

ASX ANNOUNCEMENT

Project Venus – Prospective Gas Resources 694 PJ Best

- The 50:50 JV between Real Energy and Strata X Energy Limited is moving ahead with highly prospective Walloon Coal Seam Gas acreage which is surrounded by major CSG-producing assets
- Independent review provides Best Estimate for Prospective Gas Resources of 694 PJ
- Project permit is pending with field work expected to commence early 2020

Sydney: 12 December 2019, Queensland focused oil and gas company, Real Energy Corporation Limited (ASX: RLE) (“Real Energy”), advises that an independent review of the data for Project Venus (ATP2051 previously PLR2019-1-11) (RLE:50% working interest) has determined the following Recoverable Prospective Gas Resources:

Estimates Gross (100%) Prospective Gas Resource (PJ)			
Project Venus	Low	Best	High
ATP2051	555	694	833

The independent review of the Prospective Gas Resources was completed by MHA Petroleum Consultants (further details are outlined in the other disclosures required under ASX rules). Project Venus contains high quality and very prospective acreage covering 154km² which is within the main Walloon fairway and close to gas infrastructure.

Given the location of the Venus Project immediately adjacent to gas infrastructure, the JV is aiming to expedite the progressive conversion of gas resources to gas reserves with the goal to fast track development of the project thereby offering the potential for early cash flows.

Real Energy, as operator, has submitted and completed all the matters required to allow ATP2051 to be granted. It expects the permit to be granted shortly by the Queensland Government and is preparing to start field work in early 2020.

Cautionary Statement

The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable



hydrocarbons. Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.

For further information, please contact:

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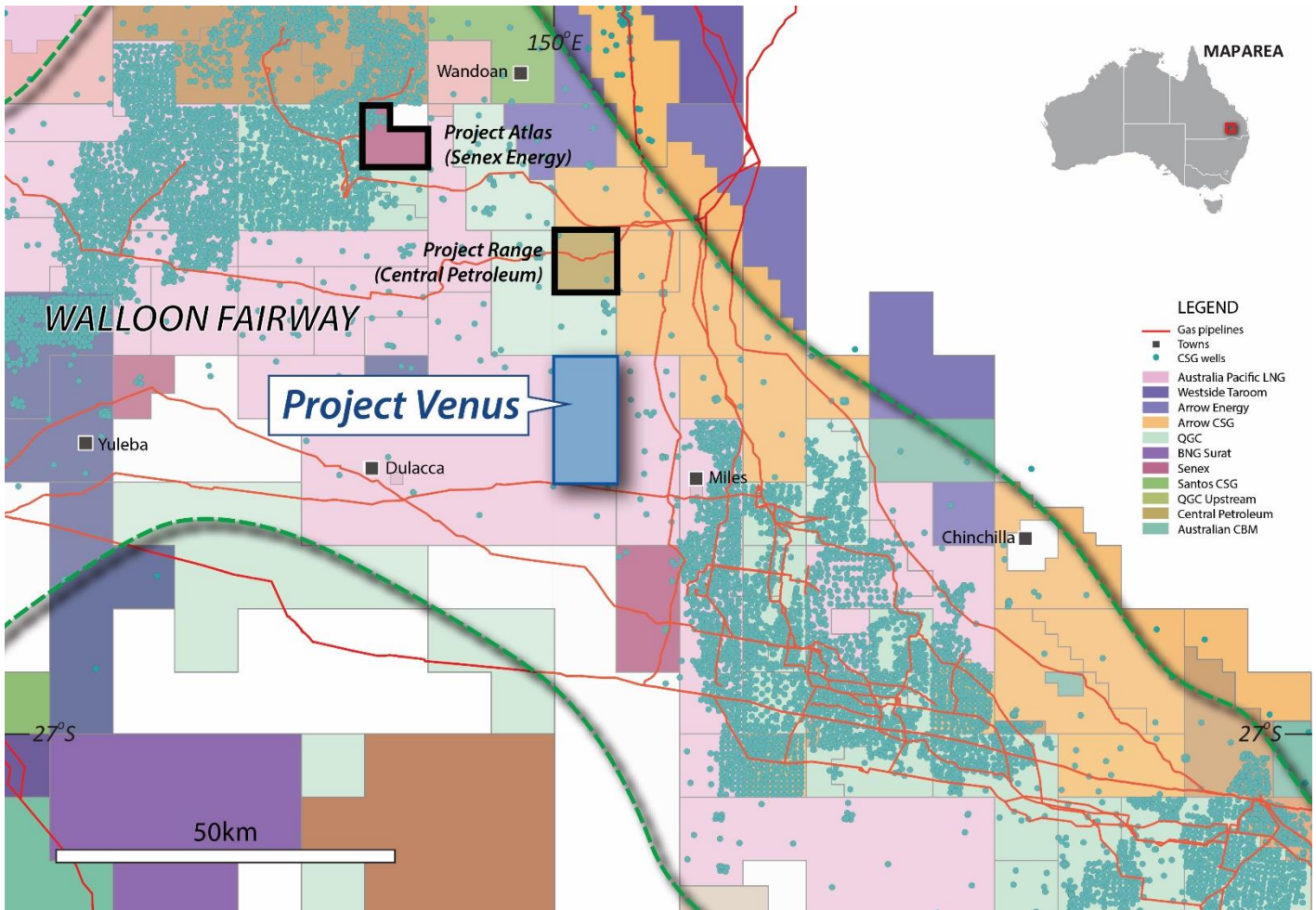
Geological Information

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, 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 154km² ATP2051 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.



Other disclosures under ASX Listing Rules

LR 5.25.1 – The Prospective resources are reported as at 10 December 2019

LR 5.25.2 – The petroleum resources are Prospective Resources in accordance with SPE-PRMS.

LR5.25.3 – There are currently no reserves in the permit. Estimates for prospective resources have not been adjusted for development risk

LR 5.25.5 – The Prospective resources are reported as 100% - Real's share is 50% working interest before government royalty.

LR 5.25.6 - The prospective resources volumes were obtained by calculating the potentially recoverable portion of the gas-in-place using the overall prospect area, the mapped net coal thickness, raw gas content and coal density, as well as a range of estimates of the gas recovery factor of the coals. The review was carried out in accordance with the standards in the Canadian Oil and Gas Evaluation Handbook as amended from time to time, maintained by the Society of Petroleum Evaluation Engineers. This leads to a Best Estimate of prospective resources in the subject areas of 658 Bcf, a Low Estimate of 526 Bcf, and a High Estimate of 789 Bcf (all numbers are gross 100% volumes). There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

LR 5.28.1 – The Prospective Resources estimate is based on best estimate and low and high estimates.

LR 5.28.2 - Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons. Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.

LR 5.35.1 – The Prospective Resources are reported for the area ATP2051 (previously PLR2019-1-11) in the State of Queensland.

LR 5.35.2 – The existence of a significant moveable hydrocarbons are determined by the results of previous petroleum wells in and around the permit area and review of seismic data.

LR 5.35.3 – The changes of the Prospective Resources being converted to a higher PRMS designation (i.e contingent resource or reserves) is high and there is a high degree of confidence however there are the usual risks associated with a gas resource of this type- see Cautionary Statement above.

LR 5.35.4 – NA

LR 5.41 - The Prospective Gas Resources are prepared by MHA Petroleum Consultants, technical consultancy and business development services for the petroleum industry and Mr Tim L. Hower is the Senior Technical Advisor responsible for the estimates.

LR 5.42 - The information contained in this release pertaining the area ATP2051 Prospective Resources estimates are based on, and fairly represent, information prepared under the supervision of Mr Tim L Hower, Senior Technical Advisor of MHA Petroleum Consultants. Mr Mr Tim L. Hower 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 prospective resources estimates related information in the form and context in which that information is presented.