KINETIKO ENERGY LTD

KINETIKO FUNDED TO ADVANCE PHASE 1 DEVELOPMENT AT BRAKFONTEIN

HIGHLIGHTS

- **A further $400,000 (before costs) received under the $5.4 million Placement announced on 30 July 2026, through the issue of 13,333,333 Placement Shares at $0.03 per share to unrelated Placement Participants.**
- **The final $3.5 million of the Placement, including the $3.0 million cornerstone commitment from major shareholder Talent 10 Holdings, will be put to shareholders for approval at the Annual General Meeting on Friday, 27 November 2026.**
- **Approximately $4.9 million in further funds received or expected over the coming months, including the balance of the Mulilo co-operation fee of approximately $1.0 million, payable following Financial Close of the Newcastle wind project (targeted on or before 31 December 2026).**
- **Together with cash of $1.127 million at 30 September 2026, Kinetiko has pro forma funding of approximately $6.0 million (before costs) to advance Phase 1 at Brakfontein, permitting for gas production and Cluster 2 drilling in early 2027.**

Kinetiko Energy Ltd (ASX:KKO and OTCQB:KKOBF) (Kinetiko or the Company) provides an update on the $5.4 million placement announced on 30 July 2026 (**Placement**) and on its funding position, coinciding with the dispatch today of the Notice of Annual General Meeting (**Notice of Meeting**) to shareholders.

Kinetiko Executive Chairman Adam Sierakowski commented:

"With a further $400,000 received under the Placement, the final $3.5 million going to shareholders at our AGM and the balance of the Mulilo co-operation fee expected following Financial Close, Kinetiko has approximately $6.0 million in pro forma funding.

That leaves the Company well-funded to move the Phase 1 CNG cluster at Brakfontein into front-end engineering, progress our production permitting and drill a new well to inform Cluster 2 commencement early next year, as we work towards first commercial gas in late 2027."

Placement Update

As announced on 30 July 2026, the Company received firm commitments from professional and sophisticated investors to raise approximately $5,400,000 (before costs) through the issue of 180,000,000 new fully paid ordinary shares at $0.03 per share (**Placement Shares**). This included 100,000,000 Placement Shares ($3,000,000) subscribed for by major shareholder Talent 10 Holdings (Pty) Ltd, an entity associated with non-executive director Mxolisi Mgojo (**Director Related Placement Shares**) (refer to ASX Announcement dated 30 July 2026).

Tranche 1 of 50,000,000 Placement Shares ($1,500,000) was issued on 6 August 2026 under the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A. The remaining 130,000,000 Placement Shares will now be issued in two parts:

- **Tranche 2:** the Company has received $400,000 from unrelated Placement Participants and has issued 13,333,333 Placement Shares under its placement capacity under ASX Listing Rule 7.1, without the need for shareholder approval. An Appendix 2A and cleansing notice have been lodged with ASX; and
- **Tranche 3:** the balance of 116,666,667 Placement Shares, to raise $3,500,000, comprising the 100,000,000 Director Related Placement Shares (subject to shareholder approval under ASX Listing Rule 10.11) and 16,666,667 Placement Shares to unrelated Placement Participants (subject to shareholder approval under ASX Listing Rule 7.1).

Resolutions seeking approval for the issue of the Tranche 3 Placement Shares are included in the Notice of Meeting. The AGM will be held at Level 24, 44 St Georges Terrace, Perth WA 6000, commencing at 3:00pm (AWST) on Friday, 27 November 2026.

Table 1: Placement tranches

Tranche	Placement Shares	Amount (before costs)	Status
Tranche 1	50,000,000	$1,500,000	Issued 6 August 2026 (Listing Rules 7.1 and 7.1A)
Tranche 2	13,333,333	$400,000	Funds received; issued 27 October 2026 under Listing Rule 7.1
Tranche 3 (incl. 100,000,000 Director Related Placement Shares)	116,666,667	$3,500,000	Subject to shareholder approval at the AGM on 27 November 2026
Total	**180,000,000**	**$5,400,000**	

Funding Position

The Company had cash of $1.127 million at 30 September 2026 (refer to Appendix 5B for the quarter ended 30 September 2026). Since then, and over the coming months, the Company has received or expects to receive approximately $4.9 million in further funds from the Placement and from its Co-operation and Settlement Agreement with Mulilo (refer to ASX Announcement dated 19 August 2026).

Table 2: Pro forma funding position

Source	A$ million	Status/timing
Cash at 30 September 2026	1.127	Per Appendix 5B
Tranche 2 Placement funds	0.400	Received October 2026
Tranche 3 Placement funds	3.500	Subject to shareholder approval on 27 November 2026
Mulilo co-operation fee, balance (80%)	1.009	Payable following Financial Close of the Newcastle Project, targeted on or before 31 December 2026
Pro forma funding	**6.036**	

Notes: Amounts are before costs of the Placement, including lead manager fees (refer to ASX Announcement dated 30 July 2026). The pro forma position does not reflect expenditure since 30 September 2026. The Mulilo co-operation fee is payable in the Rand equivalent of A$1,260,720, of which the initial 20% was received during the September 2026 quarter; the balance remains subject to Financial Close of the Newcastle Project and to exchange rate movements. Tranche 3 remains subject to shareholder approval.

The Company intends to apply the pro forma funding set out in Table 2 indicatively as follows:

Table 3: Indicative use of funds

Use of funds	A$	% of total
Procurement for Phase 1 CNG development	3,052,780	50.6%
Exploration and development	943,247	15.6%
Production Right and Bulk Sampling Permit	614,195	10.2%
Environmental bond guarantees	405,872	6.7%
General working capital and costs of the Placement	1,019,906	16.9%
Total	**6,036,000**	**100.0%**

Note: The use of funds is indicative only and is based on the Company's Field Development Plan budget (refer to ASX Announcement dated 1 July 2026). It assumes shareholder approval of Tranche 3 and receipt of the balance of the Mulilo co-operation fee. The Board reserves the right to vary the allocation of funds as circumstances change.

Indicative Timetable

Table 4: Indicative timetable

Event	Date
Dispatch of Notice of Meeting	Wednesday, 28 October 2026
Annual General Meeting	Friday, 27 November 2026
Tranche 3 monies due	early December 2026
Issue and quotation of Tranche 3 Placement Shares (subject to shareholder approval)	early December 2026
Targeted Financial Close of the Newcastle Project (Mulilo)	On or before 31 December 2026

Note: The dates are indicative only. The Company reserves the right to vary them without notice, subject to the ASX Listing Rules and the Corporations Act 2001 (Cth).

Capital Structure

Table 5: Indicative capital structure

Security	Before Tranche 2	After Tranche 2	After Tranche 3[1]
Fully paid ordinary shares	1,586,167,355	1,599,500,688	1,716,167,355
Unquoted options ($0.12, expiring 31 December 2026)	28,750,000	28,750,000	28,750,000
Unquoted options ($0.07, expiring 30 June 2027)	55,075,000	55,075,000	55,075,000
Unquoted options ($0.12, expiring 23 August 2028)	3,000,000	3,000,000	3,000,000
Unquoted performance rights (expiring 6 December 2029)	20,000,000	20,000,000	20,000,000
Fully diluted share capital	**1,692,992,355**	**1,706,325,688**	**1,822,992,355**

Notes: 1. Assumes shareholder approval is obtained and all Tranche 3 Placement Shares are issued, and that no other securities are issued.

- ENDS -

Authorised for release by the Board of Kinetiko Energy Limited

For more information visit: www.kinetiko.com.au or contact:

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About Kinetiko Energy

Kinetiko Energy (ASX: KKO | OTCQB: KKOBF) 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 receipt of funds under the Placement and the Co-operation and Settlement Agreement, the outcome of the AGM, the timing of Financial Close of the Newcastle Project, the Company's permitting, development and drilling plans, and the timing of first commercial gas. These statements are based on the Company's current expectations and assumptions and are subject to risks and uncertainties, many of which are outside the Company's control, that could cause actual results to differ materially. Readers should not place undue reliance on forward-looking statements. Subject to its continuous disclosure obligations, the Company does not undertake to update them.