

Quarterly Report

For the period ended 31 March 2025



Update on Activities

Highlights for the Quarter

- ◆ Key Petroleum Limited (“Key” or “the Company”) remains focused on advancing the development of its core assets in the Cooper-Eromanga Basin, Queensland. Building on the strategic decisions made in the prior quarter, the Company has submitted a total of eight Potential Commercial Area (PCA) applications—four each over ATP 920 and ATP 924—by the 28 February 2025 deadline. These applications have been formally accepted by the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development and are now under assessment.

While the assessment process is expected to take several months, the Company remains confident in the quality and technical strength of the submissions, which are designed to preserve tenure and enable long-term exploration and development.

A successful PCA grant would allow for a 15-year window to conduct further appraisal and development across both permits. In preparation, Key’s technical team continues to integrate new data and refine its exploration and development strategy. The Company remains committed to advancing these assets with a view toward future commercial production, leveraging the strategic location of the tenures near the Carpentaria Gas Pipeline, which links to the Northern Gas Pipeline.

- ◆ This quarter also marked further strategic efforts to strengthen our asset portfolio. In addition to progressing the PCA applications in Queensland, Key is actively pursuing a select number of promising opportunities outside of Australia, focused in oil and gas-rich regions of the world with attractive near term cashflow and investment frameworks.

These initiatives reflect the Company’s disciplined approach to growth, seeking to diversify our resource base while maintaining a clear focus on long-term value creation. Key remains committed to navigating the evolving regulatory landscape and positioning itself for sustainable success across both domestic and international fronts.

Activities for the Upcoming Quarter

- ◆ With eight Potential Commercial Area (PCA) applications formally accepted by the Queensland Department of Resources, which are now under assessment, the Company will engage constructively with the Department to ensure all regulatory requirements and technical queries are addressed during the assessment period. The Company will continue to work collaboratively with the Queensland Government to ensure the strategic progression of these assets.
- ◆ In parallel with securing tenure, Key is actively pursuing targeted acquisition opportunities in oil and gas-rich regions outside Australia. This dual approach—de-risking and advancing domestic assets while exploring international expansion—supports the Company’s broader objective of building a high-quality, diversified portfolio to deliver long-term value for shareholders.

Cooper Eromanga Basin, Queensland

ATP 920

Key Petroleum Limited (Operator) (via wholly owned subsidiary) 80.00%

Pancontinental Oil and Gas NL *20.00%

**Pancontinental is to earn an undivided 20% participating interest in ATP 920 in accordance with Farmin Agreement dated 30 October 2019*

ATP 924

Key Petroleum Limited (Operator) (via wholly owned subsidiary) 75.00%

Pancontinental Oil and Gas NL *25.00%

**Pancontinental is to earn an undivided 25% participating interest in the Ace Area of ATP 924 in accordance with the Farmin Agreement dated 30 October 2019*

The PCA applications for ATPs 920 and 924 reflect our commitment to advancing these tenures responsibly while adapting to evolving policy frameworks. We remain confident in the prospectivity of these areas and are prepared to move forward with development plans once the PCAs are secured.

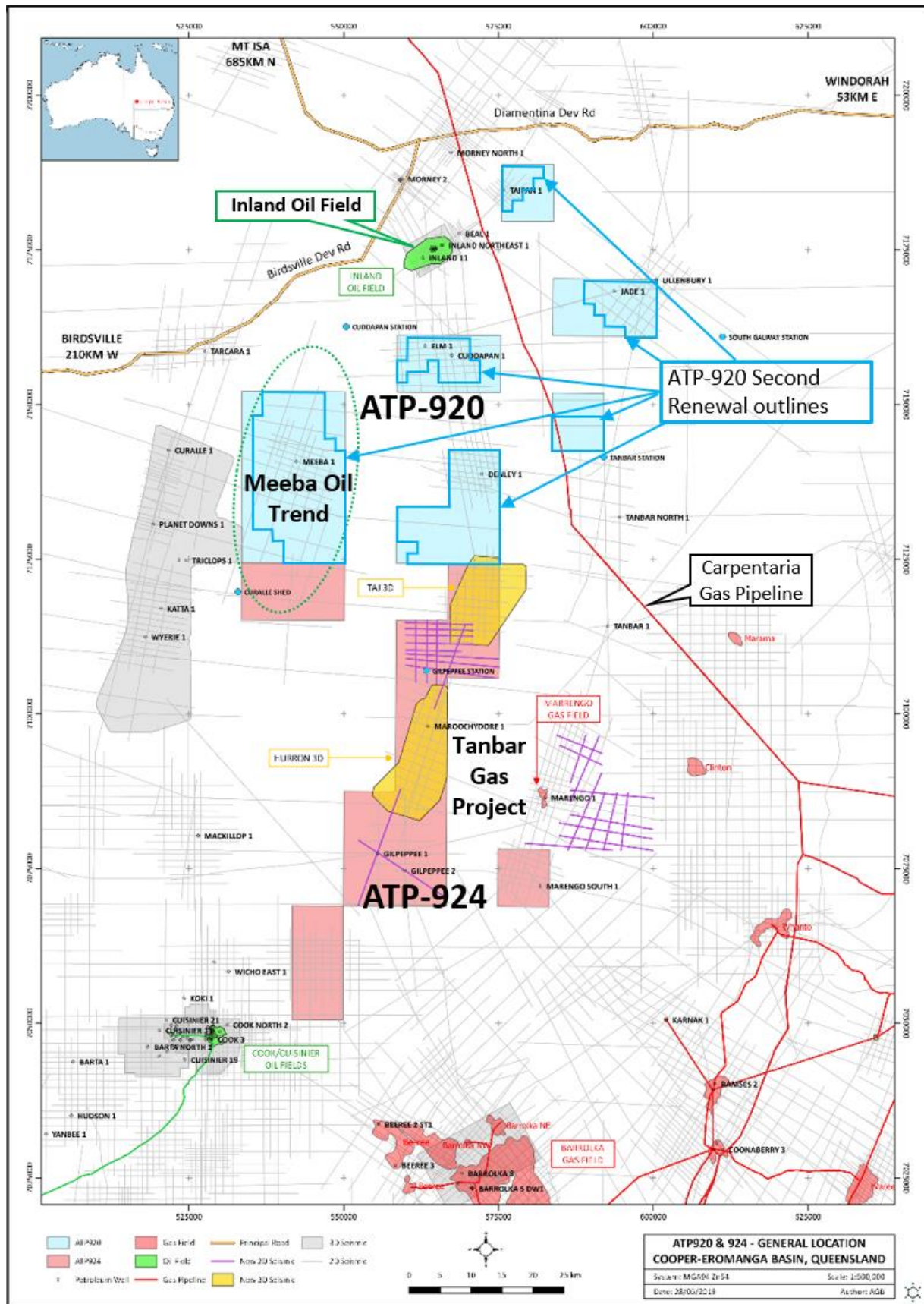


Figure 1: Impact of Lake Eyre Basin boundaries on ATPs 920 and 924.

Corporate and Current Outlook for Key

- ◆ As of the end of the March 2025 quarter, Key Petroleum Limited had A\$20,000 in cash on hand.
- ◆ Just after quarter end, the Company launched a non-renounceable pro-rata entitlement offer to fund its domestic portfolio and the expansion into international oil and gas regions. Under the offer, eligible shareholders are entitled to subscribe for one (1) new fully paid ordinary share for every five (5) existing shares held, at an issue price of A\$0.062 per share.

The entitlement offer aims to raise up to approximately A\$312,225 (before costs), with the proceeds allocated toward the acquisition of near term cashflow assets with significant development upside, regulatory costs associated with maintaining the Company's Queensland tenures, and general working capital. A shortfall facility is available, allowing eligible shareholders who take up their full entitlement to apply for additional shares.

The offer opened on 8 April 2025 and is scheduled to close at 5:00pm (AEST) on 6 May 2025. Following the close of the offer, Key will have up to three months to place any remaining shortfall with new investors, providing further flexibility to broaden the shareholder base and strengthen the Company's financial position.

- ◆ With a closing cash balance of A\$20,000 at quarter end, a Rights Issue to raise A\$312,225 before costs, and a commitment from a new investor for A\$110,000, Key is confident in its ability to meet operational needs in the coming quarters.
- ◆ During the quarter, the Company paid the amounts noted at Items 6.1 and 6.2 on the Appendix 5B, being payments of \$49,000 to related parties and their associates. This was the aggregate amount paid to the directors including directors' fees and consulting fees (\$37,000), and corporate administration and management fees (\$12,000).
- ◆ Total E&E expenditure for the quarter amounted to A\$68,000.

Petroleum Permit Schedule

Petroleum Permit	Type	Location	Interest at Beginning of Quarter	Interest at End of Quarter	Acquired during Quarter	Disposed during Quarter
ATP 924	Authority to Prospect	Cooper Eromanga Basin, QLD	100% ▲	100%	-	-
ATP 920	Authority to Prospect	Cooper Eromanga Basin, QLD	100% ●	100%	-	-

▲ Pancontinental is to earn an undivided 25% participating interest in the Ace Area of ATP 924 in accordance with the Farmin Agreement dated 30 October 2019

● Pancontinental is to earn an undivided 20% participating interest in ATP 920 in accordance with Farmin Agreement dated 30 October 2019

ASX Listing Rule 5.4.3

This announcement has been authorised by the Board of Directors.

For more information please contact:

IAN GREGORY
 COMPANY SECRETARY

Dated: 29 April 2025
Sydney, New South Wales

Telephone: +61 (0) 2 9251 9088

Email: investors@keypetroleum.com.au

CAUTIONARY STATEMENT

The information in this report is an overview and does not contain all information necessary for investment decisions. In making investment decisions, investors should rely on their own examination of Key Petroleum Ltd and consult with their own legal, tax, business and/or financial advisors in connection with any acquisition of securities.

The information contained in this report has been prepared in good faith by Key Petroleum Ltd. However, no representation or warranty, expressed or implied, is made as to the accuracy, correctness, completeness or adequacy of any statement, estimates, opinions or other information contained in this document.

Certain information in this document refers to the intentions of Key Petroleum Ltd, but these are not intended to be forecasts, forward looking statements, or statements about future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties, and other factors that may cause Key Petroleum Limited's actual results, performance or achievements to differ from those referred to in this document. Accordingly, Key Petroleum Ltd, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of events referred to in this presentation will occur as contemplated.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Key Petroleum Limited

ABN

50 120 580 618

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(14)	(42)
(e) administration and corporate costs	(85)	(286)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(99)	(328)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(17)	(17)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(51)	(62)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(68)	(79)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	255
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	255

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	187	172
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(99)	(328)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(68)	(79)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	255

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	20	20

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	20	187
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	20	187

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	49
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	N/A	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(99)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(68)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(167)
8.4 Cash and cash equivalents at quarter end (item 4.6)	20
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	20
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.12
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The Company has shifted spending towards the PCA applications over the last quarter but has taken steps elsewhere to reduce costs and continues to operate with a scarcity mindset.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company has undertaken a 1 to 5 rights issue with a shortfall facility to raise A\$312,225 before costs. We anticipate good participation in the offer and we have one new investor already committed beyond our loyal current shareholders.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, in addition to the rights issue, the Company will manage costs in line with the available funding and raise additional funding (equity and/or debt) as needed.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2025

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.