

16 April 2018

The Manager
The Australian Securities Exchange
The Announcements Officer
Level 4/20 Bridge Street
SYDNEY NSW 2000

CAPITAL RAISING – PLACEMENT OF SHARES

Key Petroleum Ltd (Key or Company) is pleased to advise that it has completed arrangements for a capital raising via a placement of 100 million ordinary fully paid shares at \$0.01 each to raise A\$1,000,000.00 (Placement) before costs. The Placement shares will be issued to institutional and sophisticated investors.

Sanlam Private Wealth Pty Ltd is the Lead Book Manager for this capital raising.

Funds raised under the Placement will be expended on the following:-

- Funding Key's share of exploration work commitments in the Cooper Eromanga Basin including gas marketing opportunities and preparations for drilling;
- Exploration activities in the Perth Basin; and
- Additional working capital.

The placement is being made pursuant to ASX Listing Rule 7.1.

An indicative timetable for completion of the Placement is as follows –

By 23 April 2018	Payment of Application Moneys	A\$1,000,000	100 million shares
By 30 April 2018	Shares issued	A\$1,000,000	100 million shares

The Placement was arranged with the investors as it was considered to be a more efficient and cost effective mechanism to raise the funds required for Key to achieve its stated objectives. Furthermore, the Placement does not expose the Company to market volatility that may be experienced over a more protracted process such as a pro-rata issue.

It is anticipated that the shares will be issued on 30 April 2018, at which time a notice under Section 708A and ASX Appendix 3B will be released to ASX.



IAN GREGORY
Company Secretary
KEY PETROLEUM LIMITED