

ASX ANNOUNCEMENT

Real Energy Awarded Surat Basin CSG Acreage

- Real Energy and Strata X Energy Limited in a 50:50 JV are the Preferred Bidders for highly prospective Coal Seam Gas acreage which is surrounded by major CSG-producing assets
- Permit is a considerable 153km² footprint – 9km west of Miles, Queensland
- Significant Walloon (Juandah and Taroom) coal measures and close to gas facilities and gas pipelines
- The award of PLR2019-1-11 was based on a non-cash consideration as part of a competitive tender process.
- Assets strengthen RLE's portfolio considerably – focus on developing Cooper Basin acreage remains an important and ongoing focus for the Company

Sydney: 30 October 2019, East Coast focused oil and gas company, Real Energy Corporation Limited (ASX: RLE) advises that ("Real Energy"), following a competitive tender process, the Honourable Annastacia Palaszczuk MP, the Premier of Queensland announced the Company and Strata X Energy Limited (ASX: SXA) as preferred bidders for the Queensland Government's tender for acreage (PLR2019-1-11) (see map) in a 50:50 Joint Venture, termed 'Project Venus'. RLE and SXA have invested considerable time in securing this highly prospective Coal Seam Gas (CSG) acreage for nil consideration.

Project Venus contains high quality and very prospective acreage covering 153km² which is within the main Walloon Coal Seam Gas Fairway and close to gas infrastructure including gas pipelines. The aim will be to bring Project Venus into production in the next few years.

Project Venus is complimentary with the Company's existing Windorah Gas Project and provides another solution to the potential development of a new gas supply to domestic customers on the east coast of Australia. The Company is teaming up with Strata X Energy, which is headed by Mr Ron Prefontaine –Executive Chairman. Ron was previously Executive Director of Arrow Energy during its formative years and the founding Managing Director of Bow Energy Limited and his expertise will greatly assist the development of Project Venus.

Mr Prefontaine stated: "Having run successful exploration and reserves programs in the Walloon fairway previously, I know exactly what is required to convert the coals in PR2019-1-11 to reserves. Once material reserves are proven, given the nearby pipeline and infrastructure, our goal is to fast track field development to create early cash flows.



We are planning to commence field work in the second quarter of 2020 and our immediate focus will be to prove commercial gas flows which is a required precursor to predictable reserves certifications. In executing on this plan, Strata-X is very pleased to have Real as its partner.”

Real Energy’s Managing Director Scott Brown added: “We are delighted that the Queensland Government has selected our Joint Venture as the preferred bidders for this block. It illustrates the quality of our tender and the confidence that the government recognising the collective expertise we bring to developing this asset into another successful Queensland CSG field. This is high quality gas acreage and we see tremendous potential of this significant gas acreage. We look forward to working collaboratively with Strata X to develop Project Venus.”

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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 East Coast of Australia including the Cooper Basin, Australia’s most prolific onshore producing petroleum basin, and the Surat Basin in Queensland. Real Energy has 100% ownership in 2 large permits in Queensland – ATP 927P & ATP1194PA, and a 50:50 JV with Strata X Energy Limited (ASX: SXA) to develop the 153km² PLR2019-1-11 permit in the Surat Basin as another Coal Seam Gas project.

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 Strata X Energy Limited

About Strata-X Strata-X is a Denver, Colorado (USA) based company and is engaged in the business of oil and gas exploration and development with a variety of exploration opportunities in the States of California and Illinois in the United States of America and the Republic of Botswana. Strata-X has 89,538,318 common shares outstanding and trades under the symbol "SXE" on the TSX-V and "SXA" on the ASX.

