PRODUCTION TEST WELL ADVANCES AS SOUTH AFRICA'S ONSHORE GAS SECTOR ACCELERATES

HIGHLIGHTS

- **Drilling at production test well 271-KA03PT10 in Brakfontein has commenced using optimised drilling protocols**
- **The well is located at Brakfontein, adjacent to five existing gas-producing wells, and will form part of a cluster supplying gas to a planned pilot LNG plant expected to be commissioned in late 2026**
- **The conductor casing drilling on well 271-KA03PT10 was set and cemented in May to a depth of 15 metres. The current drilling phase to terminal depth (TD) is anticipated to be completed within three weeks, and first gas flow results expected in August 2025**
- **Reinforces Kinetiko's advanced status as a strategic onshore gas developer, alongside adjacent operators commercialising methane and helium resources in the region**

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 development of well 271-KA03PT10 (Figure 1), representing a significant step in the Company's transition from explorer to gas producer, aligned with the increasing investment focus on South African onshore gas, as seen in neighboring helium-methane developments. Kinetiko offers a differentiated, large-scale methane opportunity.

The well design incorporates detailed recommendations from flow assurance experts Oilfield Technologies Australia (**OT**), based on laboratory testing of formation core, drilling water, and foam samples from earlier wells. (*Refer ASX Announcement 23 April 2025*)

Well 271-KA03PT10 is located at Brakfontein, within 500 metres of historic production test wells, and is expected to, when connected to these historic wells, create the initial cluster of producing gas wells with the potential to drive micro LNG systems (Figure 2).

Kinetiko Executive Chairman Adam Sierakowski commented:

"The commencement of the next drilling phase incorporates optimisation protocols based on detailed analysis of earlier drilling outcomes. The Company is confident these revised methods will achieve consistent and enhanced gas deliverability. As investor attention grows around South Africa's helium and methane basins, including neighbouring plays, Kinetiko's conventional methane resource and near-term production ambitions are now part of a broader, nationally significant energy transformation.

Well 271-KA03PT10 is located at Brakfontein, adjacent to historic production test wells that have exhibited strong gas flows and is expected as part of the recently announced term sheet with FFS Refiners (Pty) Ltd to form a cluster of producing wells that will supply gas to a pilot micro LNG plant to deliver maiden commercial LNG sales."

Figure 1: shows drilling rig on site for drilling commencement well 271-KA03PT10

Production Well Program

Well 271-KA03PT10 has been designed using adjusted drilling parameters, including reduced water volume, no use of HV foam, and controlled down-hole pressure, to address the key findings of restricted permeability and gas flow in the previous two production test wells.

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.

Kinetiko has executed a non-binding terms sheet with FFS Refiners (Pty) Ltd (**FFS**), outlining the framework under which Kinetiko and FFS intend to collaborate to secure the supply of liquified natural gas (**LNG**) to the South African market (**Terms Sheet**). The Terms Sheet outlines a phased

approach to LNG production, commencing with the execution of a joint development agreement between Kinetiko and FFS, followed by the co-development of a pilot gas production field at Brakfontein (*refer ASX Announcement 1 July 2025*).

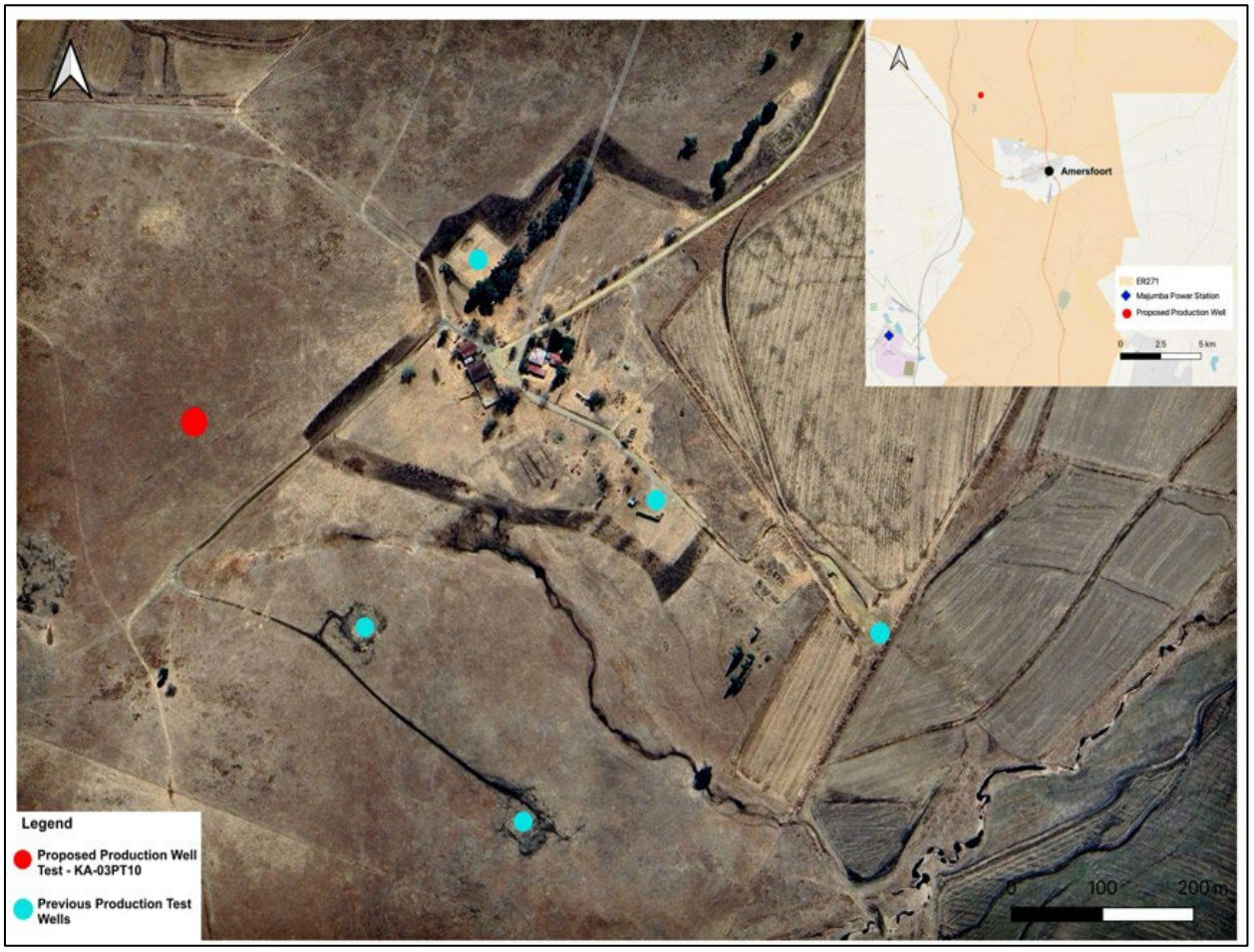

Figure 2: Production Test Well 271-KA03PT10l location

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. The updated drilling techniques are also expected to unlock additional gas in previously underperforming wells, with remediation trials planned using surfactants and water removal protocols.

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[1].

The success of this program is expected to de-risk future drilling campaigns further and accelerate Kinetiko's transition from exploration to production, positioning the Company as a key contributor to South Africa's energy future.

[1] The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

With over 6 Tcf in contingent resources and pilot-scale commercial testing now underway, Kinetiko is uniquely positioned among a cohort of South African gas developers, including helium-focused peers, but distinguished by its scale, simplicity of gas handling, and alignment with national energy priorities.

As investor focus intensifies across South African gas and helium markets — with major corporate activity and cross-border investment — Kinetiko remains a standout opportunity in onshore, scalable, domestic gas, operating in parallel to peers like Renergen Ltd (ASX:RLT) (JSE:REN) and D3 Energy Ltd (ASX:D3E) (OTCQB:DNRGF) but with a materially larger methane base and clear line of sight to early monetisation.

As momentum builds across the basin, Kinetiko is increasingly recognised as the largest undeveloped onshore methane resource in the country with a direct path to commercial LNG production.

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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 (alternatively described as having 2.8 Tcf of 1C contingent resources),[2] establishing a substantial world-class onshore gas project.
Kinetiko's vision is to commercialise an energy solution for South Africa.

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[2] Refer to the Company's announcement dated 21 August 2023 titled '*Maiden Gas Reserves & Major Increase in Contingent Resource Confirms Positive Economics & Enormous Scalability*'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 21 August 2023 and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Competent Persons and Compliance Statements

Unless otherwise specified, information in this report relating to operations, exploration, and related technical comments has been compiled by registered Petroleum Geologist, Mr Paul Tromp, who has over 40 years of onshore oil and gas field experience. Mr Tromp 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.