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Tamarama-1 Update and planning underway for drilling two additional wells

- **Variable flow rates of up to 2 mmcf/d for Tamarama-1 well observed during longer flow periods**
- **Tamarama-1 well will be put on production once flow lines into the Santos network are established**
- **Looking to install a flowline into Mount Howitt**
- **Planning is well advanced for Tamarama-2 & Tamarama-3 wells**
- **Well design is for deviated wells suitable for multi-stage frac**
- **Knowledge from Tamarama-1 well will be incorporated into the new wells which are targeting better flow rates**

Sydney: 30 November 2017, Cooper Basin focused oil & gas exploration company, Real Energy Corporation Limited (ASX:RLE) ("Real Energy"), is pleased to provide shareholders with an update on the Tamarama-1 well and planned activities for the drilling of the next two wells at the Windorah Gas project in the Cooper Basin Queensland, Tamarama-2 and Tamarama-3.

Tamarama-1 update and flow line tie-in

Tamarama-1 well is still dewatering a coal seam, and while a stabilised flow rate has not yet been achieved and the well has been on intermittent flow periods, strong flow rates of up to 2 mmcf/d are being recorded during longer flow periods. This is particularly encouraging and gives Real Energy every confidence in the commerciality of the well.

Real Energy expects to put the well on production once flow lines into the Santos operated gas gathering system are established. The Company has commenced planning for the installation of flow line into Mount Howitt and into the Santos operated gas gathering system. As shareholders are aware, Real Energy has a MOU signed with Santos for gas processing of Real Energy's gas.

Planned drilling of Tamarama-2 and Tamarama-3

The Company is pleased to confirm that planning is well advanced for the drilling of the next two wells at the Windorah project, the Tamarama-2 and Tamarama-3 wells. Real Energy has gathered considerable

information from the drilling, testing and fracture stimulation of Tamarama-1 and this is being used to work up a drilling program for a deviated well designs suitable for multi-stage frac for the next two wells.

Subject to contractor availability and finalising permitting, the program is expected to start in the first quarter of 2018 calendar year.

Commentary

Scott Brown, Managing Director of Real Energy said “We are very encouraged with what we have seen to date from Tamarama-1. We are now keen to take the next step with the project. We believe Tamarama-1 will be a future gas producer once it is tied into facilities despite the lack of consistency due to dewatering interference.”

“We have no doubt we have a large gas resource and given the high gas prices we are keen to drill Tamarama 2 & 3 to prove up the deliverability of the project.”

“Tamarama-1 was drilled as an exploration well and we know significantly more about the play. We are using this knowledge to design our next appraisal/production wells.

“With the new wells, Tamarama 2 & 3 wells, we have changed the design to drill a deviated wellbore with optimal stress orientation for more efficient fracture stimulation. The technical team is using a lot of science and technology to maximise well performance and we are confident we will see better flow rates in future wells.”

“The current gas crisis is something we saw coming when we started Real Energy. We positioned the Company to take advantage of today’s gas situation. We have 100% ownership of a field with an estimated 13.7 Tcf total mean gas in place, and our goal will be to convert this into gas reserves. We are still at the very early stages of unlocking the project’s value.”

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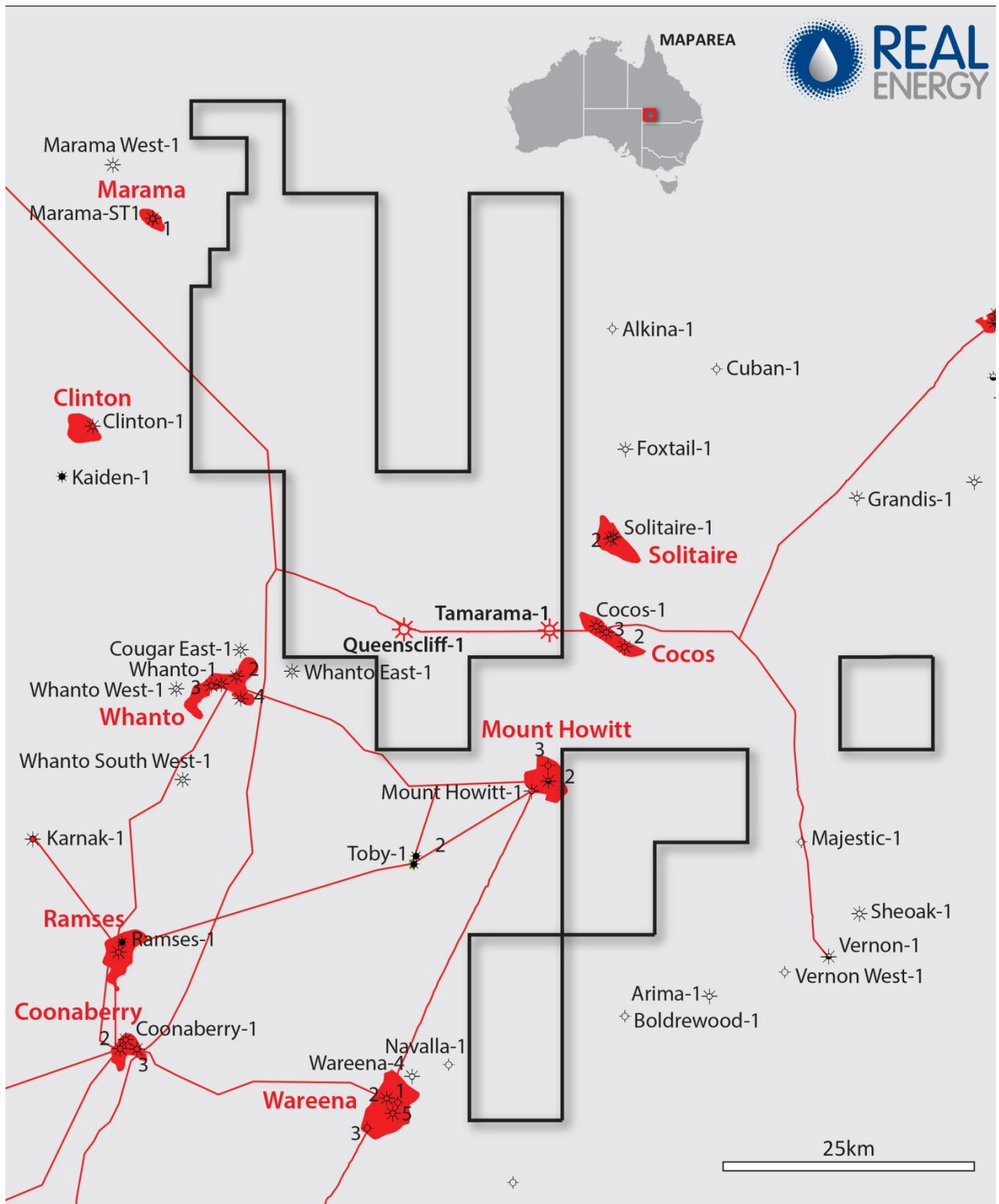
Geological Information

The geological information in this announcement relating to geological information and resources is based on information compiled by Mr Lan Nguyen, who is a Member of Petroleum Exploration Society of Australia, the American Association of Petroleum Geologist, and the Society of the Petroleum Engineers and has sufficient experience to qualify as a Competent Person. Mr Nguyen consents to the inclusion of the matters based on his information in the form and context in which they appear. The information related to the results of drilled petroleum wells has been sourced from the publicly available well completion reports.

About Real Energy Corporation

Real Energy is an oil and gas exploration and development company with a focus on the Cooper Basin, Australia's most prolific onshore producing petroleum basin. Real Energy has 100% ownership in 2 large permits in Queensland – ATP 927P & ATP1194PA.

Real Energy is focusing initially on the Toolachee and Patchawarra formations. These formations are well-known throughout the basin for holding and producing gas. Seismic interpretation in conjunction with existing petroleum well data has determined that the Toolachee and Patchawarra formations are significant across much of our acreage.



Appendix 1

Well Result

	Tamarama 1 Well
1	Type of well Petroleum, Gas Well
2	Location 13Kms North of Mt Howitt in South West Queensland, Australia see map
3	Working Interest 100%
4	Gross and Net Pay Gross pay interval is 119 metres. Total net pay ranges from 12 m to 44 m for Category 1 sands and from 41 m to 46.5 m for Category 2 sands.
5	Rock Type Toolachee and Patchawarra Sandstone and Coal formations
6	Depth Top Toolachee Formation 2358.0 mRT / 2210.5 mSS Thickness 41.5 mMD Top Patchawarra Formation 2399.5 mRT / 2252.0 mSS Thickness 126.5mMD
7	Tests Observations from dewatering the well
8	Recoveries Water
9	Choke and Flow Rates 1 inch choke - variable rates - during longer flow cycles (approximately 6 hour flow period), the estimated gas flow rates have been fluctuating, but averaged at around 1.2 mmscfd with the high rates above 2 mmscfd
10	Fracture Stimulation stages 5 Stage Fracture Stimulation
11	Volumes of Non Hydrocarbon gases N/A
12	Other N/A