OPTIMISED DRILLING CONTINUES WITH SPUDDING OF SECOND PRODUCTION TEST WELL KA03PT06

HIGHLIGHTS

- **Drilling of production test well 271-KA03PT06 at Brakfontein has commenced using optimised drilling protocols**
- **The well is located at Brakfontein Farm, adjacent to six existing gas-producing wells, and will form part of a producing cluster supplying gas to the planned pilot LNG plant (target late 2026)**
- **Drilling to total depth (TD) is expected within weeks, with first gas flow results anticipated in mid-September 2025.**
- **Extended flow testing on well KA03PT10 will be underway this week to establish a stabilised flow rate, with results expected within weeks.**
- **Both wells form part of the program to de-risk production and accelerate Kinetiko's transition from explorer to producer**.

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 spudding of production test well 271-KA03PT06 at Brakfontein (Figure 1), following the immediate success achieved at well 271-KA03PT10.

Well 271-KA03PT06 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).

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*)

Kinetiko Executive Chairman Adam Sierakowski commented:

"The immediate success at KA03PT10 has given us confidence that the optimisation protocols are delivering exactly as intended. By spudding KA03PT06 so promptly, we are applying the same proven approach to build on those results.

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 KA03PT06 is located at Brakfontein Farm, 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-KA03PT06

Production Well Program

Well 271-KA03PT06 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,

which has already commenced following the preliminary gas flows on well KA03PT10. This process is designed to capture critical data on flow rates, reservoir pressure, and depletion curves. The first of these results is expected within weeks.

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*).

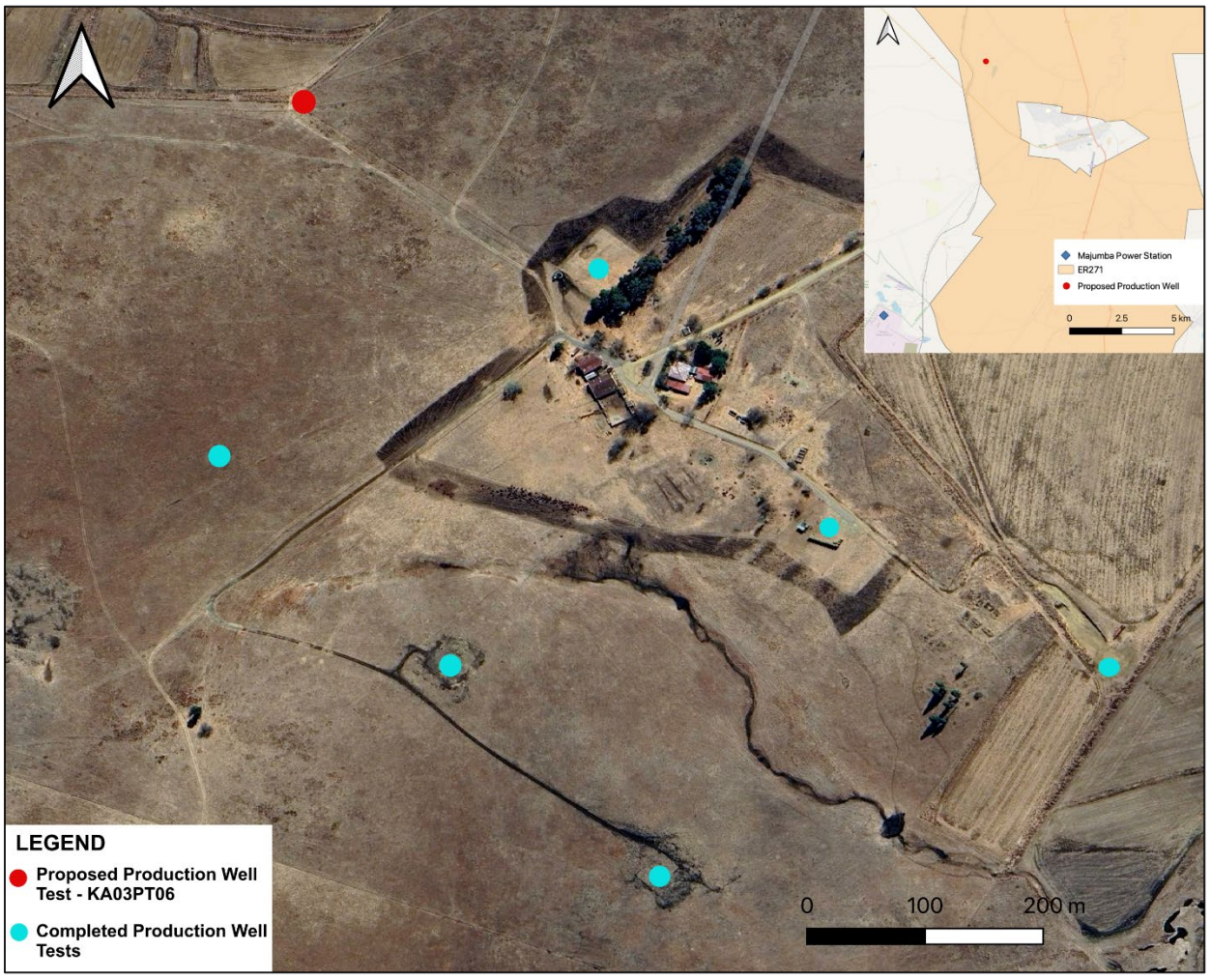

Figure 2: Production Test Well 271-KA03PT06 location and existing Production Test Wells

Projected Resource Growth and Strategic Context

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 production 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], and increase certified reserves.

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.

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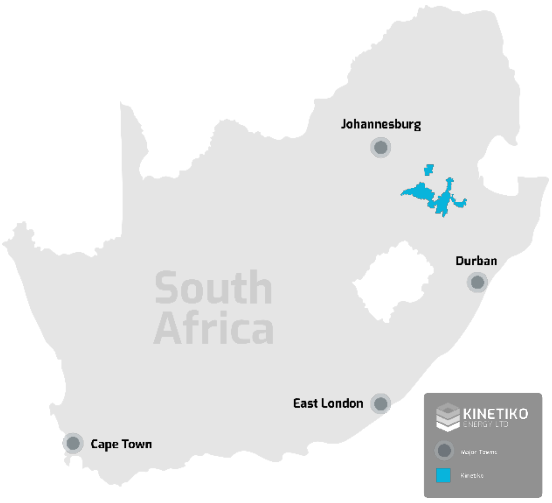
About Kinetiko Energy

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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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.

[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.

[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.