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ASX and Media Release

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BROCKHAM OILFIELD PRODUCTION INCREASE

Key Petroleum's (ASX:KEY) has completed a workover of its Brockham 2y oil production well which has now been placed back onto production with a flow rate that is stabilizing around 120 barrels of oil per day. Prior to this work the well was achieving approximately 50 bbls/day.

The workover, a term used in the oil and gas industry referring to the process of performing major maintenance or remedial treatments on an oil or gas well, was undertaken to improve production flow rate and provide the ability to chemically treat the well downhole. It is anticipated this work will aid in future well flow performance.

The work necessary to achieve this increase in oil production involved pulling the production completion tubing string out of the well, changing components of the downhole equipment, installing wax scrappers onto the rod string and adding a chemical injection conductor line that will allow the periodic dosing of specialized flow improvement chemicals over the life of the well.

The well was taken offline to undertake this work thereby curtailing field production, however Key's management took the decision to perform this important improvement work now before commencing the drilling of its planned Lidsey #2 well. This was done to take advantage of an equipment and personnel opportunity window. Management also based their decision on industry views and financial predictions that the price of oil will remain close to or above US\$80 per barrel during 2010. The Company feels that by undertaking this work now it will benefit from sustained cash flows during the drilling phase of the Lidsey #2 well when its nearby Lidsey #1 well's production is expected to be impacted due to operational activities in its vicinity requiring it to be temporarily closed in.

Key is undertaking a number of changes at the Company's United Kingdom oilfields designed to specifically improve oil production and subsequently sales of produced oil.

Various surface pipework has also been modified and procedural changes undertaken to assist in production operations.

Key Petroleum's Managing Director /CEO, Ken Russell, said, *"The results being seen at this time from our Brockham well following this workover, indicates to us that with some thought and planning we can continue to improve production and operations of our UK assets."*

"We plan to build on this successful result as we move forward towards our Lidsey #2 drilling programme, currently being developed and planned to commence in the coming months, once necessary regulatory approvals have been received." Mr. Russell said.

Background:

Key Petroleum Ltd is a producer of oil in the United Kingdom. It is also involved in oil and gas exploration and development projects in Tanzania where it has a 20% interests in the Nyuni block, where the 40 mmscf/day Kiliwani North #1 gas discovery was made. In the West Songo Songo block it holds a 50% interest and is the Operator. Key has further interests in both on and offshore areas in Italy which it holds 100% and in Suriname, an established oil producing area in South America, where it indirectly holds a free carried interest in 2 onshore blocks; Uitkijk where the state oil company, Staatsolie Maatschappij Suriname MV recently announced that significant hydrocarbons with potential for a field of some 7 million barrels reserves have been found during the exploration phase of the project and the Coronie block where drilling has now been rescheduled to commence in the coming months and with the potential for 15 wells to be drilled.

For further background information please see the company's website at <http://www.keypetroleum.com> or contact

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NOTE: In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this report has been reviewed and signed off by Mr. Ken Russell, Managing Director/CEO of Key Petroleum Ltd, who has at least 35 years experience in the sector. He consents to that information in the form and context in which it appears.