

## KINETIKO TO UNLOCK 6TCF RESOURCE VIA ROLLING CLUSTER PRODUCTION STRATEGY

### HIGHLIGHTS

- Existing wells at Brakfontein demonstrate gas flow potential and >98% methane purity to support initial production cluster
- Rolling Cluster Development Strategy is a risk-managed, capital-efficient development programme that enables staged scale-up to full-field LNG
- First gas revenues targeted Q2/Q3 2027
- Accelerated development to support South African sovereign energy initiatives amid structural decline in domestic gas supply

**Kinetiko Energy Ltd** (ASX:KKO and OTCQB:KKOBF) (**Kinetiko** or the **Company**) is focused on commercialising its 100% owned shallow conventional gas projects in South Africa. Kinetiko advises that it is moving forward with the implementation of a Rolling Cluster Development Strategy (**RCDS**), commencing with Phase 1 Cluster Brakfontein Compressed Natural Gas (**CNG**) development.

### Kinetiko Executive Chairman Adam Sierakowski commented:

*“This year, the Company has focused on implementing a strategy to commence commercialising its significant 6TCF gas resource.*

*The Rolling Cluster Development Strategy approach transforms what would traditionally be a high-risk, conventional single-site large project into a sequenced, risk-managed, capital-efficient development programme. This strategy forms part of a comprehensive Development Plan the Company is finalizing.*

*Kinetiko has identified a clear, capital-efficient pathway to first production and cash generation. This systematic strategy is targeting a phased approach from first CNG to a full-field LNG operation, by expediting the production and commercialisation of the Company's contingent gas resource.”*



## Rolling Cluster Strategy Implementation

Since the successful completion of the production wells in 2025, the Company has been working with a team of highly qualified and experienced geologists/seismologists, petrophysicists, and production engineers to further increase the Company's knowledge of the Karoo Basin geology and identify the best strategy to unlock the Company's significant 6 TCF resource<sup>1</sup>. The resulting RCDS is structured as a staged, capital-efficient, risk-managed programme.

A key element of the RCDS is its capital efficiency, with its ability to be self-funded from early revenue, optionality to attract joint venture capital partners, and potential access to existing government capital support programs.

The RCDS also marks Kinetiko's transition from exploration to production, with a defined pathway to first gas revenues targeted in Q2/Q3 2027. This strategy is supported by the current global energy crisis and South Africa's need for domestic energy projects.

The RCDS underpins a staged development approach, in which capital is deployed incrementally, with each phase benefiting from improved technical validation, efficiencies in mobile infrastructure, and commercial performance, that will support continued cluster expansion.

This staged approach enables an expedited pathway to production while materially reducing regulatory, approval and execution risk.

## Field Development Plan

The Company's technical team is finalizing the Field Development Plan (FDP). Consistent with industry practice, the FDP is the foundation for Final Investment Decision (FID) that bridges the gap between the resource discovery and value creation, ensuring the hydrocarbon assets are developed in a manner that maximizes recovery, optimises returns and aligns with government and environmental regulations. The Company has also developed a comprehensive list of South African-based equipment vendors and contractors.

<sup>1</sup> The 2C contingent resource estimate of 6.0 TCF (gross) was independently certified by Sproule B.V. and reported in the Company's ASX announcement dated 21 August 2023 titled '[Maiden Gas Reserves & Major Increase in Contingent Resource Confirms Positive Economics & Enormous Scalability](#)'. The Company confirms it is not aware of any new information or data that materially affects that estimate and that all material assumptions and technical parameters continue to apply and have not materially changed. Contingent resources are those quantities of petroleum estimated to be potentially recoverable from known accumulations but which are not yet considered mature enough for commercial development due to one or more contingencies. The key contingencies include finalisation of production right applications and confirmation of commercial offtake arrangements.

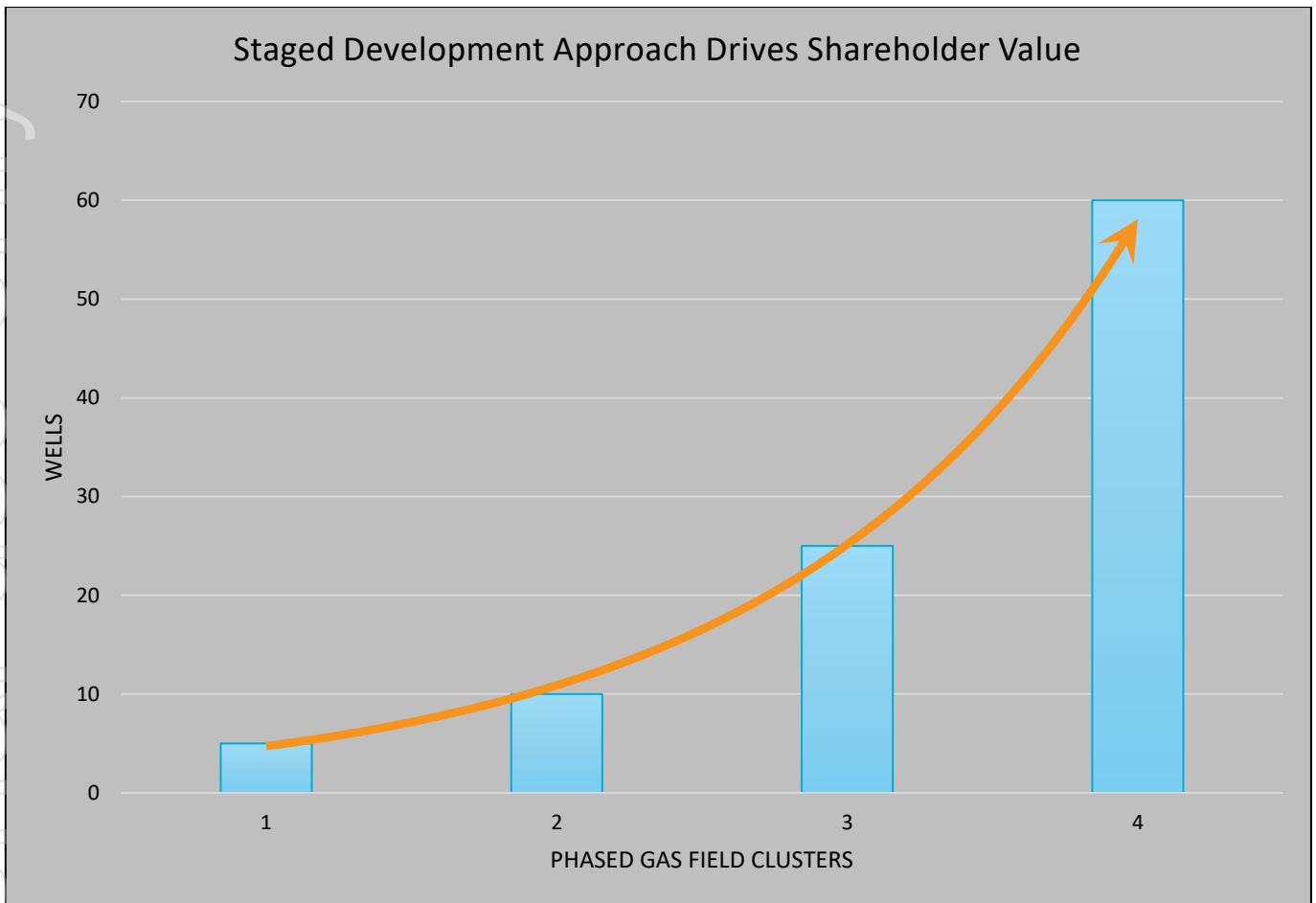


Figure 1. Indicative staged well count growth from Phase 1 CNG cluster to full-field LNG operation

## Staged Development Approach

Indicative phases include:

- Phase 1: establishes the Brakfontein CNG cluster using existing wells.
- Phase 2: grows from Phase 1, builds from the technical results to identify a new cluster location that adds further wells and expands CNG capacity.
- Phase 3: introduces the next Cluster growing the number of wells to LNG capability.
- Phase 4: scales to a full-field LNG operation across the Company's broader tenement package.

## Next Steps

- Finalize the engineering and execution planning for the Phase 1 CNG cluster
- Continue reservoir optimisation to support cluster expansion
- Complete the Field Development Plan

- ENDS -

Authorised for release by the Board of Kinetiko Energy Limited

For more information visit: [www.kinetiko.com.au](http://www.kinetiko.com.au) or contact:

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#### **About Kinetiko Energy**

Kinetiko Energy (ASX: KKO | OTCQB: KKOFB) is a gas field developer focused on commercialising its 100%-owned shallow conventional gas projects in South Africa. The Company's flagship Brakfontein project holds independently certified 2P reserves and a 2C contingent resource base of approximately 6 trillion cubic feet (Tcf), underpinning a staged development programme from initial CNG production through to full-field LNG at scale. Kinetiko's projects are located in South Africa's primary power-producing region, where gas is expected to play a central role in base load energy supply and the country's long-term energy transition.

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#### **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.

*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 that announcement and that all material assumptions and technical parameters continue to apply and have not materially changed.*