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ASX and Media Release

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TANZANIA - GOVERNMENT APPROVAL

Key Petroleum Limited (**ASX:KEY**) (“Key Petroleum”) previously announced that it had entered into a binding Heads of Agreement to decrease its interest in the Nyuni Production Sharing Agreement in Tanzania (‘Nyuni PSA’) from 20% to 5% through a farm-out arrangement with Aminex plc (“**Aminex**”), the London and Dublin securities exchange listed company and current Operator of the Nyuni PSA. The farm-out transaction was subject to Tanzanian Government approval.

Key Petroleum has been advised by Aminex plc that it has now received formal approval from the Tanzanian Ministry of Energy and Minerals to acquire the additional 15% working interest in the Nyuni-East Songo Songo Production Sharing Agreement from Key. The agreement with Key was subject only to this condition. Aminex is acquiring this additional 15% interest through undertaking to pay 20% of the costs of drilling the Nyuni-2 well which is due to be spudded in April this year. Aminex will now have a 65% interest in the Nyuni PSA, including existing gas discoveries.

Participant holdings in the Nyuni PSA after this farm-out will become:

Ndovu Resources (Aminex subsidiary)	65% (Operator)
RAK Gas Commission	25%
Key Petroleum Ltd.	5%
Bounty Oil and Gas NL	5%

For further Company background information please see the website at <http://www.keypetroleum.com> or contact

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