

24 November 2017

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

Dear Sir

ANNUAL GENERAL MEETING 2017 – MANAGING DIRECTORS OVERVIEW

We attach herewith the Managing Directors Overview which will be presented to the Shareholders of Key Petroleum Limited at today's Annual General Meeting.

Regards



IAN GREGORY
Company Secretary
KEY PETROLEUM LIMITED



Annual General Meeting

24 November 2017

Managing Director's Presentation

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.

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Competent Person's Statement

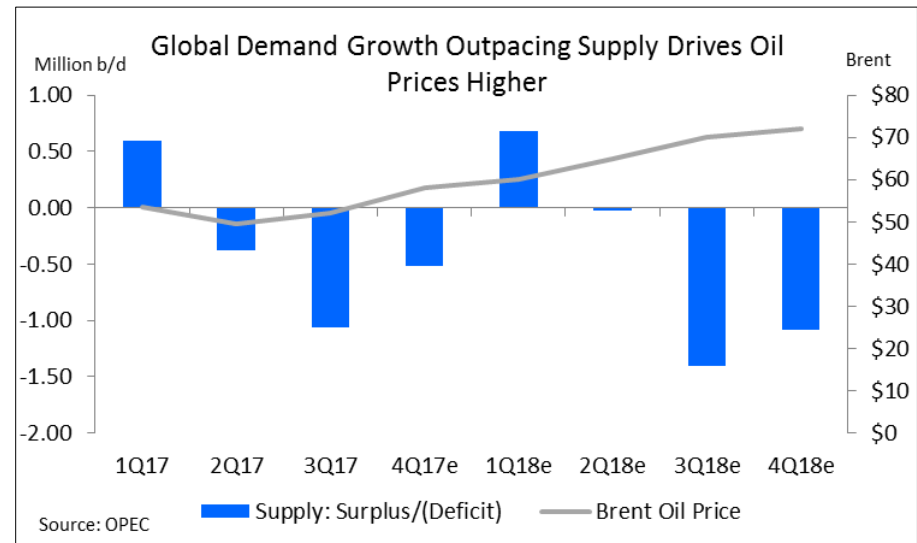
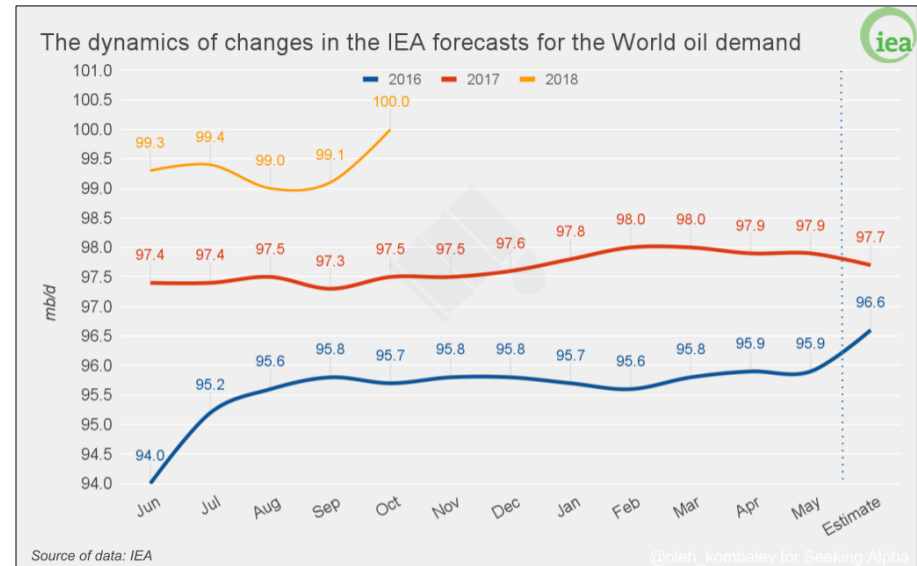
Information in this presentation relates to information compiled by Mr Kane Marshall. Kane Marshall is a Practising Petroleum Engineer and Petroleum Geologist and holds a BSc (Geology), a BCom (Investment & Corporate Finance) and a Masters in Petroleum Engineering.



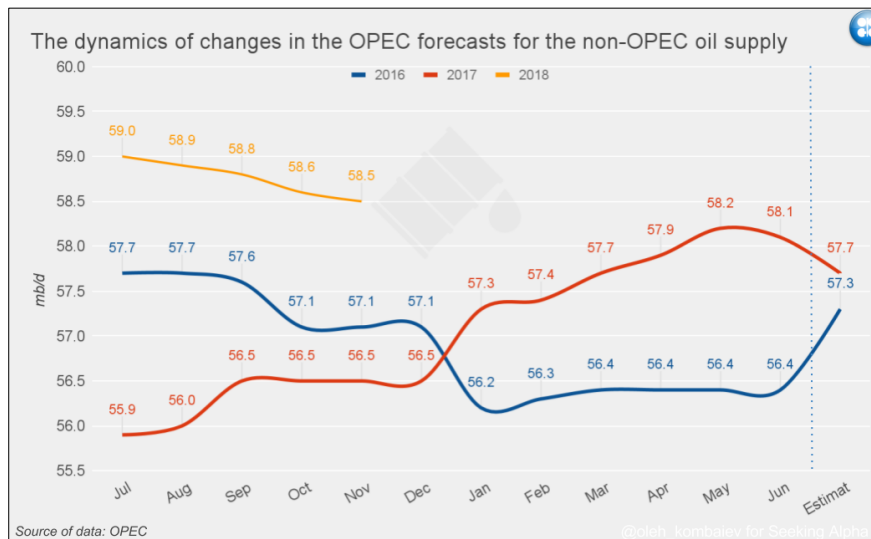
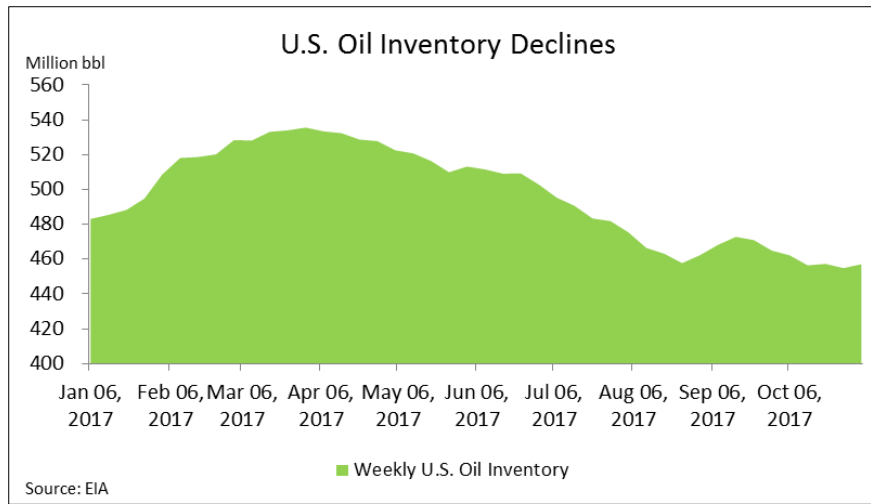
Corporate and Market Overview

Current Oil Market Fundamentals

- Many market analysts have underestimated the continuing strong demand for oil, particularly from China, India, the US and Europe (forecast for 100 MMbbls per day has recently been brought forward from future years forecasts).
- Demand for oil may slow from circa 2026 as we see an increase in the number of electric vehicles on the roads.
- Despite potentially slowing, global oil demand is expected to continue outpacing supply.



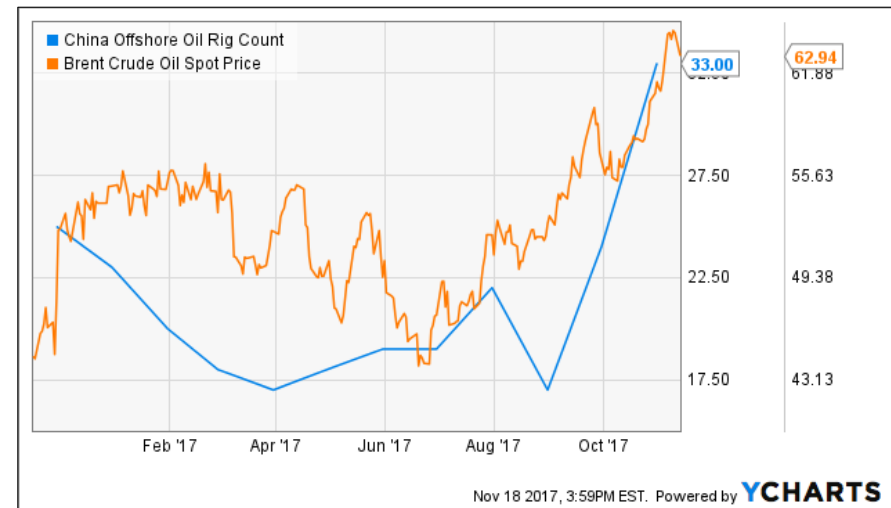
Impact of US Shale to Supply



- US shale oil production is perceived as the major source of supply by the IEA.
- There is concern in the market that increased oil prices will create an over supply of oil outpacing demand
- US stockpiles continue to decline with revisions having been made to non-OPEC supply forecasts for 2018.
- The decline in stockpiles are due to lower investment in drilling and higher than forecast declines of shale oil production.
- Collectively the 51 main US shale oil producers had capital expenditure of \$18.2 billion in the second quarter of 2017, while revenue from operations was \$12.2 billion, a negative free cashflow of \$6 billion.

Additional Supply and Geopolitical Influences

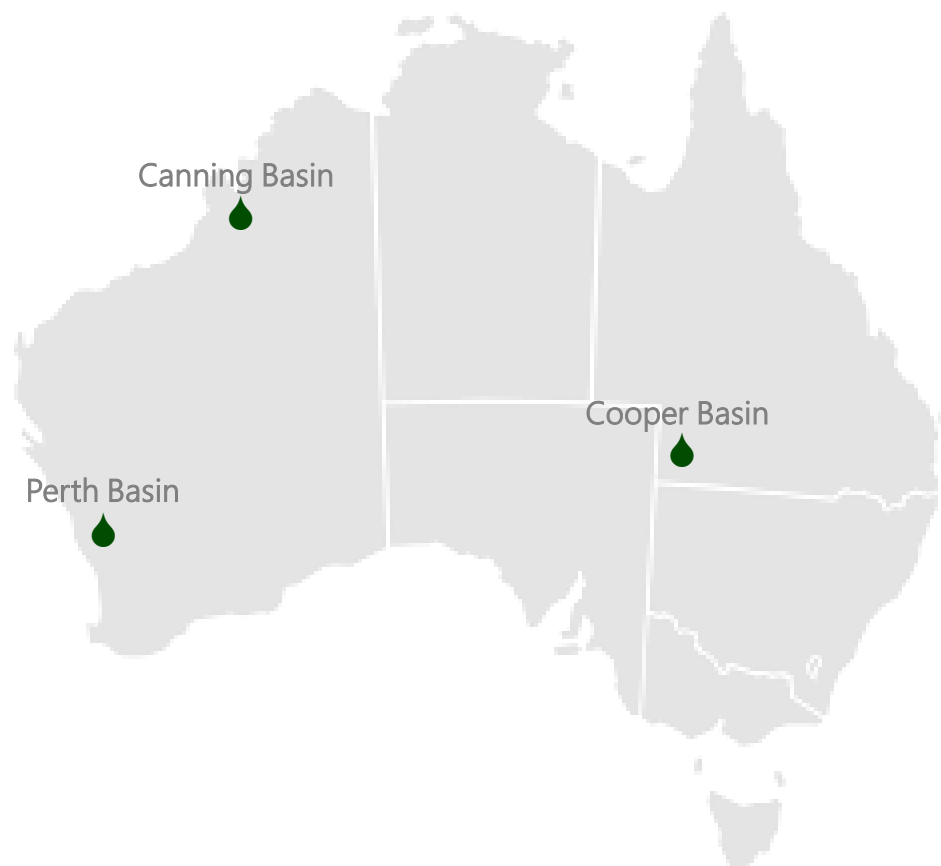
- ◆ Venezuela's state oil company, PDVSA, is in default and is struggling to meet OPEC quotas.
- ◆ Potential impasse between Russia and OPEC over cuts.
- ◆ The possibility that rising tensions could close the Strait of Hormuz, through which approximately a fifth of world oil supplies pass.
- ◆ North Korean tensions.
- ◆ Continued conflicts in Libya.
- ◆ China's oil demand continues to surge and rig count has recently jumped significantly offshore and China appears to be building stockpiles.



Australian Focused Assets

- ◆ Key holds strategic acreage positions in under explored fairways of proven basins:

- ◆ South-west Cooper Eromanga Basin, Queensland after the recent acquisition of ATP 783, ATP 920 and ATP 924.
- ◆ North Perth Basin, Western Australia with offshore Exploration Permit WA-481-P and onshore with Exploration Permit EP437 and the recently acquired Production Licence L7 (Mount Horner).
- ◆ Northern Canning Basin, Western Australia on margin of Fitzroy Trough with Production Licence L15, Retention Lease R1 and Exploration Permit EP104.



Key Resource Summary



Permit	Location	Key % Interest	Hydrocarbon Type	Gross Prospective Resources			Gross Contingent			Gross Reserves			Net Prospective Resources			Net Contingent			Net Reserves		
				Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High	Low	Base	High
ATP 783	Cooper Basin	100	TBA	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A
ATP 920	Cooper Basin	100	TBA	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A
ATP 924	Cooper Basin	100	TBA	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A
¹ EP437	Onshore Perth Basin	43.47	Oil (mmbbl)	0.16	1.4	6.1	N/A	N/A	N/A	N/A	N/A	N/A	0.07	0.61	2.65	N/A	N/A	N/A	N/A	N/A	N/A
² WA-481-P	Offshore Perth Basin	40	Oil (mmbbl)	133.6	240.2	424.2	3.3	6	9.8	N/A	N/A	N/A	53.4	96.1	169.7	1.3	2.4	3.9	N/A	N/A	N/A
² WA-481-P	Offshore Perth Basin	40	Gas (bcf)	28	45.6	70.3	30	41.6	58.9	N/A	N/A	N/A	11.2	18.2	28.1	12	16.6	23.6	N/A	N/A	N/A
EP104	Canning Basin	89.23	TBA	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A	TBA	TBA	TBA	N/A	N/A	N/A	N/A	N/A	N/A
³ R1	Canning Basin	85.23	Gas (bcf)	TBA	TBA	TBA	2.4	4.73	8.42	N/A	N/A	N/A	TBA	TBA	TBA	2.1	4.0	7.2	N/A	N/A	N/A
³ L15	Canning Basin	85.4	Oil (mmbbl)	TBA	TBA	TBA	0.1	0.12	0.26	0.3	0.4	0.7	TBA	TBA	TBA	0.1	0.1	0.2	0.2	0.3	0.6
Total MMbbls Oil				133.8	241.6	430.3	3.4	6.1	10.1	0.3	0.4	0.7	53.5	96.7	172.3	1.4	2.5	4.1	0.2	0.3	0.6
Total Bcf Gas				28.0	45.6	70.3	31.9	46.3	67.3	0.0	0.0	0.0	11.2	18.2	28.1	13.9	20.7	30.7	0.0	0.0	0.0
Total MMBOE Gas				4.7	7.6	11.7	5.3	7.7	11.2	0.0	0.0	0.0	1.9	3.0	4.7	2.3	3.4	5.1	0.0	0.0	0.0
Total MMBOE - Oil and Gas				138.4	249.2	442.0	8.7	13.8	21.3	0.3	0.4	0.7	55.4	99.7	177.0	3.7	5.9	9.3	0.2	0.3	0.6

¹ As announced on 19 December 2016

² As announced on 30 January 2017

³ As announced on 30 September 2015

Notes:

1. Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a chance of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.
2. Contingent Resources are the estimated quantities of petroleum that may be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies.
3. The estimates of Prospective Resources, Contingent Resources and Reserves included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE).
4. The Contingent Resources were estimated by mapping the extent of the geological structure using seismic data and applying ranges of volumetric parameters based on regional data, including recovery efficiencies. The Contingent Resources for WA 481-P were calculated probabilistically and the two reservoir targets were arithmetically summed in order to provide estimates for the structure as a whole. For R1 they were calculated deterministically. Gross Contingent Resources are 100% of the on-block volumes estimated to be recoverable from the field.
5. The Prospective Resources were estimated by mapping the extent of the prospects using the seismic data and applying ranges of volumetric parameters based on regional data. Recovery efficiencies were estimated using generalized recovery factors and parameters were then combined probabilistically for each reservoir target for WA-481-P. The total prospective resources for each prospect were then determined by the arithmetic total of prospective resources for each of the two reservoir targets. For all other prospects in EP437 they have been determined deterministically.
6. Gross Prospective Resources are 100% of the on-block volumes estimated to be recoverable from the prospects in the event that a discovery is made and subsequently developed.
7. The prospective resources volumes reported are "Unrisked" in the sense that the Geological Chance of Success (GCoS) factor has not been applied to the designated volumes.

COMPETENT PERSON'S STATEMENT

Except where otherwise noted, information in this release related to exploration and production results and petroleum resources is based on information completed by Mr JL Kane Marshall who is an employee of Key Petroleum Limited. Mr Marshall is a Practising Petroleum Engineer and Petroleum Geologist and holds a BSc (Geology), a BCom (Inv & Corp Fin) and a Masters in Petroleum Engineering. He is a member of the Society of Petroleum Engineers (SPE), American Associate of Petroleum Geologists (AAPG), Petroleum Exploration Society of Great Britain (PESGB), Formation Evaluation Society of Australia (FESAus) and Society of Petrophysicists and Well Log Analysts (SPWLA) and has over 15 years of relevant experience. Mr Marshall consents to the inclusion of the information in this document.



Relevance of Commodity Markets - Key Strategy

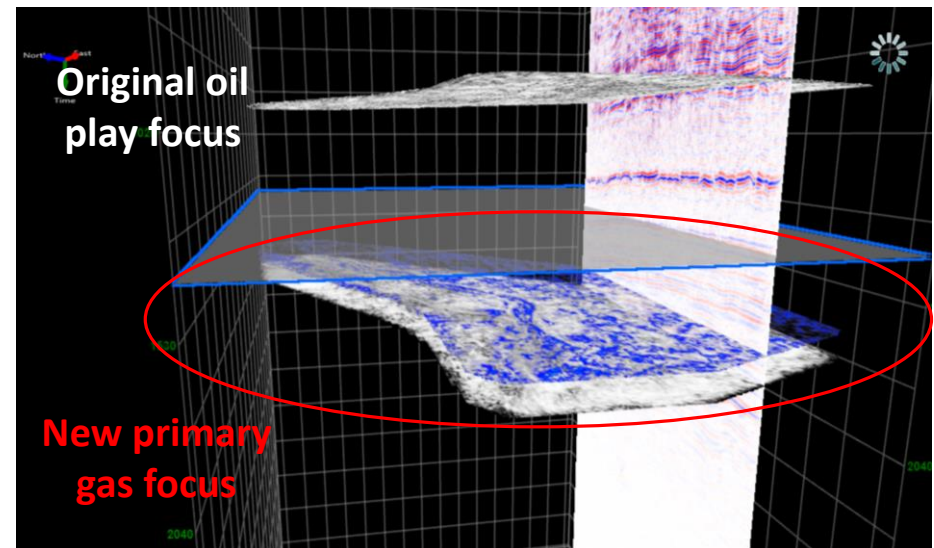
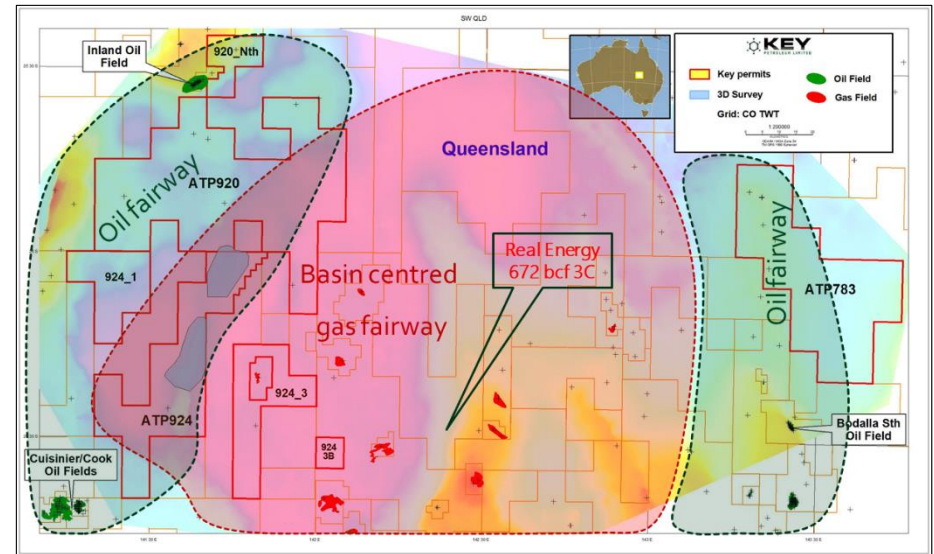
- General Observation that turnaround time for acquisition of new assets is a 12-18 month process:
 - ◆ Internal corporate divestment process is lengthy; and
 - ◆ Title matters such as native title, compliance and land access also takes time.
- Acquisition of new interests must be coupled with timing in improvements of commodity markets and current portfolio of interests:
 - ◆ Key east and west coast acreage positions located in close proximity to infrastructure such as pipelines (Barolka) and refineries (Eromanga and Kwinana); and
 - ◆ East coast gas prices are currently circa \$8 with clear market for gas.
- Near term oil opportunities in onshore Perth Basin are low risk but provide material exposure through drilling.
- Higher risk offshore opportunities in WA-481-P, represent a significant commercial opportunity with infrastructure assets (Cliff Head and Arrowsmith) forecast to have increased field life with renewed interest.
- Key is extremely well positioned with portfolio of opportunities so close to market.



Asset Portfolio

Cooper Eromanga Basin Portfolio

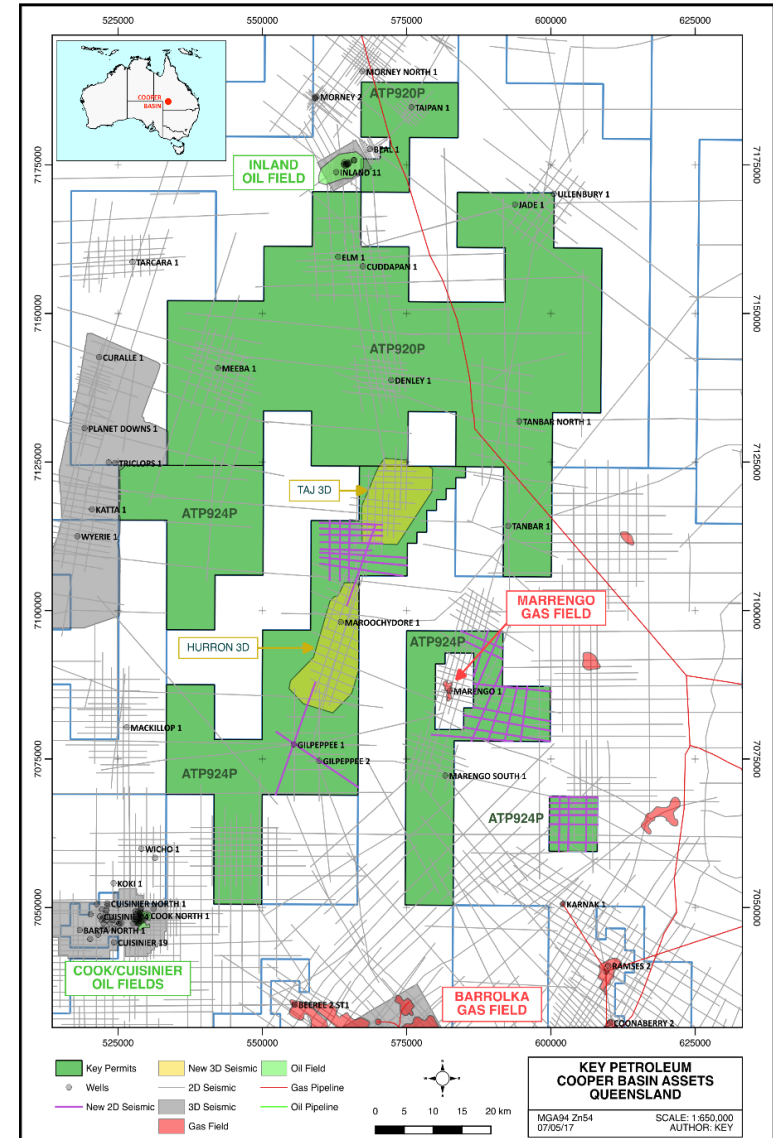
- Three ATPs over recognised under explored oil and gas fairways.
- ATP 924 contains two new 3D seismic surveys that significantly lower prospectivity risk.
- Original work program was focused on traditional oil plays at the Jurassic level.
- Key's revised work program will be focused on gas exploration at the Permian level.
- Abundant infrastructure in close proximity to Key's assets include, roads, a refinery and a gas pipeline.



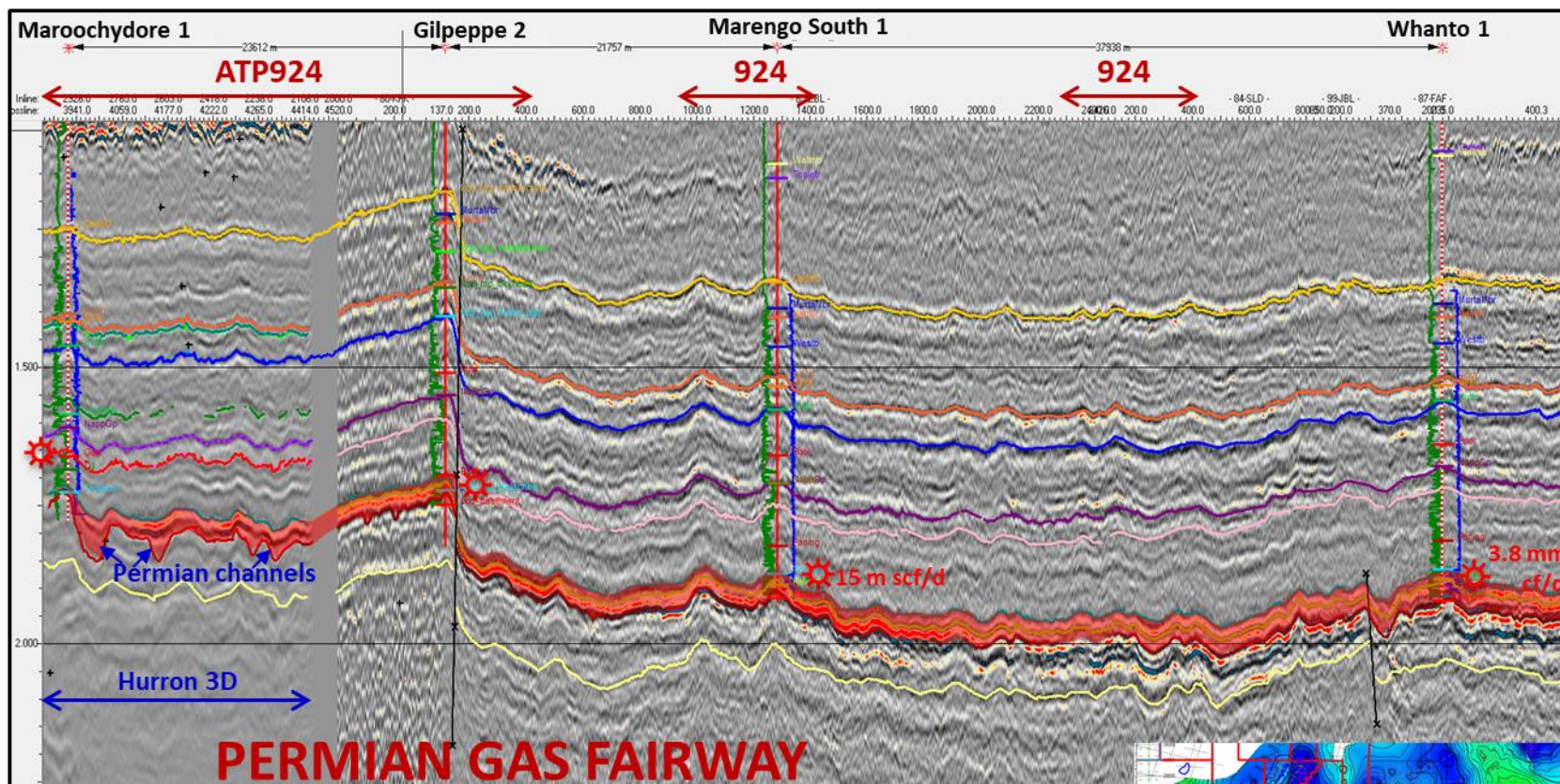
Northern Cooper Eromanga Basin

ATP 920 & ATP 924

- ATP 920 and ATP 924 overlie the north-eastern edge of the Jurassic to Cretaceous Eromanga Basin and the northern edge of the Permian to Triassic Cooper Basin.
- Multiple play types are Jurassic oil, and Triassic and Permian gas.
- Nearby Marengo, Barolka and other gas fields within the 'gas fairway'. Real Energy Corporation's Windorah Gas Project lies immediately to the east and is being fast tracked for development with a Memorandum of Understanding in place with Santos Limited for prepayment of gas sales.
- Dominant position over Inland and Cook Oil Fairways.



Permian Gas Fairway



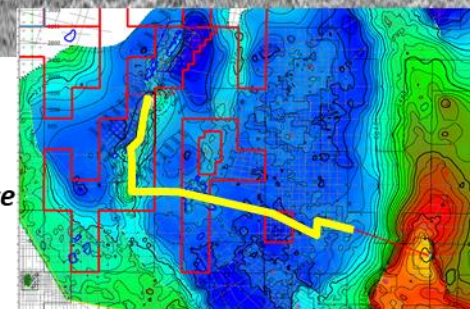
Multiple untested closures: >130 km² sum total structural closures in play fairway. 3D defined Permian channels structural closures.

30 – 40 km² structural closure in Marengo South complex!

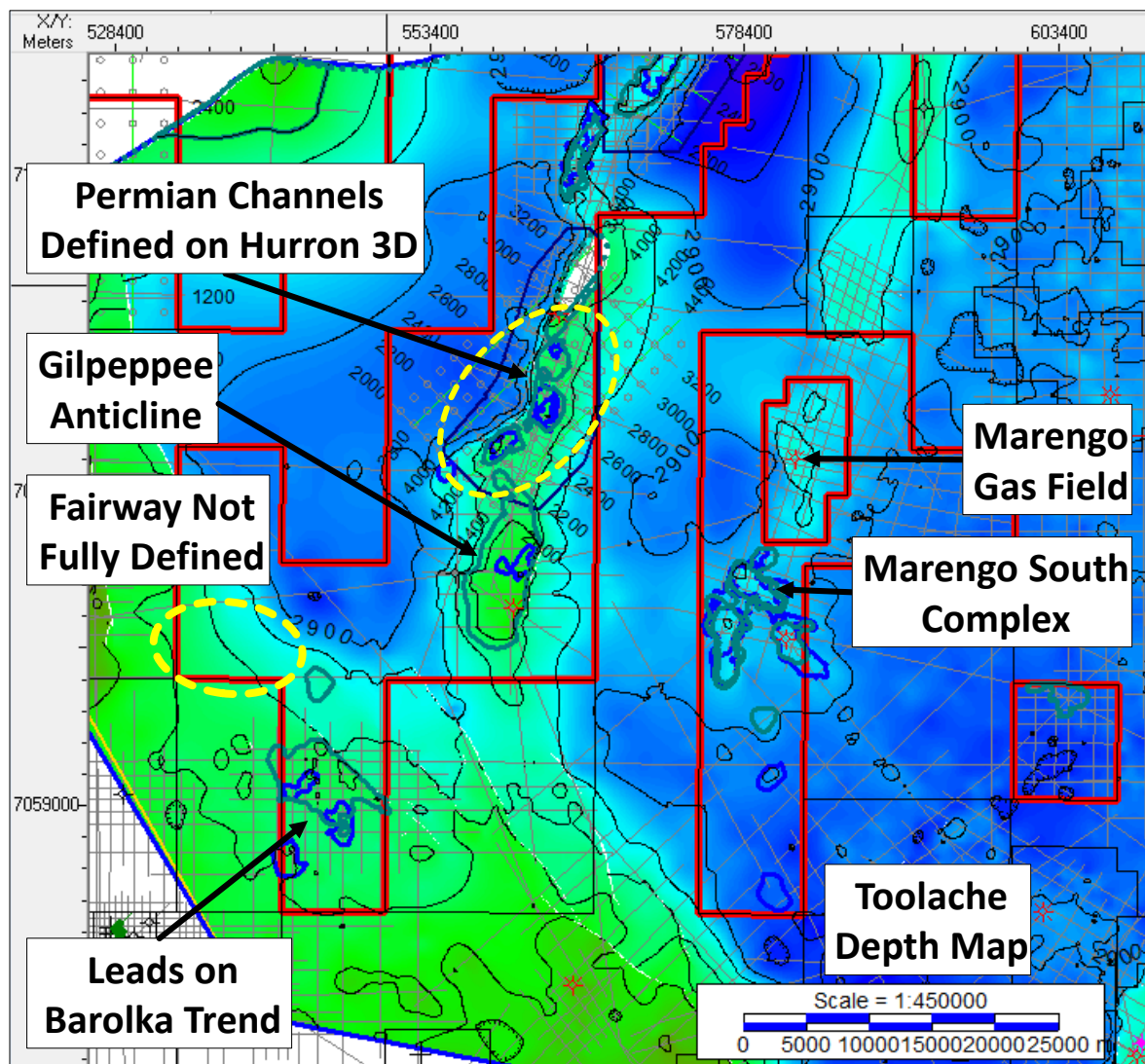
Marengo-1 flowed 1.6 mm scf/d

Whanto-1 flowed 3.8 mm scf/d.

Gilpeppe-2 (1981): 'sands would produce economic gas flows if the permeability was greater'



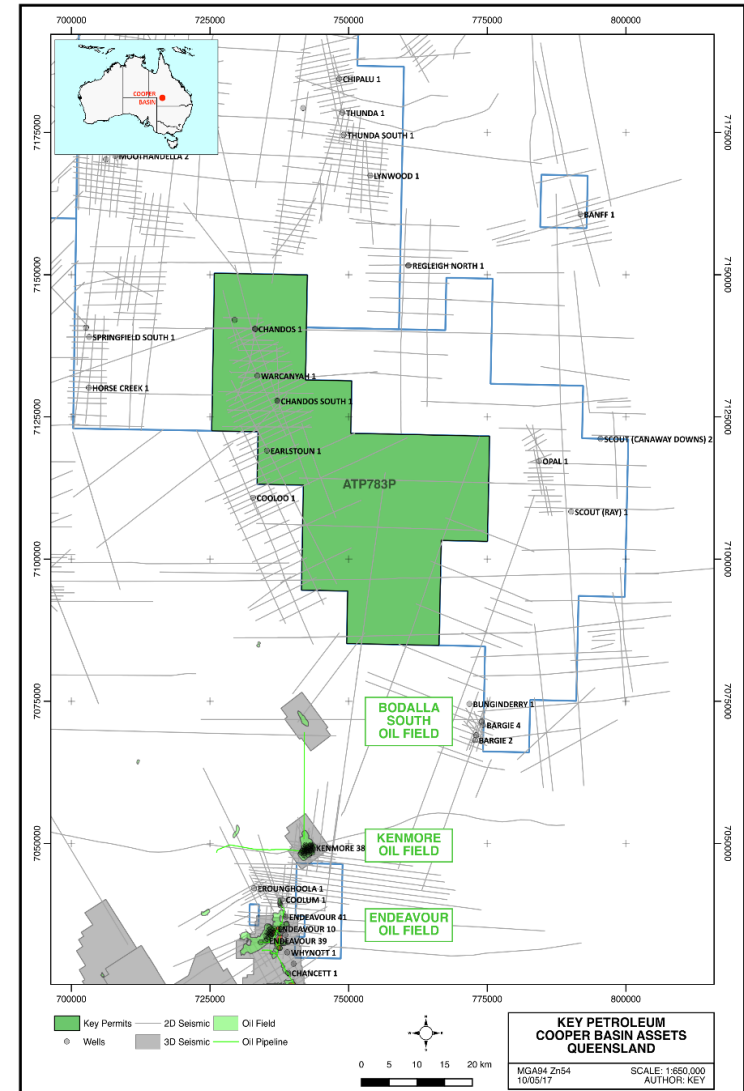
ATP 924 Preliminary Gas Prospectivity Review (Toolachee Mapping)



Eastern Cooper Eromanga Basin

ATP 783

- ATP 783 overlies the Jurassic to Cretaceous Eromanga Basin and Permian to Triassic Cooper Basin.
- Oil recovered on test from four local wells being Earlstoun-1, Chandos-1, Cumbroo-1, Cooloo-1.
- Near commercial oil fields include Byrock (12km south west), Bargie (17km south east), Bodalla South (25 km south) and Bunaya Gas field (50 km southwest).
- Key is currently assessing extent of Permian gas fairway into ATP 783.



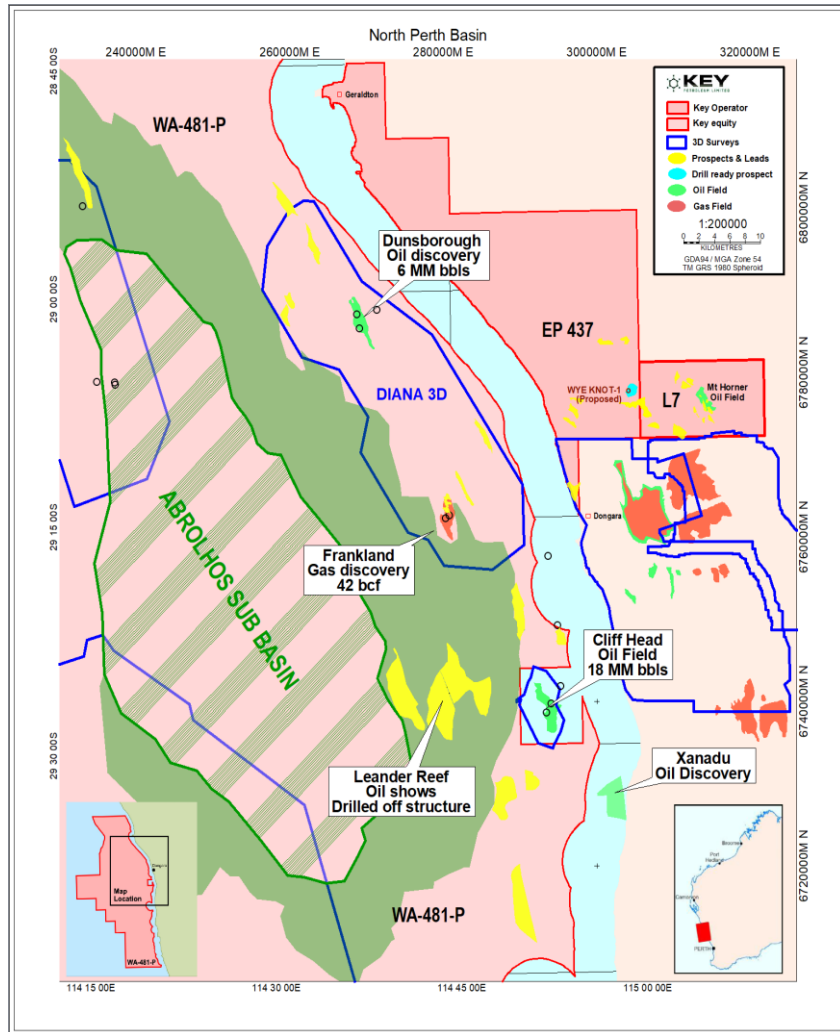
Cooper Eromanga - Field Work

- ◆ Key Petroleum Services Pty Ltd, a wholly owned subsidiary of Key Petroleum Limited, recently undertook remote environmental rehabilitation assessment works over recently acquired seismic surveys (right).
- ◆ These activities were operationally based out of Ballera Gas Field.



- ◆ Conjunctively an assessment of logistics requirement for future exploration campaigns was carried out.
- ◆ An assessment of the access to the Gilpeppee area (left), over which the Taj 3D seismic survey was recently acquired, revealed the impact of seasonal rains.

Perth Basin Portfolio Summary



EP437 – Key 43%

- Situated in the North Perth Basin Greenough Shelf margin, adjacent to the prolific Allanooka and Dongara Terraces and Dandaragan Trough, located up-dip along the active migration pathway of the Dongara Oil and Gas Field and Waitsia Gas.

L7 (R1) Acquisition - Key 100%

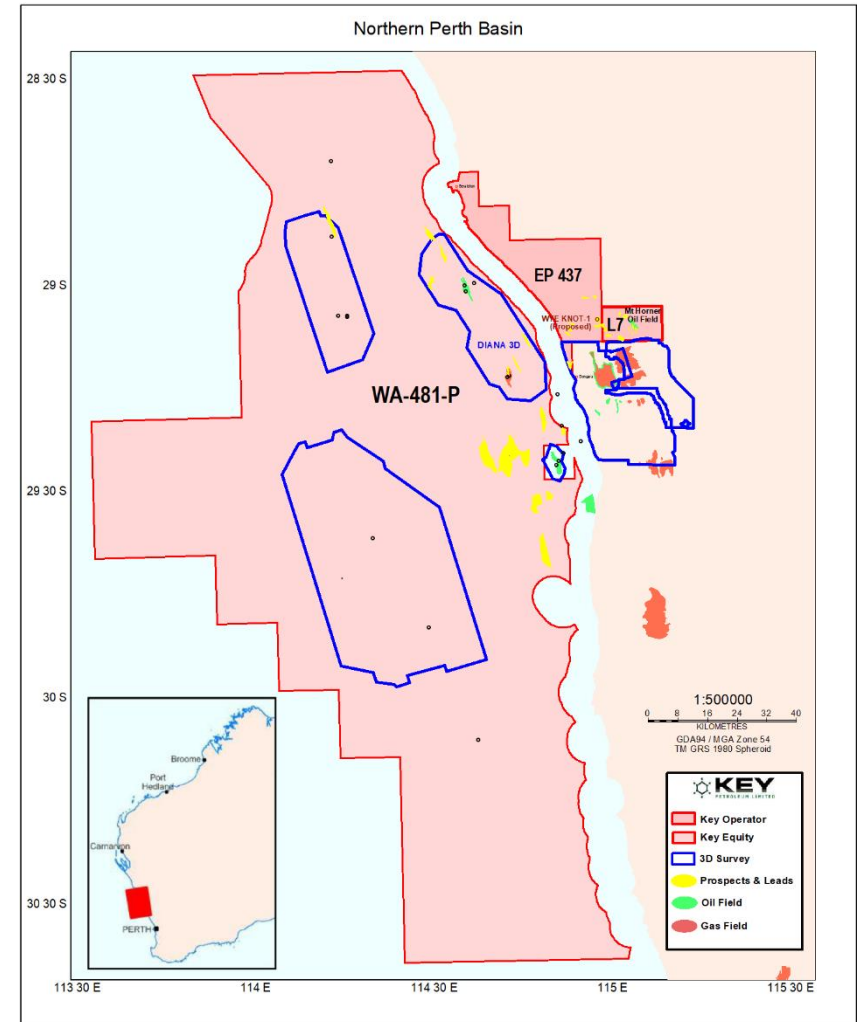
- Mount Horner oil field produced ~1.7 MMbbl, developed on 2D seismic. Expands coverage of play fairway with significant near field potential.

WA-481-P – Key 40%

- Offshore coverage of Perth Basin play fairway.
- Includes the Dunsborough oil and gas discovery, and gas discoveries at Frankland and Perseverance.

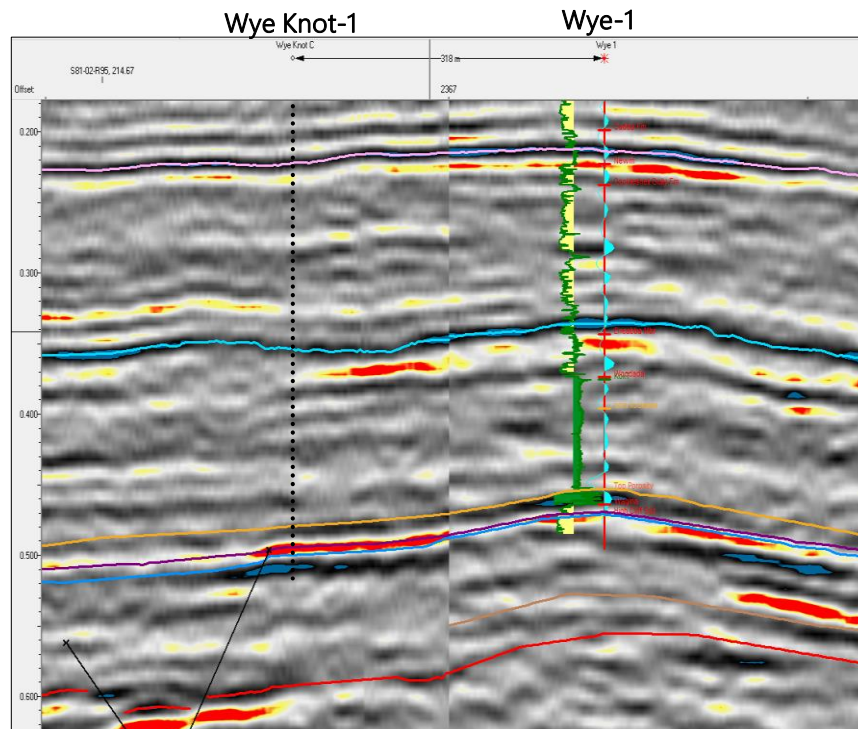
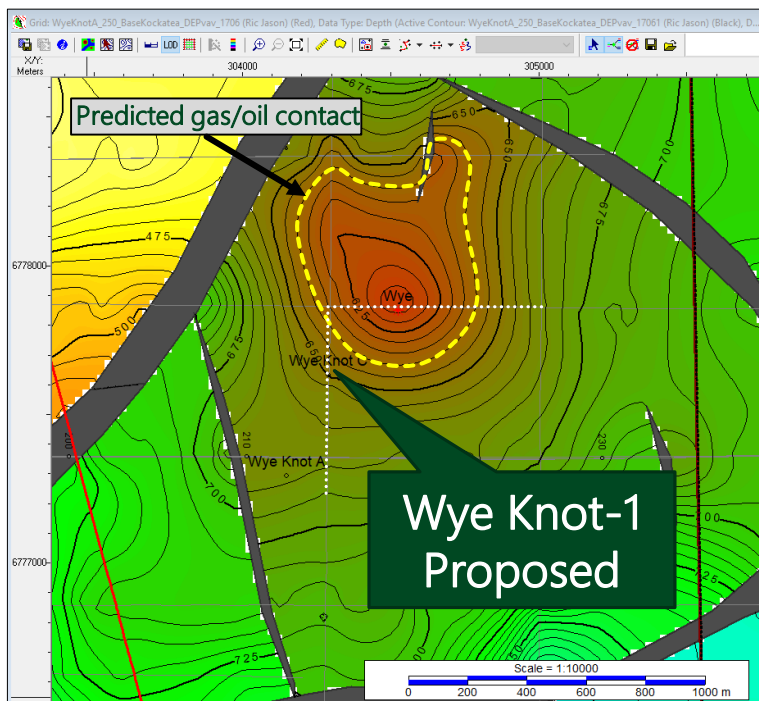
WA – 481-P

- Located directly adjacent to the producing Cliff Head Oil Field.
- Work program varied for seismic reprocessing in Year 5 and Geology and Geophysics in Year 6.
- The Joint Venture is currently finalising budgets and concluding contractor arrangements for seismic reprocessing.
- 13 prospects offer total prospective oil and gas resources of up to 435 MMBOE.
- The largest oil prospect offers the potential for up to 78 MMbbls.
- Four primary trends identified for future exploration.
- Cliff Head, Dunsborough and Frankland trends substantially de-risked by prior discoveries.
- Dunsborough and Frankland Contingent Resources were upgraded during 2017.



EP437 - Wye Knot Prospect

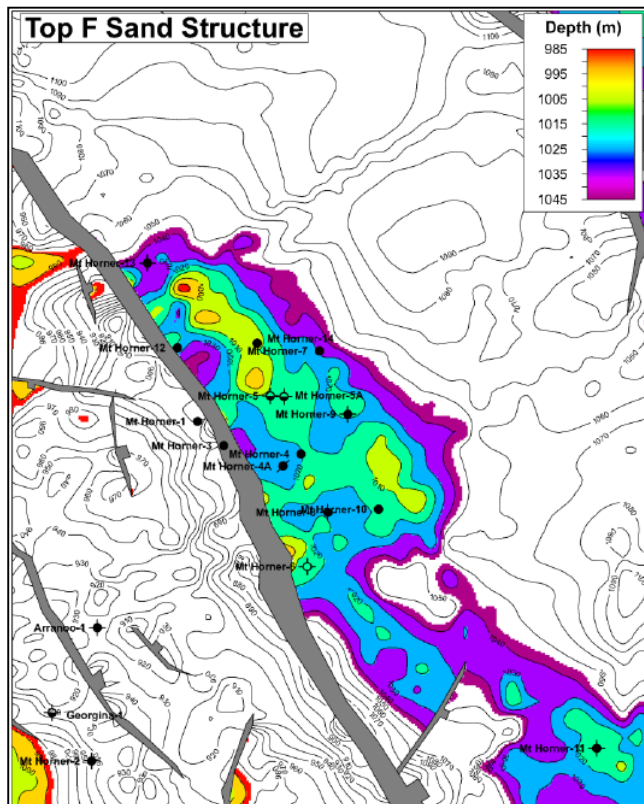
Preparations are under way for the drilling of the Wye Knot-1 prospect in 2018 over an oil leg situated below the 1996 Wye-1 discovery.



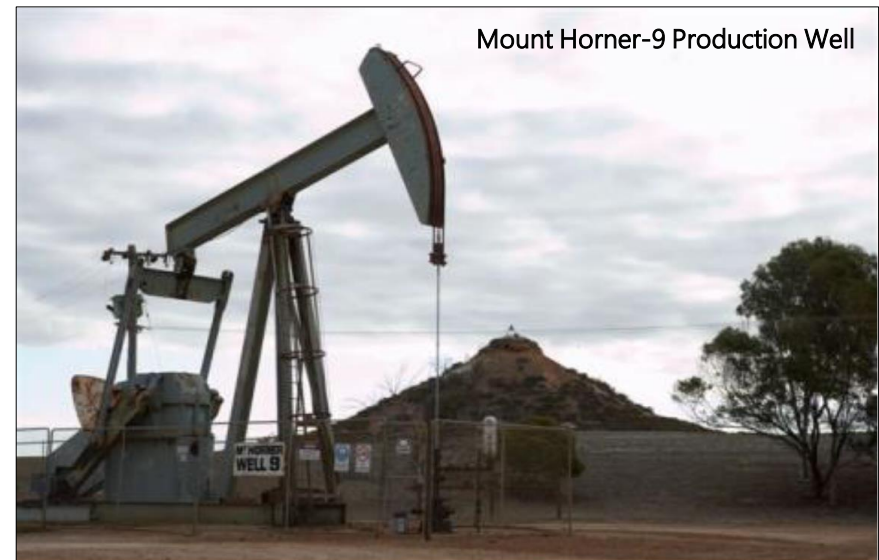
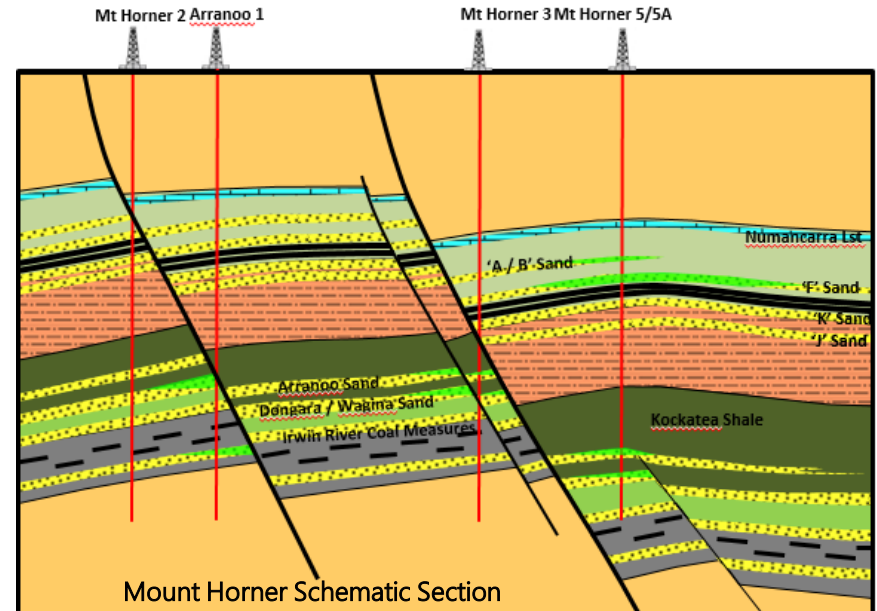
Triassic Prospective Resource			Gross (100%) MMbbls			Net to Key MMbbls		
Permit	Prospect /Field	Petroleum Fluid	Low (1C) Estimate	Best (2C) Estimate	High (3C) Estimate	Low (1C) Estimate	Best (2C) Estimate	High (3C) Estimate
EP437	Wye Knot	Oil	0.16	1.4	6.1	0.07	0.61	2.65

L7 (R1) Mount Horner Acquisition

- Located in the under explored northern margin of the Perth Basin with proven hydrocarbon traps (Wye and Mount Horner).
- Infill and near field oil potential at multiple levels.

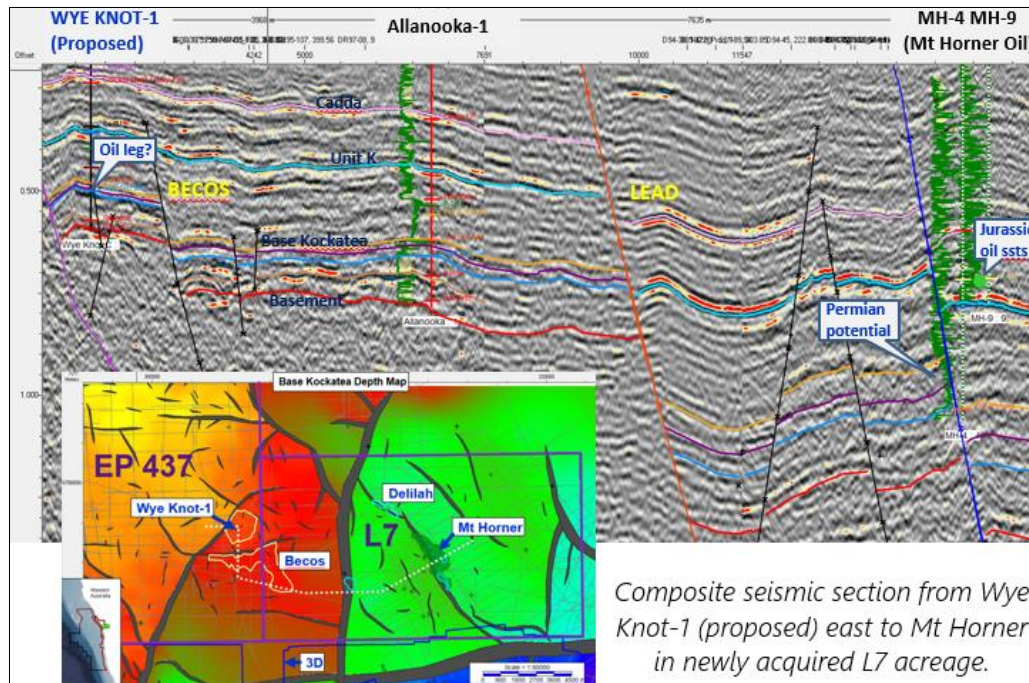


AWE 'F Sand'
Map



EP437/L7 (R1) Mount Horner Strategy

- Assessment indicated near field potential including near wells that have recovered oil (Mount Horner-1 and 3).
- A review of mapping in EP437 suggested the large Becos lead spills into L7.
- Additional oil resource could be commercialised via export to other infrastructure in the Perth Basin, adding life to those infrastructure assets - currently seeking commercial alignment and participation with other Operators.



- Preparations underway for rehabilitation and remediation in 2018 (see overleaf).

Preparations for 2018 Perth Basin Activities

Key Petroleum Services Pty Ltd



Demobilisation of earthworks equipment after Canning Basin care and maintenance activities



Key vehicles demobilise from Kimberley after work season and service and maintenance complete for Perth Basin logistics support



Upgrade and refurbishment of kitchen mess associated with accommodation

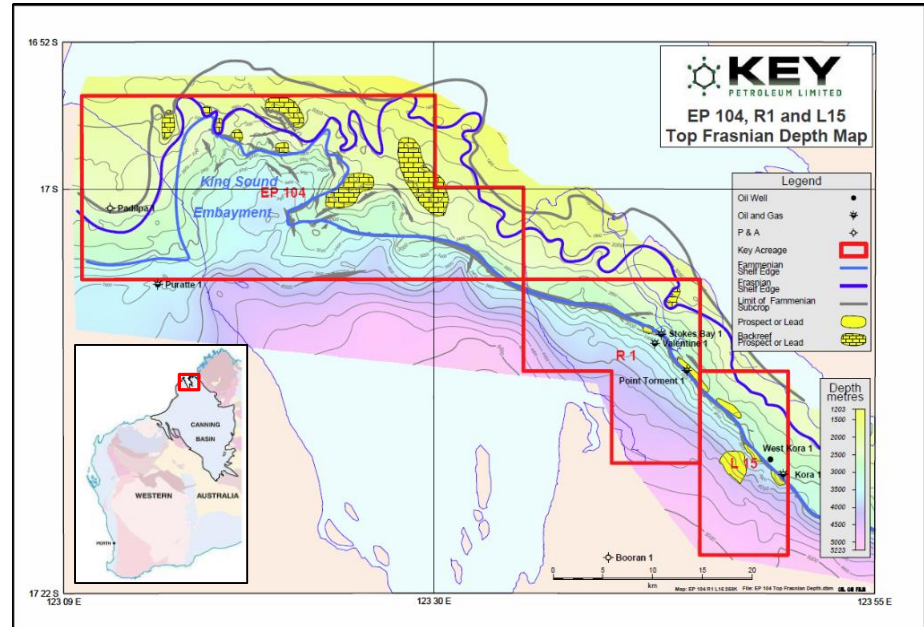


Generators currently on hire to other Operator but equipment being maintained and being prepared to mobilise to Mount Horner

Canning Basin Portfolio

EP104 – 89%, L15 – 85% and R1 – 85%

- All permits within the trend are operated by Key with airborne survey work to de-risk remaining prospectivity to occur in the second half of 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 are prospective and contingent resources 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 in >400 km² of the untested King Sound Sub-basin.



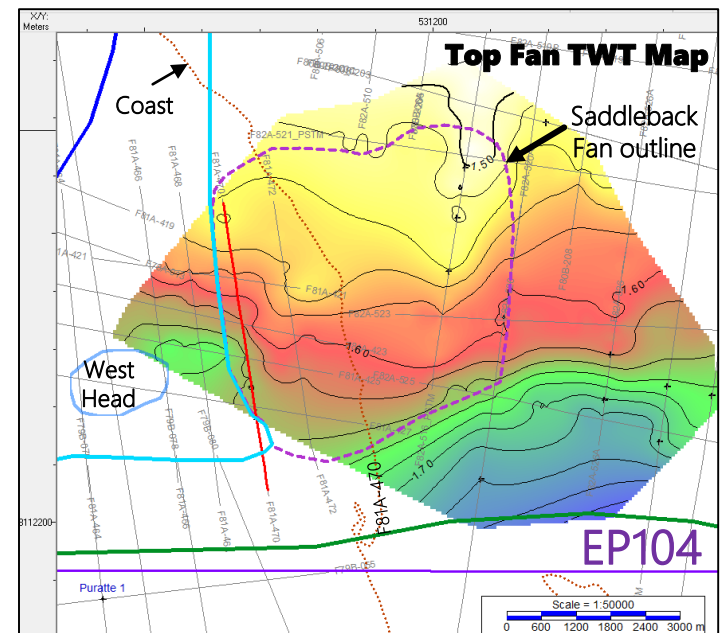
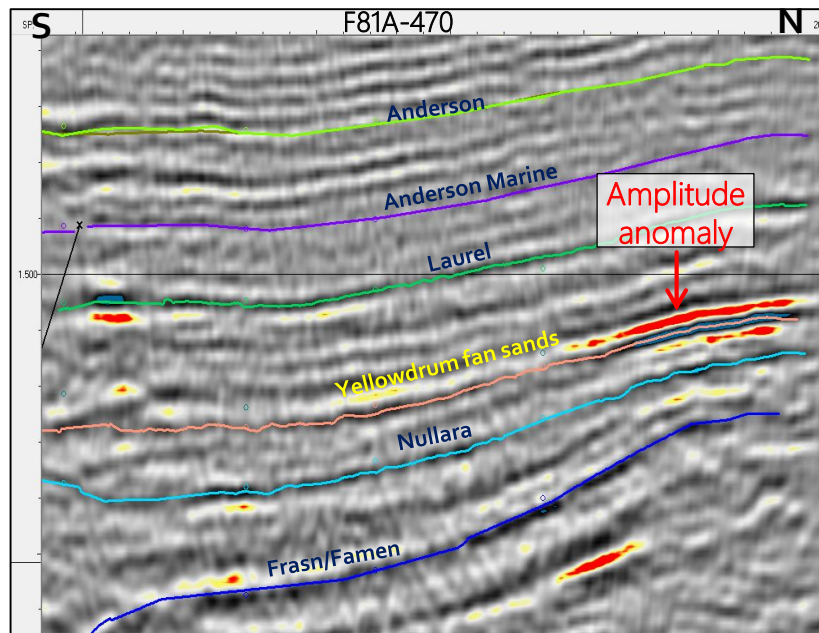
Canning Basin – Exploration Program 2017/2018

EP104 – 89%

- Access approval is being finalised for the Saddleback Geochemical Survey, located on existing roads, to test for hydrocarbon anomalies within the onshore portion of a potentially large stratigraphic play. This is currently planned for 2018.

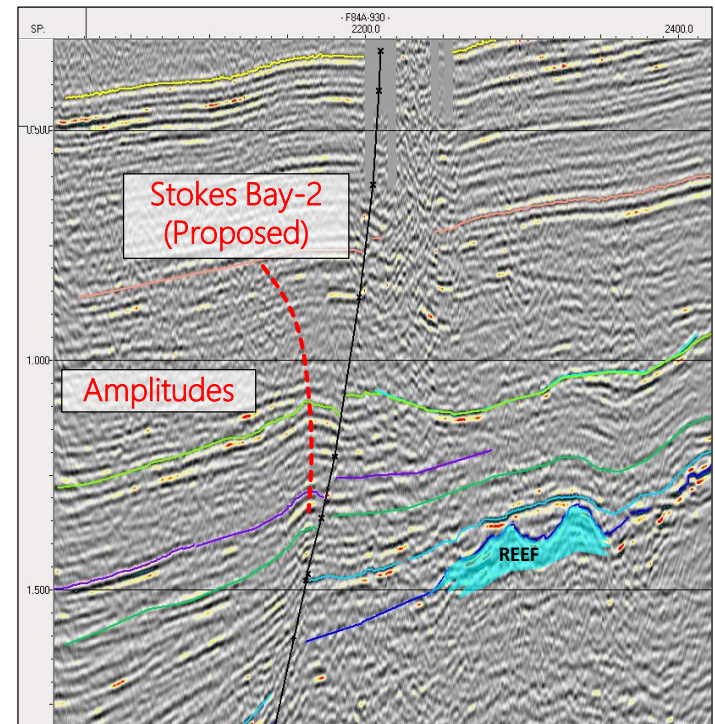
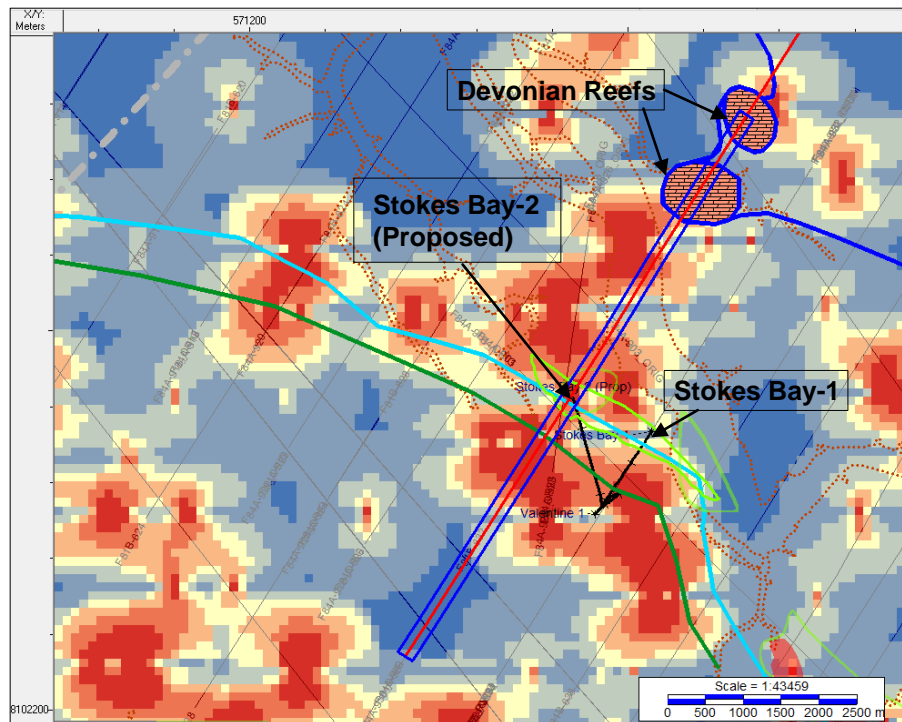
R1 – 85%

- Key has completed the Stokes Bay AEM-PTP airborne survey to de-risk remaining prospectivity as part of the Year 1 work commitment.



R1 – AEM PTP Preliminary Results

- ◆ The survey is designed to test the extent of any known hydrocarbon pools and identify any anomalies which could be representative of seepage of hydrocarbons.
- ◆ Preliminary results at various frequencies highlight AEM anomalies centred over the Stokes Bay-2 proposed exploration well which maps the Anderson Formation in the closure.
- ◆ The original Stokes Bay-1 well path, is now known to have penetrated an erosional Grant Formation channel.
- ◆ Previously mapped reefs (below right) have also observed AEM-PTP anomalies over these features – with the survey having significantly de-risked future drilling prospects.



Canning Basin and Carnarvon Basin Field Work



- Key Petroleum Services staff and contractors assisted with environmental assessment field work in the Stokes Bay-1 and Point Torment-1 areas (left).
- These assessments will be used to formulate plans for remedial Canning Basin field work in 2018.
- The environmental studies and assessments include sustainable viability of developing the Point Torment resource and extending the scope of work to include any other resources.
- Key Petroleum Services was also contracted by Rough Range Oil Pty Ltd, to undertake site clean up activities and coordination for environmental surveys (bottom left).



Canning Basin and Carnarvon Basin Field Work (cont'd)

- ◆ Key Petroleum Services undertook a review of access to the Stokes Bay-1 and Point Torment-1 well pad areas, including an assessment of any requirement for an upgrade to the causeways (top right).
- ◆ Operational and logistics support was provided to contractors during the assessment of each suspended well (bottom right).
- ◆ Well integrity testing and a review security was completed at Stokes Bay-1, Point Torment-1 and West Kora-1.
- ◆ All servicing of wellheads and any required clean up in the relevant areas was conducted cost effectively without safety or environmental incident during a narrow weather window and tidal range.
- ◆ The remaining minor field work items will be closed out during a safe weather and tidal window in 2018.



2018 Outlook



Exploration and Development Outlook



- ◆ Key is the only junior ASX listed oil explorer with positions in three sedimentary basins.
- ◆ The recent acquisition of new assets was achieved by Key with minimal capital outlay.
- ◆ Upon issue of title Key will commence rehabilitation activities on L7 and identify drilling opportunities in order to build an accretive resource base for near term production.
- ◆ Integrate the drilling of prospects in L7 with the well commitment in EP437 to minimise drilling costs with the potential for three wells to be drilled as part of a conventional oil drilling campaign in 2018.
- ◆ Assist the WA-481-P Joint Venture with the provision of quality reprocessing data and the identification of drill ready prospects
- ◆ Develop an appropriate work program for the Cooper Eromanga Basin assets which will focus on gas exploration, including gas marketing and commerciality studies.





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