

Real Energy & Strata X Energy

PROJECT VENUS - PROPOSED 2020 WALLOON CSG PROGRAM



Real Energy Corporation Limited (ASX: RLE) &
Strata- X Energy Limited (ASX:SXA)



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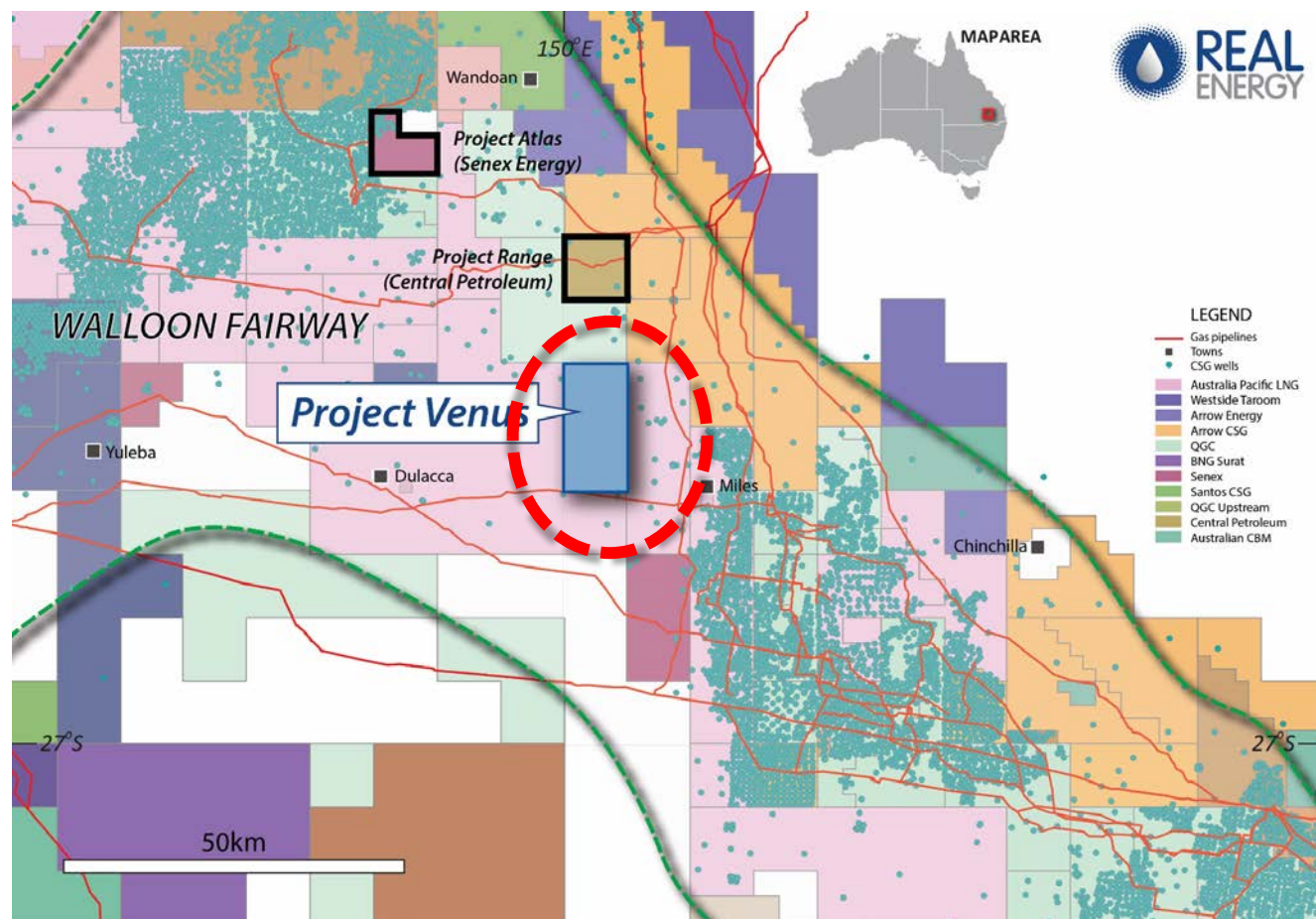
Geological Information

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.

Project Venus permit granted as ATP 2051 in late March 2020

ATP 2051 Project Venus

- ✓ Real Energy and Strata-X Energy JV (50/50)
- ✓ Real Energy operator
- ✓ 50 sub-blocks = 154 km²
- ✓ ~9km west of Miles
- ✓ Walloon Subgroup Coal measures CSG targets are pervasive throughout permit
- ✓ **Prospective Gas Resources = Best Estimate 694 PJ for 100%**
- ✓ **Adjacent to gas pipelines with access.**

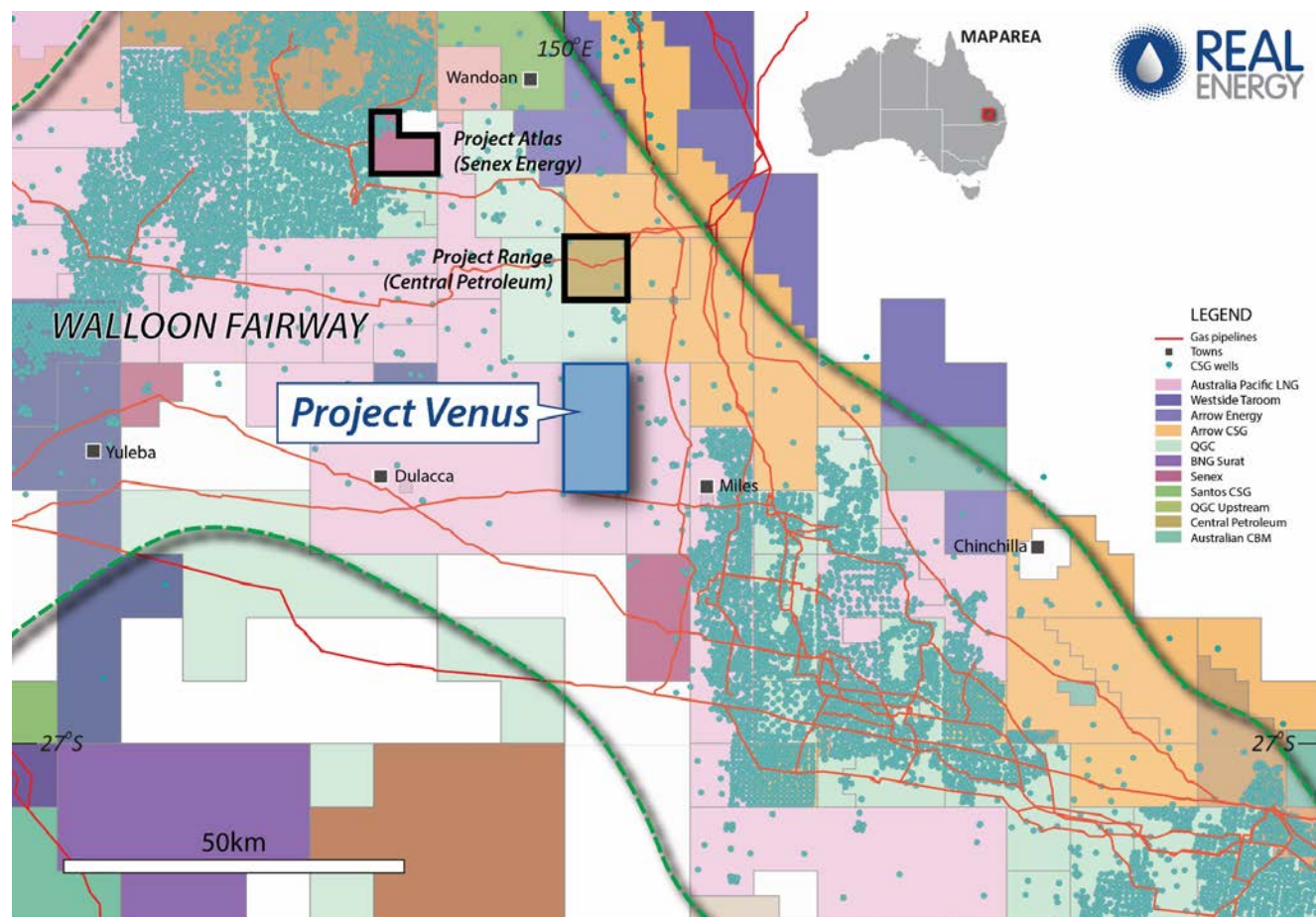


Project Venus is located within the Proven Walloon CSG Fairway

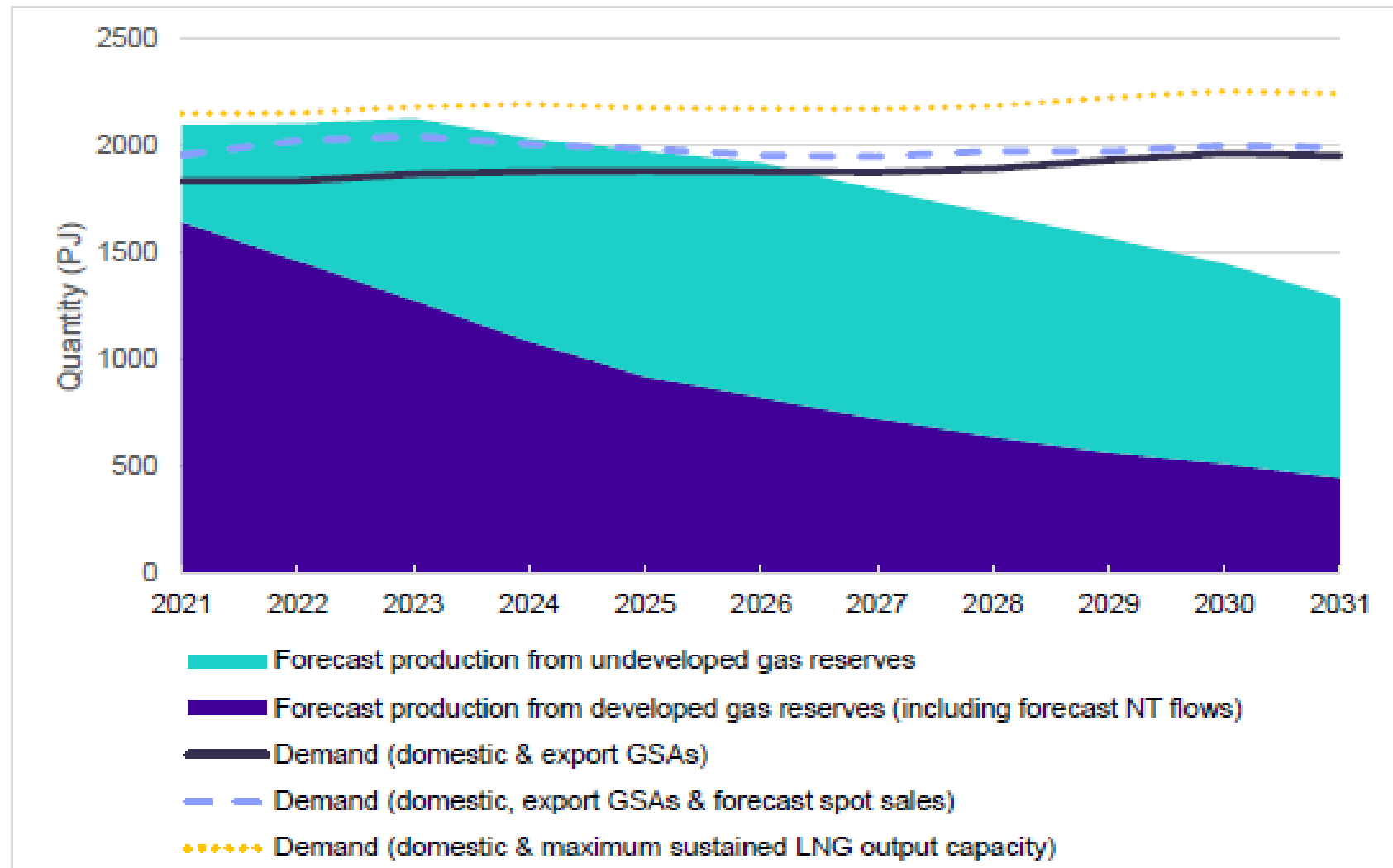
- ✓ Walloon CSG fairway is prolific gas producing region with over 10,000 wells drilled – see green dots on Map

Nearby 'small' operators have:

- ✓ The Ironbark Project was reported sold at \$231M with reported reserves of 129PJ¹
- ✓ Senex Energy² is developing Project Atlas – reported 2P reserves 144 PJ
- ✓ Central Petroleum² is developing Project Range – reported 2C contingent resources of 270 PJ

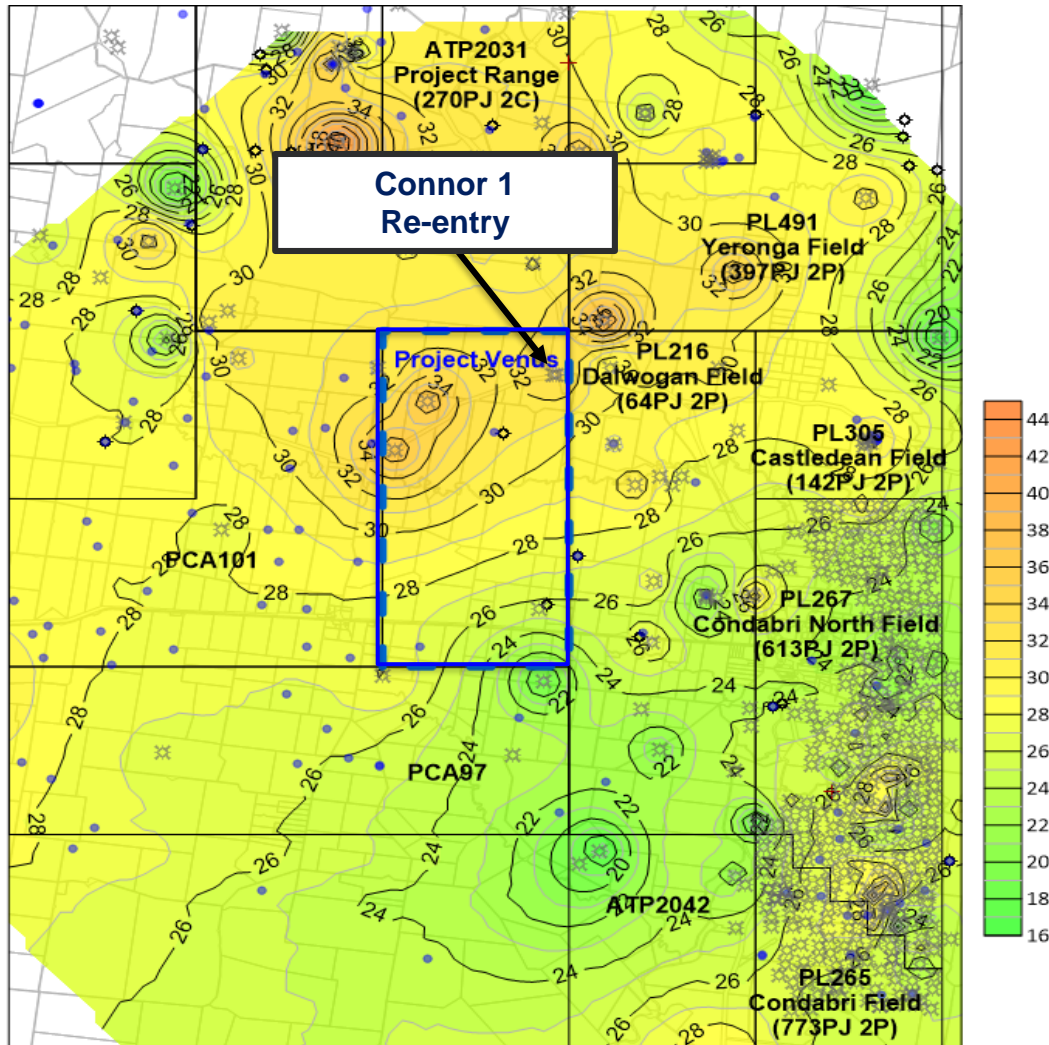


East Coast Gas Market Forecast Supply vs Demand 2021–2031



Source: ACCC Interim Report Gas Enquire 2017 - 2025

Project Venus Walloon coals have strong CSG attributes



Project Venus - Walloon Subgroup Net Coal (m)

> **1200 PJ 2P** reserves in nearby CSG fields*

Previous CSG wells in permit include 4 Connor wells (QGC) plus Goonlah-1 (APLNG),

No wells in the permit have been properly flow tested.

Previously drilled Connor-1 and adjacent core hole Connor-2 have:

- ✓ ~34 metres of net Walloon coals,
- ✓ ~100% gas saturations in upper 25 metres of Walloon coals,
- ✓ Permeability in upper Walloon coals in Connor-1 and surrounding wells.

Notes:
2P reserve numbers in adjacent Petroleum Leases are based on DNRME reported remaining reserves as at 31/12/2018
<https://www.data.qld.gov.au/dataset/petroleum-gas-production-and-reserve-statistics>
Net Coal based on public domain CSG core exploration, appraisal & development wells
(QDEX - Queensland Digital Exploration Reports <https://qdexguest.dnrm.qld.gov.au/portal/site/qdex/search>)

Connor-1 re-entry CT abrasive perforation reservoir enhancement

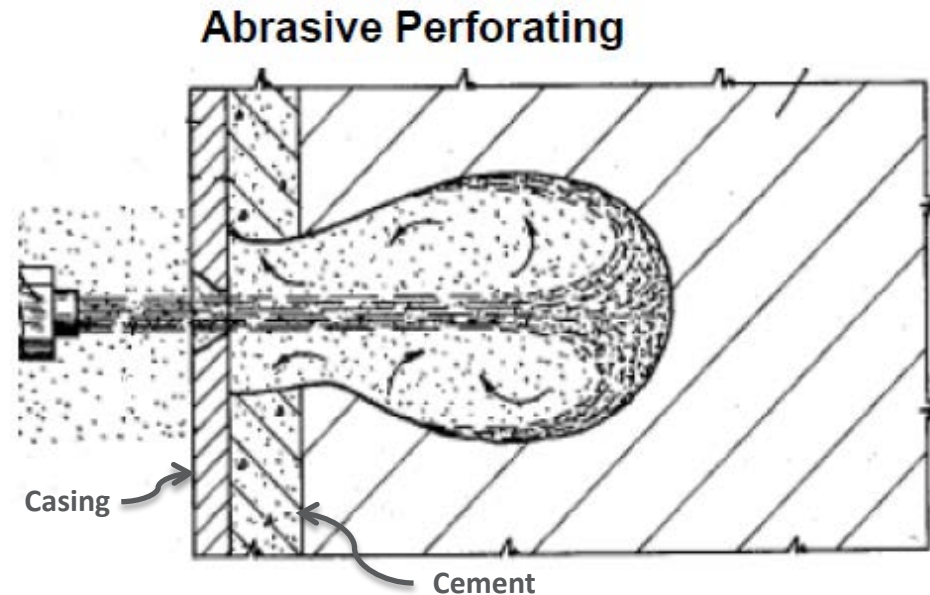
Explosive Perforating (conventional)

- Requires explosives
- Induces formation damage
- Requires wireline contractor



Abrasive Perforating (proposed enhancement)

- Does not require explosives
- Eliminates formation damage
- Increases permeability
- Ideally suited to coiled tubing implementation



Stage 1: Connor-1 re-entry, drill out cement, enhancement

- Install new wellhead,
- Mobilise CT unit to drill out cement and bridge plug,
- Abrasive perforations of Juandah coal seams (upper Walloon),
- Demob CT unit and bring in water test rig to flow test post stimulation,
- Planned for July/August 2020.

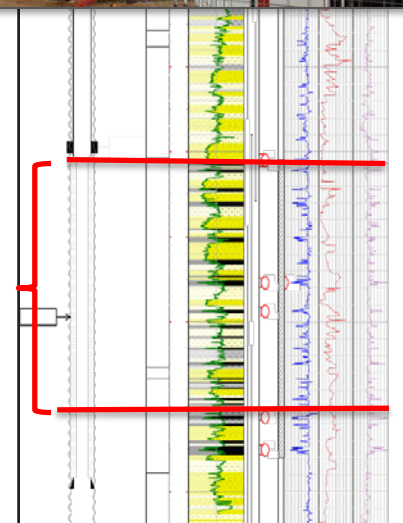
Wellpro coil tubing unit



Connor-1 site is cleared, flat and has easy access

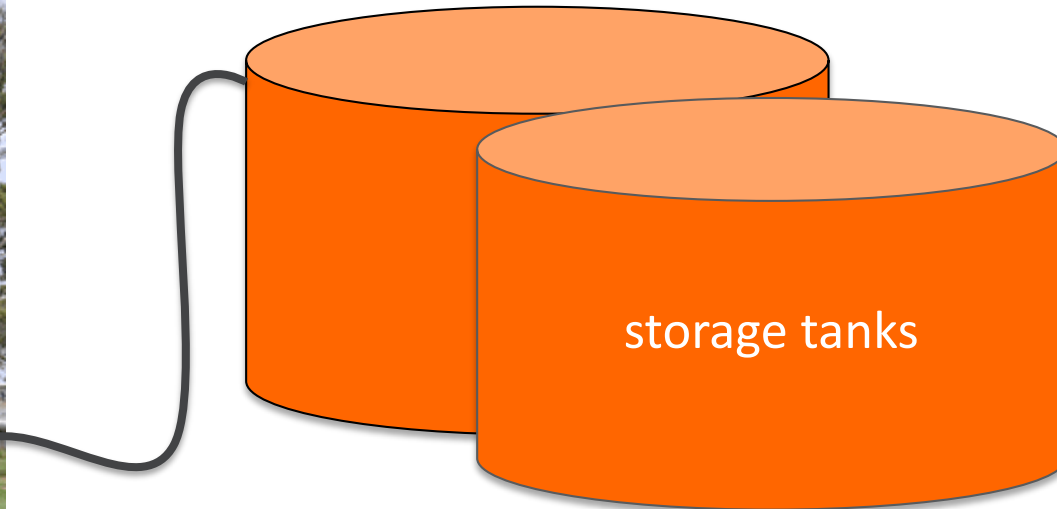
Abrasive Perforations of coal seams
410 to 645 metres (Juandah seams)

Not to scale



Stage 2: Short term flow test of Connor-1 re-entry

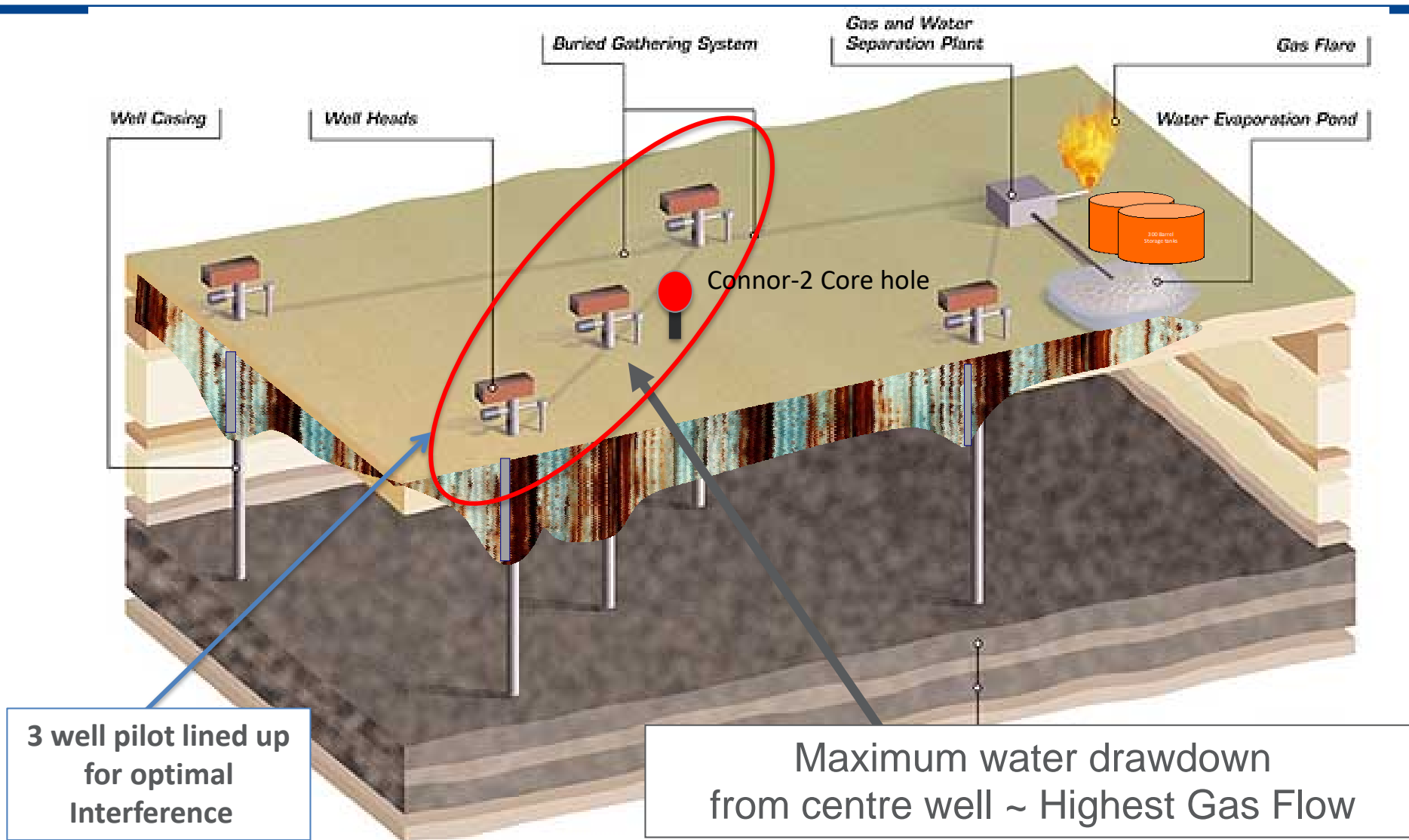
Short term flow test
using bore hole testing rig



1. 2 to 3 day controlled draw down to determine influx, induce gas breakout.
2. Will form one of the three initial CSG pilot wells.
3. Storage tanks to be used for initial flow testing.

Stage 3: Connor-1 set up as the initial CSG pilot Stage 4: 2 additional pilot wells

Pilot located adjacent to core hole with 100% gas saturations in upper Walloon coal seams



Pilot Development Layout

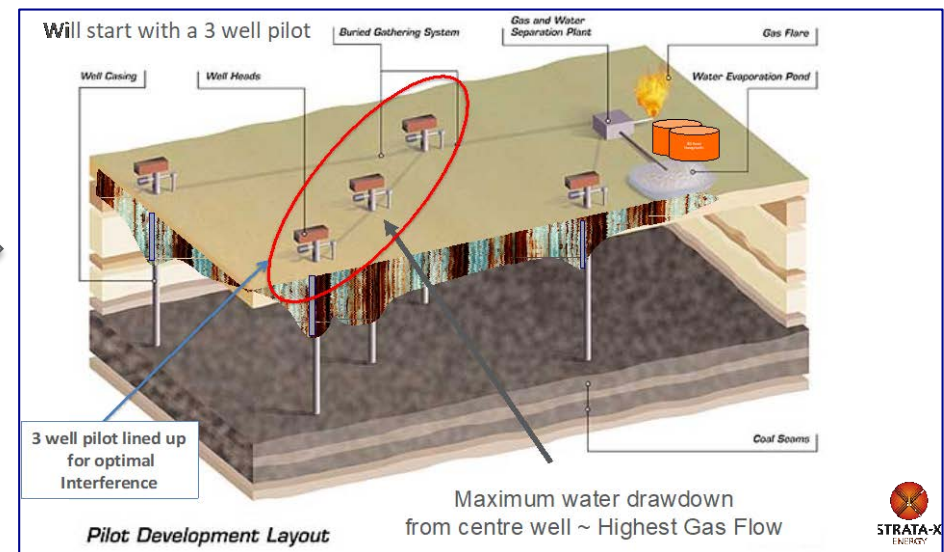
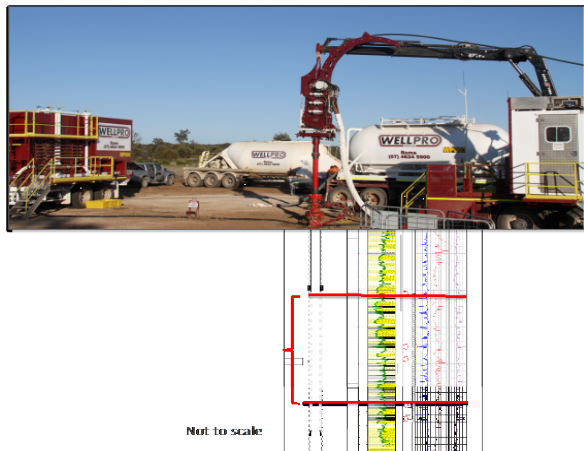
Project Venus Walloon CSG Proposed staged 2020 Program

Late July 2020. Stage 1 Connor-1 re-entry and enhancement. Exact date to be announced once confirmed.

August 2020. Stage 2: Connor short term flow testing using water rig. Exact date to be confirmed.

Sept 2020. Stage 3: Set up Connor-1 as a pilot production well. Long term flow test.

4th quarter 2020. Stage 4: 3-well pilot firmed after results of Connor-1 long term flow test.



Re-entry and enhancement



Short and long term flow tests



3-well pilot

STAGE 1

STAGES 2 AND 3

STAGE 4



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