

22 March 2019

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 142,103,766 ordinary fully paid shares at \$0.005 each to raise A\$710,518 (Placement) before costs. The Placement shares will be issued to institutional and sophisticated investors.

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

- Preparatory works for drilling Alfajour-1 and Taj-1 within the Tanbar Gas Project ATP 924 of the Cooper Basin as well as other studies work to facilitate the introduction of strategic partners;
- Development of the Mt Horner Oilfield (L7) to restart the Mt Horner oilfield, aside from the \$4.3 million in appraisal and exploration farmin work funded by Triangle Energy in the second half of 2019;
- Exploration drilling activities at either the Parce or Wye Knot prospects in the Perth Basin, apart from the Triangle funded Mount Horner campaign; and
- Additional working capital.

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

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.

A further announcement will be made when the shares are issued, at which time a notice under Section 708A and ASX Appendix 3B will be released to ASX.



IAN GREGORY
Company Secretary
KEY PETROLEUM LIMITED