

10 October 2016

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

**AWARD OF SPECIAL PROSPECTING AUTHORITY**

We attach herewith an ASX Announcement for Investors pertaining to the award of Canning Basin, Western Australia Special Prospecting Authority.

Regards



**IAN GREGORY**  
Company Secretary  
**KEY PETROLEUM LIMITED**



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## ASX ANNOUNCEMENT

### GRANT OF PETROLEUM SPECIAL PROSPECTING AUTHORITY

Key Petroleum Ltd (ASX:KEY), on behalf of its wholly owned subsidiary Gulliver Productions Pty Ltd (“Gulliver” or the “Company”), is pleased to announce that it has been granted a Special Prospecting Authority (SPA 20 AO) (“SPA”) covering six (6) graticular blocks in the Bilyana Region, Canning Basin, Western Australia (refer map attached).

Gulliver holds three (3) permit areas along the productive oil trend in the northern Canning Basin which sit adjacent to the SPA area. These blocks include Retention Lease R1 (“R1”) to the north which is around the Point Torment gas/condensate discovery, Production Licence L15 (L15”), also to the north, which is located around the Kora/West Kora oil fields and Exploration Permit EP104 (“EP104”), an exploration permit which is mainly on an offshore extension of this trend

Mapping on historic seismic has shown potential Devonian-age source rocks which are interpreted to exist in the southern parts of the SPA area and are thought to be within the oil window. Work in the adjacent EP104, R1 and L15 permit areas has helped identify several leads of which at least two (2) lie on the Point Torment Peninsular.

In addition to those already mapped prospects and leads from historic 2D seismic, and in relation to large carbonate build up and reefal geometrical plays identified in the offshore components of EP104, an airborne electromagnetic survey (“AEM-PTP”) is planned to be acquired over the offshore component of the Point Torment Peninsular encompassing the SPA. The purpose of the survey is to identify additional prospects and leads in the back reef complex which are not delineated by the current historic 2D seismic.

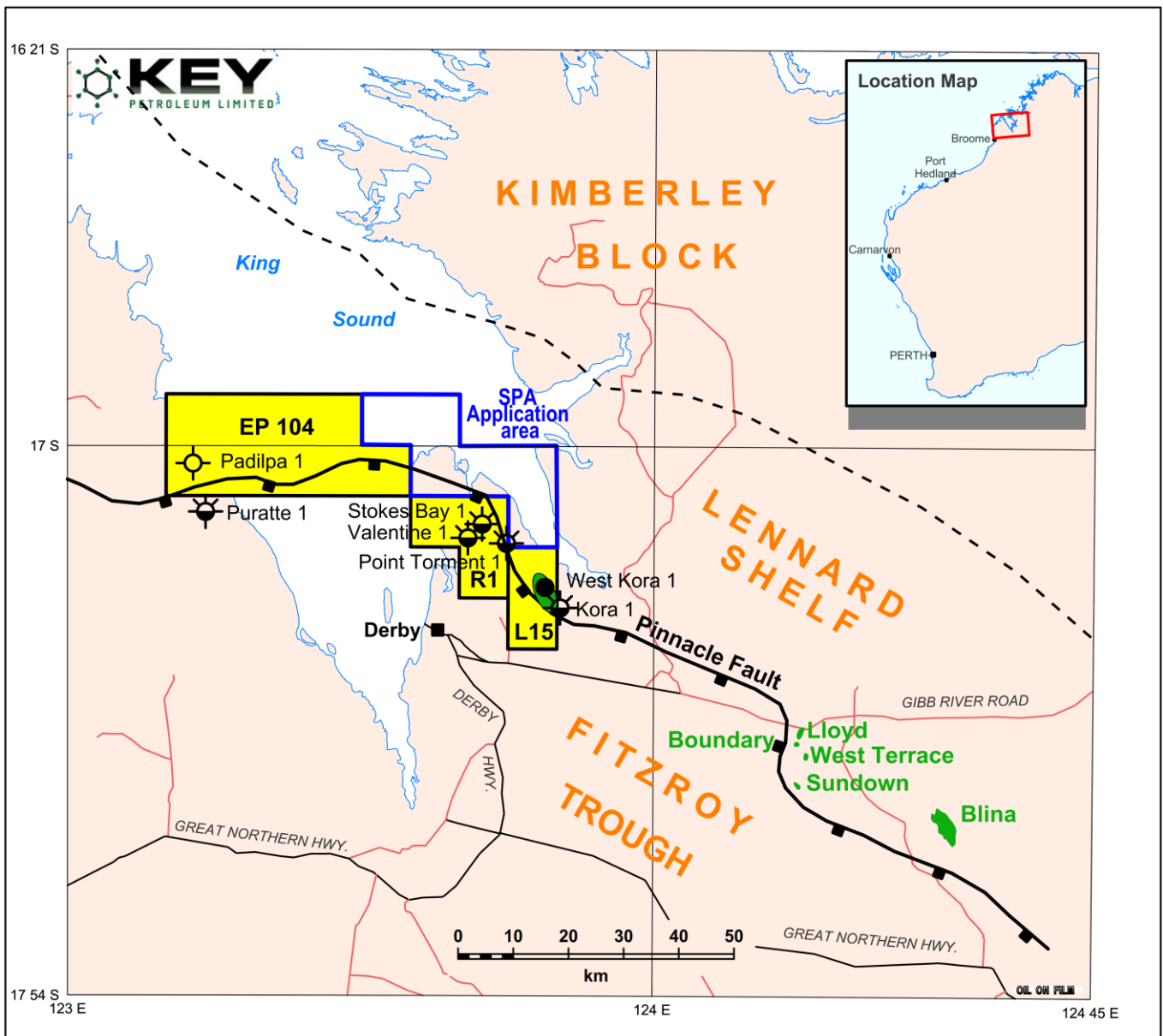
The SPA remains in force for a period of six (6) months after which time Gulliver is authorised to apply for a petroleum permit in respect of 100% of the SPA area up to October 2017.

Key Managing Director, Kane Marshall, believes the survey data will assist in exploration and development activities planned for the adjacent R1 and L15 regions since these areas have multiple objectives on trend with known oilfields.

#### **IAN GREGORY**

Company Secretary

**KEY PETROLEUM LIMITED**



Location of Special Prospecting Authority Area