

13 August 2019

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

NOTICE UNDER LISTING RULE 3.10.5A

The following information is provided in accordance with Listing Rule 3.10.5A and Listing Rule 7.1A.4(b) with reference to the Appendix 3B lodged by the Company on 13 August 2019 regarding the issue of 125 million ordinary shares from a share placement announced to the ASX on 5 August 2019 (Placement), all of which were issued without disclosure under Listing Rule 7.1A.

- a) Details of the dilution to existing holders of ordinary securities caused by the issue:
 - i. Number of shares on issue prior to the Placement: 1,549,462,207
 - ii. Placement issue under Listing Rule 7.1A: 125,000,000
 - iii. Number of Shares on issue following the Placement: 1,674,462,207
 - iv. Dilution as a result of the Placement: 8%
- b) Key issued the Shares as a placement under ASX Listing Rule 7.1A as it was of the view it was the most efficient and cost effective mechanism to raise the funds required to achieve its stated objectives. Furthermore, the Placement did not expose the Company to market volatility that may have been experienced over a more protracted process such as a pro-rata issue.
- c) The Company confirms that the Placement was not underwritten.
- d) The Company paid fees of \$34,000.00, excluding GST, for assistance with the placement.



IAN GREGORY
Company Secretary
KEY PETROLEUM LIMITED