

KEY
PETROLEUM LIMITED

Investor Presentation

6 April 2017



Disclaimer

The information in this presentation 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 presentation 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 presentation.

Certain information in this presentation 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 Ltd's actual results, performance or achievements to differ from those referred to in this presentation. 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.

Competent Person's Statement

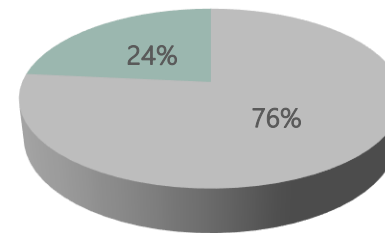
Information in this presentation relates to information compiled by Mr Kane Marshall. Kane Marshall is a Practising Petroleum Engineer and Petroleum Geologist and holds a BSc (Geology), a BCom (Investment & Corporate Finance) and a Masters in Petroleum Engineering.



Company Overview

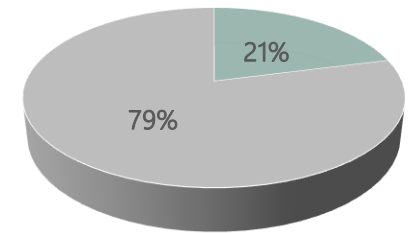
- Proven low cost operator with diversified portfolio of exploration interests across acreage that is located in close proximity to discoveries;
- Supportive major shareholder base with clear commercial strategy to drive shareholder value;
- Lean corporate and technical organisational structure; and
- One of the few junior oil and gas companies with a diverse Australian portfolio looking to explore and develop these resources in the context of energy security.

Top 20 Shareholders



■ Top 20 ■ Remainder

Register Analysis

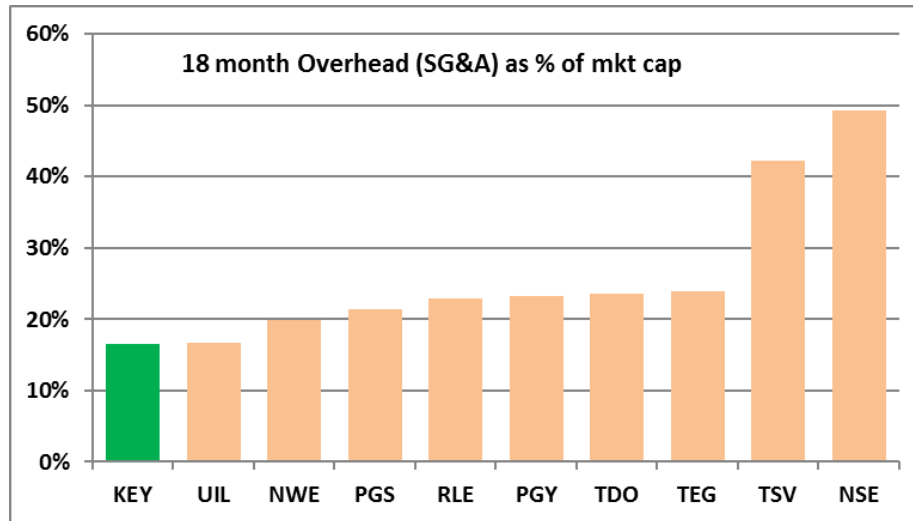


■ Directors ■ Retail

| | |
|-------------------|---------------|
| Share Price | \$0.007 |
| Market Capital | \$8 million |
| Cash (April 2017) | \$1.5 million |
| Ordinary Shares | 1,147,358,441 |
| Unlisted Options | 48,000,000 |



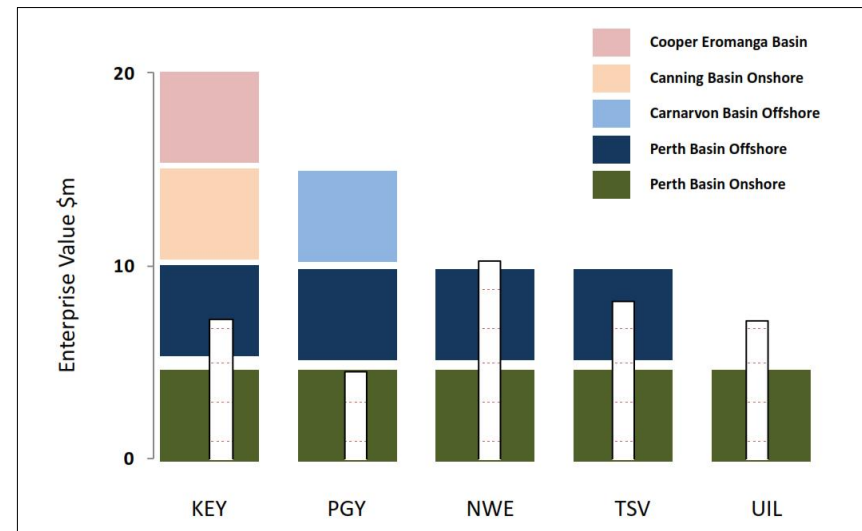
Peer Metrics



Source: AOGR (www.aogr.com.au)

- Diversified exploration player positioned in 4 productive geographical locations
- Multi-basin player with low enterprise value versus peers and consistently over the last 18 months has been a low cost listed oil and gas company versus peers

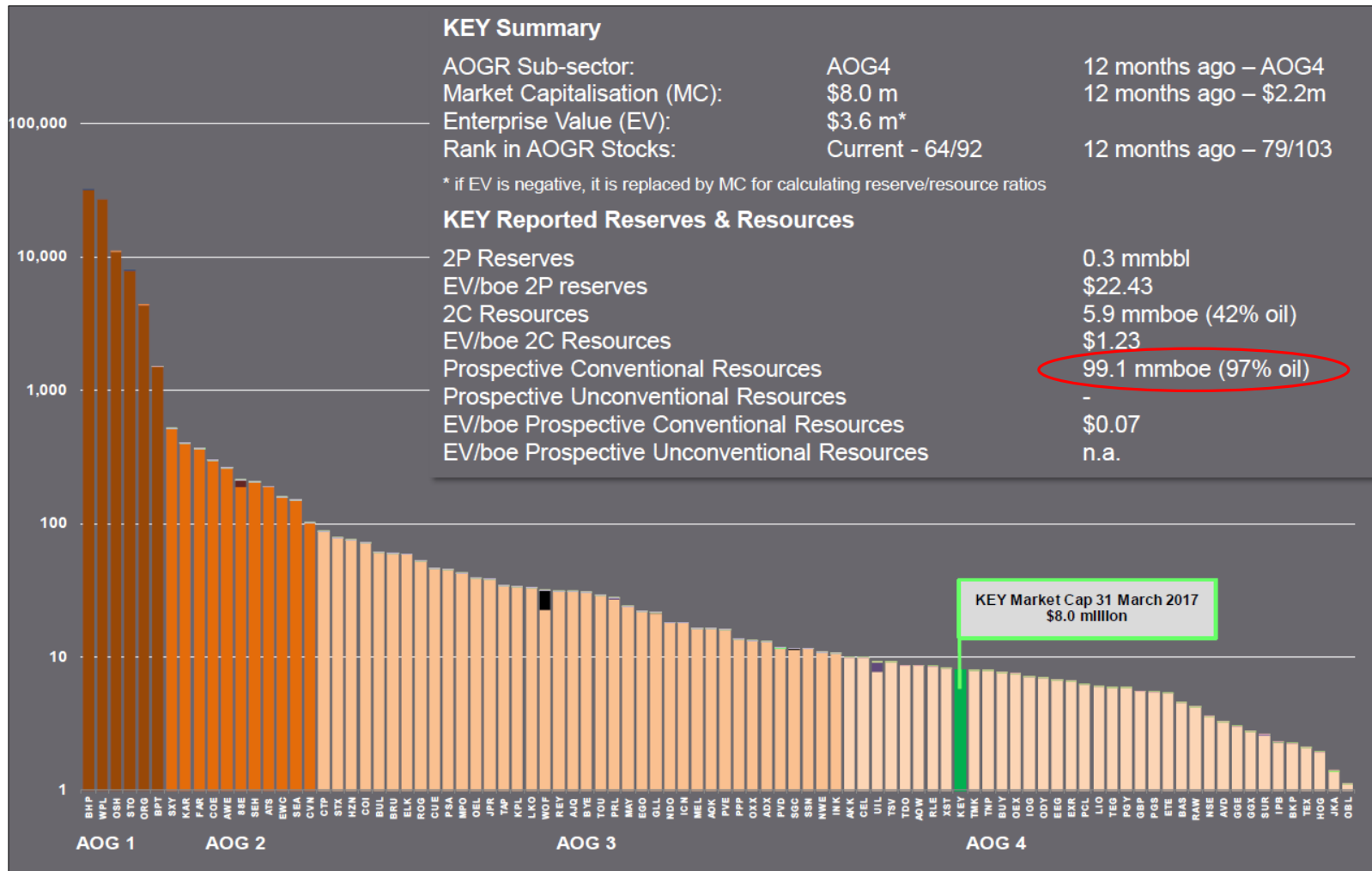
- Prospect and lead inventory currently under review in light of new acquisitions
- New portfolio opportunities are largely focused on gas with previous prospective resource base currently ~97% oil (including Frankland discovery area in WA-481-P)



Source: AOGR (www.aogr.com.au)



Market Capitalisation Comparison



Source: AOGR (www.aogr.com.au)

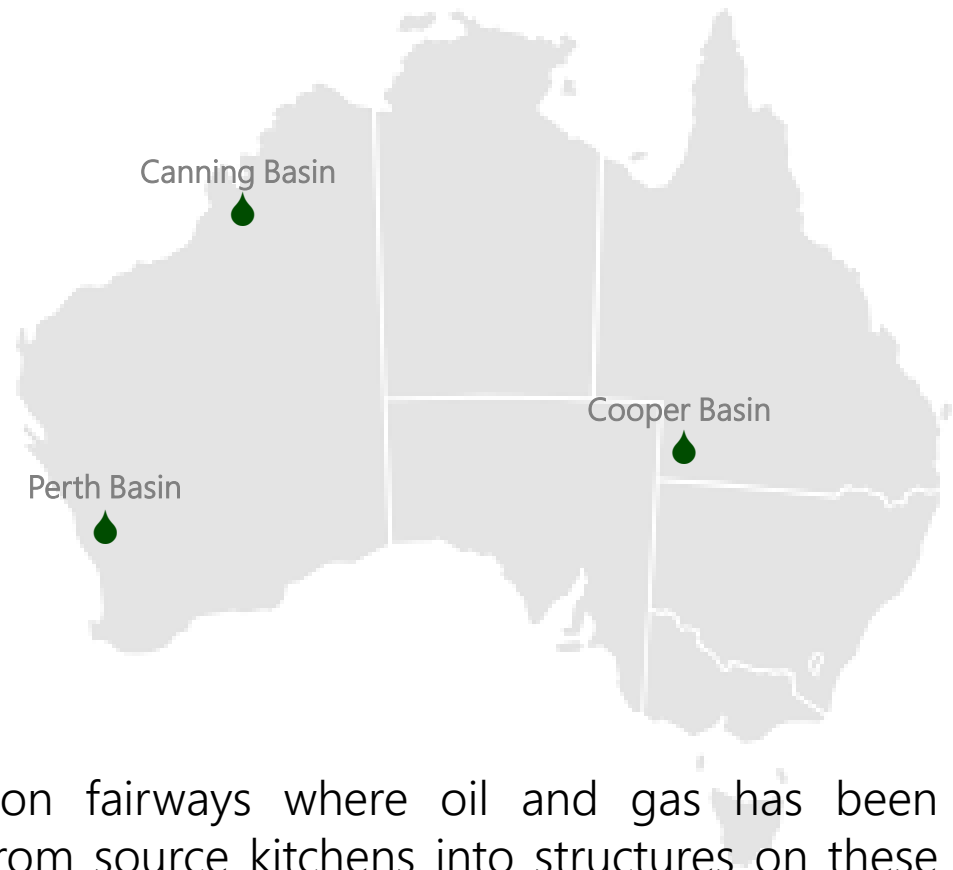


Assets Portfolio Overview

- Acreage on margins of underexplored basins:

- ◆ Northern and Eastern Permian edge of Cooper Eromanga Basin
- ◆ North Perth Basin both offshore and onshore
- ◆ Northern Canning Basin on margin of Fitzroy Trough

- Prospects are on hydrocarbon fairways where oil and gas has been modelled to have migrated from source kitchens into structures on these basin margins



Australian Energy Security – Oil and Gas



East Coast Gas Crisis

- Supply capacity from existing gas fields and expected developments is set to decline by 16 percent, falling short of east Australia's full demand potential by ~465 PJ in 2030¹

Western Australian Gas Demand

- Decline in exploration in Western Australia is likely to lead to longer term gas shortages with some studies indicating gas supply retreating as early as 2019 depending on the performance of other fields

Refineries and Security of Crude

- Australia is one the world's top economic exporters but stocks of liquid fuels are unhealthy and it relies on three non-producing oil nations for feedstock (Singapore, South Korea and Japan) which largely import oil from the Middle East and Africa²

Relevance to Key Acreage Positions

- Key is currently still completing its acquisition of Cooper Eromanga Basin assets adjacent to the Marango Gas Field and in close proximity to the Inland/Cook Oil Fields and Inland Oil Refinery
- Key's low cost entry into WA-481-P includes the Frankland Gas Discovery adjacent to tie back gas infrastructure onshore and the oil opportunities together with EP437 are around 5 hours trucking distance from the Kwinana Refinery
- Canning Basin acreage included the West Kora and Point Torment discoveries which are located a few hours away from an export facility at Wyndham used by Buru Energy for exporting crude from the Ungani Oil Field

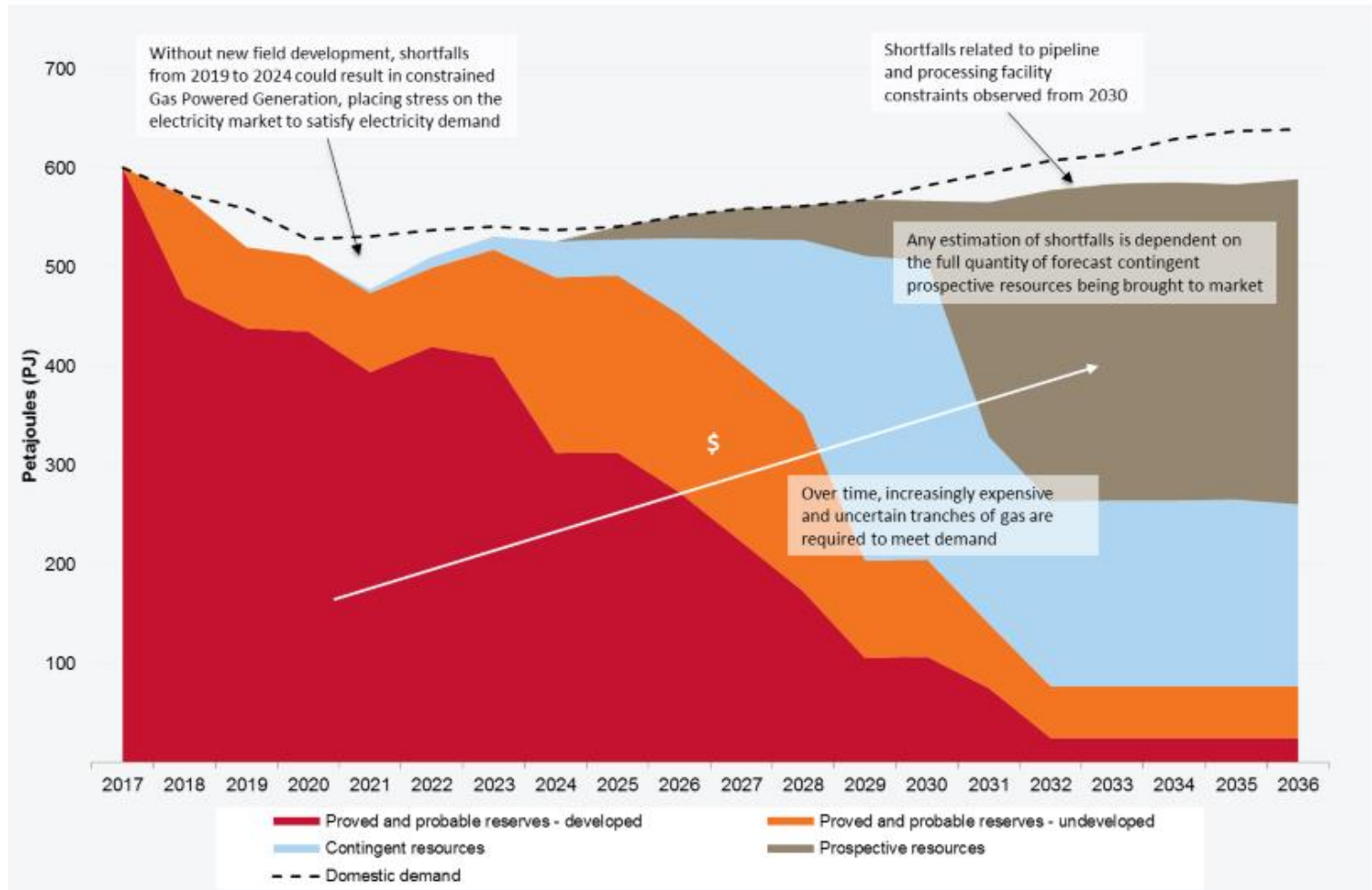
¹ Source: McKinsey & Company – Meeting east Australia's gas supply challenge (March 2017)

² Source: Department of Defence - 2016 Defence White Paper and John Blackburn AO – NRMA Report – Australia's Liquid Fuel Security (February 2014)



Gas Supply – WA and East Coast

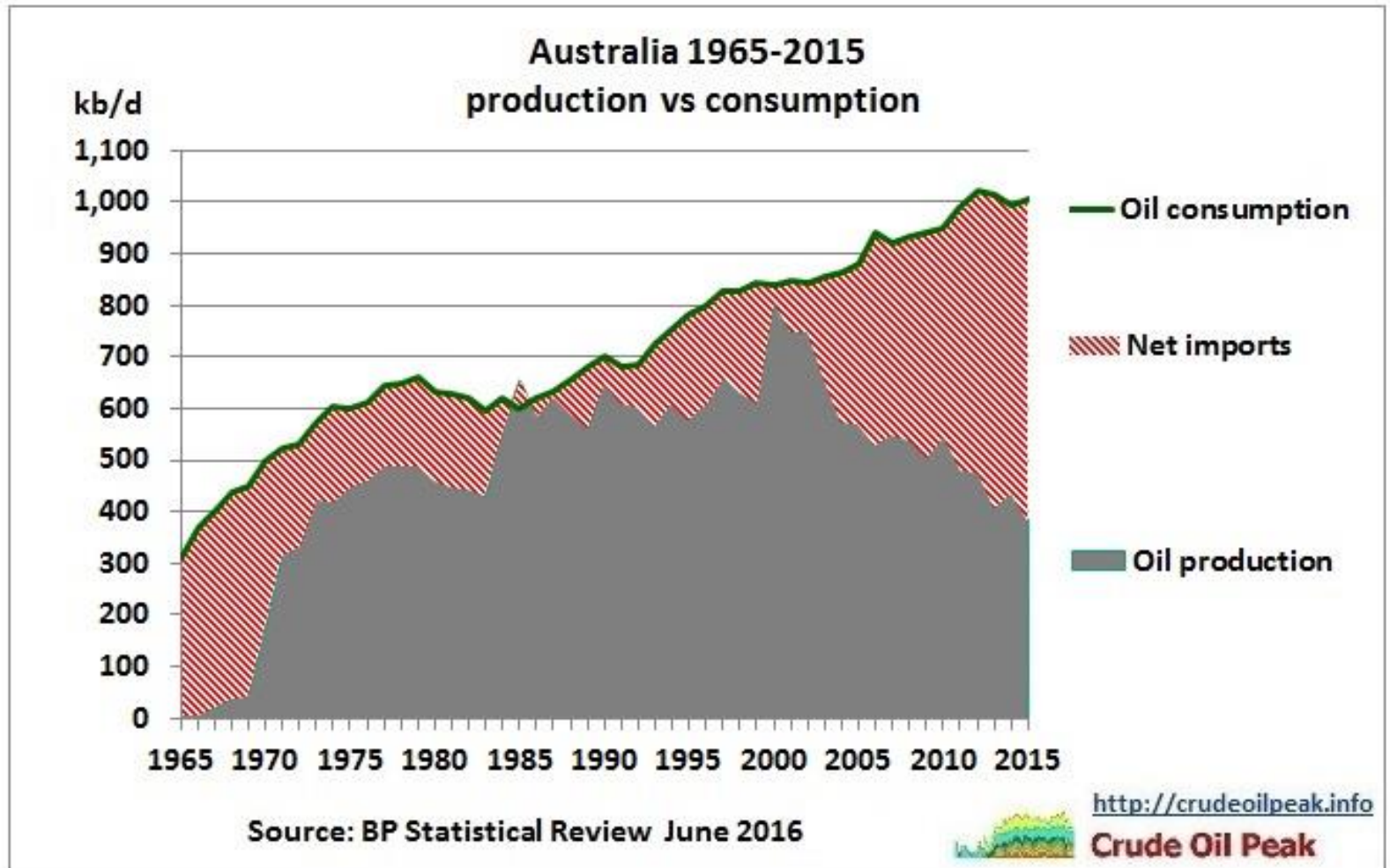
Eastern and south-eastern Australia domestic gas production (excluding LNG), 2017-36



Source: AEMO



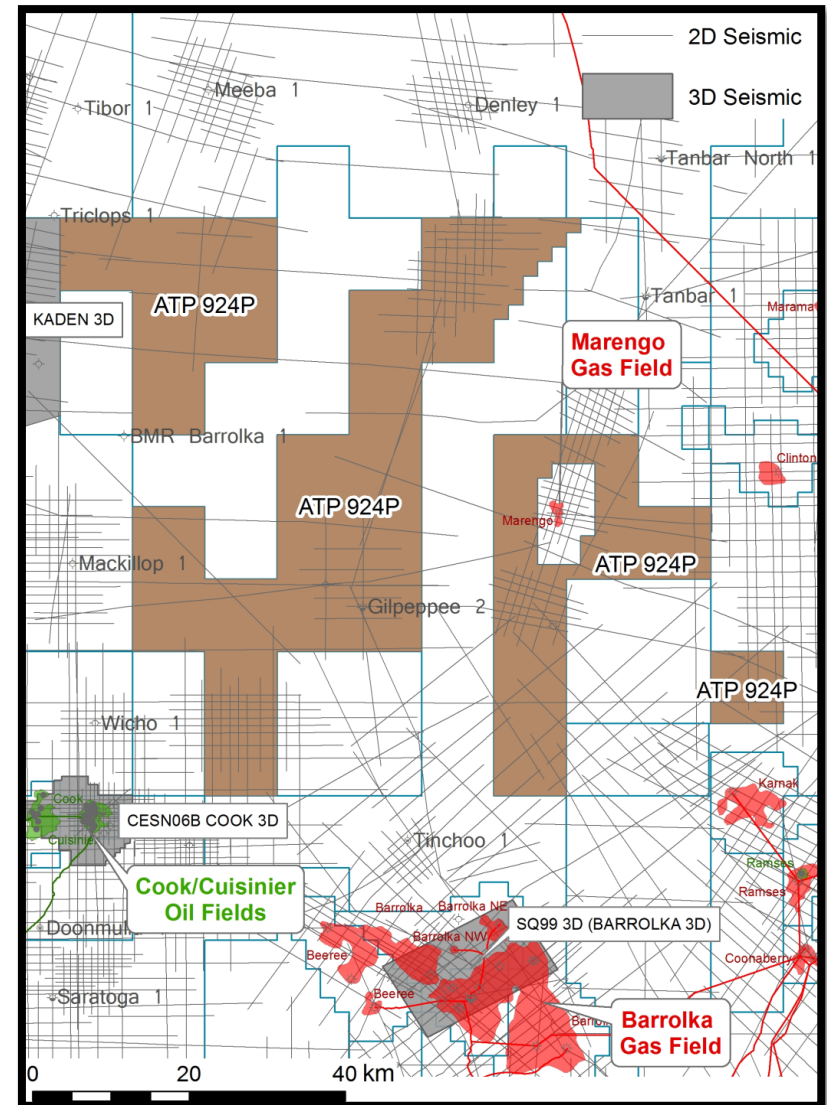
Australian Oil Supply



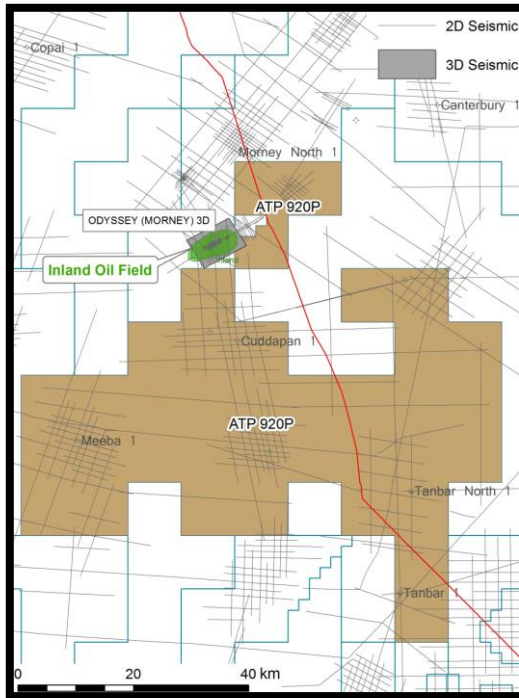
Cooper Eromanga Basin

ATP924

- Overlies the north-east edge of the Jurassic to Cretaceous Eromanga Basin and the northern edge of the Permian to Triassic Cooper Basin
- Multiple play types – Jurassic oil, Triassic and Permian gas
- Marengo Gas Field excised from the centre of the eastern (central) block
- Barrolka Gas Field (~20km from southern tip) as well as several other satellite fields located in close proximity
- North of the Cook Oil Field complex



Cooper Eromanga Basin

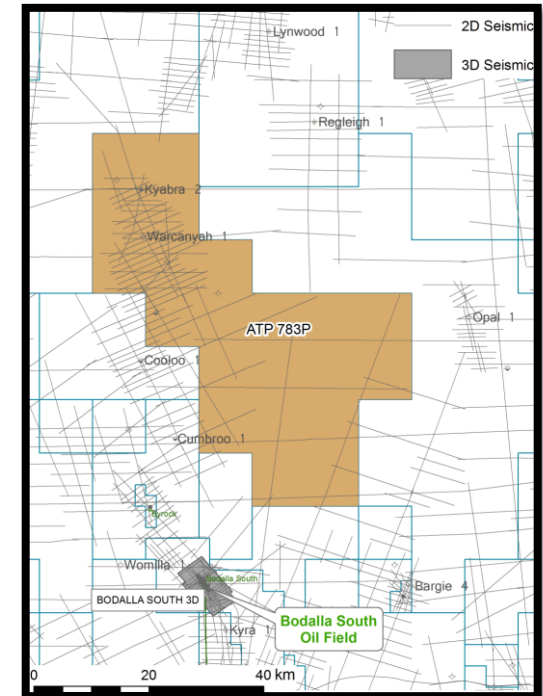


ATP920

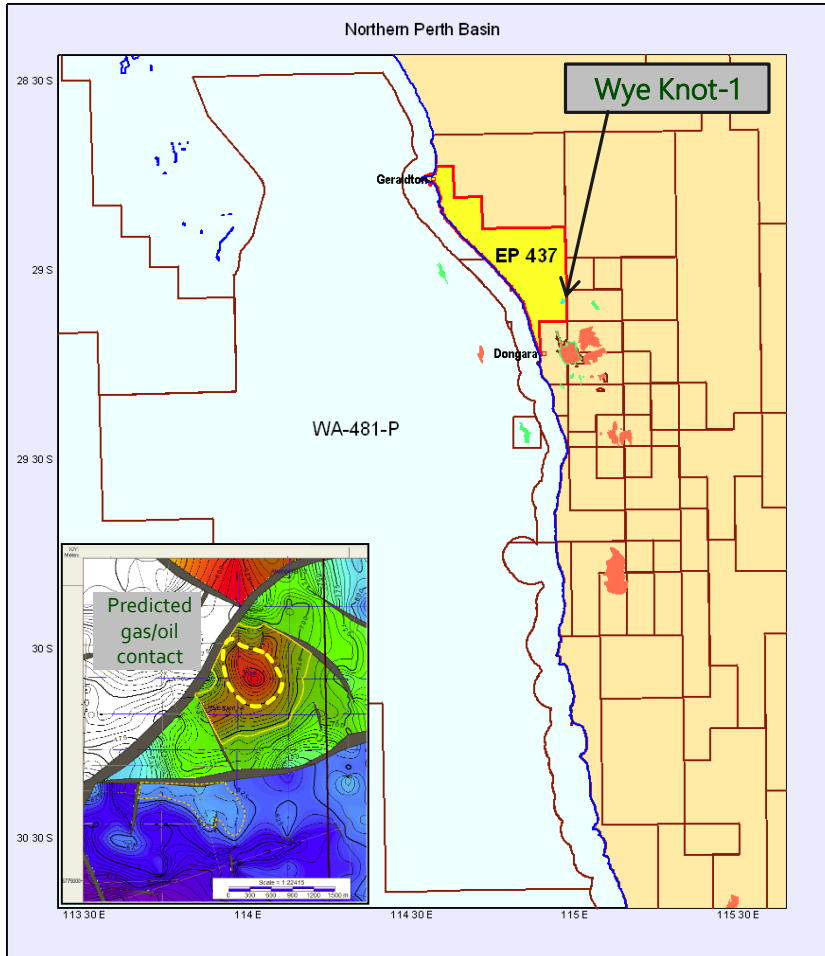
- Overlies the north-east edge of the Jurassic to Cretaceous Eromanga Basin and the northern edge of the Permian to Triassic Cooper Basin
- Inland Oil Field adjacent to the northern block boundary
- 4 local wells (Tanbar North-1, Cuddapan-1, Morney-2 and 3) have recovered oil on test

ATP783

- Overlies the Jurassic to Cretaceous Eromanga Basin and Permian to Triassic Cooper Basin
- Oil recovered on test from 4 local wells: Earlstoun-1, Chandos-1, Cumbroo-1, Cooloo-1
- Near commercial oil fields: Byrock (12km southwest), Bargie (17km southeast), Bodalla South (25km south) and Bunaya Gas field (50km southwest)



Perth Basin



EP437

- Overlies the Greenough Shelf in the North Perth Basin and is adjacent to the prolific Allanooka and Dongara Terraces and Dandaragan Trough
- Located updip and within an active migration pathway of the Dongara Oil and Gas Field and Waitsia Gas Field with exploration well, Wye Knot-1, planned to be drilled in 2017

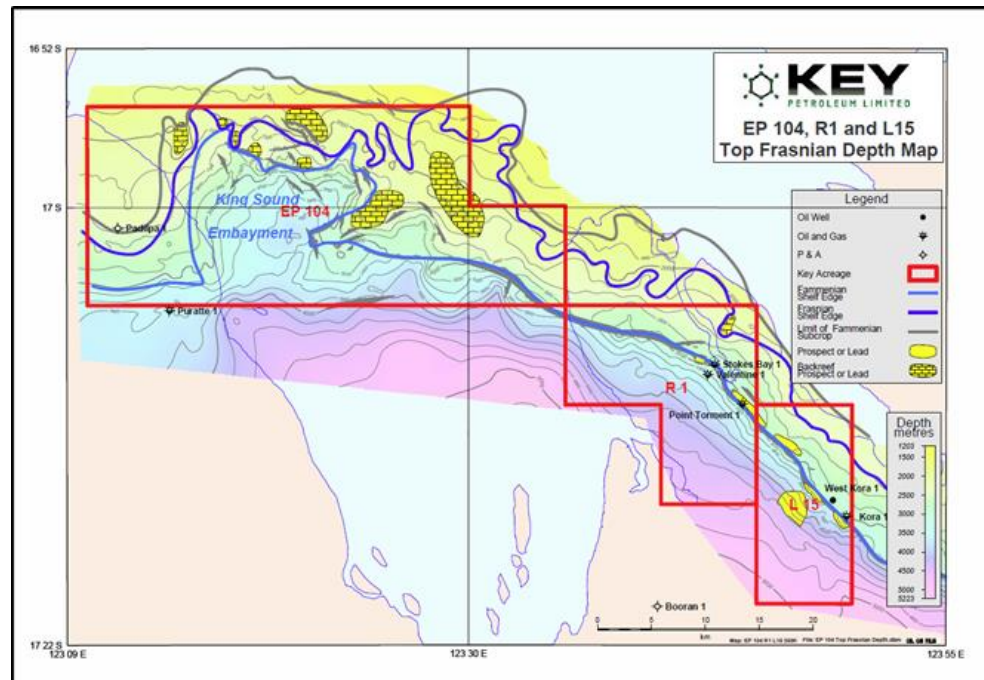
WA-481-P

- Overlies the Abrolhos Sub-basin, Houtman Sub-basin, Turtle Dover Ridge and Vlaming Sub-basin, offshore Perth Basin, Western Australia
- Includes the Dunsborough oil and gas discovery, and gas discoveries at Frankland and Perseverance
- Directly adjacent to the producing Cliff Head oil field with 9mm bbls produced to 31 December 2009 (Department of Mines and Petroleum, 2010). Currently area of recent activity with Roc Oil Limited selling out remaining interest to Triangle Energy Limited and Royal Energy Limited

Canning Basin

EP104/L15 and R1

- All permits within the trend are operated by Key with airborne survey work to de-risk remaining prospectivity to occur mid 2017
- Several prospects have been interpreted from vintage 2D seismic data and current mapping has defined prospects both onshore and offshore across the entire trend
- There is both prospective and contingent resource in both the Lower and Upper Anderson Formation, extending from Stokes Bay-1 to Point Torment -1 in R1 and to West Kora-1 and Kora-1 in L15
- Several leads in the offshore component of EP104 are interpreted to be Devonian reefs



2017 Catalysts & News Flow

- Completion of Cooper Eromanga Basin acquisition from Beach Energy Limited
- Rig Tendering and Approvals Update for Perth Basin drilling
- Award of Rig Contract
- Spud date of Perth Basin drilling
- Commencement of Airborne Surveys in Canning Basin
- Approvals for Wye Knot-1 Drilling
- Exploration Update – Cooper Eromanga Basin
- Offshore Perth Basin Exploration Update
- Commencement of drilling of Wye Knot-1





For further information please contact

Mr Kane Marshall

Telephone: +61 (0) 8 6389 0322

Email: investors@keypetroleum.com.au

Website: www.keypetroleum.com.au

Follow Us On

