



Real Energy Corporation Limited
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\$5m Placement to Advance Windorah Gas Project

- **Real Energy well-funded to progress development of Windorah Gas Field**
- **Funds used to complete Windorah reserve assessment, advance field test work and progress gas sale arrangements**

Sydney: 1 March 2019: Cooper Basin focused oil & gas company, Real Energy Corporation Limited (ASX: RLE) (“Real Energy”), is pleased to advise that it has raised \$5m (before costs) through the issue of approximately 47,619,050 new fully paid ordinary shares at an issue price of 10.5 cents per share (“New Shares”) and approximately 15,873,017 attaching (one for three) listed RLEOB options (exercisable at 14.0 cents and expiring 30 September 2020) (“Options”).

The Placement was very well supported by new and existing sophisticated and professional investors, together with a number of Australian and international institutional investors. Settlement is expected to take place on Friday, 8 March 2019. Hartleys Limited and Xcel Capital Pty Ltd acted as Joint Lead Managers to the Placement.

Funds raised from the Placement will be used for ongoing testing and field work on the Tamarama-1, Tamarama-2 and Tamarama-3 gas wells, to progress pre-construction works for the pipeline to Santos – operated Mt Howitt gas gathering facility, updating the Reserve/resource assessment for the Windorah Gas Field, to progress gas offtake agreements and for working capital purposes.

Commentary

Real Energy’s Managing Director Scott Brown said:

“The Windorah Gas Project has the capacity to be a large and productive gas field which could make a very meaningful contribution to Eastern States gas markets. The Company has made considerable progress with our project in recent months and we are looking to advance the project to production.”

The strong support for this Placement is a testament to both the quality and potential of the Windorah Gas Project and we are grateful for the support shown from our existing shareholders and are pleased to welcome a number of high quality institutional investors to our register.”

“We now have the financial flexibility and the balance sheet to add considerable value in the near term and it provides us with greater optionality in securing the best path going forward for the Company. It assists us with potentially securing funding on favourable terms for the pipeline build and/or securing a potential farm out. Over the next several months we will be working towards updating a reserve/resource assessment on Windorah, securing funding for the pipeline as well as the negotiation of potential gas sales arrangements. We look forward on reporting our progress and putting shareholders’ funds to work.”

Placement Details

The New Shares will be issued on the same terms and rank equally in all respects with the existing fully paid ordinary shares in the Company and the Options will be issued on the same terms and rank equally in all respect with the existing RLEOB options on issue.

The allotment of the Placement is not subject to shareholder approval and will fall within the Company's 15% placement capacity under ASX LR 7.1 (17,458,046 New Shares and [15,873,017 Options) and additional 10% placement capacity under ASX LR7.1A (30,161,004 New Shares).

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.