

NEW DRILLING PROGRAM TO COMMENCE

HIGHLIGHTS

- **Three new wells adjacent to pilot production wells at the Amersfoort project are planned and approved.**
- **Once successfully completed, the three wells have the potential to become producing pilot wells that could form a small production field of five, including existing wells.**
- **Well locations have been determined following a review of historical geological data and potential gas compartments, identified from aeromagnetic surveys completed.**
- **Multiple drilling contractors have been engaged and have confirmed their capacity to tender for the approved program.**
- **This commences the Company strategy to roll out multiple, scalable production fields across 37 previously identified potential gas compartments, which represents only 20% of the potential total prospective geology.**

12 August 2021: Perth-based energy exploration company Kinetiko Energy Limited (ASX: "KKO" or "Company") is pleased to announce that it has commenced plans to complete a 3 well drilling program.

Site selection has been finalised with all environmental and regulatory approvals obtained (Figure 1). The three new wells KA-03PT7, KA-03PT8 and KA-03PT9 are to be drilled within 400 metres of KKO's proposed gas collection terminal at Amersfoort where access and infrastructure is in place.

The new wells if successfully completed have the potential to become producing pilot wells like nearby historic wells KA-03PT and KA-03PTR which recently successfully underwent a workover and achieved flow rates of 190 Mscfd (refer ASX announcement 20 April 2021). The new wells and existing wells have the potential to be connected and with the newly completed terminal infrastructure form a 5 well pilot production cluster.



Figure 1 – Locations of three new wells (yellow) and proximity to existing wells (green)

Multiple drilling contractors based the region have been engaged and have confirmed their capacity to tender for the approved program. The tender process is anticipated to be undertaken over the next fortnight and drill rigs are anticipated to be mobilised to site during September. The Company estimates that the drilling and completion of the three new wells will be completed by November, as negotiations with potential off takers continue for any gas production that can be optimised from a 5 well cluster, and enable the Company to seek certification of maiden gas reserves.

The Company's strategy is to roll out multiple, scalable production fields across 37 previously identified potential gas compartments and assessed geologically favourable zones which have been identified through the Amersfoort region on ER56, ER38 and ER271 which total approximately 1,300 km². These zones could potentially host hundreds of production wells on only 20% of the total prospective geology.



Historic drilling being undertaken on the Amersfoort project

Previously Reported Information Footnotes

This announcement is available to view on the Company's website www.kinetikoenergy.com.au

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.

This announcement is authorised for release to the market by the Board of Directors of Kinetiko Energy Limited. For more information visit: www.kinetiko.com.au or contact,

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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 a large potential exploration area, of which approximately 7000km² 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 Empowerment Endowment) certification, and facilitate South African investment in order to continue to explore, develop, and commercialise gas production.

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