

23 November 2015

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

Dear Sir

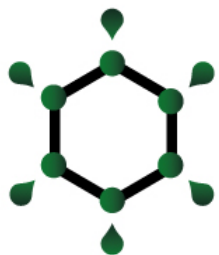
ANNUAL GENERAL MEETING – MANAGING DIRECTORS OVERVIEW

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



KEY

PETROLEUM LIMITED

Level 2
47 Stirling Highway
Nedlands 6009
Western Australia



T: + 61 (08) 6389 0322
F: + 61 (08) 6389 0697



Managing Directors AGM Presentation
Kane Marshall

23 November 2015

Disclaimer and Competent Person's Statement

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 booklet 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 (Inv & Corp Fin) and a Masters in Petroleum Engineering.

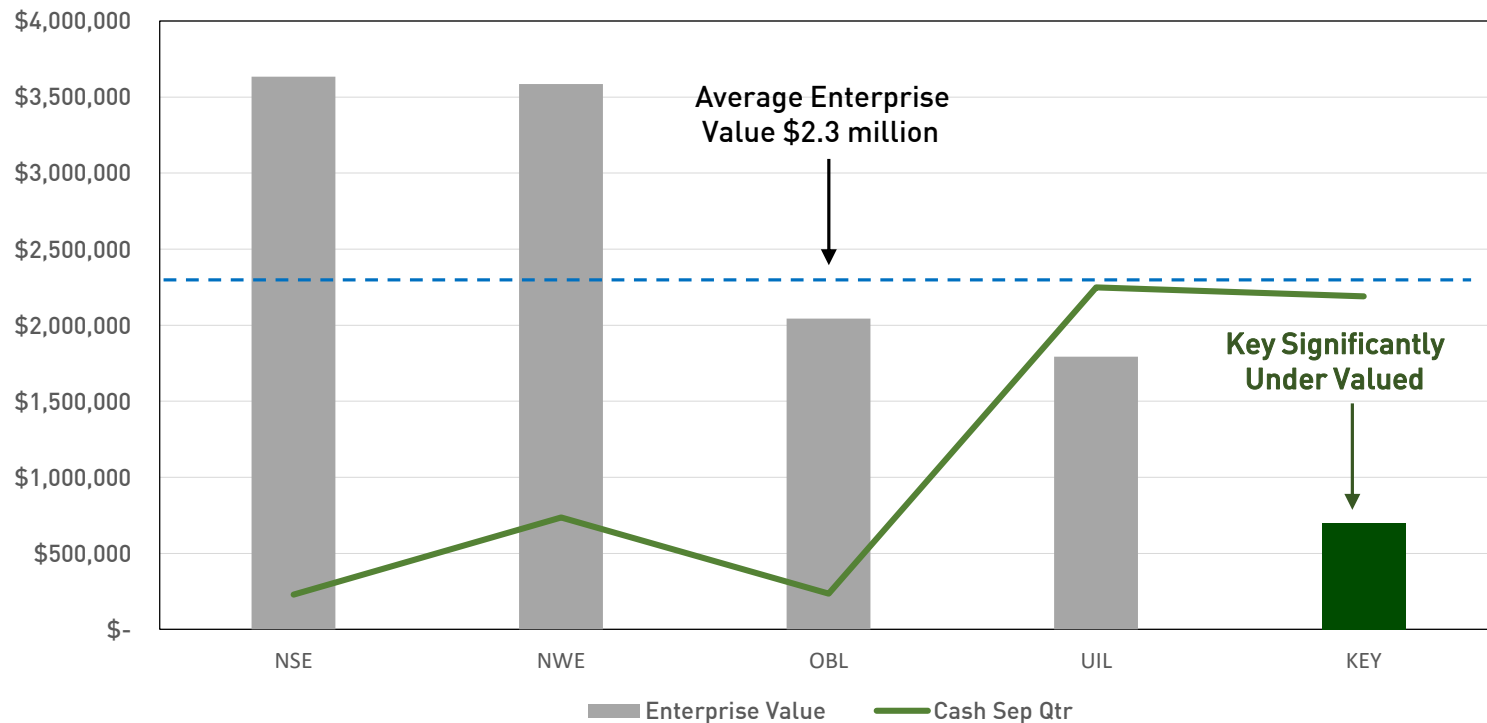
Experienced Team

Managing Director	Mr Kane Marshall Petroleum Engineer and Geologist BSc (Geology), BCom (Corp. Finance) & MPetEng
Non- Executive Chairman	Mr Rex Turkington BCom(Hons), BCA, GAICD, AAFSI, ADA1 (ASX)
Non-Executive Director	Mr Dennis Wilkins Accountant BBus, ACIS, AICD
Non-Executive Director	Ms Min Yang
Non-Executive Director	Mr Geoff Baker BCom, LLB and MBA
Company Secretary	Mr Ian Gregory BBus, FCIS, FGIA, F Fin, MAICD
Chief Financial Officer	Mr Rob Ierace CA, GIA, BCom

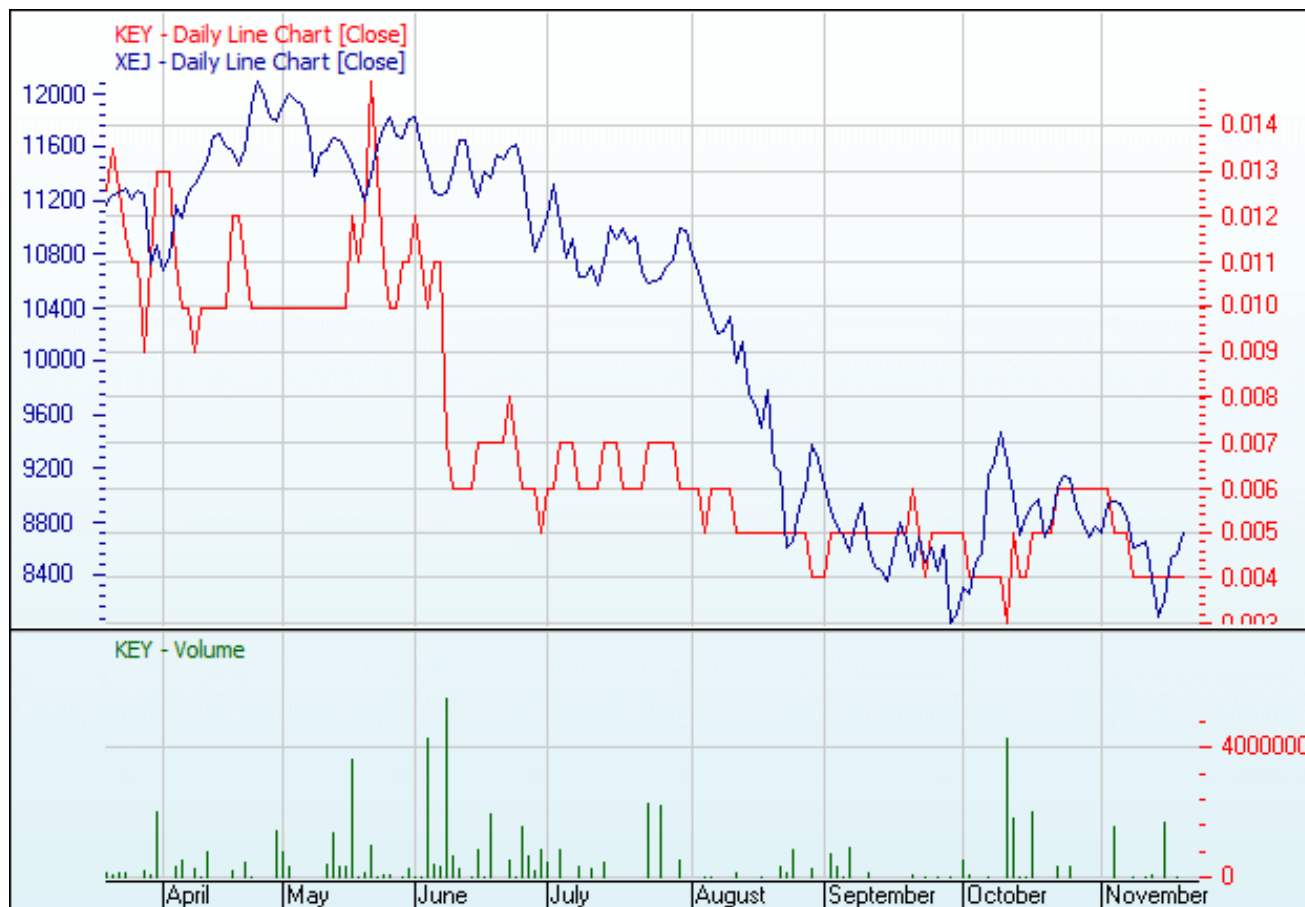
Company Overview

Shares on Issue	722,358,441
Share Price	0.4 cents
Market Capitalisation	AU\$ 2.9 million
Cash Position 30/09/15	AU\$ 2.2 million

Enterprise Value comparisons - Canning & Perth Basin Juniors



Share Price Movement – 6 Months



- Key Petroleum Limited
- ASX 200 - Energy Sector

Current Outlook and Strategic Focus

- ☼ Strategically positioned acreage close to ports and coastal towns in known oil and gas provinces
 - ☼ EP437 prospects located 4-5 hour drive by truck from Kwinana refinery
 - ☼ EP448 prospects are 7 hours by truck from Broome port with any future crude export from Wyndham, Derby or Broome ports to Singapore
 - ☼ EP104, R1 and L15 located between Broome and Derby with Anderson Formation leads located within 25 kilometres of Derby port and close proximity to resource projects
- ☼ Focus on new business opportunities including acreage gazettal participation in younger sedimentary basins both internationally and domestically with opportunities aligned with current portfolio of interests
- ☼ Reputation as a low cost, safe and environmentally responsible Operator based on its track record of operations in Western Australia
- ☼ Exploration focus in 2016 is on diversifying portfolio of projects and conducting work programs with little or minimal dilution to shareholder value

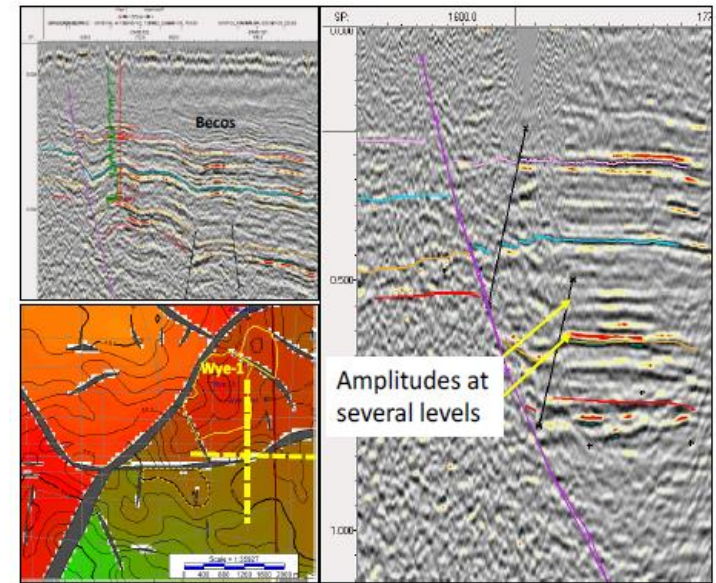
EP437 – North Perth Basin, Western Australia

Prospectivity

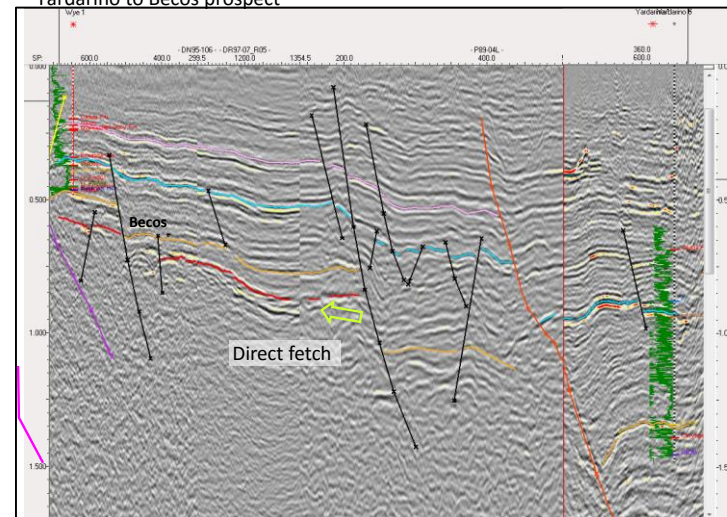
- ☼ Focused on prospectivity in the eastern part of the Permit, largely due to the fact that prospects in the sedimentary sequences in this area are on trend with both the Yardarino Gas Field and the more recently discovered and tested Waitsia gas accumulation.
- ☼ The early Permian section such as the High Cliff Sandstone and sealing Holmwood Shales exist beneath stacked sequences of Cattamarra, Aranoo and Bookara Sandstones in all prospects in the eastern part of EP437 including Wye Knot and Becos.

Forward Plan

- ☼ The Becos prospect demonstrates seismic amplitudes at both the Aranoo and Bookara levels. Seismic amplitudes can in instances be representative of hydrocarbon effects.
- ☼ Both Wye Knot and Becos prospects are shallow, low cost and located on trend from productive trends
- ☼ New Joint Venture partner Pilot Energy (ASX:PGY) working with joint venture to high grade potential prospects for drilling and promoting further joint venture participation



Cross section of Becos prospect (above) and north-south cross section of Yardarino to Becos prospect



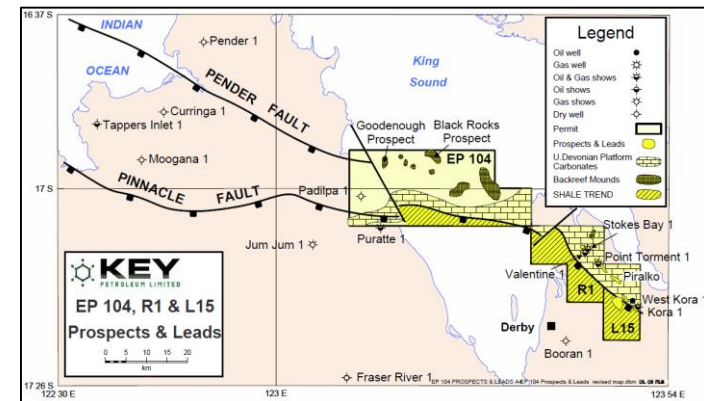
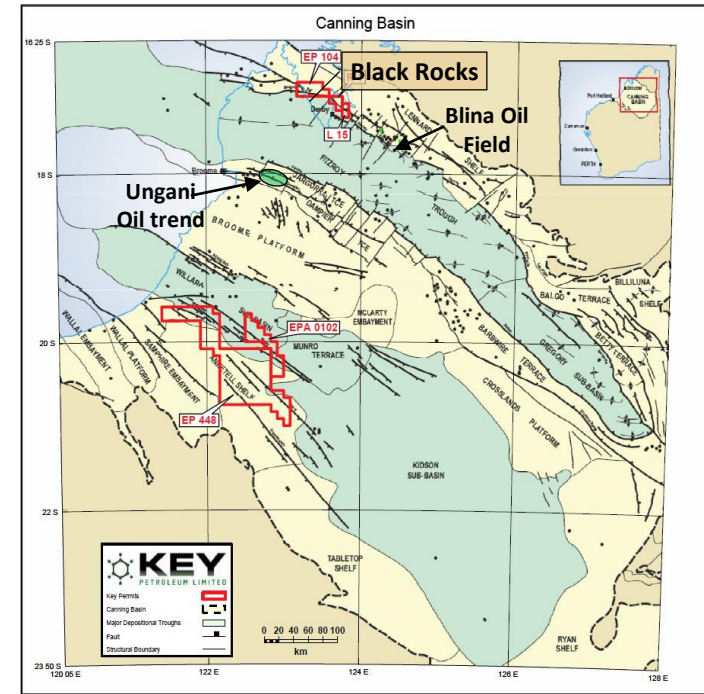
R1, L15 & EP104 - Northern Canning Basin, Western Australia

Prospectivity

- ☀ Acreage on margins of underexplored basin along the Lennard Shelf adjacent to the Fitzroy Trough
- ☀ Proven discoveries in acreage – West Kora-1 (L15) and Point Torment-1 (R1)
- ☀ North Canning Basin position located close to all sealed Great Northern Highway and coastal town of Derby
- ☀ Gas offtake:
 - ☀ Resource Projects
 - ☀ Asian demand with reliance on importation of crude
- ☀ Established infrastructure in terms of drill pads and cleared roads
- ☀ Maiden resource and reserve reports conducted on Point Torment Gas Field (R1) and West Kora Oilfield (L15)

Forward Plan

- ☀ Submitted varied work program instead of an exploration well consisting of airborne survey and surface geochemistry to better delineate Point Torment Gas Field areal extent and potentially identify other undrilled gas pools
- ☀ Continue commercialisation discussions around offtake of Point Torment gas with major resource projects in area given premium paid for gas from Port Headland
- ☀ Commercialisation discussions will pave the way for farmout of other prospects in R1 and EP104



SW **Valantine-1 / Stokes Bay-1** **NE**

CHP Shot 141 141 181 201 221 241 261 281 301 321 341 361 381 401 421 441 461 481 501 521 541 561 581 601 621 641 661

2020 2030 2040 2050 2060 2070 2080 2090 2100 2110 2120 2130 2140 2150 2160 2170 2180 2190 2200 2210 2220 2230 2240 2250 2260 2270 2280

TWT (msec)

Grant Fm

Anderson Fm

Lower Anderson Sand

May River Shale ANOXIC BLACK SHALE

Clanmeyer deep basin

Reef Complex

Hangenberg Extinction 359Ma

ANOXIC

ANOXIC - EUXINIC

EUXINIC

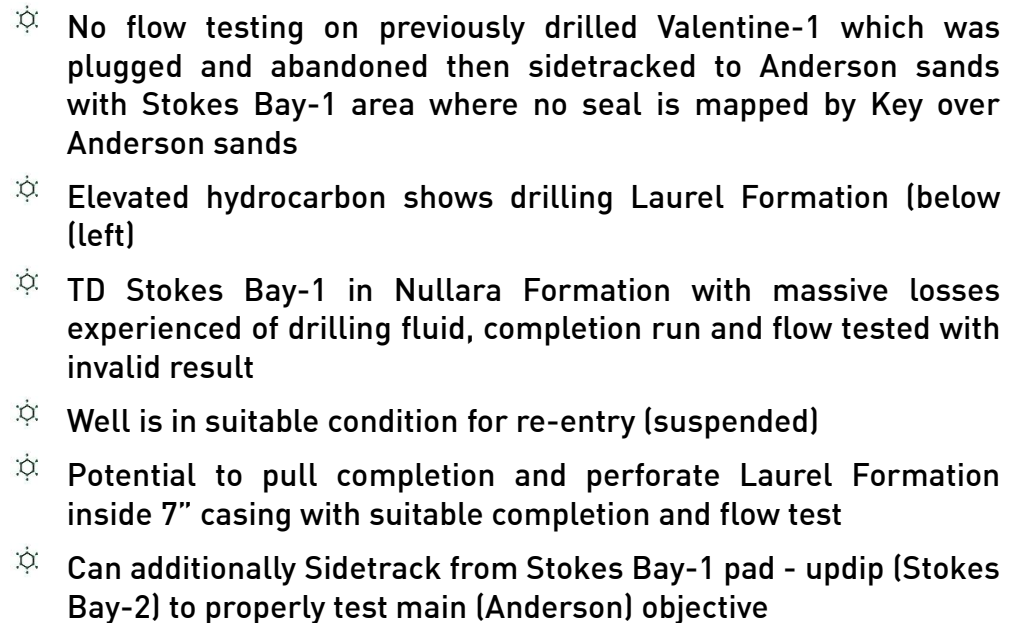
F-F Extinction Event 364Ma

OXIC

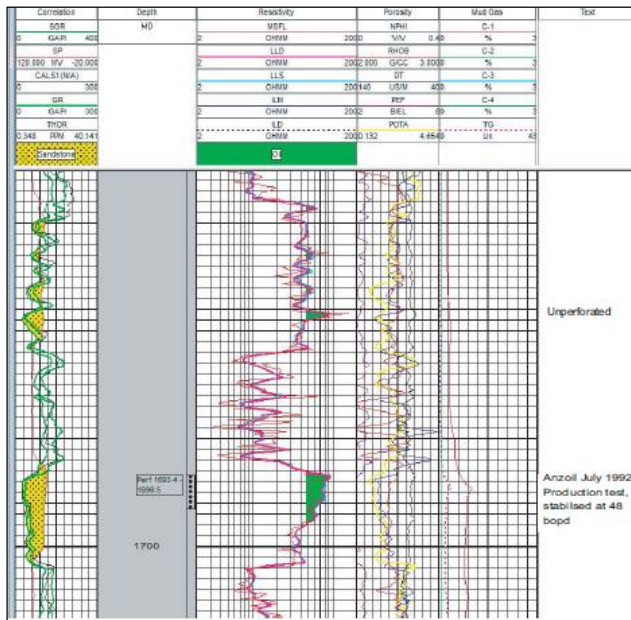
Top Ordovician

LINE F84A-932

1 mile

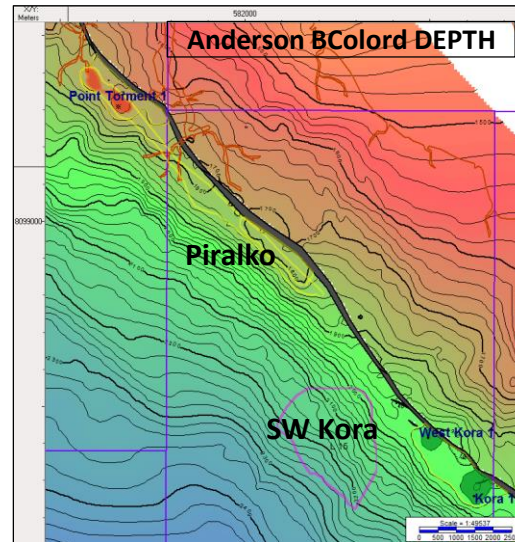


L15 – Discovered West Kora Oilfield



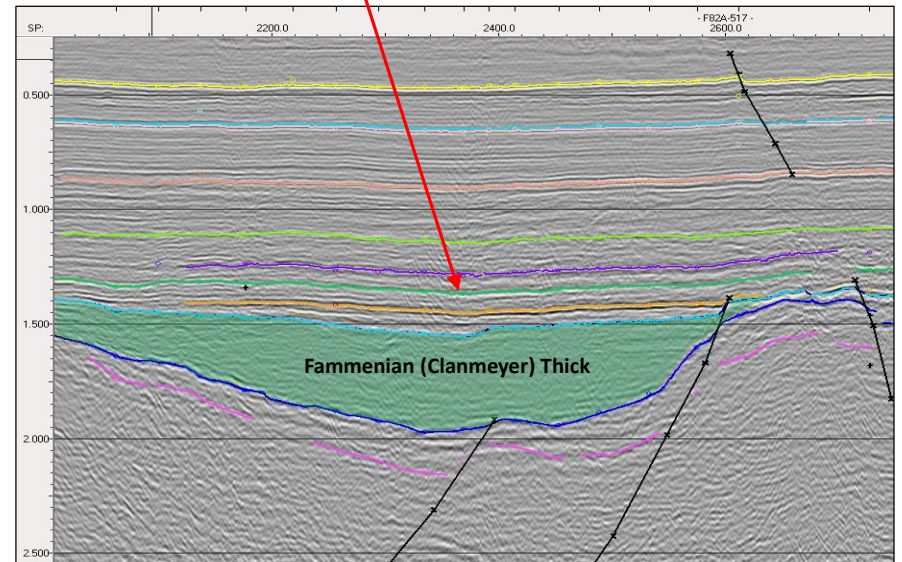
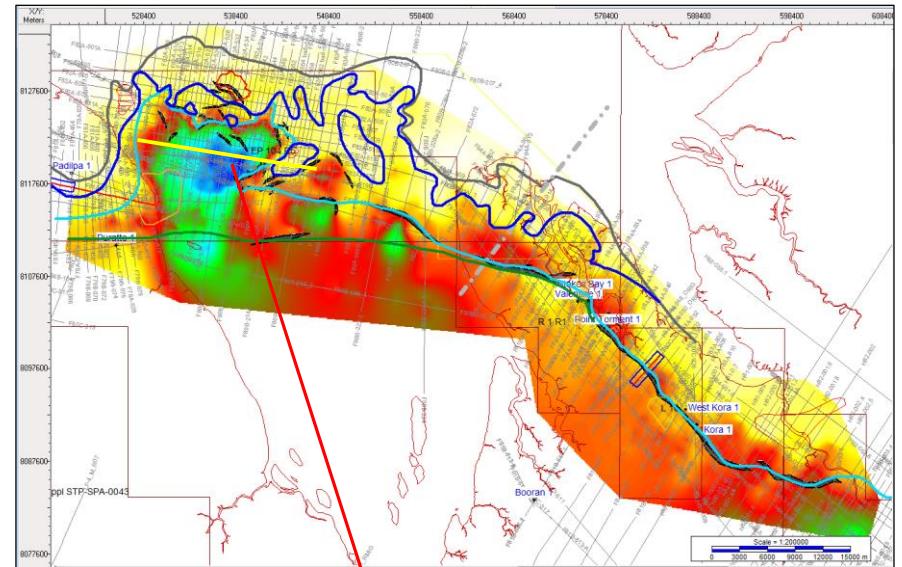
- ☼ West Kora-1 on production through mid 1990's in L15 from Upper Anderson sands with beam pump and jacking platform by previous Operator Anzoil
- ☼ Workover failed to isolate water bearing sands below main producing sand at 1,695 mKB with subsequent analysis confirming Formation water production through a failed through tubing bridge plug
- ☼ Additional oil pay identified by Key above main 1,695 mKB producing oil sand
- ☼ Good quality sweet crude with low associated gas and natural water drive resulting in good recovery factors of OIP

- ☼ Kora-1 modelled to be discrete oil pool to that of West Kora-1 with potential up-dip attic oil not produced
- ☼ Maiden Resource reporting currently being finalised as part of maturing work for workover and exploration drilling in L15
- ☼ Production Licence pre dates native title allowing for fast track of newly discovered oil or gas
- ☼ Production Licence with exploration upside identified by Key targeted at being part of 2015/2016 work program
- ☼ Piralko (Anderson roll over) on trend from Point Torment-1 gas discovery. Location to be scouted September/October (Q3) 2015
- ☼ Workover rig for West Kora-1 to be selected with flexibility to drill Piralko in same campaign



EP104 – Newly Understood Frontier Acreage

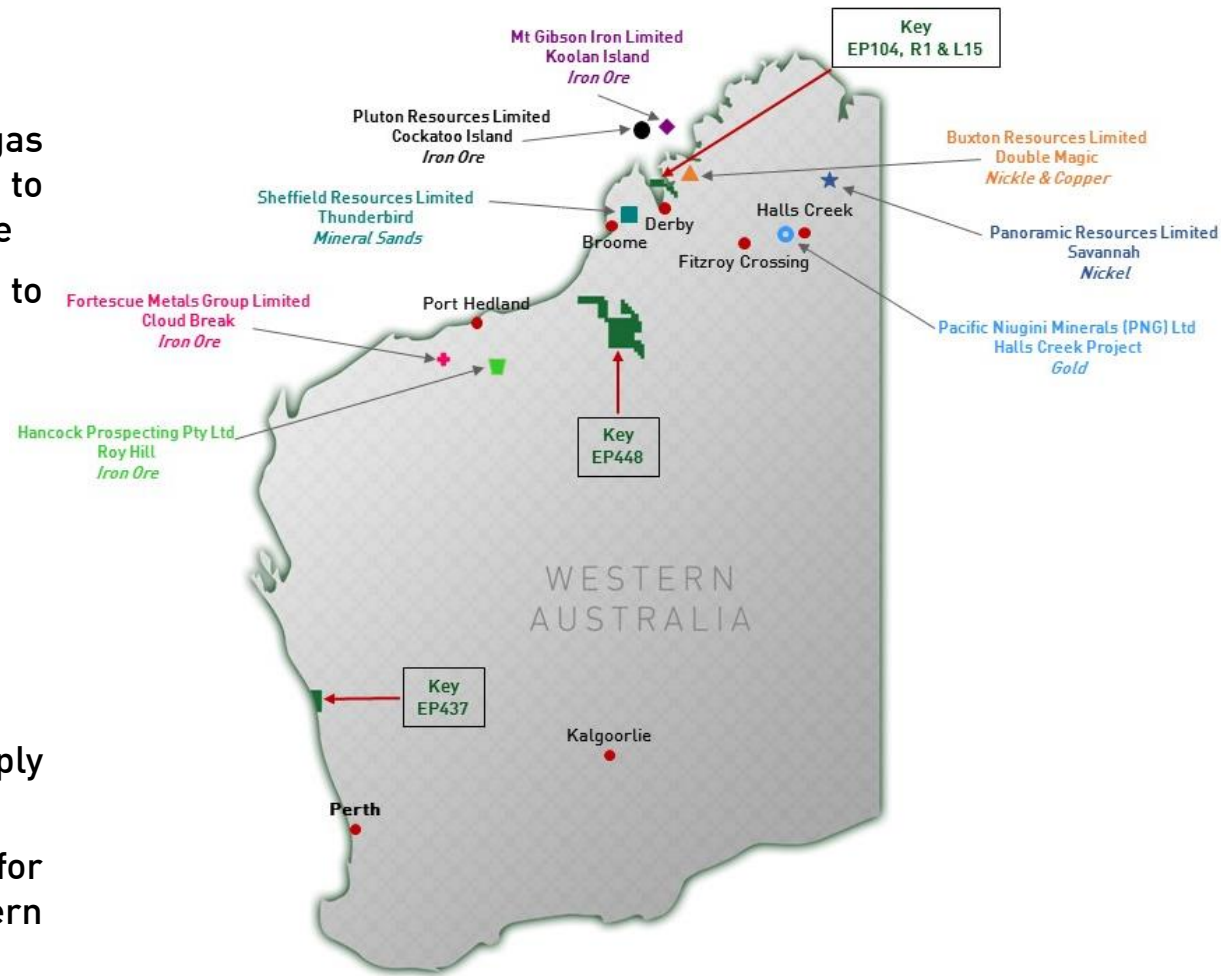
- Significant breakthrough in the understanding of prospective reef trends along the Lennard Shelf
- Company making prospects with permit in good standing with government
- Prospective Devonian reef trend occurs at the northern tip of Point Torment and extends into the King Sound Embayment ("KSE") (right)
- Thick KSE consists of Fammenian source rich sediments for hydrocarbon charge – high potential for source rock development
- Reef features on this trend high graded by the identification of the largest undrilled structure in the Canning Basin, Black Rocks (red polygon below) with 200m vertical relief



Project Development in the Kimberley Region, Western Australia

Projects Create Demand

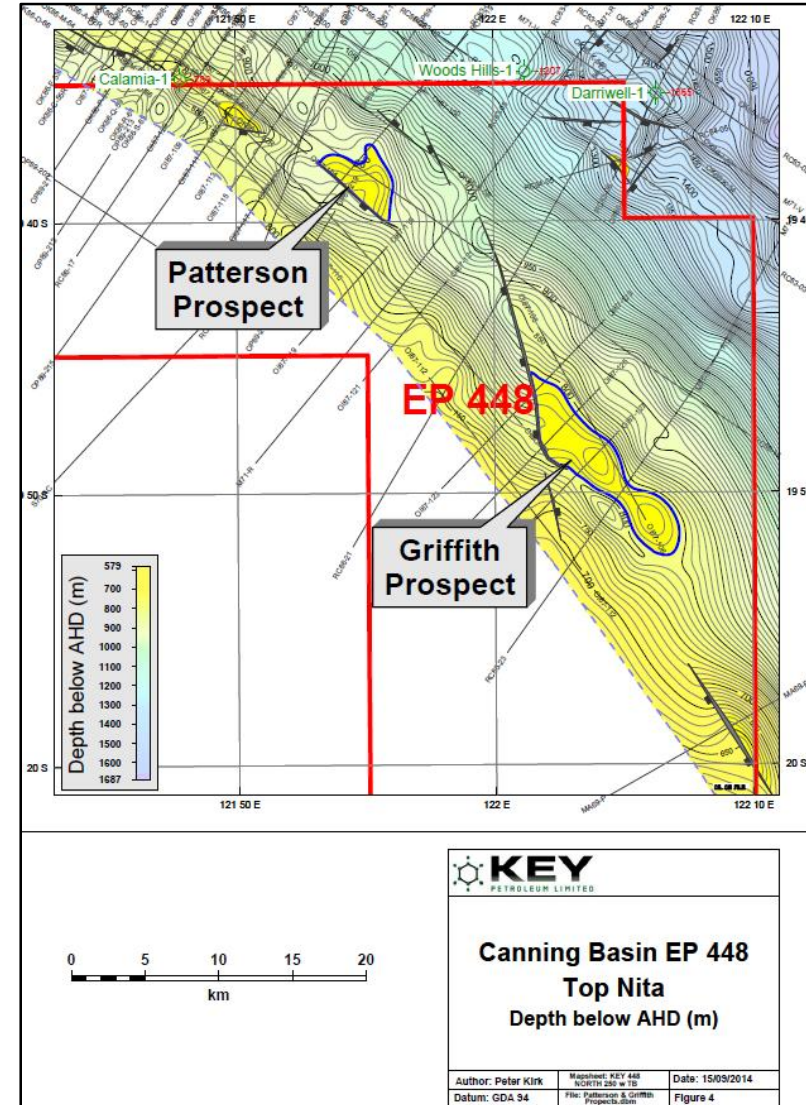
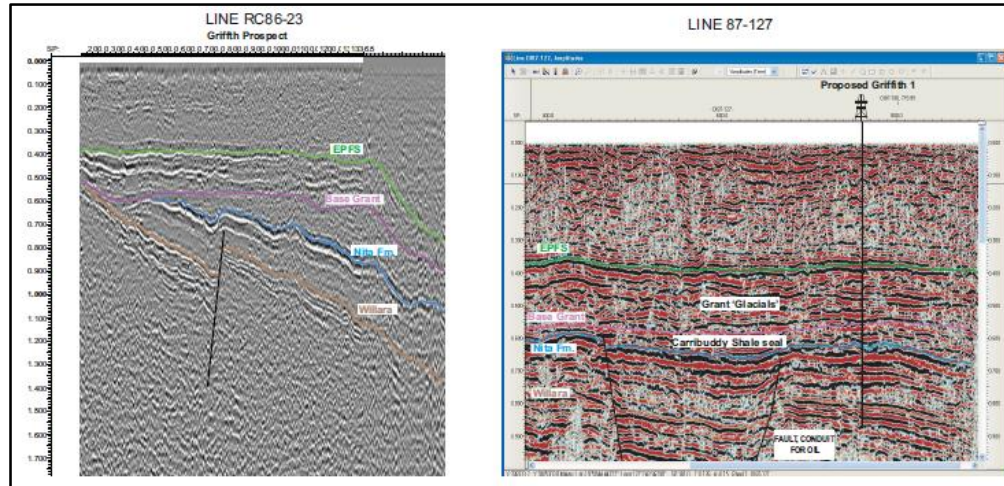
- ☼ Pilbara Iron Ore Projects:
 - ☼ Power generation from gas result in large scale changes to project economics and mine life
- ☼ Resource projects located close to Key acreage include:
 - ☼ Panoramic Resources Ltd
 - ☼ Buxton Resources Ltd
 - ☼ Sheffield Resources Ltd
 - ☼ Hancock Prospecting Pty Ltd
- ☼ Potential growth in Town of Derby
- ☼ FLNG development of Browse
 - ☼ Supplement domestic gas supply from other project areas
- ☼ Diversity of supply required for retail gas markets in Western Australia



EP448 – Southern Canning Basin, Western Australia

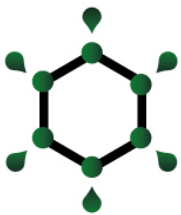
Mapped Prospects

- ☀ Two currently mapped prospects Griffith and Patterson with best estimate un-risked prospective resources of 30 and 14 million barrels that are ready to drill in northern part of EP448
- ☀ Several other leads identified on trend along the Chirit Fault which contain anomalous readings of Propane and Ethane from 2013 Curtly Geochemical Soil Survey
- ☀ Submitted varied work program to DMP of airborne survey and voluntary relinquishment of non prospective permit in place of an exploration well to better de-risk prospects for drilling in 2016 with survey to be executed concurrently with R1 airborne survey
- ☀ L12-10 application withdrawn due to prolonged negotiation period with native title parties and associated costs



Looking Ahead to 2016

- ⚙ Company currently active in new venture evaluations as it seeks to diversify portfolio of assets
- ⚙ Key has met 2015 equity market challenges with continuing prudent capital management and in parallel holding discussions with distressed companies for asset acquisitions
- ⚙ Complete scoping engineering studies of various rig options both interstate and in Western Australia for North Canning re-entry program as well as potential additional exploration well
- ⚙ Evaluate customers for Key Petroleum services in WA base metal and rare earth exploration projects providing potential revenue stream in the 2016 Financial Year
- ⚙ Increase capabilities of low cost oilfield services both for 2016 exploration activities and third parties



KEY

PETROLEUM LIMITED

For further information please contact

Mr Kane Marshall

Telephone: +61 (0) 8 6389 0322

www.keypetroleum.com.au

**Follow us
and like us
on:**

