

12 November 2018

The Manager
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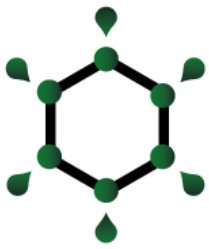
**APPROVAL OF CHANGE IN WORK PROGRAM COMMITMENTS
ATP 920 AND ATP 924, COOPER EROMANGA BASIN**

Key Petroleum Limited attaches herewith ASX Announcement pertaining to a material change in work program commitments for ATP 920 and ATP 924 located in the Cooper Eromanga Basin in Queensland.

Regards



IAN GREGORY
Company Secretary
Key Petroleum Limited



KEY

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ASX Announcement

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APPROVAL OF CHANGE IN WORK PROGRAM COMMITMENTS – ATP 920 AND ATP 924, COOPER EROMANGA BASIN, QUEENSLAND

Key Cooper Basin Pty Ltd (“Key”), a wholly owned subsidiary of Key Petroleum Limited, is pleased to advise that formal approval for a special amendment to the Authority to Prospect 920 (“ATP 920”) and Authority to Prospect 924 (“ATP 924”) work programs has been received from the Department of Natural Resources, Mines and Energy, Queensland (“DNRME”).

Under the approved amended work program Key will predominantly focus on gas exploration of the Permian reservoirs. Permian reservoir targets in ATP 920 and ATP 924 lie 20 kms west of the Santos operated Mount Howett and Whanto gas developments and 75 kms west of the Real Energy Corporation operated Tamarama-2 and Tamarama-3 pilot wells which are currently flowing gas to surface¹. Additional work program activities include pipeline route surveys and environmental impact surveys which Key will undertake with the Queensland Department of State Development (“DSD”) who are responsible for regulating major projects for the State of Queensland. Working with DSD will assist in fast tracking development of the State of Queensland’s gas resources.

Managing Director, Kane Marshall, stated, “We are delighted to have received DNRME approval of the special amendments pertaining to ATP 920 and ATP 924. With the revised work program in place we now look forward to working with the Major Projects Team at the Queensland Department of State Development across this highly prospective part of the Cooper Eromanga Basin. In the lead up to these approvals Key has undertaken field surveys of proposed well locations, assessed rig options and identified long lead items in preparation for activities in the New Year. With a drilling campaign also planned for the Perth Basin the Company will use the remainder of 2018 to ready itself for a sustained period of exploration in 2019 across both basins. A significant inventory of gas exploration prospects in the Cooper Eromanga Basin has been developed and the revised work program now means any potential discovery can be fast tracked for development to supply gas to east coast markets.”

Further information on activities the Company has undertaken and additional detail on Permian exploration gas prospects will be provided in the coming weeks.

For more information please contact:

IAN GREGORY

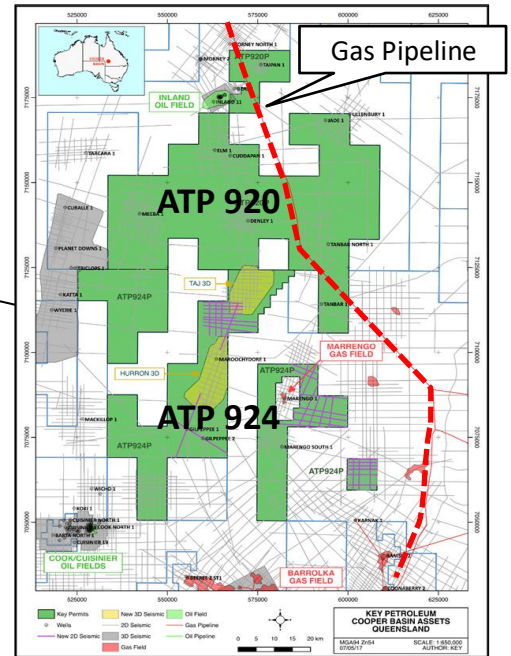
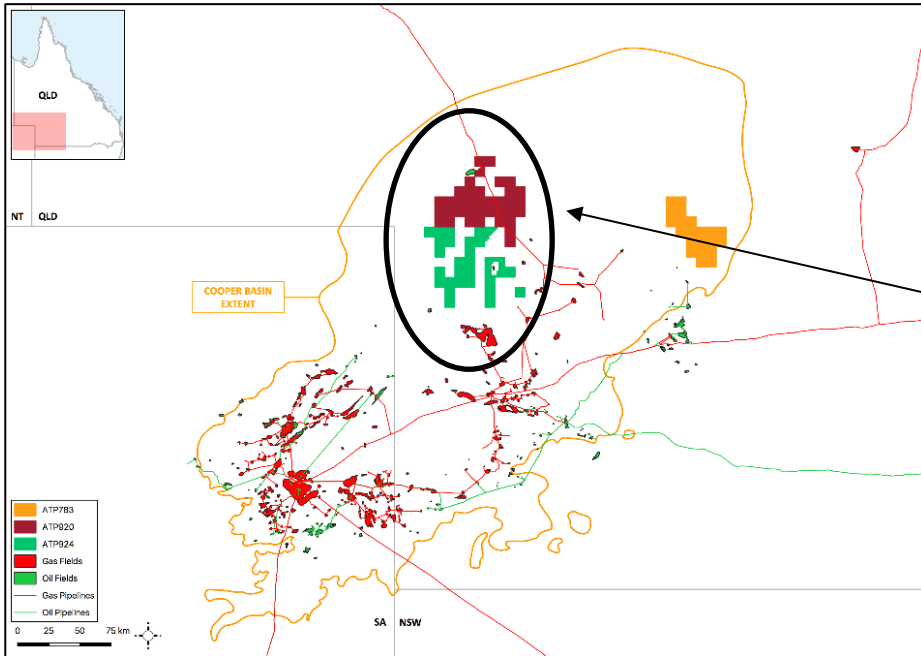
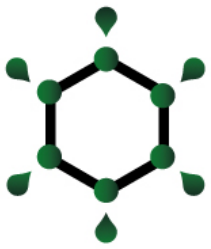
Company Secretary

Key Petroleum Limited

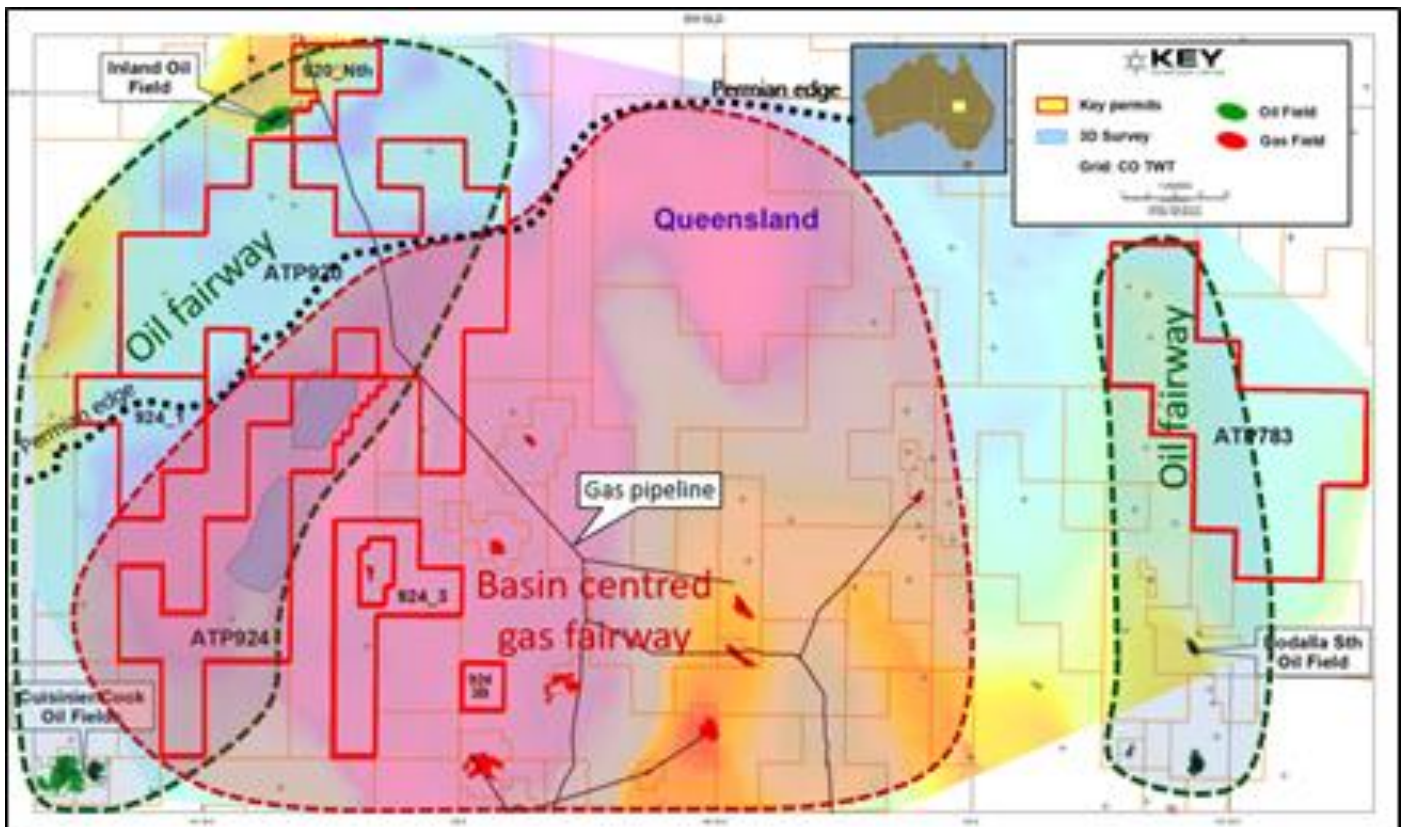
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¹ From Real Energy Corporation ASX Announcement dated 8th November 2018



Location of ATP 920 and ATP 924 in the Cooper Eromanga Basin and zoomed in area showing location of Carpentaria Gas Pipeline



Location of Permian gas fairway (red) and oil fairway (green) in relation to ATP 920 and ATP 924