

Key Petroleum Limited

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18 April 2007

Mr Ben Donavan
Australian Stock Exchange Limited
Exchange Plaza
Level 8
2 The Esplanade
Perth WA 6000

Dear Ben

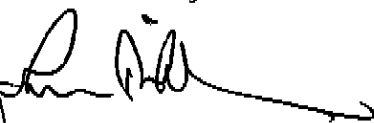
COMPLETION OF AGREEMENTS

Key Petroleum Limited confirms the conditions precedent to the following vendor agreements have now been completed:-

- **Tanzanian Farmin Agreement:** Ndovu Resources Limited ("Ndovu") has assigned to the Company a 20% interest in the Nyuni PSA and a 20% interest in the Joint Operating agreement between Ndovu and Bounty Oil and Gas NL by the payment of \$100,000 plus the issue of 2,000,000 fully paid ordinary shares in the Company.
- **Suriname Petroleum Concessions:** The Company has acquired a 50% interest in Portsea Oil and Gas NL by the issue of 2,000,000 fully paid ordinary shares in the Company.

Should you have queries, please have no hesitation to contact the undersigned.

Yours sincerely



John Ribbons
Company Secretary