



Real Energy Corporation Limited
Level 3, 32 Walker Street North Sydney NSW 2060
Telephone 02 9955 4008

Operation Update - Windorah Gas Project on track

- Tamarama-2 & 3 now drilled, cased and suspended for fracture stimulation and flow testing
- Diagnostic Fracture Injection Test planned shortly prior to frac in September quarter
- Toolachee and Patchawarra Formations in Tamarama-2 and 3 are gas saturated as predicted and confirm the geological model
- Drilling and results have significantly de-risks broader Windorah Gas Project
- Real Energy well placed to unlock greater value from its prospective Cooper Basin acreage

Sydney, 1 June 2018: Cooper Basin focused oil & gas exploration company Real Energy Corporation Limited (ASX: RLE) (“Real Energy”) is pleased to report the drilling operations have successfully concluded in ATP927P in south west Queensland. The Ensign 964 rig has now been released.



Figure 1: Ensign Rig 964 on location

Drilling has confirmed the geological model of Real Energy's 1,718 km² ATP927. This is most encouraging given the Company's very significant acreage and future field development prospects.

In the coming weeks Real Energy is planning to undertake a Diagnostic Fracture Injection Test (DFIT) which is usually undertaken prior to fracture stimulation to fine tune or optimise the fracture stimulation design and completion. It is expected that the fracture stimulation program will take place in the September Quarter as previously advised, and flow testing will follow thereafter.

Managing Director of Real Energy Mr Scott Brown commented: "We have made considerable progress with the Windorah Gas Project and are well on track with our strategy to develop the field and move towards the much anticipated production phase. The consistent gas-charged sandstone formations encountered in both Tamarama-2 and Tamarama-3 provide us with excellent results which are consistent with our geological model and align with the pre drilling predictions."

"Windorah gas project is potentially a huge gas resource, based on the in place gas resources of over 13.7 Tcf, and we have a lot of scope to progressively develop Windorah Gas Project which sits within a proven hydrocarbon province. We have over 682,000 acres, making Real Energy's project one of the largest 100% independently owned positions in the Cooper Basin."

-ENDS-

Real Energy: Managing Director - Scott Brown +61 2 9955 4008

Released through: Ben Jarvis, Six Degrees Investor Relations, +61 (0) 413 150 448

Or visit the website: www.realenergy.com.au

Twitter: <https://twitter.com/RealEnergyCor>



The surface location of Tamarama-1, Tamarama-2 and Tamarama-3

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.