

**KKO MOVES TO FAST-TRACK PRODUCTION RIGHT
APPLICATION AT FLAGSHIP AMERSFOORT PROJECT AFTER
SOUTH AFRICAN MINISTER APPROVES ER CONSOLIDATION**

HIGHLIGHTS

- **South African Minister grants new consolidated Exploration Right “ER271”, made up of ER56, ER271 and ER38, totalling 1,287km²**
- **Consolidation was sought to expedite and streamline the application for a Production Right over the entire Amersfoort region.**
- **With exploration drilling and pilot production scenarios underway, the consolidation and creation of the new ER271 is a key step towards improving the economics of the Amersfoort Project.**

25 August 2021: Perth-based energy exploration company Kinetiko Energy Limited (ASX: "KKO" or "Kinetiko") along with its subsidiary Afro Energy (Pty) Ltd ("Afro") is pleased to announce the South African government has approved the consolidation of Exploration Rights ("ER") 56, 38 and 271 into one new Exploration Right 271 (ER271) (see Figure 1).

Following consultation with the Petroleum Agency SA ("PASA"), Afro made an application to consolidate three of its contiguous Exploration Rights in the Amersfoort region. The application process took many months and required new environmental approvals to be obtained before being approved by PASA and recommended to the Department of Mineral Resources and Energy ("DMRE") for granting. The consent to the application sought from the Minister of the DMRE was granted by letter dated 19 August 2021.

The new ER271 is 1,287km² in size and covers the broader Amersfoort region where Afro has drilled 28 exploration and pilot production wells, with gas recoveries, and has further planned exploration drilling for another three wells. ER271 is located near significant existing energy infrastructure including the Lily gas pipeline, Majuba power station, Arcelor Mittal smelter and Eskom electricity network intersecting and adjacent to the consolidated area.

The consolidation of the three existing Exploration Rights has assisted to streamline and increase the economics of potential gas production scenarios and Afro will now apply for the one Production Right covering the new ER271 area at the Amersfoort Region. It also illustrates the ongoing strong relationship Afro has with South African regulators and ministries towards the development of the Amersfoort gas project.

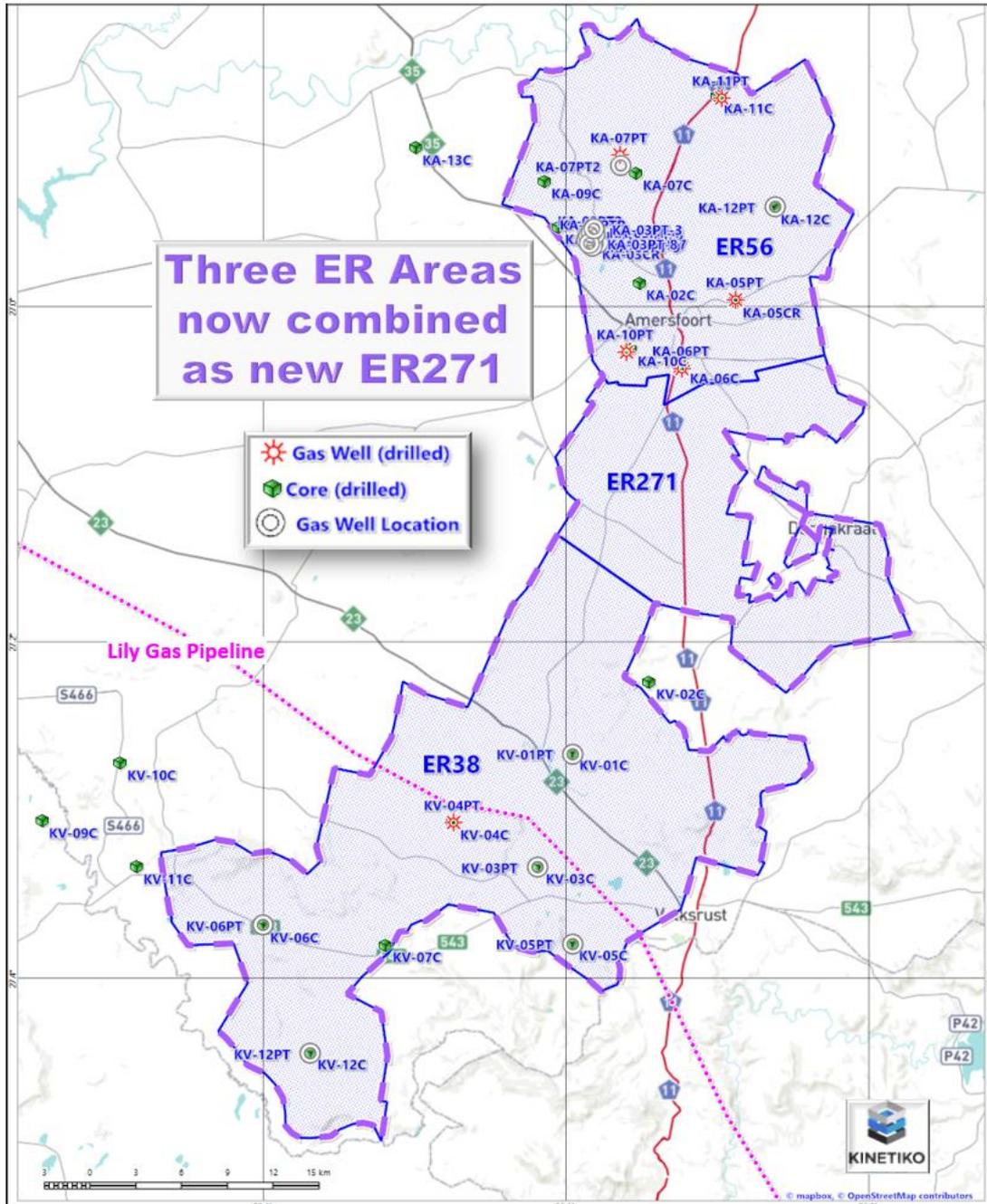


Figure 1 – new consolidated ER271 with Existing wells and Lily pipeline

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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