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Gas Processing and Tie-in Agreements signed with Santos Limited and Beach Energy Limited

- **Agreements cover tie-in to Santos-operated gas gathering network in the Cooper Basin and gas processing at Moomba Facilities**
- **Gas processing allows raw gas from Real Energy's Windorah Gas Project to be processed into sales gas that is immediately saleable to Australian east coast commercial and industrial customers**
- **The Tamarama wells to be tied-in at Mount Howitt**
- **A significant step in Real Energy's efforts to commercialise the Windorah Gas Project without the need for Real Energy to build costly gas processing and transportation infrastructure**

Sydney: 15 October 2018: Cooper Basin focused oil & gas exploration company, Real Energy Corporation Limited (ASX: RLE) ("Real Energy" or "the Company"), is pleased to advise that it has executed binding agreements with Santos Limited (ASX:STO) and Beach Energy Limited (ASX:BPT) and their respective subsidiaries for gas processing at Moomba, and gas transportation and tie-in at Mount Howitt.

This gas processing agreement allows raw gas from Real Energy's Windorah Gas Project to be processed into sales gas, which can then be supplied to the east coast Australian gas market.

Santos and Beach Energy have gas processing facilities at Moomba in South Australia. Real Energy has now agreed terms for gas processing and transportation services. These agreements will allow for the commercialisation of Real Energy's Windorah Gas Project. Independent geologist has assessed that the 3C gas resource of the Project is 672 Billion cubic feet of gas.

The Company has now completed the well stimulation of Tamarama-2 and Tamarama-3 and will look to establish flow rates for these wells once most of the frac fluids have been recovered from the wells.

These agreements are subject to certain condition precedents including the Company receiving all regulatory approvals, access rights allowing pipeline connections, entering unconditional gas supply arrangements, and final investment decision. The commercial terms are confidential and in line with the MOU signed with Santos in May 2017.

Scott Brown, Managing Director of Real Energy said: “The signing of the gas processing agreement allows us to commercialise our gas without the need to build an expensive gas plant and other associated infrastructure. These are significant agreements that potentially add considerable value to Real Energy not to mention the fact that these are major de-risking events for our project”.

“Real Energy is very well-placed to take full advantage of the growing demand for Australian east coast gas, and these agreements, together with the upcoming flow rates for Tamarama-2 and Tamarama-3, will build on the excellent results we have received to date at our 100%-owned ATP927P acreage. We look forward to moving our gas project into production”.

“Right now our immediate focus is the successful delivery of commercially viable gas flows from Tamarama-2 and Tamarama-3. It is an exciting time for Real Energy.”

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For further information, please contact:

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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.

