



REAL ENERGY CORPORATION LIMITED - NOTICE OF GENERAL MEETING

Notice is given that a General Meeting (**Meeting**) of shareholders of Real Energy Corporation Limited (**RLE** or the **Company**) will be held at the Company's offices at Level 3, 32 Walker Street, North Sydney, NSW, 2060 on Thursday 20 September 2018 at 11:00 AM (Sydney time).

ORDINARY BUSINESS

1 Previous Issue of Shares

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the issue of:

46,250,000 ordinary shares in the company on 7 August 2018

on the terms summarised in the Explanatory Notes accompanying this notice of meeting, be approved and ratified for the purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes".

2 Issue of Options

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That the proposed issue of:

23,125,000 options in the Company to participants in the Share issue made on 7 August 2018

on the terms summarised in the Explanatory Notes accompanying this notice of meeting, be approved and ratified for the purposes of Listing Rules 7.1 of the ASX Listing Rules and for all other purposes".

By Order of the Board

Ron Hollands
Company Secretary
16 August 2018

ELIGIBILITY TO VOTE

For the purpose of the Meeting, the Directors have determined that shares will be taken to be held by persons registered as shareholders of the Company as at **7:00 PM (Sydney time) on Tuesday, 18 September 2018**.

PROXIES

Each shareholder who is entitled to attend and vote at the General Meeting may appoint not more than two proxies to attend and vote at the General Meeting on the shareholder's behalf. A proxy need not be a shareholder of the Company, and may be either an individual or a body corporate. Where two proxies are appointed by a shareholder, the shareholder may specify the proportion or number of votes which each proxy is entitled to exercise on a poll. If the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise one half of the votes (disregarding fractions) on a poll.

Due to the voting exclusions and requirements referred to in this Notice, if you intend to appoint any Director or other member of the Company's 'key management personnel'¹ (**KMP**) or their closely related parties, **other than the Chairman**, as your proxy, you should direct your proxy how to vote on the item.

Direction to Chairman: *If the Chairman of the Meeting is appointed, or taken to be appointed, as proxy, the shareholder can direct the Chairman of the Meeting to vote for or against or to abstain from voting on a resolution, by marking the appropriate box opposite each resolution on the Proxy Form. However, if a shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on the proposed resolutions set out in this Notice, then the Chairman intends to vote all available undirected proxies in favour of each of the proposed resolutions (if a poll is called on the relevant resolution).*

CORPORATE REPRESENTATIVES

A body corporate which is a shareholder, or the proxy of a shareholder may appoint an individual as its representative to exercise all or any of its powers that it could exercise at the Meeting. The representative should bring to the meeting original documentary evidence of his or her appointment, including any authority under which the appointment is signed.

VOTING EXCLUSIONS

The Company will disregard any votes cast on the resolutions as follows:

Item 1 Previous Issue of Shares

Concerning Resolution 1, the company will disregard any votes cast on the resolution by a person who participated in the issue referred to in Resolution 1 and any of their associates.

However, the company need not disregard a vote if it is cast:

- as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the form to vote as the proxy decides.

Item 2 Approval of Issue of Options

The Company will disregard any votes cast on Resolution 2 by any person who may receive the relevant options that are the subject of this resolution and a person who obtains a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons. However, the Company will not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair acting as proxy (by appointment or by default) for a person who is entitled to vote in accordance with the directions on the proxy form.

There are no other voting exclusions concerning the resolutions to be put to shareholders.

PROXY DEADLINE

A Proxy Form and, if the Proxy Form is not signed by the shareholder, the power of attorney or other authority (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority), must be received by the Company at least 48 hours before the time for holding the Meeting – that is, **by 11:00 AM (Sydney time) on Tuesday 18 September 2018**.

Documents may be lodged with the Company by:

1. Email to investor@realenergy.com.au; or
2. Facsimile (+61 2) 9954 6408; or
3. Mail to: Real Energy Corporation Limited
Level 3, 32 Walker Street
North Sydney NSW 2060

EXPLANATORY NOTES

These Explanatory Notes have been prepared for the information of shareholders regarding the business to be transacted at the General Meeting of shareholders to be held on 20 September 2018. The Directors recommend shareholders read these Explanatory Notes in full before making any decision in relation to the resolutions in question.

ITEM 1. PREVIOUS ISSUE OF SHARES

The ASX Listing Rules restrict the number of shares a listed company may issue in any 12 months without the approval of shareholders to 15% of the number of shares on issue at the start of the period, subject to certain adjustments and permitted exceptions.

This resolution seeks shareholder approval to the previous issue of shares in the Company made on 7 August 2018 for the purposes of Listing Rule 7.4. Listing Rule 7.4 provides that, where a company's shareholders ratify a previous issue of securities made without approval under Listing Rule 7.1 (provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been issued with shareholder approval.

The purpose of seeking shareholder approval to the previous issue of shares in this resolution is to ensure that the previous issue of shares made on 7 August 2018, does not reduce the Company's placement capacity under Listing Rule 7.1 ie: the company's 15% placement capacity to issue further Shares.

As announced, the company issued of 46,250,000 ordinary fully paid shares at a price of \$0.08 per share to sophisticated and professional investors pursuant to Section 708 of the Corporations Act without a disclosure document.

The funds raised from this issue (\$3,700,000) will be used in developing Real Energy's existing Oil & Gas business and for general working capital purposes.

No related parties to the Company or their associates received any shares in the issue.

All the shares have the same rights as existing ordinary shares in the company.

Resolution 1 seeks shareholder ratification pursuant to Listing Rule 7.4 for this issue of shares.

The directors believe that it is important for, and in the best interests of, the company to have the ability to issue the maximum number of shares under Listing Rule 7.1 as it enables the company to move quickly and efficiently to undertake fund raising/issue capital when necessary.

Directors' recommendation:

The Directors unanimously recommend that shareholders vote in favour of Resolution 1 and intend to vote all shares over which they exercise control in favour thereof.

ITEM 2 – APPROVAL OF OPTIONS ISSUE

Approval is sought to issue Options to all sophisticated and professional investors pursuant to Section 708 of the Corporations Act who applied for and were allotted shares in the issue of shares that was made on 7 August 2018.

The Directors resolved to issue one (1) Option ("Option") for every two (2) New Shares issued on 7 August 2018. The total number of Options to be issued under this resolution is 23,125,000.

Approval by shareholders is required in order to comply with ASX Listing Rules 7.1.

No funds will be raised from the issue of the options.

The options will be issued by 20 December 2018, being 3 months after the date of this meeting. All options will be issued on one date within this 3 month period.

The options are to be issued at \$nil cost on the basis of 1 option for every 2 shares issued to subscribers to shares issued on 7 August 2018 which are the subject of Resolution 1 of this meeting.

The terms of the Options are as follows:

- (a) each Option entitles the holder to subscribe for one Share upon payment of \$0.14 (**Exercise Price**);
- (b) the Options are exercisable on or before 30 September 2020 at any time;
- (c) the Options will expire on 30 September 2020. Options not exercised on the expiry date will automatically lapse;
- (d) the Options may be exercised by notice in writing to the Company ie: Not all options need to be exercised at the one time but must be exercised on or before 30 September 2020;
- (e) holders of Options will be permitted to participate in new issues of securities only following the prior exercise of the Option, in which case the record date must be at least

seven (7) Business Days , or such lesser number of days as is permitted under the ASX Listing Rules, after announcement of any new issue, to allow exercise of the Options;

(f) Shares issued on the exercise of the Options will be issued after receipt of a properly executed “form of exercise of Options” and together with the appropriate monies for the exercise;

(g) Shares issued pursuant to the exercise of an Option will rank equally with the fully paid ordinary Shares of the Company issued at that time and the resulting shares will be quoted on the ASX Official List.

(h) The Company will allot new shares resulting from any valid exercise of the Placement Options once per month at a time of its choosing;

(i) An Option does not confer the right to a change in Exercise Price or a change in the number of Shares over which the Option can be exercised; and

(j) In the event of any reconstruction (including consolidation, subdivision, reduction or returns) of the issued capital of the Company, the number of Options or Exercise Price or both shall be reconstructed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) the Company intends to request that the Placement Options be quoted on the ASX Official List from the issue date thereof.

Directors’ recommendation:

The Directors unanimously recommend that shareholders vote in favour of Resolution 2 and intend to vote all shares over which they exercise control in favour thereof.

LOCATION OF GENERAL MEETING - REAL ENERGY CORPORATION LIMITED, LEVEL 3, 32 WALKER STREET, NORTH SYDNEY NSW 2060 AT 11.00 AM (Sydney time) ON THURSDAY, 20 SEPTEMBER 2018

Public transport: Real Energy's office is located opposite North Sydney train station. The area is also serviced frequently by buses.

Car: There are also multiple public car parks located near 32 Walker Street North Sydney, notably on the Pacific Highway in North Sydney.



Proxy Form for Shareholders

Shareholder

XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX

1. I / We (please print): Name _____

Address _____

_____ Security Holder Reference Number (if known) _____

2. Appointment of Proxy

I / We being a member/s of Real Energy Corporation Limited hereby appoint

☐

The Chairman of the Meeting
(mark with an "x") or

(Write here the name of the person you are appointing if this person/s is someone other than the chairman of the meeting)

or failing the person/s named, or if no person/s is named, the Chairman of the meeting, as my/our proxy and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Real Energy Corporation Limited to be held at the offices of the company at Level 3, 32 Walker Street North Sydney NSW 2060 at **11am on Thursday 20 September 2018** and at any adjournment of that meeting.

3. Votes on Resolution directions to your proxy – please mark with a cross to indicate your directions

		For	Against	Abstain
Resolution 1	Previous issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE NOTE: Undirected proxies received by the Chairman of the meeting will be voted in favour of each item of business. If you have appointed the Chairman of the meeting as your proxy (or the Chairman of the meeting becomes your proxy by default), you can direct the Chairman of the meeting to vote for, against or to abstain from voting on, on a Resolution by marking the relevant box opposite the respective Resolution. Note that under section 2, if the Chairman of the meeting is your proxy and you do not mark any of the boxes opposite a Resolution, you are directing the Chairman to vote in favour of the respective Resolution.

4. Appointment of a Second Proxy I/We wish to appoint a second proxy

State the percentage of your voting rights
Or the number of shares for this Proxy Form

☐

Mark with an "x" if you wish
to appoint a second proxy

and

or

5. Authorised Signature/s

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

x	<input type="text"/>
---	----------------------

Individual/Sole Director and Sole
Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Contact Name

Contact daytime telephone

Email

Date

Completed proxy forms must be received by the Company no later than 11am on Tuesday 18 September 2018 to be valid. You may return the form by:

1. Email to investor@realenergy.com.au ; or
2. Facsimile (+61 2) 9954 6408; or
3. Mail to: Real Energy Corporation Limited
 Level 3, 32 Walker Street
 North Sydney NSW 2060

How to Complete this Proxy Form

1. Your Name and Address

The name and address on the Proxy Form is as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note: you cannot change ownership of your shares using this form

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the name of the person in Section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

3. Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy, you must:

- (a) On each of the first Proxy Form and the second Proxy Form state that percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, your proxy appointments will be invalid. Fractions of votes will be disregarded.
- (b) Return both forms together.

5. Signing instructions

You must sign this form as follows in the spaces provided:

- | | |
|--------------------|--|
| Individual: | Where the holding is in one name, the holder must sign. |
| Joint Holding: | Where the holding is in more than one name, either security holder may sign. |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it. |
| Companies: | Where the company has a Sole Director, who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place |

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given above (via mail, email or fax) by not later than 48 hours before commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.