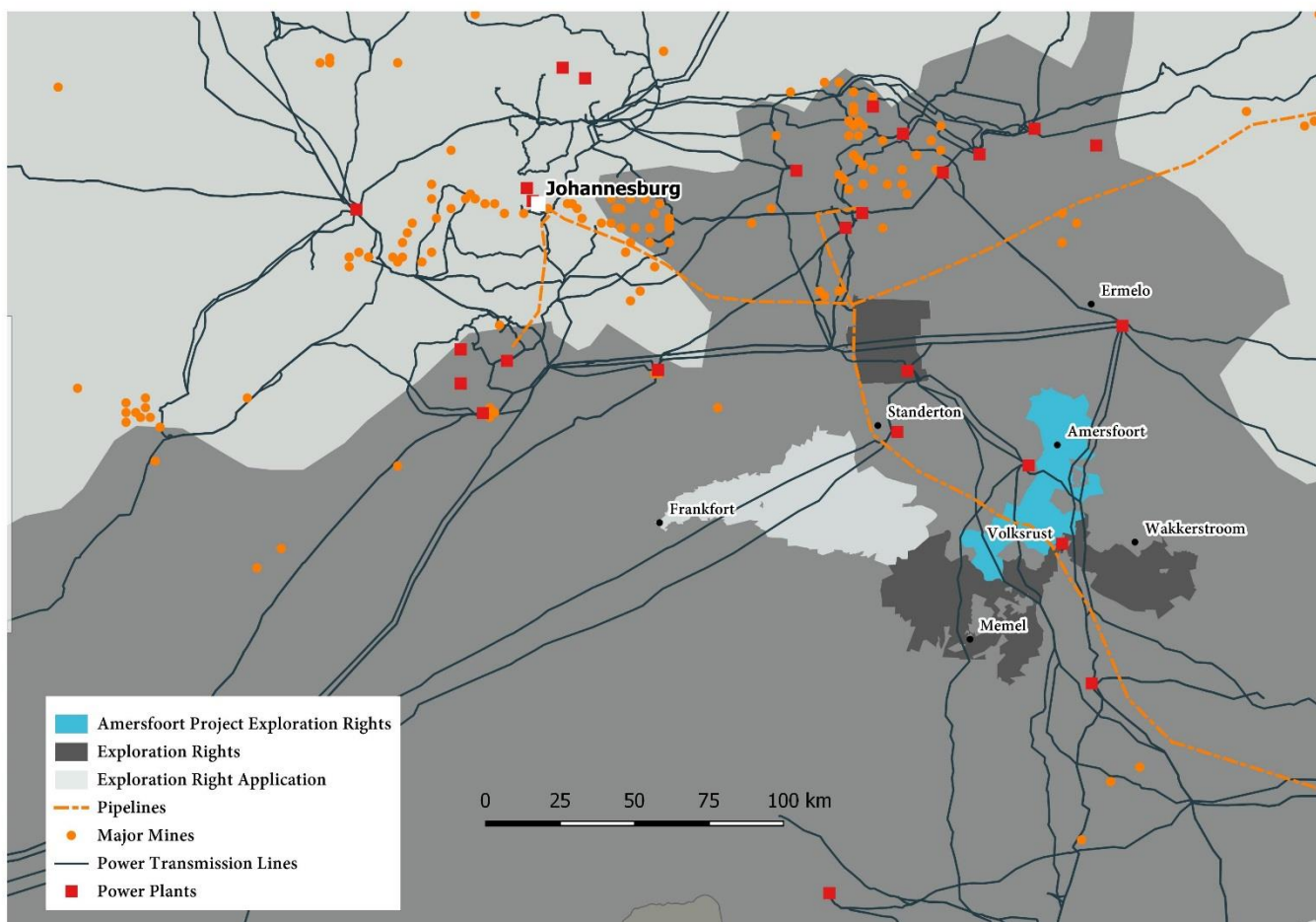


Figure 1 - Size and location of Company's exploration rights

About Gustavson Associates

Gustavson Associates is an oil, gas, and mining consulting firm with over 40 years of extensive international experience. Gustavson Associates team consists of geologists, engineers, economists, and appraisers who serve organizations and individuals around the world — including oil and gas companies, mining, governments, international banks and financial institutions, project financiers, stock exchanges, international law firms, and individual property owners. Gustavson provides independent engineering and geological experts who can assess the risk, return, and opportunity of a mine or hydrocarbon asset. Their international consultants have diverse experience and expertise in working on international oil and gas and mining projects around the world. Gustavson is well positioned to work on natural resource projects in the global arena.

This announcement is authorised for release to the market by the Board of Directors of Kinetiko Energy Limited.

Competent Persons Statement

Unless otherwise specified information in this report relating to exploration and related technical comments have been compiled by Dr James Searle, a Member of the Australian Institute of Mining and Metallurgy, and a non-executive Director of Kinetiko Energy Ltd with over 30 years experience in metallic and energy minerals exploration and development, including over 9 years experience in hydrocarbon exploration. Dr Searle consents to the inclusion of this information in form and context in which it appears.

Note 1: The Company is not aware of any new information or data that materially affects the information included in the announcement 13 August 2012 and all the material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

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About Kinetiko Energy and Afro Energy

Kinetiko Energy is an Australian gas explorer focused on advanced shallow conventional gas and coal bed methane (CBM) opportunities in rapidly developing markets in Southern Africa. South Africa has extensive gassy coal basins, extensive energy infrastructure and a growing gas demand, making it an attractive area for investment. The Company has approximately 7000km² exploration area, of which approximately 4604km² is granted and being explored.

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

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