

Developing Gas

In the Cooper Basin



Investor Presentation - July 2019

ASX: RLE



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Geological Information

The geological information in this presentation 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.

01

Drilled 4 wells in 927P – all gas discoveries

Close to existing major developments and easy access to major gas pipelines connecting Australian domestic market and LNG hubs

02

Achieved encouraging gas flow rates

Initial flows of 2 mmcf/d and 2.5 mmcf/d from recently completed Tamarama 2 and 3 wells

03

Executed agreement for gas processing and transporting with Santos and Beach Energy

Well placed to supply gas to eastern Australian gas markets, which are short gas and dependent on undeveloped resources

04

Pipeline licence granted with Queensland Government; significant gas resource

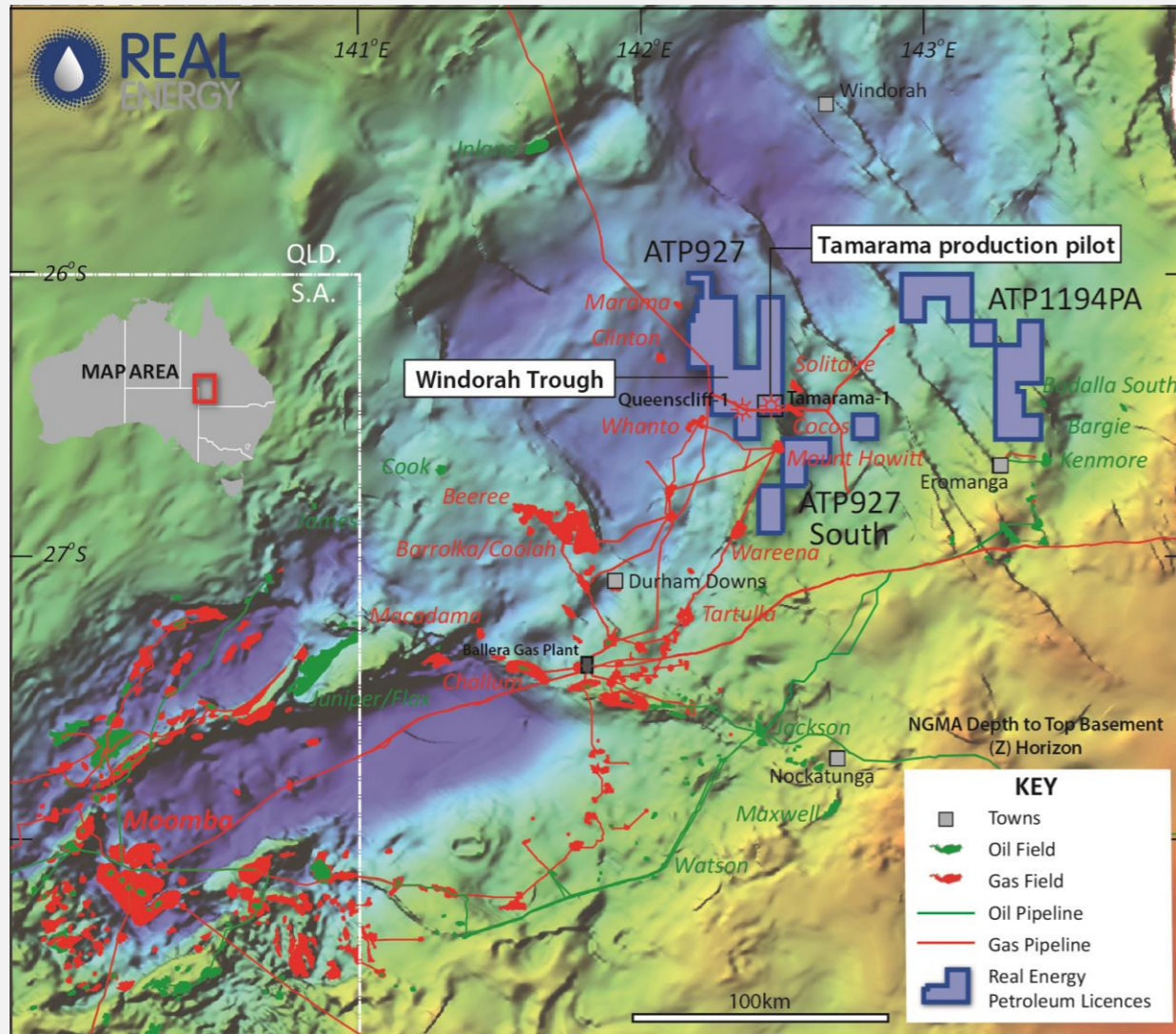
Acreage has a certified Estimated Total Mean Gas-In-Place of 13.76 TCF and a Maiden 3C gas resource of 672 BCF

05

Created clear sales pathway

MOU with Weston Energy for gas sales and with strong buyer interest from other parties.

World-class location



- Cooper Basin the premium onshore basin, a major producer of gas, NGLs, condensate and oil in South Australia and Queensland
- Over 6 Tcf of gas and 300 Million BBLs of oil produced
- 100% ownership of Qld permits ATP 927P & ATP 1194PA
- Permits close to existing major developments, with easy access to gas plants and major gas pipelines connecting to domestic markets and LNG hub.

East coast gas crisis

FINANCIAL REVIEW

Gas 'tragedy' plays out for east coast manufacturers

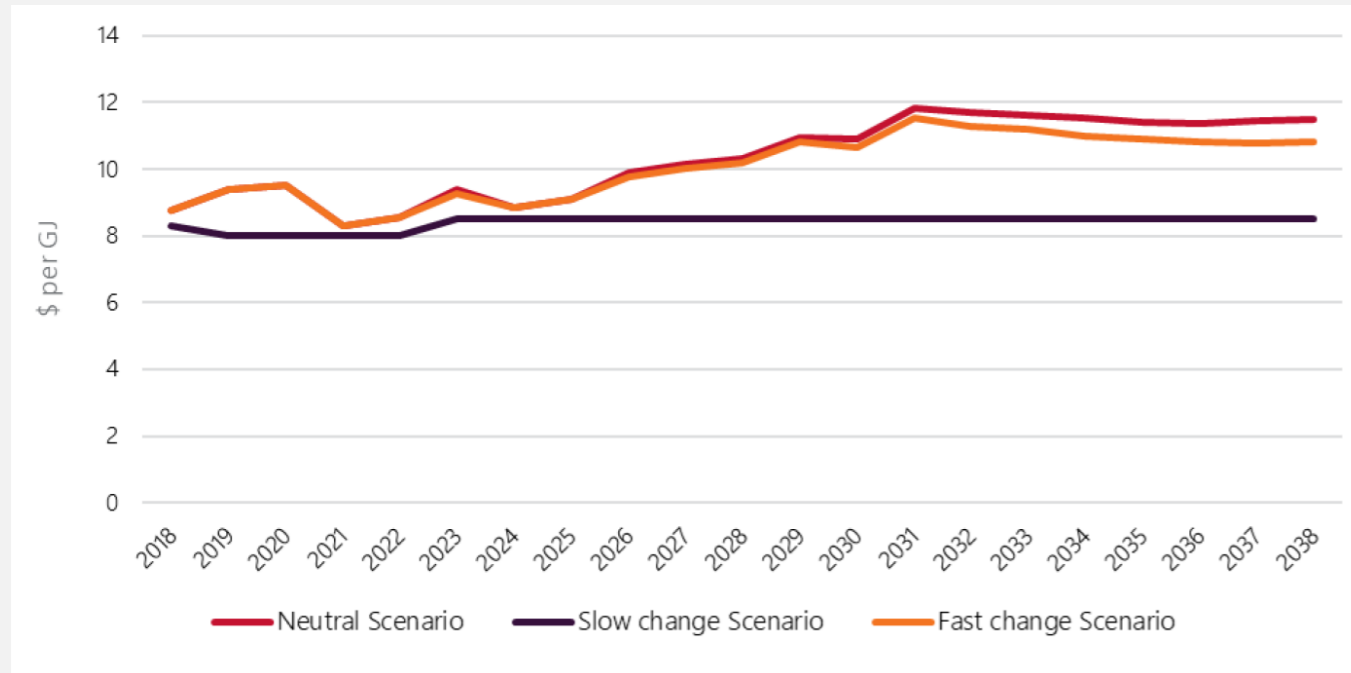
9NEWS

Supply crisis looming in 2021

S SMALL CAPS

Real Energy looks to alleviate east coast gas crisis

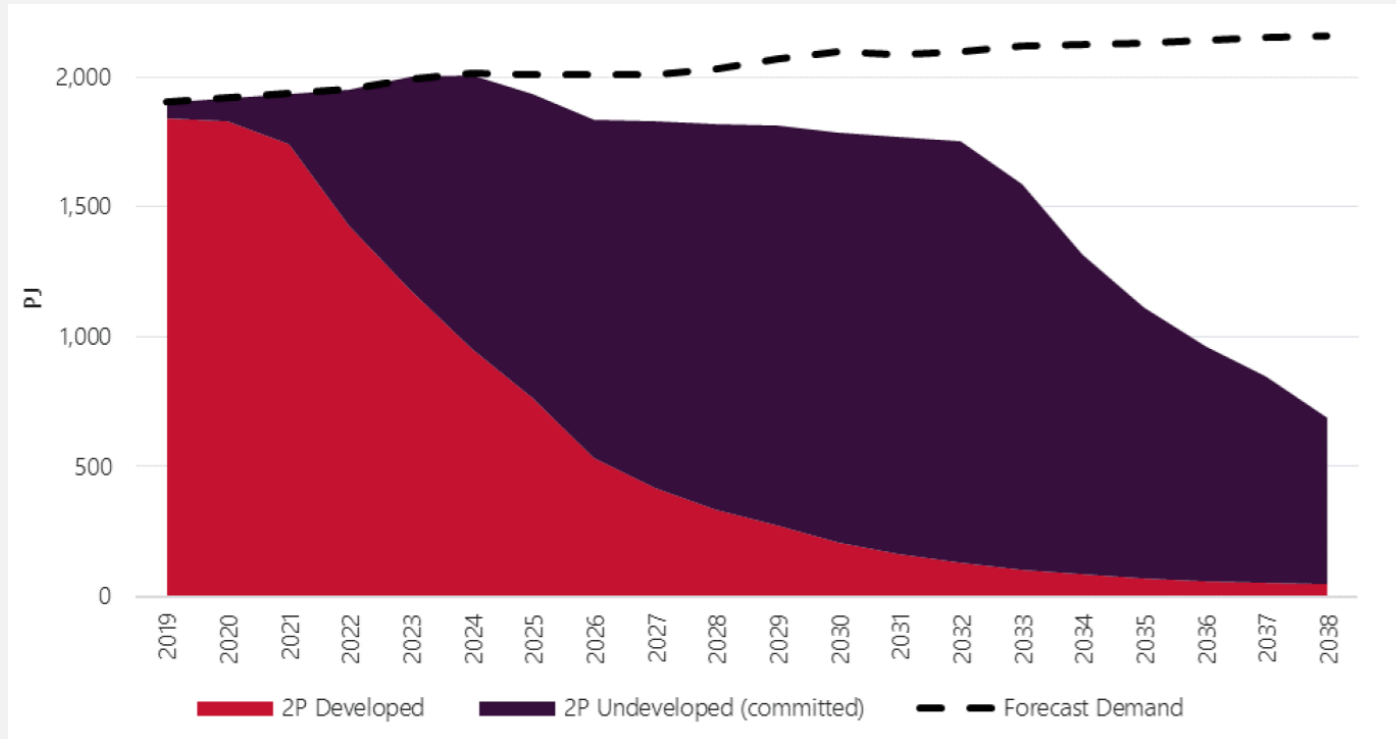
East coast gas crisis



Wholesale eastern and south-eastern Australian gas prices averaged across all states, 2018-38 (Source: AEMO 2019, Gas Statement of Opportunities)

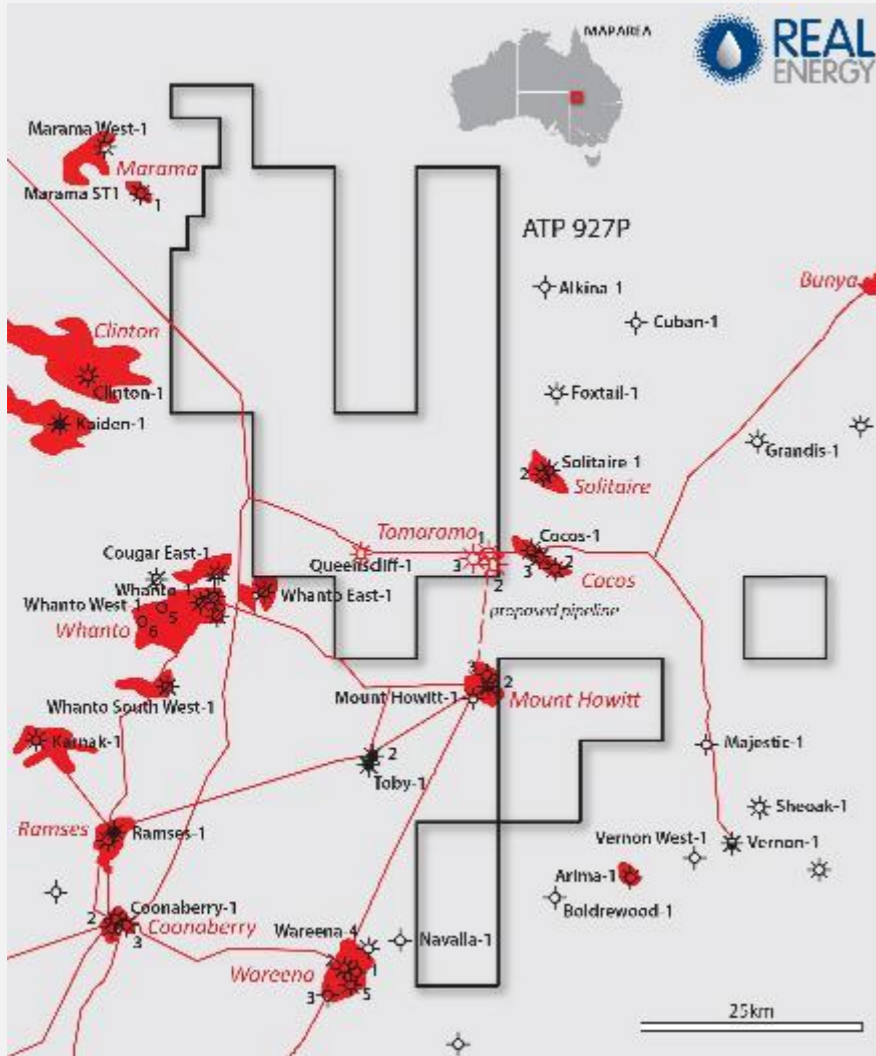
- East coast gas market still in short supply for the next five years, with shortfall predicted as early as 2021
- Strong and growing gas demand from LNG exporters via Gladstone
- Sydney gas prices recently trading above \$9.50/Gj
- General trend in gas prices rising, with long-term projections around \$10-13/Gj

East coast gas crisis



Projected eastern & south-eastern Australia gas production (export LNG and domestic), 2019-38 (Source: AEMO 2019, Gas Statement of Opportunities)

- Three giant LNG plants on Curtis Island, Queensland with combined annual production capacity of 25 million tonnes are draining gas from domestic market
- Moratoria and regulatory restrictions affecting onshore gas exploration and development in New South Wales, Victoria and Tasmania
- New projects such as Real's vital to offset expected supply shortfall



- Two rounds of drilling:
First round – Tamarama 1 & Queenscliff 1
Second round - Tamarama 2 and Tamarama 3
- Maiden 3C gas resource of 672 BCF from two discoveries – Tamarama 1 & Queenscliff 1
- Multi-stage frac in Tamarama 2 (3 stages) and Tamarama 3 (4 stages) completed
- Tamarama 2 had initial flow rates of 2 mmcf/d
- Tamarama 3 had initial flow rates of 2.5 mmcf/d
- Considerable improvements in Tamarama 2 and Tamarama 3 and further improvements expected through improved technology

Volume

Prospective OGIP

13,761 BCF

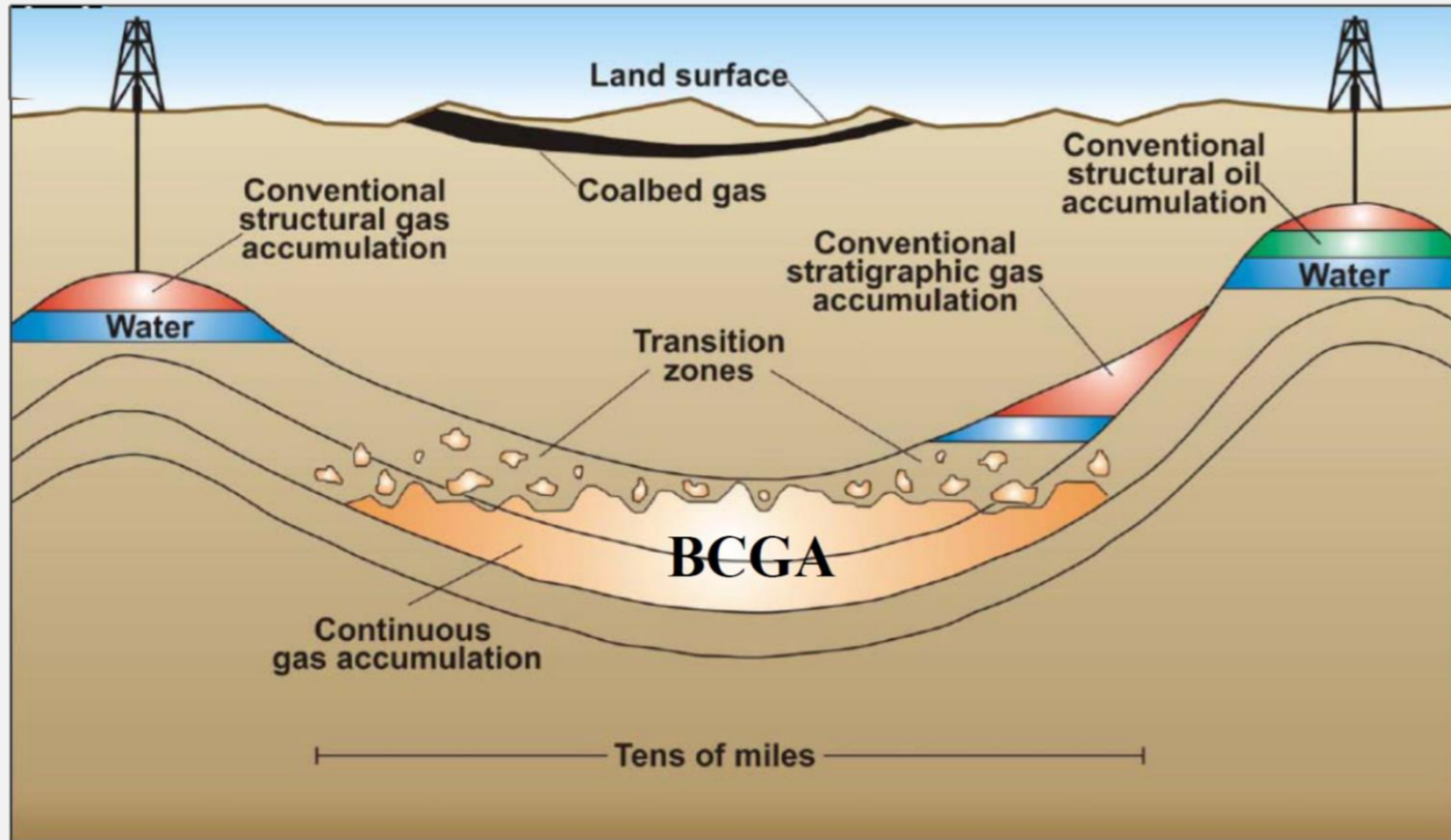
2C Resources

276 BCF

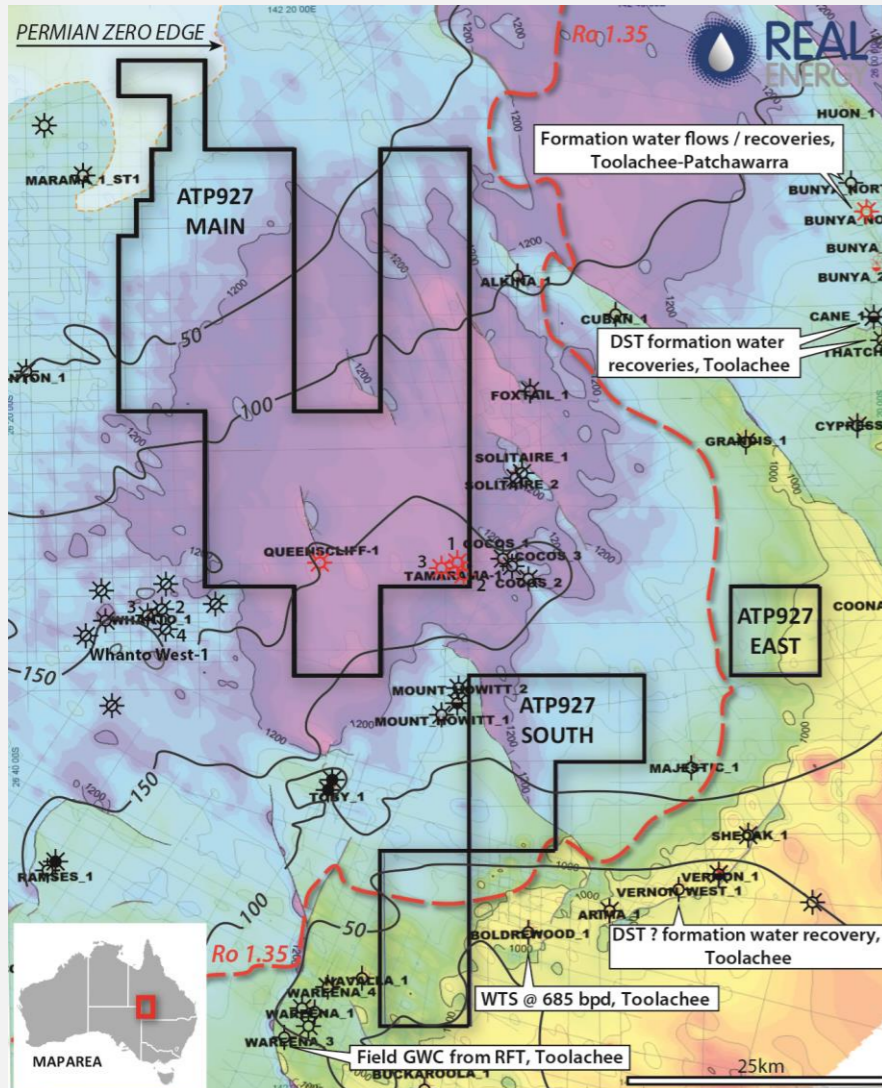
3C Resources

672 BCF

- Estimated Prospective OGIP are Mean Original Gas-In-Place excluding 2C/3C Resources.
- Gas Volumes are expressed in billions of cubic feet (BCF) at standard temperature and pressure bases.
- Resource estimates independently certified by DeGolyer & MacNaughton.

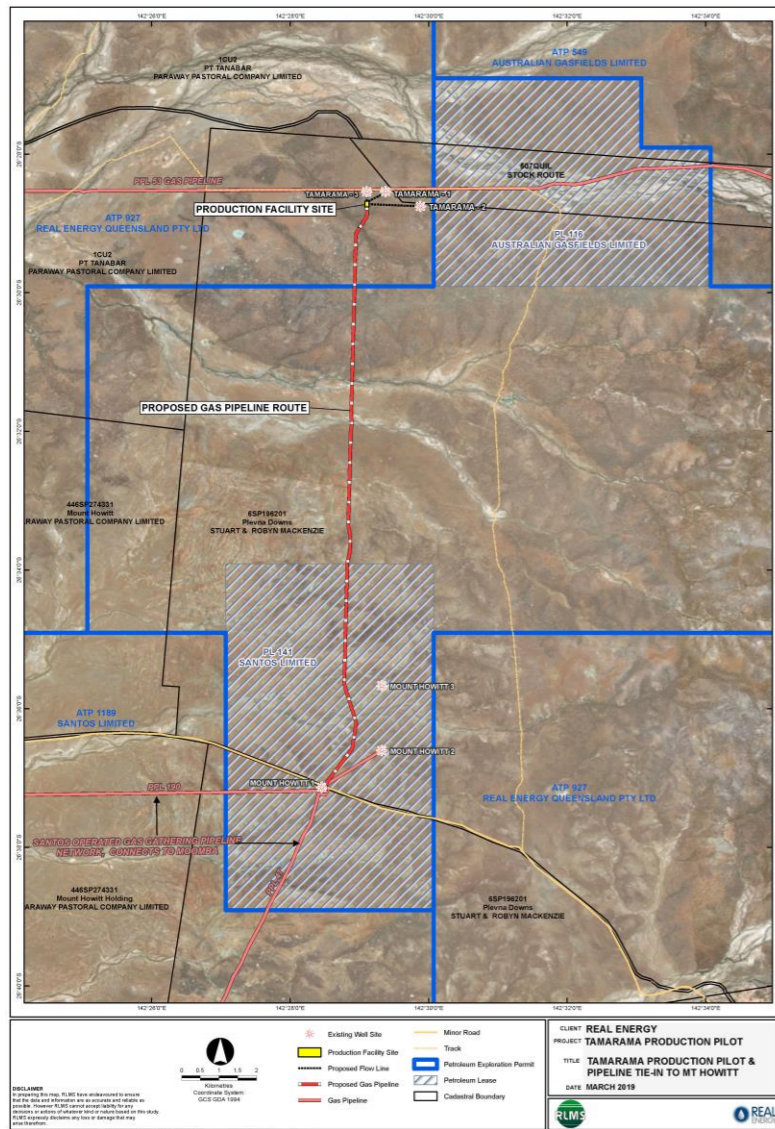


From Schenk and Pollastro, 2002



- The Windorah Trough a very large prospective gas resource (OGIP of 13.7 Tcf within ATP927)
- Colour fill shows structure at top Permian at the time of peak hydrocarbon generation and expulsion – purple is deep, yellows are shallow
- Contours represent thickness of the Permian section – thickest in central area, thinning towards north and south
- The Ro 1.35 contour line represents thermal maturity of the Permian coaly source rocks. The best part of the play lies within ATP927.

Pathway to production



- 💧 Pipeline route connecting Tamarama area to Mt Howitt surveyed and cultural clearance and agreement with land owner completed
- 💧 Pipeline licence granted
- 💧 Tie-in and Processing agreement signed with Santos and Beach Energy so gas will be transported and processed at Moomba
- 💧 Alignment flow technology incorporating new well designs to enable enhanced productivity through better alignment between the hydraulic fracture and the wellbore
- 💧 Tamarama 2 & Tamarama 3 drilled as deviated wells at 30 degree slope

PILOT PRODUCTION

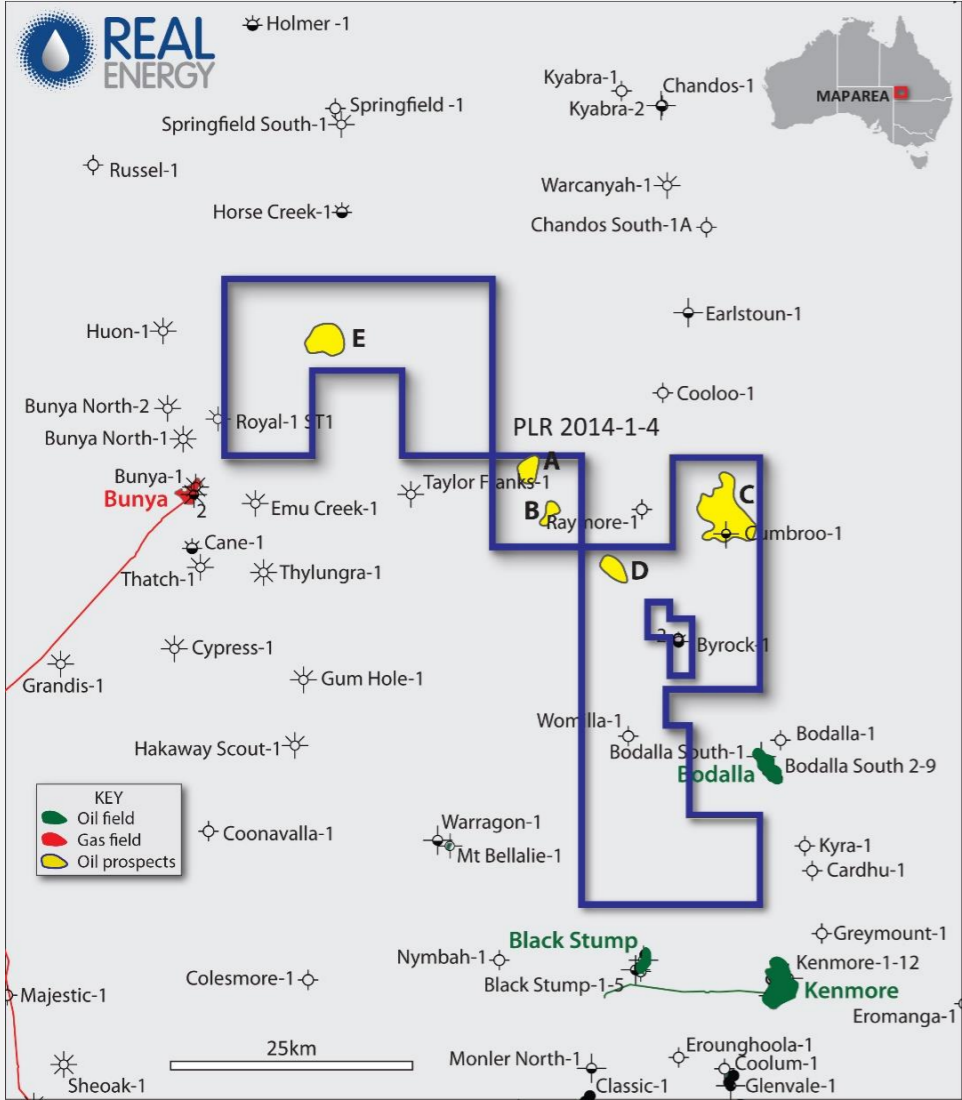
- Drill and complete 3 x Tamarama wells
- Design and engineer of surface facilities and flow lines connecting Mt Howitt
- Initial pilot production from Tamarama 1, 2 & 3

STAGE 01

- Drilling and development of six more wells near Tamarama
- Conservative production target of 20 TJ/d

STAGE 02

- Full field development of ATP 927 as a tier one gas project – project target of 100 TJ/d
- Real Energy's objective to certify 3P (Proven, Probable and Possible) reserves in excess of 2 TCF



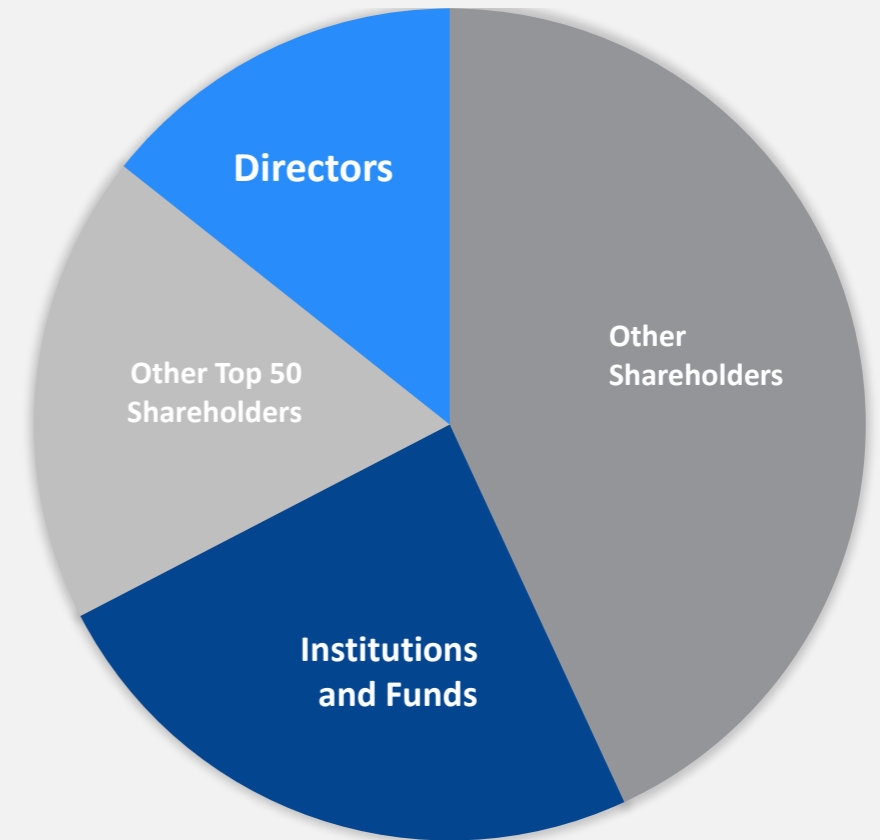
- ATP 1194 – 1043 Sqkms – 100% RLE
- Permit adjacent to Kenmore (>12.5 mmbo produced) and Bodalla South (>6 mmbo produced) oil fields
- Preliminary mapping at Cadna-owie level identified 5 leads considered prospective for oil.
- Resource potential (single zone):

Original Oil in Place MMbbls				
LEAD	P90	P50	P10	Mean
A	0.39	0.94	2.12	1.13
B	0.13	0.25	0.51	0.29
C	1.06	2.23	4.57	2.56
D	0.41	1.05	2.51	1.31
E	0.76	1.63	3.40	1.91

The estimates above are based on unrisks prospective resources through Monte Carlo simulation as at 30 June 2019 in accordance SPE-PRMS. The estimated quantities of petroleum that may be potentially recovered by the application of a future development related to undiscovered accumulations. These estimates have associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation will be required to the potential of moveable petroleum.

Capital Structure

ASX Code	RLE
Ordinary Shares	349,229,086
Share Price	\$0.063
Market Capitalisation \$AUDm	\$22.0
Listed Options RLEOB	55,879,622
Cash 30 June 2019 \$AUDm	
Debt	
EV \$AUDm	\$18.5



Leadership



Lan Nguyen
NON-EXECUTIVE CHAIRMAN

B.Sc (Mining Engineer-Geology), M.Sc (Petroleum Geology). Lan has over 25 years' experience in petroleum exploration, development and production in Australia and internationally. Previously as Managing Director of ASX listed Mosaic Oil, he transformed the company from a speculative petroleum explorer to a successful petroleum production company.



Scott Brown
MANAGING DIRECTOR

B.Bus, M. Commerce. Prior to Real Energy, Scott was the CFO of Mosaic Oil, a public Australian company with an extensive range of oil and gas production and exploration permits in Queensland, New Zealand and offshore WA. He is also a non executive director of Kairiki Energy Limited (ASX:KIK) and Shine Metals Limited (ASX:SHI).



John Wardman
NON-EXEC DIRECTOR

Mr Wardman is a stockbroker with over 25 years industry experience and special expertise in smaller stocks. For 13 years, John was with a senior adviser with Macquarie Private Wealth and more recently with a boutique Australian wealth management firm. John has an extensive network of contacts and clients.

Investment proposition

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