ASX ANNOUNCEMENT

Material Upgrade to Windorah Gas Resources

- **3C Contingent Resources for ATP927 now 770 Bcf (Billion Cubic Feet)**
- **Tamarama 2C Contingent Resources increased 53% to 156 Bcf of Gas**
- **Total 2C Contingent Resources for ATP927 increased 19.6% to 330 Bcf of Gas**

Sydney: 23 August 2019, Cooper Basin focused oil and gas company, Real Energy Corporation Limited (ASX: RLE) ("Real Energy"), is pleased to report a material upgrade to the contingent gas resources of ATP927P.

The estimates of Contingent Gas Resources in ATP927P have been significantly upgraded following the drilling, stimulation and testing of the Tamarama 2 and 3 wells. Contingent Gas Resources of the Tamarama area have been independently certified by Aeon Petroleum Consultants, an independent petroleum engineering firm registered in the State of Texas, United States of America (Registered Engineering Firm F-19788).

Contingent Resources

The estimates of contingent resources are based on the area surrounding the four successful gas wells, Queenscliff 1 and Tamarama 1, 2 & 3, located within the exploration permit ATP927P. Discovery status is based on definition under the SPE/WPC Petroleum Resource Management System (PRMS) 2007 and 2018. A summary of the gross estimates of contingent gas resources for ATP927P is provided below:

Contingent Gas Resources MMcf (Millions Cubic Feet)

Contingent Gas Recoverable Resource Summary			
	Estimates (MMCf)		
Prospect	1C	2C	3C
Queenscliff[1]	48,154	173,960	425,608
Tamarama[2]	69,821	156,349	344,578
Arthmetic Summation	**117,975**	**330,309**	**770,186**
Percentage Increase total ATP927	53.8%	19.6%	14.6%
Percentage Increase Tamarama area	144.5%	53.0%	39.8%

1. Estimate prepared by DeGolyer and MacNaughton, a leading international petroleum industry consulting firm June 2015.
2. Estimated prepared by Aeon Petroleum Consultants in August 2019.
3. 1 Bcf (Billions Cubic Feet) is equal to 1,000 MMcf

Managing Director Scott Brown commented: “The significant increase in Contingent Resources for the Windorah Gas Project is a most pleasing development for Real Energy and reaffirms that ATP927 contains a very large gas field. The Company remains committed to delivering reserves for this Project through various operational initiatives, which are being evaluated. These initiatives are expected to result in improved flow rates and well performance on Tamarama 2 and 3 and, in due course, allow us to book reserves. While the increase in contingent resources is indeed a positive, we believe both reserves and resources will increase as we develop the field and deliver better flow rates. We are only just getting started with Windorah’s development.”

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 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.

About Aeon Petroleum Consultants

Aeon Petroleum Consultants is an independent petroleum engineering firm registered in the State of Texas (Registered Engineering Firm F-19788). The principals of the company are James R. Weaver, P.E. and Stephen E. Dunbar. Mr. Weaver earned a B.S. degree in geology from the University of Tulsa in 1978 and a B.S. degree in petroleum engineering, also from the University of Tulsa, in 1979. Weaver is a registered engineer in the states of Texas (PE 117896) and Oklahoma (PE 13688) and is a member of the Society of Petroleum Engineers. Mr. Dunbar earned a B.S. degree in Mechanical Engineering from Oklahoma State University in 1977. Both Mr. Weaver and Mr. Dunbar have been involved in evaluating petroleum reserves and resources since the early 1980’s and have worked in most major oil and gas basins throughout the World.

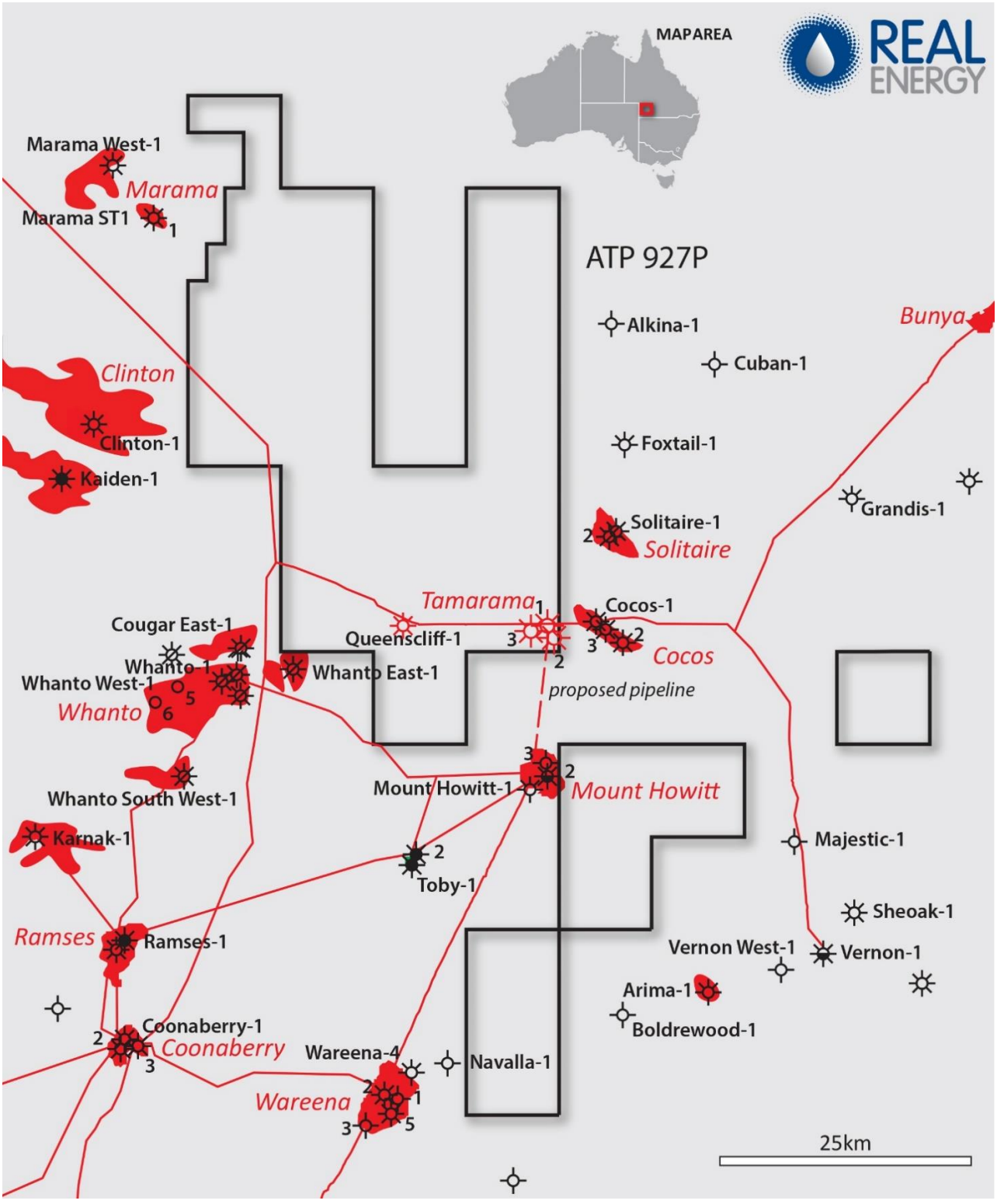

Figure 1 : Real Energy ATP 927 Permit and surrounding gas infrastructure

Other disclosures under ASX Listing Rules

LR 5.25.1 – The Contingent Resources are reported as at 31 July 2019
LR 5.25.2 – The petroleum resources are Contingent Resources.
LR5.25.3 – There are currently no reserves in the permit. Estimates for Contingent Resources have not been adjusted for development risk.
LR 5.25.5 – The contingent resources are reported as Real Energy share or 100%.
LR 5.25.6 - The stochastic method was used to estimate contingent resources in ATP 927. The stochastic method is based on assigning a statistical distribution to each of the various parameters of the volumetric calculation of recoverable hydrocarbons (in this instance gas) and varying them in a Monte Carlo simulation.
LR 5.27.3 – Arithmetic summation has been used in each category to determine Contingent Resources.
LR 5.33.1 – The contingent resources are reported for Authority to Prospect (ATP927) in the State of Queensland.
LR 5.33.2 – The existence of a significant moveable hydrocarbons are determined by the results of 4 petroleum wells and the flow of gas to surface from these wells.
LR 5.33.3 – The analytical procedures used to estimate the contingent resources are based on the Petroleum Resource Management System (PRMS). The key contingent that prevents the contingent resource from being classified as petroleum reserves are production rates and recoverable volumes. Based on the correlations between wells and volumetric calculations, there appears to be sufficient reservoir to provide the recoverable volumes. However, it appears that fracture stimulations may not currently be contacting sufficient reservoir to provide commercial recoveries.
LR 5.33.5 The Contingent Resources relate to unconventional petroleum resources with an area of approximately 1,718 sq kilometres in which 4 petroleum wells have been drilled.
LR 5.34.1 - The new data is based on information obtained from Tamarama 2 & 3.
LR 5.34.2 - The new data has increased the estimate of Contingent Resources.
LR 5.41 - The Contingent Resources are prepared by Aeon Petroleum Consultants, an independent petroleum engineering firm, whose principals are James R. Weaver, P.E. and Stephen E. Dunbar – see details of Aeon Petroleum Consultants.
LR 5.42 - The information contained in this release pertaining to the ATP927P Contingent Resources estimates are based on, and fairly represent, information prepared under the supervision of Mr James Weaver, CEO of Aeon Petroleum Consultants. Mr Weaver is a qualified petroleum reserves and resources evaluator within the meaning of the ASX Listing Rules and consents to the inclusion in this release of the contingent resources and prospective resources estimates related information in the form and context in which that information is presented.