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Tamarama 2 Reports Initial Flow Rate of 2 mmcf/day

- **Flow rate gives confidence of Tamarama 2 commerciality**
- **Installation of a flowline into Mount Howitt is planned**
- **Initial Flow testing of Tamarama 3 in a few weeks**

Sydney: 21 January 2019, Cooper Basin focused oil & gas company, Real Energy Corporation Limited (ASX:RLE) ("Real Energy"), is pleased to provide shareholders with an update on the Tamarama 2 well which is located on the Company's ATP927 permit in the Cooper Basin, South West Queensland.

A flow rate of 2.0 mmcf/d with flowing tubing pressure of 1783 psi was recorded from an initial flow test conducted on 17 January 2019 using a 13/64 choke size. This is particularly encouraging and gives Real Energy confidence in the commerciality of the well.

Real Energy will continue to gather data and other reservoir parameters on Tamarama 2 and 3 with the main objective to book a maiden gas reserves for our Windorah Gas Project. The initial flow rates for Tamarama 3 is expected in a few weeks.



Pictures of the flare from the initial testing of Tamarama

Tamarama 2 & 3 were drilled as a follow up wells from the initial discovery well of Tamarama 1, with a changed deviated wellbore design with optimal stress orientation for more efficient fracture stimulation. These extraction techniques will continue to evolve with further improvements expected.

A video of the initial flare is on our website at <http://www.realenergy.com.au/news-reports/news.html>

Commentary

Commenting on the successful flow test, Real Energy's Managing Director Scott Brown said: "This is a good result for Tamarama 2, which we believe will be a future gas producer. Importantly we are a step closer to commercialising a very large gas field and supports the drilling of future development wells."

"We are now on track to convert our large Contingent Resources of 2C & 3C into reserves and then start to deliver sustainable production from what is potentially a very large gas project in the heart of a proven Australian energy province, the Cooper Basin.

"The current gas crisis on the East Coast of Australia, where last week the Sydney gas price hit AUD\$12 per GJ, is something we predicted when we founded Real Energy. We positioned the Company to take advantage of today's gas situation, something that is hurting Australian industry. 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 a large amount of this into gas reserves. Whilst we are on the verge of commercialising a very large gas field we are still at the very early stages of unlocking the project's true value which we anticipate is significant."

For further information, please contact:

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Geological Information

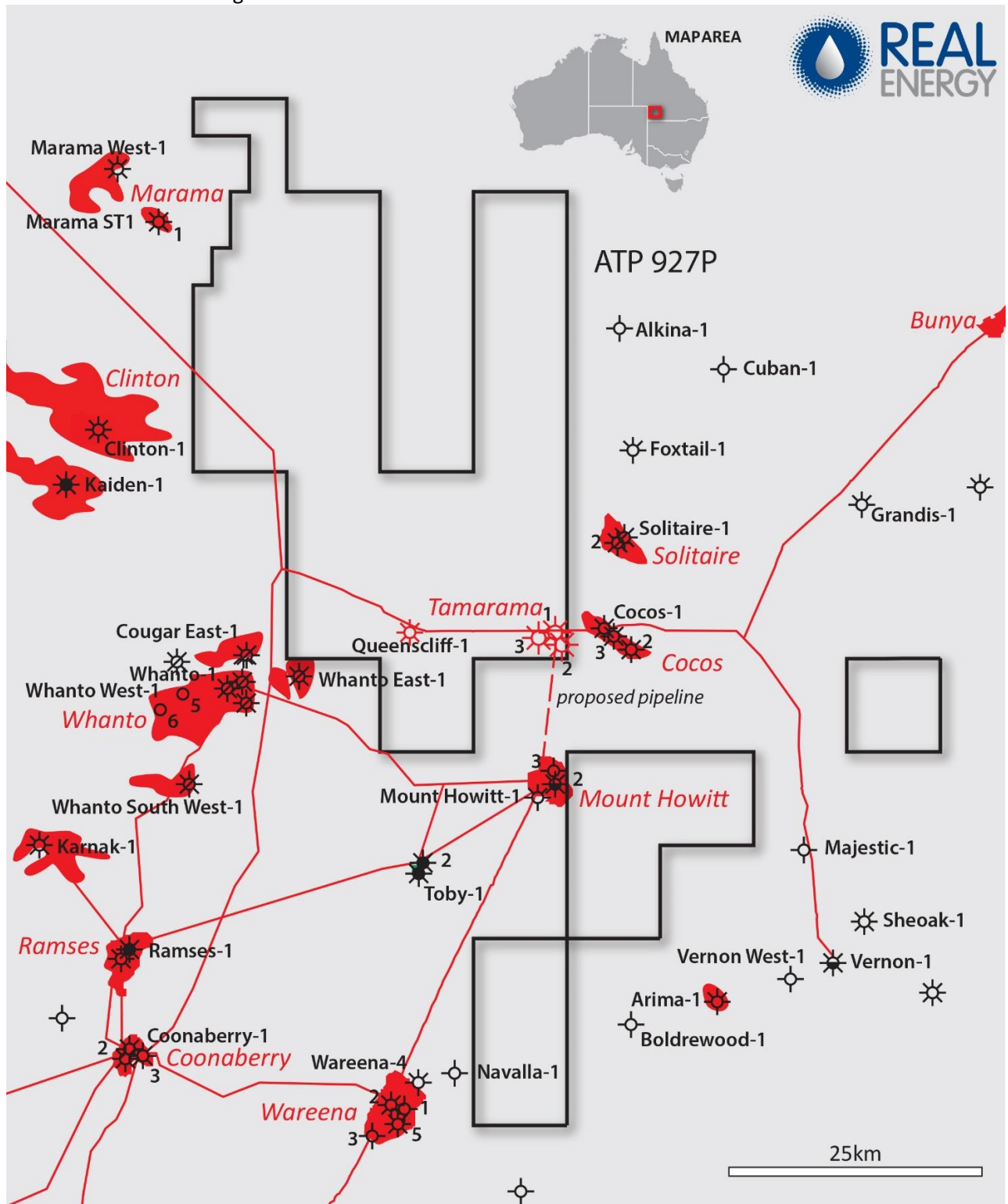
The geological information in this announcement relating to geological information and resources is based on information compiled by Mr Lan Nguyen, who is a Member of Petroleum Exploration Society of Australia, the American Association of Petroleum Geologists, and the Society of the Petroleum Engineers 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 2 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 162 metres (true vertical thickness). In the Toolachee and Patchawarra formations. Net Pay from 90 metre logged interval and 72 metres not logged. Gross pay interval 5 metres in Arrabury – Net Pay 3.8 metres.
5	Rock Type Toolachee and Patchawarra Sandstone and Coal formations
6	Depth Top Toolachee Formation 2,346.0 mRT / 2,183.8 mSS Thickness 40.25 mTV Top Patchawarra Formation 23,91.8 mRT / 2,224.0 mSS Thickness 121.7mTV
7	Tests Initial flow test
8	Recoveries Water/fracture fluids
9	Choke and Flow Rates 2mmcf/d on an 13/64 inch choke
10	Fracture Stimulation stages 3 Stage Fracture Stimulation
11	Volumes of Non Hydrocarbon gases N/A
12	Other N/A