

31 October 2019

T: + 61 (08) 9381 4322  
F: + 61 (08) 9381 4455

Dear Shareholder

**Key Share Purchase Plan 2019**

The Company is pleased to offer you the opportunity to participate in the Key Share Purchase Plan 2019 ("**SPP**"). You can contribute up to A\$30,000 by applying for fully paid ordinary Shares in the Company ("**New Shares**") at an issue price of A\$0.0071 per New Share ("**Issue Price**") without incurring brokerage or other transaction costs.

The Issue Price represents a discount of 20% to the volume weighted average market price of shares in the Company, calculated over the last 5 days on which shares in the Company were recorded as trading on ASX prior to 28 October 2019 (being the date on which the SPP was announced).

Proceeds from the SPP will be used to bolster Key's general working capital position, advancement of our Perth Basin drilling program, advance engineering plans for drilling Ace-1 in the Cooper Eromanga Basin and to fund further strategic opportunities.

Participation in the SPP is optional and open to Shareholders who are holders on the Record Date of fully paid ordinary Shares in the Company and whose registered address is in Australia, New Zealand or Hong Kong. For New Zealand shareholders, you must also still be a shareholder on the date of this letter and for Hong Kong shareholders, you must not only still be a shareholder on the date of this letter, but you must also be a "professional investor" under the Hong Kong Securities Law.

The SPP is capped to raise a maximum of A\$1.5 million. If Shareholder demand exceeds A\$1.5 million, the Company reserves the right to close the SPP early and scale back applications in its absolute and sole discretion. When determining the amount (if any) of any scale back, the Company may take into account a number of factors including the size of the applicant's shareholding in the Company, the extent to which an applicant has sold or bought shares in the Company after the SPP Record Date and the date on which the application under the SPP was made.

The SPP is not underwritten. However, the Company reserves the right to place any shortfall in the SPP to investors at the discretion of the Directors, but any such placement will be at a price not less than the Issue Price.

Key elements of the SPP include:

- no brokerage or participation costs payable;
- subject to potential scale back, the number of Shares allotted to you will be based on your Application Monies, divided by the Issue Price and rounded down;
- an Issue Price of A\$0.0071 which represents the price based on a 20% discount to the 5 day VWAP of the Company recorded on the ASX prior to the date of announcement of the SPP; and
- if you are an Eligible Shareholder, you can apply for one of the following parcels:

Number of Shares	Application Amount
281,690 shares	A\$2,000 (minimum)
704,225 shares	A\$5,000
1,408,450 shares	A\$10,000
2,112,676 shares	A\$15,000
2,816,901 shares	A\$20,000
4,225,352 shares	A\$30,000 (maximum)

Please note that the future market price of shares in the Company is uncertain and may be below the Issue Price under the SPP.

### Participation and Important Dates for the SPP

The SPP is available to each registered shareholder (**Eligible Shareholder**) of shares in the Company (including Custodians):

- as at 5:00pm WST on 25 October 2019 (“**Record Date**”) with a registered address in Australia, New Zealand or Hong Kong. If Hong Kong you must be a “professional investor” under the Hong Kong Securities Law;
- not resident or located in the US or any other jurisdiction in which the participation in the SPP would be unlawful; and
- who meet certain other conditions as expressly provided for in SPP Terms & Conditions (attached).

The SPP will open at 9.00am (WST) on 31 October 2019 and is expected to close at 5:00pm (WST) on 25 November 2019.

No late applications will be accepted. However, the Directors reserve the right, subject to regulatory requirements, to vary the Closing Date without prior notice. If the Closing Date is varied, other dates will be changed accordingly.

Subject to ASX Listing Rule 10.12 Exception 8 being satisfied as at the date of issue of the New Shares, Directors who are Eligible Shareholders may (without Shareholder approval) participate in the SPP on the same terms as Eligible Shareholders. Directors are entitled to subscribe for up to A\$30,000 of New Shares in accordance with the SPP Terms & Conditions.

### Application

To apply for a parcel of New Shares, please follow the instructions on the enclosed Application Form and ensure your application is received in cleared funds no later than 5.00pm (WST) on 25 November 2019.

New Shares issued under the SPP will have the same entitlements as other Shares in the Company.

I encourage you to read the attached SPP Terms & Conditions carefully. If you are unsure about whether to participate, please contact your professional adviser.

If you require further information, please contact the Company on (+61 8) 9381 4322.

Yours sincerely

**Rex Turkington**  
Chairman

KEY PETROLEUM LIMITED

# Share Purchase Plan

## November 2019

Suite 8, Churchill Court, 331-335 Hay Street, Subiaco, Western Australia 6008  
Telephone: +61 (0) 8 9381 4322 ♦ Email: [admin@keypetroleum.com.au](mailto:admin@keypetroleum.com.au) ♦ Website: [www.keypetroleum.com.au](http://www.keypetroleum.com.au)

## IMPORTANT NOTICE

### General

This document is dated 31 October 2019.

This document is not a prospectus and has not been lodged with ASIC. Accordingly, this document does not contain all the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding whether or not to invest in the New Shares.

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand or are in doubt about the contents of this document, or the action you should take, you should consult your financial or other professional adviser without delay.

**The market price of Shares in the Company may rise or fall between the date of this document and the date the New Shares are issued to you. This means that up to or after the date on which the New Shares are issued to you, you may be able to buy Shares on the market at a lower price than the Issue Price. The Company and its Directors do not offer any recommendation or advice regarding participation in the SPP. By completing and returning the Application Form or making a BPAY® payment, you acknowledge this pricing risk.**

Holding securities in an oil and gas exploration company such as Key could be considered a speculative form of investment and the future price of Shares may rise or fall depending on, amongst other things, the acquisition of petroleum permits, and the successful exploration of these permits with the objective of identifying economic oil and gas reserves and fluctuations on the stock market generally.

This document does not, and is not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this document.

The Offer is not being made to any Shareholder, as at the Record Date, whose registered address is not situated in Australia, New Zealand or Hong Kong. If situated in Hong Kong the offer is not being made to such a Shareholder unless that Shareholder is a "professional investor" under the Hong Kong Securities Law. All Eligible Shareholders that participate in the Offer must comply with the foreign offer restrictions that are set out in the Terms and Conditions.

The distribution of this document in jurisdictions outside Australia, New Zealand and Hong Kong may be restricted by law and anyone receiving this document should seek advice and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

Recipients may not send or otherwise distribute this SPP or the Application Form to any person outside Australia (other than to Eligible Shareholders).

Application will be made for the New Shares to be quoted on ASX.

Capitalised terms in this document are defined in the Glossary.

### United States

This document may not be released or distributed in the United States. The New Shares have not been and will not be registered under the US Securities Act 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or otherwise transferred in the United States except in a transaction exempt from, or not subject to, the registration of the Securities Act and the applicable laws of any state or other jurisdiction in the United States.

## No Recommendation

The information in this SPP is not a recommendation to accept the SPP and does not constitute financial advice. Eligible Shareholders must conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations, assessment and analysis.

If, after reading this document, Eligible Shareholders have any questions regarding the SPP, they should contact their financial or other professional adviser before deciding whether or not to participate in the SPP.

## KEY DATES AND PAYMENT

Date	Details
25 October 2019 5.00pm (WST)	<b>Record Date</b> The date and time on which the Company determines Eligible Shareholders.
31 October 2019	<b>Dispatch Date</b> The date on which this SPP and Application Forms are dispatched to Eligible Shareholders.
31 October 2019	<b>Opening Date</b> The date on which the SPP is open for participation.
25 November 2019 5.00pm (WST)	<b>Closing Date</b> The SPP closes at, and Applications and payment must be received by, this time and date.
2 December 2019	<b>Allotment Date</b> The date on which New Shares are allotted.
3 December 2019	Dispatch of holding statements / confirmation advices for New Shares.
3 December 2019	<b>Trading Date</b> The date on which New Shares are expected to begin trading

*Note: The Company may change any of the above Key Dates at its discretion (even if the SPP has opened or Applications have been received).*

## Instructions

To participate in the SPP, please read the SPP Terms & Conditions carefully and follow the step-by-step instructions on the Application Form.

## **SPP TERMS & CONDITIONS: KEY SHARE PURCHASE PLAN 2019**

The following are the SPP Terms & Conditions of the Key Share Purchase Plan 2019. By participating in the SPP, you agree to be bound by the SPP Terms & Conditions and the Company's Constitution.

### **1. ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC Instrument)**

The SPP is offered in compliance with the ASIC Instrument. The ASIC Instrument provides relief from the requirement for the Company to provide a prospectus when offering Shares to existing shareholders of a company pursuant to a share purchase plan.

### **2. Opening Date and Closing Date of the SPP**

The SPP opens at 9.00am (WST) on 31 October 2019 (**Opening Date**). The SPP closes at 5.00pm (WST) on 25 November 2019 (**Closing Date**). The detailed timetable for the SPP is set out in the Key Dates section above and is included in these SPP Terms & Conditions.

Late applications will not be accepted. However, the Directors reserve their right, subject to the regulatory requirements, to vary the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

### **3. Who is eligible to participate in the SPP?**

You are eligible to apply for New Shares under the SPP if you were registered as a holder of Shares as at the Record Date on the Register and if your registered address as it appears in the Register, is in Australia, New Zealand or Hong Kong and you are not resident or located in the United States or any other jurisdiction in or into which an offer of New Shares pursuant to the SPP would be unlawful. For New Zealand and Hong Kong Shareholders, you must remain a Shareholder at the date of the letter you received in relation to the SPP. Further, if you are a Hong Kong Shareholder the Offer is only made to you if you are a "professional investor" under the Hong Kong Securities Law.

The SPP Terms & Conditions are the same for each Eligible Shareholder.

Your rights under the SPP are personal to you and the SPP is non-renounceable (i.e. you may not transfer your right to subscribe for New Shares to anyone else).

### **Important Information for Shareholders outside Australia**

#### ***New Zealand Shareholders***

The Shares offered under the Plan are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (as amended)* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

## **Hong Kong**

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 23) of Hong Kong, nor has it been authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Ordinance (Cap. 571) of the Laws of Hong Kong (the “SFO”). No action has been taken in Hong Kong to authorize or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Shares have not been, and will not be, offered or sold in Hong Kong other than to “professional investors” (as defined in the SFO).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined by the SFO and any rules made under that ordinance). No person allotted new shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## **4. Shareholder Approval**

As the SPP is for not greater than 30% of the Company's Shares on issue as at the date of the Letter, the Company will issue the New Shares under ASX Listing Rule 7.2 Exception 15. Accordingly, Shareholder approval is not required for the issue of the New Shares pursuant to the SPP.

The Company may scale back applications in such manner as set out below.

## **5. Voluntary participation**

Participation by you in the SPP is entirely voluntary and is subject to these SPP Terms & Conditions. There is no obligation to participate in the SPP.

## **6. Issue Price**

The Issue Price for each New Share will be \$0.0071 being a discount of 20% to the volume weighted average market price of Shares (as defined in the ASX Listing Rules) calculated over the last 5 days on which sales in the Shares were recorded on the ASX prior to the date of announcement of the SPP.

## **7. Important information on price risk to consider**

Before deciding whether to participate in the SPP, you should refer to the current market price of the Shares, which can be obtained from the financial pages of most major daily newspapers, your stockbroker, your financial adviser or ASX.

***Subscription for New Shares is a speculative investment and the market price may change between the date you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for is likely to rise or fall. Importantly, there is a risk that during the period when the Issue Price is determined and when the New Shares are issued to you, the price at which Shares are traded on ASX may be less than the***

**Issue Price.** *You must rely on your own knowledge of the Company and previous disclosures made by the Company to ASX (including disclosure regarding risks of making an investment in the Company). In determining whether you wish to participate in the SPP and the extent to which you participate, you should seek your own personal financial and/or taxation advice referable to your personal circumstances.*

## 8. How much can you invest in the SPP?

Subject to paragraph 11, if you are an Eligible Shareholder, you may subscribe for a maximum of \$30,000 worth of New Shares.

There is a minimum amount for which you may subscribe under the SPP which is \$2,000 worth of New Shares.

The following parcels of New Shares are available under the SPP:

	Subscription Amount
Parcel A	\$2,000 (minimum)
Parcel B	\$5,000
Parcel C	\$10,000
Parcel D	\$15,000
Parcel E	\$20,000
Parcel F	\$30,000 (maximum)

The maximum limit of \$30,000 worth of New Shares applies to you even if you receive more than one SPP. For example, if as at the Record Date, you are both a sole and a joint Shareholder, you can only apply for New Shares once, either in your capacity as sole Shareholder or joint Shareholder, not both.

No fraction of New Shares will be issued.

All Application Monies must be paid in Australian dollars.

No brokerage, stamp duty or other costs are payable by applicants in respect of an application for New Shares.

## 9. Scale Back or Refusal of Application

The Company intends to raise up to a maximum of \$1.5 million by the issue of New Shares under the SPP. If applications of more than:

- (a) An aggregate of \$1.5 million worth of New Shares are received; or
- (b) 30% of the Company's ordinary Shares on issue at the date of the Letter,

the Directors may, in their absolute discretion, undertake a scale back to the extent and in the manner they see fit.

Factors which the Directors may take into account in determining any scale back include, but are not limited to:

- (a) the extent to which Eligible Shareholders have sold or bought additional Shares after the Record Date and the date the application was made;
- (b) the total Application Monies received;



- (c) the amount applied for by each Eligible Shareholder;
- (d) the number of Shares held by each Eligible Shareholder at the Record Date;
- (e) whether an Eligible Shareholder remains on the register on the Closing Date;
- (f) the date the Company received the Application Form; and
- (g) any other such criteria as determined by the Directors in their absolute discretion.

If there is a scale back, you may not receive all the New Shares for which you have applied. If a scale back produces a fractional number when applied to the number of New Shares for which you have applied, the number of New Shares issued to you will be rounded down to the nearest whole number of New Shares.

If there is a scale back, the difference between the Application Monies received from you, and the number of New Shares issued to you multiplied by the Issue Price, will be refunded to you in full (without interest and at your sole risk).

The Directors reserve their right (in their absolute discretion) to refuse an Application Form (in whole or in part) if they consider that:

- (a) it is reasonable and prudent to do so;
- (b) the applicant is not an Eligible Shareholder;
- (c) the issue of those New Shares may contravene any applicable law, rule or regulation in any jurisdiction (including without limitation the Corporations Act or the ASX Listing Rules) or the requirements of any regulatory or governmental body or may require further action to be taken by the Company including, without limitation, registration of Shares or the preparation of a prospectus in any jurisdiction; or
- (d) the applicant has not otherwise complied with the SPP Terms & Conditions.

If an Application Form is refused in whole or in part, the Application Monies will be returned to the applicant in full (without interest and at the applicant's sole risk).

All Directors' decisions in connection with a scale back or refusal of an application are final.

## 10. Shortfall

The SPP is not underwritten. However, the Directors reserve their right to place any shortfall under the SPP at their absolute discretion at a price not less than the Issue Price.

## 11. Custodian Certificate

If on the Record Date you are a Custodian and hold Shares on behalf of one or more persons each of whom is an Eligible Shareholder (each, a **"Participating Beneficiary"**), the SPP is made to you and you have the discretion whether to extend the SPP to the Participating Beneficiaries. You may apply up to a maximum of \$30,000 worth of New Shares for each Participating Beneficiary.

In any consecutive 12 month period, the Company can only issue to a Custodian Shares up to the value \$30,000, unless the Custodian certifies in writing (**"Custodian Certificate"**):

- (a) either or both of the following:

- (i) that the Custodian holds Shares on behalf of one or more Participating Beneficiaries that are not Custodians; and
- (ii) that another Custodian (“**Downstream Custodian**”) holds beneficial interests in Shares on behalf of one or more Participating Beneficiaries, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:

- (iii) where paragraph 11(a)(i) applies – the Custodian; and
  - (iv) where paragraph 11(a)(ii) applies – the Downstream Custodian, to apply for New Shares on their behalf under the SPP;
- (b) the number of Participating Beneficiaries;
  - (c) the name and address of each Participating Beneficiary;
  - (d) in respect of each Participating Beneficiary:
    - (i) where paragraph 11(a)(i) applies, the number of Shares that the Custodian holds on their behalf; and
    - (ii) where paragraph 11(a)(ii) applies, the number of Shares to which the beneficial interests relate applies;
  - (e) in respect of each Participating Beneficiary:
    - (i) where paragraph 11(a)(i) applies, the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
    - (ii) where paragraph 11(a)(ii) applies, the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;
  - (f) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$30,000:
    - (i) the New Shares applied for by the Custodian on their behalf under the SPP in accordance with the instructions in paragraph 11(e); and
    - (ii) any other Shares issued to the Custodian in the 12 months before the application under the SPP as a result of an instruction given by them to the Custodian or Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the SPP;
  - (g) that a copy of this document was given to each Participating Beneficiary; and
  - (h) where paragraph 11(a)(ii) applies, the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.

In providing a Custodian Certificate under this paragraph 11, the Custodian may rely on information provided to it by the Participating Beneficiary and any Custodian who holds beneficial interests in the Shares held by the Custodian.

If the Company is not satisfied with the Custodian Certificate (for whatever reason), the Company will not issue any New Shares to the Custodian on behalf of the relevant Participating Beneficiaries.

If you require a Custodian Certificate or require further information about the Custodian application process, you should contact the Share Registry.

If you hold Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings set out in paragraph 8 apply.

## **12. Effect of making an Application and Shareholder Certification**

Subject to paragraph 11 above, if you submit a BPAY®<sup>1</sup> payment or complete and return an Application Form together with a cheque, bank draft or money order (as applicable), you:

- (a) will be deemed to have warranted and represented that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (b) irrevocably and unconditionally agree to the SPP Terms & Conditions and the terms of the Application Form;
- (c) acknowledge that your application will be irrevocable and unconditional;
- (d) certify and represent to the Company that you have not applied for more than \$30,000 worth of New Shares;
- (e) certify that the total of the application price for the following does not exceed \$30,000 (irrespective of whether you may have received more than one SPP or received SPP in more than one capacity):
  - (i) the New Shares the subject of your application under the SPP;
  - (ii) any other New Shares issued to you under the SPP or any other Shares issued to you under any similar arrangement in the 12 months before the application under the SPP (excluding Shares applied for but not issued);
  - (iii) any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
  - (iv) any other Shares issued to a Custodian under an arrangement similar to the SPP in the 12 months before the application under the SPP as a result of an instruction you have given to a Custodian;
- (f) agree to be bound by the Company's constitution;
- (g) will be deemed to have made the following declarations and representations:
  - (i) you acknowledge that the New Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions of the United States, or in any other jurisdiction outside Australia and New Zealand and, accordingly the New Shares may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;

---

<sup>1</sup> ® Registered to BPAY Pty Limited ABN 69 079 137 518

- (ii) you are purchasing New Shares outside the United States in an “offshore transaction” (as defined in Rule 902(h) under the Securities Act);
- (iii) you represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States;
- (iv) you agree not to send this document, the Application Form or any other material relating to the SPP to any person in the United States;
- (v) you agree that if in the future you decide to sell or otherwise transfer the New Shares you will only do so in “regular way” transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States; and
- (vi) if you are acting as a nominee or Custodian, each beneficial holder on whose behalf you are submitting the Application Form is resident in Australia, New Zealand or Hong Kong (and for Hong Kong is a “professional investor” under Hong Kong Securities Law) and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent and will not send, this document, the Application Form or any information related to the SPP to any such person.

### **13. Transaction Costs**

The only cost associated with the SPP is the Issue Price for the number of New Shares for which you wish to subscribe. You do not have to pay for brokerage, commission or other transaction costs which would normally apply when you acquire Shares on market.

### **14. Issue of New Shares and variation on number of New Shares issued**

The New Shares will be issued on the Issue Date.

The Share Registry will send to you a holding statement in due course following the Issue Date.

If an Application Form is refused in whole or in part, the Application Monies will be returned to the applicant in full without interest and the applicant’s sole risk.

### **15. What rights will the New Shares carry?**

Once the New Shares are issued, they will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements.

### **16. Can the Company change, suspend or terminate the SPP?**

The Company may at any time change, suspend or terminate the SPP. If the Company changes, suspends or terminates the SPP it will advise ASX. The accidental omission to give notice of changes to or suspension or termination of the SPP or the non-receipt of any such notice will not invalidate the change, suspension or termination.

### **17. Directors' Participation**

Subject to ASX Listing Rule 10.12 Exception 8 being satisfied at the date of the issue of the New Shares, Directors who are Eligible Shareholders may (without having to obtain prior Shareholder approval), participate in the SPP, on the same terms as all other Eligible Shareholders.

## 18. How do you pay for the New Shares?

All amounts in the SPP are expressed in Australian dollars. You must pay for the New Shares either by:

- (a) Pay your Application Monies via BPAY® by following the instructions set out on the personalised Application Form. You must also quote your reference number which is on the Application Form. You can only pay via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. If you use this method, you should be aware of your financial institution's cut-off time. It is your responsibility to ensure funds are received by the Closing Date. You do not need to return your Application Form if you are paying via BPAY®; or
- (b) Cheque, bank draft or money order in Australian dollars. Please complete your personalised Application Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to "**Key Petroleum Limited**" and ensure that cheques are crossed "**Not Negotiable**". Your completed Application Form together with your Application Monies must be received by the Closing Date.

Eligible New Zealand and Hong Kong shareholders are not able to make a BPAY® payment.

## 19. Please provide a cheque, bank draft or money order for the exact amount

If you have not elected to pay by BPAY® and you do not provide the exact amount, the Company reserves its right to return your Application Form and cheque, bank draft or money order. If the Company returns your Application Form and cheque, bank draft or money order, no New Shares will be issued to you.

If you make a BPAY® payment and do not provide the exact amount, you will, subject to the SPP Terms & Conditions, be deemed to have applied for such New Shares for which you have paid.

## 20. Dispute resolution

The Company may settle any dispute in connection with the SPP in any manner it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision will be final and binding.

The Company reserves its right to waive strict compliance with any provision of the SPP Terms & Conditions.

## 21. Quotation and Registration of your Shares

The Company will apply for the New Shares issued to you to be quoted on ASX by 3 December 2019.

The Company participates in CHESS. Under CHESS, you will not receive a share certificate but will receive a statement of your holding of Shares. The CHESS statement will prescribe the number of New Shares issued pursuant to the SPP, provide details of your holder identification number, the participant identification number of the sponsor and the terms & conditions applicable to the New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

If you are registered on the Issuer Sponsored Sub register, the Share Registry will dispatch your statement, which will contain the number of New Shares issued to you under the SPP and your security holder reference number.

## 22. Privacy

By receiving completed Application Forms, the Company collects personal information about Shareholders. The Company will use this information for the purposes of processing the Application Form and updating the records

of the Company. To the extent restricted by law, the Company will not disclose personal information about a Shareholder to a third party. To the extent permitted by law, Shareholders are able to access, upon request, personal information about them by the Company.

### **23. Governing law and jurisdiction**

These SPP Terms & Conditions are governed by the laws in force in Western Australia. Any dispute arising out of or in connection with these SPP Terms & Conditions, or the offer of New Shares that is unresolved by the Company in accordance with paragraph 20, will be determined by the courts of Western Australia. By participating in this SPP, you agree to submit to the non-exclusive jurisdiction of the courts in Western Australia.

## HOW DO YOU APPLY FOR NEW SHARES UNDER THE KEY SPP 2019

If you wish to participate in the SPP please read the Terms & Conditions carefully. You must subscribe for:

- (a) a minimum parcel of \$2,000 worth of New Shares;
- (b) a parcel of \$5,000 worth of New Shares;
- (c) a parcel of \$10,000 worth of New Shares;
- (d) a parcel of \$15,000 worth of New Shares;
- (e) a parcel of \$20,000 worth of New Shares; or
- (f) a maximum parcel of \$30,000 worth of New Shares.

Application Forms and payments under the SPP are irrevocable and may not be withdrawn once the Company receives it.

If you make a BPAY® payment, you do not need to return the Application Form. However, you must quote your reference number which is on the Application Form and your reference number will process your payment to your entitlement. Please ensure you make a payment for the exact amount of the New Share parcel for which you wish to subscribe. You will be deemed to have applied for such New Shares for which you have paid, subject to the SPP Terms & Conditions. You should also be aware of your financial institution's cut-off time. It is your responsibility to ensure funds are received correctly by the Closing Date.

**Late applications will not be accepted. However, the Directors reserve their right, subject to the relevant regulatory requirements, to vary the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.**

Application Monies must be paid in Australian dollars. If you send in your cheque, bank draft or money order, you must complete all the required details in the enclosed Application Form. You must:

1. Tick the box for the number of New Shares for which you wish to subscribe, noting the amount payable for that number of New Shares.
2. Complete the cheque details section and ensure that the "Amount" section corresponds to the exact amount payable for the New Shares for which you wish to subscribe. (Should the exact amount payable not be tendered, the Company reserves its right to return the Application Form and cheque, bank draft or money order and not issue the applicant any New Shares and/or scale back the application as it sees fit.)
3. Insert your telephone contact numbers so that we may contact you if necessary.
4. Ensure your cheque, bank draft or money order is made out for the exact amount of the Share parcel for which you wish to subscribe, payable to "**Key Petroleum Limited**" and cheques are crossed "**Not Negotiable**".

5. You must return the completed Application Form, together with the cheque, bank draft or money order to the Share Registry at:

Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne VIC 3001

Ensure that your completed Application Form and payment reaches the Share Registry by the Closing Date **no later than 5:00pm (WST) on 25 November 2019**.

#### **Timing**

All payments and applications must be received before 5.00pm (WST) on 25 November 2019. You cannot withdraw or cancel your application or BPAY® payment once you have sent it in.

Do not forward cash. Receipts for payments will not be issued.

Application Monies will not bear interest as against the Company in any circumstances. Please read the enclosed application for further details on how to apply for Shares under the SPP.



## Questions

If you have any questions, please contact the Company at any time between 9.00am and 5.00pm (WST) Monday to Friday:

Key Petroleum Limited

Suite 8, Churchill Court, 331-335 Hay Street, Subiaco, Western Australia 6008

Telephone: +61 (0) 8 9381 4322 ♦ Email: [admin@keypetroleum.com.au](mailto:admin@keypetroleum.com.au)

## GLOSSARY

**\$** means Australian dollar.

**Application Form** means the application form accompanying this document.

**Application Monies** means monies paid by Eligible Shareholders in respect of New Shares the subject of an application pursuant to the SPP.

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Instrument** has the meaning given in paragraph 1 of the SPP.

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** means the official listing rules of ASX (as amended from time to time).

**ASX Settlement** means ASX Settlement Pty Limited (ACN 008 504 532).

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** has the meaning given in paragraph 2 of the SPP Terms & Conditions.

**Company** means Key Petroleum Limited ACN 120 580 618.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Custodian** has the meaning given in the ASIC Instrument:

**Custodian Certificate** has the meaning given to that term in paragraph 11 of the SPP Terms & Conditions.

**Directors** means the Directors of the Company from time to time.

**Downstream Custodian** has the meaning given to that term in paragraph 11 of the SPP Terms & Conditions.

**Eligible Shareholder** has the meaning given in the Letter.

**Hong Kong Securities Law** means the Securities and Futures Ordinance of Hong Kong chapter 571 of the Laws of Hong Kong.

**Issue Date** means the date on which New Shares will be issued, which as at the date of this document is expected to be 2 December 2019.

**Issue Price** has the meaning given in the Letter.

**Issuer Sponsored Sub register** means that part of the register for a class of the Company's securities for which CHESS approval has been given in accordance with the operating rules of ASX Settlement that is administered by the Company (and not by ASX Settlement) and that records uncertificated holdings of securities.

**Letter** means the letter addressed to Shareholders from the Company, dated, 31 October 2019.

**New Shares** means the Shares to be issued to Eligible Shareholders who accept participate in the SPP.

**Opening Date** has the meaning given in paragraph 2 of the SPP Terms & Conditions.

**Participating Beneficiary** has the meaning given to that term in paragraph 11 of the SPP Terms & Conditions.

**Record Date** has the meaning given in the Letter.

**Register** means the share register maintained by or on behalf of the Company in Australia.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Computershare Investor Services Pty Limited (ABN 48 078 279 277).

**Shareholder** means a registered holder of Shares.

**SPP** has the meaning given in the Letter.

**SPP Terms & Conditions** means the terms and conditions of the SPP as expressly prescribed in this document.

**WST** means Australian Western Standard Time.





KEY  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

### For all enquiries:

**Phone:**



(within Australia) 08 9381 4322  
(outside Australia) +61 8 9381 4322

**Web:**



[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

**Email:**




[admin@keypetroleum.com.au](mailto:admin@keypetroleum.com.au)

### Make your payment:



See overleaf for details of the Offer and how to make your payment

## Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (WST) Monday 25 November 2019**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Key Petroleum Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Key Petroleum Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment, does not exceed \$30,000.

Key Petroleum Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Key Petroleum Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Key Petroleum Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Key Petroleum Limited does not notify you of that event.

### Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the payment slip with BPAY payment.

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to **"Key Petroleum Limited"** and cross **"Not Negotiable"**. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

STEP 1

Registration Name & Offer Details

Registration Name:

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

 For your security keep your SRN/  
HIN confidential.

Entitlement No: 12345678

Offer Details:

Record date:5:00pm (WST) Friday 25 October 2019

Minimum value  
available to purchase:\$2,000

Maximum value  
available to purchase:\$30,000


STEP 2

Make Your Payment

 Biller Code: 305847  
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your  
payment from your cheque or savings account.

Pay by Mail:

 Make your cheque, bank draft or money order payable to "Key Petroleum  
Limited" and cross "Not Negotiable".  
Return your cheque with the below payment slip to:  
**Computershare Investor Services Pty Limited**  
**GPO BOX 505 Melbourne Victoria 3001 Australia**

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (WST) Monday 25 November 2019. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Key Petroleum Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.  
If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (WST) Monday 25 November 2019. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Key Petroleum Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

---

Purchase Details for Key Petroleum Limited (choose one option)

☐ \$2,000 worth of shares OR ☐ \$5,000 worth of shares OR ☐ \$10,000 worth of shares

☐ \$15,000 worth of shares OR ☐ \$20,000 worth of shares OR ☐ \$30,000 worth of shares



Entitlement No: 12345678

Payment must be received by 5:00pm (WST) Monday 25 November 2019

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

Contact Details

Contact NameDaytime Telephone

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$