

5 November 2012

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

Dear Sir

RE: EP438 – CYRENE-1 UPDATE

We attach herewith an ASX Announcement for Investors regarding activities on the drilling of commitment well Cyrene-1 on EP438.

The relevant interests after the drilling of Cyrene-1 will be as follows:

Buru Energy Limited	37.5%
Mitsubishi Corporation (Diamond Resources (Canning) Pty Ltd)	37.5%
Key Petroleum Ltd (Gulliver Productions Pty Ltd)	20.0%
Indigo Oil Pty Ltd	5.0%

Regards

A handwritten signature in blue ink, appearing to read "Kane Marshall".

KANE MARSHALL
Managing Director
KEY PETROLEUM LIMITED

ASX AND MEDIA ANNOUNCEMENT

5 November 2012

CYRENE-1 UPDATE ON EP438 ACTIVITIES

Further to the announcement of 29 October 2012, Key Petroleum Limited ("Key") is pleased to announce that the EP438 Joint Venture has received environmental approvals from the Department of Mines and Petroleum (DMP), for DCA Rig 7 to undertake the drilling and testing program of Cyrene-1.

Key's 30 man camp and tubulars will now start mobilising to site and further updates will be issued as other relevant approvals for the drilling of Cyrene-1 progress.

For further information, please contact:

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Competent Persons Statement

Information in this ASX Release relates to information compiled by Mr Kane Marshall. Kane Marshall is a Practicing Petroleum Engineer and holds a BSc (Geology), a BCom (Inv & Corp Fin) and a Masters in Petroleum Engineering. He is a member of the Society of Petroleum Engineers (SPE) and the American Association of Petroleum Geologists (AAPG).

Key Petroleum Ltd

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