

KINETIKO ADVANCES PRODUCTION PERMITTING AND PHASE 1 DEVELOPMENT AT BRAKFONTEIN

HIGHLIGHTS

- Bulk Sampling Permit (BSP) application to be submitted to the Petroleum Agency of South Africa (PASA) at the end of October 2026, with grant anticipated in Q1 2027, enabling the production and sale of limited volumes of gas
- Production Right Application (PRA) being prepared over all of Exploration Right 271 (ER271) to support multiple production clusters, with the supporting Environmental Impact Assessment (EIA) underway
- Concept design completed for the Brakfontein Phase 1 Cluster and detailed engineering underway, with contract award and front-end engineering for the modular Compressed Natural Gas (CNG) facility scheduled for Q4 2026
- Three potential sites shortlisted for the next well under the Rolling Cluster Development Strategy (Cluster 2), with final selection planned to enable drilling to commence early in 2027
- CEO search phase completed, with three candidates shortlisted and an appointment anticipated in the coming weeks
- Land access compensation discussions progressing with several renewable energy developers

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 provides the following update on its operational activities as it advances Phase 1 of the Brakfontein Rolling Cluster under its Field Development Plan ([refer ASX Announcement dated 1 July 2026](#)).

Kinetiko Executive Chairman Adam Sierakowski commented:

"Kinetiko is making steady progress across each of the workstreams needed to take Brakfontein from exploration to production. Submitting the Bulk Sampling Permit application is a key step on our pathway to first gas, as it allows us to produce and sell



limited volumes of gas while we progress the Production Right.

In parallel, engineering and procurement for the Phase 1 CNG cluster are advancing, and we have narrowed down the location of our next well, which will inform the second cluster under our Rolling Cluster Development Strategy.

With the CEO search well advanced and an appointment expected shortly, Kinetiko is well placed for its transition from explorer to producer.”

Production Permitting

Bulk Sampling Permit

The BSP application, which will enable the production and sale of limited volumes of gas from Brakfontein before a Production Right is granted, has been prepared and is being finalised. The Company expects to submit the application to PASA at the end of October 2026.

The approval process is expected to take three to four months, with the Company anticipating the BSP being granted in Q1 2027.

Production Right Application

Kinetiko is preparing a PRA covering all of ER271, designed to support multiple production clusters under the Rolling Cluster Development Strategy. The PRA is being prepared alongside the development of the Brakfontein Phase 1 Cluster activities.

An EIA will support the PRA, and it has commenced. The first stage of the EIA, the drilling of water monitoring wells, is now complete.

Phase 1 Infrastructure Procurement

The Company has completed the concept design for the Brakfontein Phase 1 Cluster, and detailed engineering is now underway. Phase 1 will connect existing Brakfontein wells to a central manifold and a mobile, modular CNG facility.

The Company has shortlisted a preferred supplier for the modular CNG facility, with contract award and front-end engineering scheduled for Q4 2026.

Next Well (Cluster 2)

Detailed subsurface evaluation, including geological and reservoir modelling, has been undertaken to inform the placement of the Company's next well. The well forms part of the next phase of the Rolling Cluster Development Strategy and will support the location of the second production cluster (Cluster 2).

The Company has shortlisted three potential well sites, with final selection planned to enable drilling to commence early in 2027. Procurement of long-lead items for the well is progressing, with delivery scheduled for February 2027.

CEO Appointment

The Company has completed the search phase to identify a new Chief Executive Officer to lead Kinetiko's transition from explorer to producer. The Company has shortlisted three candidates, and it expects to complete the selection process in October 2026.

Renewable Energy Land Access

Kinetiko is progressing discussions on land access compensation with several renewable energy companies whose project footprints potentially overlap ER271 or ER272.

These discussions follow the Co-operation and Settlement Agreement executed with Mulilo in respect of the Newcastle wind energy facility, under which the Company's wholly owned subsidiary Afro Energy (Pty) Ltd will receive the Rand equivalent of A\$1.26 million in non-dilutive cash consideration ([refer ASX Announcement dated 19 August 2026](#)).

Next Steps

- Submit the BSP application to PASA at the end of October 2026
- Continue preparation of the PRA over ER271 and the supporting EIA
- Award the modular CNG facility contract and begin front-end engineering in Q4 2026
- Finalise the Cluster 2 well site in Q4 2026 and take delivery of long-lead items in February 2027
- Complete the CEO appointment

- ENDS -

Authorised for release by the Board of Kinetiko Energy Limited

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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.

Forward-Looking Statements

This announcement contains forward-looking statements, including in relation to the timing of permit applications and approvals, procurement, drilling and corporate appointments. These statements are based on the Company's current expectations and are subject to risks and uncertainties, many of which are outside the Company's control, including regulatory approval timeframes. Actual results and timing may differ materially. The Company does not undertake to update forward-looking statements except as required by law or the ASX Listing Rules.