

ASX ANNOUNCEMENT

Placement and SPP to fund drilling and testing of Venus-1 CSG Well

- Drilling Venus-1 CSG well to take place in October
- Placement raising \$800,000 with SPP launched raising \$200,000
- Venus-1 is to be drilled as a new vertical well to approximately 680 metres – drilling contractor selected
- Project Venus' ATP 2051P area totals 154 km² (Real Energy 50%/Strata-X Energy 50% JV) and is located within the productive Walloon CSG fairway of the Surat Basin

Sydney: 21 September 2020, Real Energy Corporation Limited (ASX: RLE) ("Real Energy"), an Australian east coast focused gas company with interests in the Surat and Cooper Basins, is pleased to announce that it raised \$800,000 before costs through a placement to sophisticated and institutional investors in Australia of 40,000,000 shares in the Company at a price of A\$0.02 per Share together with half an option for each share subscribed. Each option will be unquoted and exercisable into one Share at an exercise price of A\$0.04 up until 30 September 2022.

The Company has in addition launched a Share Purchase Plan (SPP) in order to provide all eligible Real Energy Shareholders or Securities holders with the opportunity to increase their shareholding. The Company is pleased to provide details of its Share Purchase Plan Offer (**Offer or SPP**) and a copy of the SPP booklet is attached to this announcement.

Under the SPP, Real Energy is giving Eligible Shareholders or Securities Holders the opportunity to purchase up to \$30,000 worth of fully paid ordinary shares in Real Energy (New Shares), irrespective of the size of their shareholding, without incurring brokerage or transaction costs. Applications may be made in increments of \$1,000 for between \$1,000 and \$30,000 worth of New Shares. The New Shares will be issued, together with half an option with an expiry date of 30 September 2022 at a 4 cents exercise price for each New Share subscribed. The pricing of the New Shares will be at the lower of: (a) \$0.020 (2.0 cents), or (b) a 10% discount to the volume weighted average price (VWAP) of Real Energy's Shares calculated over the last 10 days on which sales of Shares are recorded on the ASX up to and including the Closing Date.

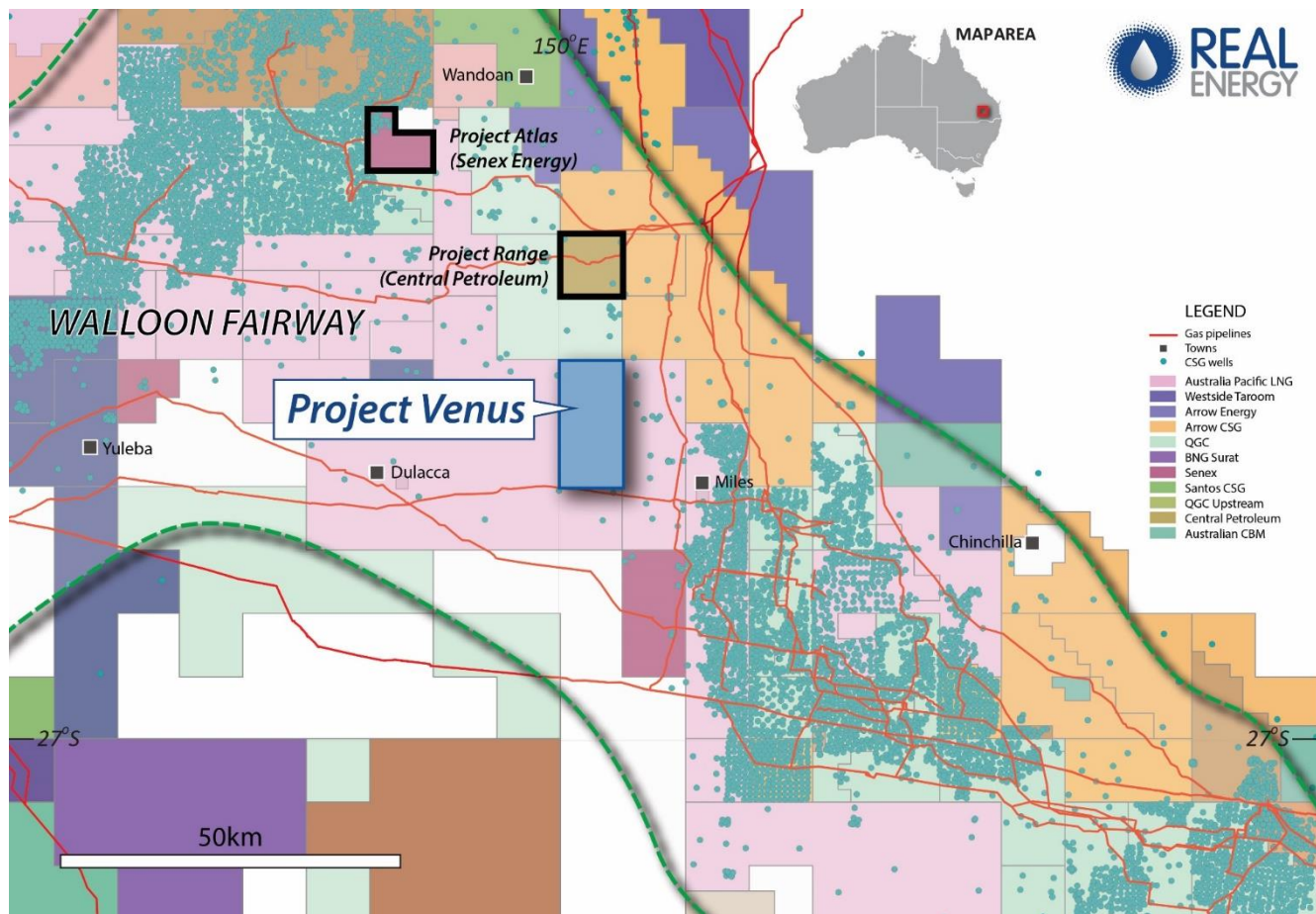
Real Energy intends to raise \$200,000 under the SPP which is not underwritten but reserves the right to increase or decrease the amount raised at its discretion. Real Energy also reserves the right to scale back applications under the SPP.

Project Venus CSG Pilot to commence

The post stimulation water influx rate and other data are needed to design the JV's first Walloon CSG pilot well. Venus-1 will be equipped with a downhole pump, surface facilities and water handling methods as required to carry out a controlled drawdown flow test over several months.

The Venus Pilot drilling and set up is planned to commence in October 2020 and the subsequent flow testing is expected to continue into early 2021. The flow testing is designed to prove initial gas breakout and increasing gas flows over the controlled drawdown period as required to model and predict future gas flow rates and potentially commercial gas flow rates.

The results of the flow test will also be used to either expand the pilot or, if commercial flow rates are achieved, commence an aggressive appraisal program designed to certify sufficient reserves for the Project Venus JV to secure gas sales agreements to allow for commercial field development.




Placement Details

The New Shares will be issued on the same terms and rank equally in all respects with the existing fully paid ordinary shares in the Company. The allotment of the Placement is not subject to shareholder approval and will fall within the Company's 15% placement capacity under ASX LR 7.1 (40,000,000) New Shares and additional 10% placement capacity under ASX LR7.1A (20,000,000 Options).

About Project Venus

The 154 km² Project Venus (Strata-X 50%/Real Energy 50% JV) is located within the Walloon CSG fairway in the Surat Basin. An independent expert has certified, on a best estimate basis, a Prospective Gas Resource of 658 Bcf (694 PJ).⁽¹⁾ Given the location of this tenement immediately adjacent to gas infrastructure and within a proven giant gas fairway, the Venus Project offers the potential to achieve early cash flows.



As announcement on 15 July, Strata-X Energy and Real Energy have agreed to merge, subject to shareholder approval, and rename the merged company Pure Energy. Post the merger, Pure Energy will have 100% of Project Venus.

For further information, please contact:

Real Energy: Managing Director - Scott Brown +61 2 9955 4008

Released through: Ben Jarvis, Six Degrees Investor Relations, +61 (0) 413 150 448

Or visit the website: www.realenergy.com.au

Twitter: <https://twitter.com/RealEnergyCor>

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 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 Australian east coast focused gas company with interests in 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 a Coal Seam Gas project. The Company is also looking to develop a Hydrogen Project in Queensland.



Real Energy Corporation Ltd

ACN 139 792 420

Share Purchase Plan Offer Booklet

The Offer closes at **5.00pm AEDST on 8th October 2020** and the Company reserves the right to close the Offer early.

This is an important document.

This document has been prepared by Real Energy Corporation Limited.

The Offer provides Eligible Shareholders or Security Holders with the opportunity to purchase additional Real Energy Shares without brokerage and transaction costs.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision whether or not to accept the Offer, you should consult your financial or other professional adviser.

This document is not a prospectus or other disclosure document under the Corporations Act.

1. KEY OFFER INFORMATION

Key dates

Event	Date
Record Date	17 September 2020
Offer Date	21 September 2020
Offer opens	22 September 2020
Offer closes	8 October 2020
Issue of New Shares (Issue Date)	15 October 2020
Anticipated commencement of trading of New Shares on ASX	15 October 2020
Anticipated despatch of holding statements	16 October 2020

This timetable is indicative only and Real Energy may, at its discretion, vary any of the above dates (including closing the Offer early or postponing the close of the Offer) without notice.

Defined terms and abbreviations used in this document are set out in **clause 21** of the Terms and Conditions in **section 4**.

Important notices

The offer contained in this document is not a recommendation to purchase Shares or New Shares in Real Energy. If you are in any doubt about the Offer, you should consult your financial or other professional adviser.

If you apply to participate in the Offer by completing and returning the Application Form with your application payment, you are accepting the risk that the market price of Real Energy's Shares may change between the Offer Date and the Issue Date. This means it is possible that, up to or after the Issue Date, you may be able to buy Shares at a lower price than the Offer Price.

The Offer of shares under the SPP is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, which grants relief from the requirement for the Company to provide prospectus disclosure concerning the SPP. This Offer Booklet does not constitute a Prospectus or Product Disclosure Statement and has not been lodged with ASIC. The issue of a Prospectus or Product Disclosure Statement is not required for the purpose of the SPP.

Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person.

Real Energy recommends that you monitor its announcements and the Share price, which can be found on the ASX website at www.asx.com.au (ASX code: RLE).

Questions

If you have any questions in relation to the Offer or how to complete the Application Form, please contact the Company, on +61 2 9055 4008 or by email: admin@realenergy.com.au, or consult your financial or other professional adviser.

Important information for foreign shareholders

Release and distribution of the Offer

This document is not for distribution or release in jurisdictions outside of Australia, New Zealand and Hong Kong.

New Zealand

The New Shares are not being offered or sold to the public in New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of such New Shares is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013*.

The contents of this document have not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* or *Financial Markets Conduct Act 2013 (New Zealand)*. This document is not a product disclosure statement, investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement, investment statement or prospectus under New Zealand law is required to contain.



Hong Kong

The contents of this document have not been reviewed by any Hong Kong regulatory authority. Shareholders in the jurisdiction of Hong Kong are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent advice from your financial or other professional adviser.

2. CHAIRMAN'S LETTER TO SHAREHOLDERS

21 September 2020

Dear Shareholder,

Invitation to Participate in Share Purchase Plan Offer

Real Energy Corporation Limited (ACN 139 792 420) (**Real Energy** or the **Company**) announced on 15 July 2020 that it agreed subject to shareholder approval a merge with Strata X Energy effective creating new Company to be called Pure Energy Corporation Limited.

In order to provide all eligible Real Energy Shareholders or Securities holders with the ability to increase their shareholding, the Company is pleased to provide details of its Share Purchase Plan Offer (**Offer** or **SPP**) which was announced on 21 September 2020.

Under the SPP, Real Energy is giving Eligible Shareholders or Securities holders the opportunity to purchase **up to \$30,000** worth of fully paid ordinary shares in Real Energy (**New Shares**), irrespective of the size of their shareholding, without incurring brokerage or transaction costs. Applications may be made in increments of \$1,000 for between \$1,000 and \$30,000 worth of New Shares. The New Shares will be issued, together with half an unlisted option with an expiry on 30 September 2022 at a 4 cents exercise price for each share subscribed. The pricing of the New Shares will be at the **lower** of: (a) \$0.020 (2.0 cents), and (b) a 10% discount to the volume weighted average price (**VWAP**) of Real Energy's Shares calculated over the last 10 days on which sales of Shares are recorded on the ASX up to and including the Closing Date.

Real Energy intends to raise \$200,000 under the SPP which is not underwritten but reserves the right to increase or decrease the amount raised at its discretion. Real Energy also reserves the right to scale back applications under the SPP.

This **Share Purchase Plan Offer booklet** sets out the terms and conditions of the SPP. An **Application Form** for the SPP is included in this package.


Participation in the SPP is optional and is available exclusively to Shareholders who were registered as holders of Shares at 7.00pm AEST on the Record Date and whose registered address is in Australia, New Zealand or Hong Kong (**Eligible Shareholders**).

The proceeds raised under the SPP will be used for:

- Costs associated with Project Venus; and
- working capital purposes (including transaction costs) of the proposed merge with Strata-X Energy.

The Company suggests that Eligible holders read this Share Purchase Plan Offer promptly and if you decide to take up the Offer that you lodge your application as soon as possible, as the SPP is scheduled to close at **5.00pm AEDST on Thursday, 8 October 2020**. Real Energy reserves the right to close the Offer early or postpone the close of the Offer.

It is important that each Eligible holders carefully reviews this Share Purchase Plan Offer as well as all Company information as announced to the ASX (www.asx.com.au under ASX Code: **RLE**). Shareholders should seek independent and qualified legal and/or financial advice before making an investment.



If you have any questions in relation to the SPP or how to complete the Application Form, please contact the Company, on +61 2 9055 4008 or by email: admin@realenergy.com.au, or consult your financial or other professional adviser.


Yours sincerely,

John Wardman
Chairman

3. FREQUENTLY ASKED QUESTIONS

Answers to some key questions that you may have about the Offer are set out below. This table is qualified by and should be read in conjunction with the Terms and Conditions in **section 4**.

Question	Answer
What is the Offer?	The Offer enables Eligible Holders to apply to purchase up to \$30,000 worth of ordinary shares in Real Energy without paying any brokerage or other charges.
Am I eligible to participate?	<p>You are eligible to participate if you fulfil the criteria set out in clause 3 of the Terms and Conditions in section 4.</p> <p>You must have been a holder of Real Energy Shares or Securities including Options at 7.00pm AEST on Thursday, 17th September 2020 (Record Date) and your registered address must be in Australia, New Zealand or Hong Kong (Approved Jurisdictions) for you to be eligible to participate.</p> <p>If you are a nominee or custodian holding Shares on behalf of one or more beneficial holders, you may also apply to purchase up to \$30,000 worth of New Shares on behalf of each beneficial holder, subject to complying with the criteria set out in clause 9.2 of the Terms and Conditions in section 4.</p>
Do I have to participate?	Participation is optional.
Can I transfer my entitlement to participate?	You cannot transfer your right to purchase New Shares under the Offer to anyone else.
How do I apply?	<p>To apply for New Shares under the Offer you can either:</p> <p>Option 1: Pay by cheque or money order. Complete and return the enclosed Application Form to the Company at the address shown on the Application Form with a cheque or money order (made payable to "Real Energy Corporation Ltd").</p> <p>Option 2: Make payment by direct deposit of funds into the following account: Account Name: Real Energy Corporation Ltd, BSB: 062 000, Account Number: 1361 7559, Reference: Enter your HIN/SRN as shown on the Application Form <u>and</u> complete the Application Form (including your receipt details) and forward it separately to the Company, at investor@realenergy.com.au or the address set out on the Application Form.</p>
What is the maximum investment for each Shareholder?	<p>The maximum investment for each Shareholder is \$30,000.</p> <p>You may apply for New Shares under the Offer in \$1,000 increments from a minimum of \$1,000 up to a maximum of \$30,000.</p>
How many New Shares will I receive?	<p>The number of New Shares you are allocated will be determined by dividing the application money that you pay by the Offer Price. Applications that successful will also receive unlisted options in Real Energy to buy shares at an exercise price of 4 cents each and expiring 30 September 2022.</p> <p>The Offer Price will be the <u>lower</u> of:</p> <ul style="list-style-type: none"> (a) \$0.020 (2.0 cents); and (b) a 10% discount to the volume weighted average price (VWAP) of Real Energy's Shares calculated over the last 10 days on which sales of Shares are recorded on the ASX up to and including the Closing Date, rounded down to the nearest one tenth of one cent. <p>Therefore, the maximum Offer Price will be 2.0 cents per New Share. Real Energy will announce the final Offer Price on the Issue Date.</p> <p>If Real Energy receives applications in excess of \$200,000, or if the aggregate number of New Shares applied for exceeds 10,000,000 Real Energy reserves the right to scale back applications. If applications are scaled back excess funds will be returned to applicants without interest.</p>
What is the maximum amount that will be raised?	\$200,000 is maximum that RLE can raise without approval of SXA under the Scheme Implementation Agreement.



What is the proposed use of the funds raised?	<p>Funds raised under the Offer will be used for:</p> <ul style="list-style-type: none"> • working capital purposes (including transaction costs) until completion of the proposed scheme of Arrangement with Strata- X Energy; and • Real Energy's share of costs for the drilling of Venus-1 well and flow testing.
When will I receive my New Shares?	New Shares and unlisted Options will be issued and allotted on Thursday, 15 th October 2020 (Issue Date). Holding statements will be despatched by Friday, 16 th October 2020
When can I trade allocated New Shares?	You can trade your New Shares after the Issue Date. However, it is your responsibility to confirm your holding before trading in any New Shares you believe have been issued to you under the Offer. Any Shareholder that sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk.



4. TERMS AND CONDITIONS

1. Offer

The Offer entitles eligible Real Energy Shareholders to apply to purchase up to \$30,000 worth of New Shares in Real Energy.

2. ASIC relief

The Offer is made in accordance with Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 125 and ASIC class order 2019/547 (**Class Order**). The Class Order grants relief from the requirement to prepare a prospectus for the offer of New Shares up to \$30,000 under the Offer, subject to certain terms and conditions. Accordingly, this Share Purchase Plan Offer is not a prospectus under the Corporations Act and the Company will not be issuing a prospectus in relation to the Offer.

3. Eligibility to participate

- 3.1 You are eligible to participate in the Offer if you were a registered holder of Shares at 7.00pm AEST on Thursday, 17th September 2020 (**Record Date**) with a registered address in Australia, New Zealand or Hong Kong (**Approved Jurisdictions**).
- 3.2 Real Energy has determined that it is either unlawful or impracticable for holders of Shares with registered addresses in jurisdictions outside the Approved Jurisdictions to participate in the Offer.
- 3.3 Real Energy retains the discretion to extend the Offer outside the Approved Jurisdictions where the Company determines it is lawful and practicable for the Company to issue New Shares under the Offer without providing additional disclosure.
- 3.4 If you are the only registered holder of a holding of Shares, but you receive more than one offer (for example, due to multiple registered holdings), you may only apply for one maximum parcel of New Shares.
- 3.5 Joint holders of Shares will be taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification under **clause 9.1(k)** by one joint holder will be effective in respect of the other joint holder(s).
- 3.6 If you are a Custodian for a beneficiary or beneficiaries, you may apply for one maximum parcel of New Shares for each beneficiary (or if you are a Custodian for two or more joint beneficiaries, for each such holding as if it was held by a single person) in accordance with and subject to the Class Order. Further information in relation to how Custodians may apply for New Shares is set out in **clause 9.2**.
- 3.7 Directors of Real Energy who hold Shares may be Eligible holders.

4. Rights are non-renounceable

If you are an Eligible Holder, your rights under the Offer are personal to you and are non-renounceable, which means that you cannot transfer your rights to another person.

5. Offer Price

- 5.1 The Offer Price will be the **lower** of:
 - (a) \$0.020 (2.0 cents), representing:

- a discount of 16.7% to Real Energy's closing Share price of \$0.024 (2.4 cents) on ASX on Friday, 18th September 2020 (being the previous trading day of Real Energy prior to this SPP) ;

and

- (b) a 10% discount to the volume weighted average price (VWAP) of Real Energy's Shares calculated over the last ten (10) days on which sales of Shares are recorded on the ASX up to and including the Closing Date, rounded down to the nearest one tenth of one cent.

Therefore, the **maximum Offer Price** that Eligible Shareholders will pay is 2.0 cents per New Share.

5.2 Real Energy will announce the final Offer Price on the Issue Date.

6. Timing

6.1 Please refer to the timetable in the key dates under section 1 of this booklet.

6.2 Holding statements are expected to be despatched on Friday, 16 October 2020. It is your responsibility to confirm your holding before trading in any New Shares you believe have been issued to you under the Offer. Any Shareholder that sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk.

6.3 The Company and the Share Registry disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade their New Shares before receiving their holding statements.

6.4 Real Energy reserves the right to change the closing date of the Offer (including closing the Offer early or postponing the close of the Offer) or the proposed Issue Date at any time without notice. Any such change to the closing date of the Offer or Issue Date will be binding on all Eligible Shareholders even if the Company does not notify you of that event.


7. Investment Risk

You should specifically consider the risk of movement in the market price of the Shares. The market price of the Shares may change between the Offer Date and the Issue Date and the date on which New Shares can be traded on the ASX, with the effect that the market price of the New Shares which applicants receive under this Offer may be more or less than the Offer Price. The market price may rise or fall after the Offer Date, after the date upon which the New Shares are applied for, before the Issue Date, or before the New Shares can be traded on the ASX. There is no certainty that applicants will be able to sell their New Shares for more than or at the Offer Price, or at all.

The Company's current Share price can be obtained from the ASX website at www.asx.com.au (ASX code: RLE).

Investing in Shares in Real Energy should be considered a speculative investment. Shareholders should be aware that the market price of the Company's Shares can fluctuate. Accordingly, the value of the New Shares applied for under the Offer may rise or fall.

Shareholders should note that the Offer is not made under a prospectus or other disclosure document for the purposes of, and does not require the type of disclosures required under, the Corporations Act.



No account has been taken of the particular objectives, financial situation or needs of Eligible Shareholders. Eligible Shareholders must rely on their own independent investigation and assessment of the Company, its business, assets and liabilities, prospects and profits and losses, and the risks associated with the New Shares in the Company.

Real Energy recommends that you monitor its announcements and the Share price, which can be found on the ASX website at www.asx.com.au (ASX code: RLE).

The Company is not licensed to provide financial product advice in relation to the Company's New Shares, Shares or any other financial products.

You should consult your professional advisor when deciding whether or not to participate in the Offer.

8. Applying for New Shares

- 8.1 You may apply for New Shares under the Offer in \$1,000 increments from a minimum of \$1,000 up to a maximum of \$30,000.
- 8.2 If you apply for New Shares under the Offer, you will apply for a certain value, rather than a certain number, of New Shares. Subject to these Terms and Conditions, the number of New Shares you are allocated will be determined by:
- (a) if there is no scale back: dividing the application money that you pay in applying for New Shares by the Offer Price (as outlined under clause 5.1); or
 - (b) if there is a scale back dividing the value of the parcel of New Shares allocated to you by the Offer Price (as outlined under clause 5.1).


Any fractions of a New Share will be rounded down to the nearest whole number of New Shares.

- 8.3 You may not apply for more than \$30,000 of New Shares in aggregate under the Offer, even though you may receive more than one offer, or offers in more than one capacity, under the Offer.
- 8.4 If you wish to apply for New Shares under the Offer you should either:
- (a) **Option 1:** Complete the Application Form and forward it with your payment by cheque (or money order) in Australian dollars made payable to "Real Energy Corporation Ltd" to the Company, at the address set out on the Application Form.
 - (b) **Option 2:** Make payment by direct deposit of funds into the following account:
Account Name: Real Energy Corporation Ltd
BSB: 062 000
Account Number: 1361 7559
Reference: Enter your HIN/SRN or Entitlement Number as shown on the Application Form as a reference on your direct deposit payment.

and complete the Application Form (including your transaction/deposit receipt details) and forward it separately to the Company, at the email investor@realenergy.com.au the address set out on the Application Form.


- 8.5 Do not forward cash. Receipts for payment will not be issued.

- 8.6 Application Forms (with application payments) must be received by the Company by 5.00pm AEDST on Thursday, 8 October 2020. Real Energy may reject applications received after this time. If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred.

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- 8.7 If your Application Form or application is incomplete, contains errors (for instance, if payment is received that is not for one of the available application amounts in **clause 8.1**) or is otherwise invalid or defective, Real Energy may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it considers appropriate, refund your application money, or take any combination of these actions. Any necessary refund will be paid to you as soon as practicable after the Issue Date. No interest will be paid on any refunded money.
- 8.8 You cannot withdraw or revoke your application once you have submitted a direct deposit payment or sent in an Application Form.

9. Effect of making an application

- 9.1 If you submit a direct deposit payment or complete and return the Application Form:
- (a) you will be deemed to have represented and warranted that you are an Eligible Shareholder or Option Holder, you have read and understood these Terms and Conditions and you subscribe for New Shares in accordance with these Terms and Conditions;
 - (b) you authorise Real Energy to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor details;
 - (c) you acknowledge that the market price of the Shares may rise or fall between the Offer Date and the Issue Date and that the Offer Price you pay for the New Shares may exceed the market price of the Shares on the Issue Date;
 - (d) you accept the risk associated with any refund that may be despatched to you at your address as shown on the share register;
 - (e) you are responsible for any dishonour fees or other costs Real Energy may incur in presenting a cheque for payment which is dishonoured;
 - (f) you acknowledge that the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia, and accordingly, the New Shares purchased under the Offer may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
 - (g) you represent and warrant that your application does not constitute a breach of the relevant securities laws in your jurisdiction, you will comply with all applicable foreign securities laws and acknowledge that failure to comply may result in violations of applicable securities laws;
 - (h) you represent and warrant that you are not a US Person, and are not applying under the Offer for or on behalf of a US Person;
 - (i) you represent and warrant that you have not and will not send any materials relating to the Offer, including this document, to any person in the United States that is, or is acting for the account or benefit of, a US Person;
 - (j) you acknowledge that you have not been provided with investment advice or financial product advice by Real Energy or the Share Registry; and
 - (k) you certify that you have not applied for, or instructed a Custodian to apply on your behalf for, New Shares with an application price which, when aggregated with the application price for any Shares issued to you or a Custodian on your behalf under the Offer or any similar Real Energy arrangement in the 12 months prior



to your application, exceeds \$30,000. This certification by one joint holder of Shares will be effective in respect of the other joint holder(s).

- 9.2 Eligible Holders that are Custodians may apply for New Shares with a total application price exceeding \$30,000, subject to providing Real Energy with a custodian certificate which complies with the requirements of the Class Order (**Custodian Certificate**).
- 9.3 Custodians wishing to participate on behalf of one or more beneficiaries should contact the Company, on **+61 2 9955 4008** or by email: admin@realenergy.com.au, to obtain more information on how to apply and request a Custodian Certificate.
- 9.4 Please note that if you hold Shares in the capacity of a trustee or a nominee for another person but you do not hold an Australian financial services licence of the kind described in the definition of Custodian in **clause 21** and you are not exempt from the requirement to hold such a licence as described in the definition of Custodian in **clause 21**, you cannot participate for beneficiaries in the manner outlined in **clause 9.2** above. In this case, the rules for multiple registered holdings as described in **clause 3.4** apply.

10. Rights attached to the New Shares

New Shares issued under the Offer will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements as at the Issue Date. Real Energy will apply for the New Shares to be quoted on ASX.

11. Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, New Shares under the Offer.

12. Applications may be scaled back

- 12.1 If Real Energy receives applications in excess of the maximum amount to be raised (\$200,000) or if the aggregate number of New Shares applied for exceeds 10,000,000 (being the maximum number of New Shares that may be issued pursuant to the Offer under the ASX Listing Rules without Shareholder approval), or an Eligible Shareholder subscribes for more New Shares than is permitted under the Offer or under applicable law, Real Energy reserves the right to scale back applications on an equitable basis.
- 12.2 If applications are scaled back, Real Energy may in its absolute discretion apply the scale back to the extent and in any manner that it sees fit. If the scale back produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be allocated will be rounded down to the nearest whole number of New Shares.
- 12.3 In the event of a scale back, the difference between the application monies received, and the number of New Shares allocated to you multiplied by the Offer Price, will be refunded by Real Energy, without interest, as soon as practicable after the Issue Date.

13. Refunds

- 13.1 Refunds pursuant to the Offer may be paid under various circumstances. For example, if applications are made incorrectly the entire payment may be refunded, or if allocations are scaled back a partial refund may be made.
- 13.2 If a refund is made, payment will be by cheque mailed to your address as shown on the Company's share register.



13.3 You will not receive any interest on funds refunded to you.

13.4 Any refund made to you is despatched at your risk.

14. Waiver, amendment, suspension and termination

14.1 Real Energy may, in its discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions or suspend, withdraw or terminate the Offer at any time. Any such waiver, amendment, variation, suspension, withdrawal or termination will be binding on all Eligible Shareholders even where Real Energy does not notify you of the event.

14.2 Real Energy is not liable for loss, cost or expense arising out of any exercise of its discretions under these Terms and Conditions.

14.3 If the Company terminates the Offer, the application monies received will be refunded by Real Energy, without interest, as soon as practicable.

15. United States

15.1 Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person. Participation in the Offer, directly or indirectly, in violation of these restrictions is not permitted, and any such participation will be invalid.

15.2 This document is not an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Real Energy's Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or delivered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person, except in accordance with an available exemption from registration.

15.3 Because of the legal restrictions summarised above, you must not send copies of any Offer materials to any of your clients (or any other person) in the United States or to any person that is, or is acting for the account or benefit of, a US Person. Consistent with the warranties set out above, you are also advised not to submit any Application Form or make payment in respect of the purchase of New Shares under the Offer on behalf of any of your clients (or any other person) in the United States or that is, or is acting for the account or benefit of, a US Person. Failure to comply with these restrictions may result in violations of applicable securities laws.


16. Underwriting

The Offer is not underwritten.

17. Dispute resolution

Real Energy reserves the right to settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Offer and the decision of Real Energy will be conclusive and binding on all Shareholders and other persons to whom the determination relates.

18. Notices



Notices and statements to Eligible Holders participating in the Offer may be given in any manner determined by the Company.

19. Governing law

These Terms and Conditions are governed by the laws in force in New South Wales. If you complete and return the Application Form, you submit to the non-exclusive jurisdiction of the courts of New South Wales.

20. Binding terms

If you submit a direct deposit payment or complete and return the Application Form, you agree to be bound by these Terms and Conditions and the constitution of Real Energy.

21. Definitions

In this document the following terms have these meanings:

AEDST means Australian Eastern Daylight Saving Time.

AEST means Australian Eastern Standard Time.

Application Form means the personalised application form which accompanies this Share Purchase Plan Offer.

Approved Jurisdictions means Australia, New Zealand and Hong Kong.

Real Energy or the **Company** means Real Energy Corporation Ltd (ACN 139 792 420).

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX.


Class Order means ASIC class order CO 19/547.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Custodian means the meaning given in the Class Order, namely a person that:

- (a) holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depositary service; or
 - (ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order 02/294; or
- (b) is exempt under:
 - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations; or
 - (ii) paragraph 7.6.01(1)(na) of the Corporations Regulations; or
 - (iii) ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184; or
 - (iv) ASIC Class Orders 03/1099, 03/1100, 03/1101, 03/1102, 04/829 or 04/1313; or
 - (v) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (iv); or
 - (vi) paragraph 911A(2)(h) of the Corporations Act; from the requirement to hold an Australian
 - (vii) financial services licence for the provision of a custodial or depositary service; or
- (c) is a trustee of a:
 - (i) self-managed superannuation fund; or

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- (ii) superannuation master trust; or
- (d) is the responsible entity of an IDPS-like scheme; or
- (e) is the registered holder of Shares or interests in the class or interests in the class and is noted on the register of members of the Company as holding the Shares or interests on account of another person.

Custodian Certificate means the certificate outlined in **clause 9.2** of the Terms and Conditions in **section 4**.

Director means a director of the Company.

Eligible Shareholder or **Eligible Holders** means a person who is eligible to participate in the Offer in accordance with **clause 3** of the Terms and Conditions in **section 4**.

Issue Date means the date the New Shares are issued and allotted, expected to be Wednesday, 15 October 2020.

New Shares means the Shares offered in the Share Purchase Plan Offer.

Offer or **SPP** means the offer of New Shares in the Share Purchase Plan Offer.

Offer Date means 21 September 2020, being the date of this Share Purchase Plan Offer.

Offer Price means the lower of \$0.020 (2.0 cents) and a 10% discount to the VWAP of Real Energy's Shares calculated over the last ten (10) days on which sales of Shares are recorded on the ASX up to and including the Closing Date rounded down to the nearest one tenth of one cent.

Record Date means 7:00pm (AEST) on Thursday, 17th September 2020.

Share means a fully paid ordinary share in Real Energy Corporation Ltd and **Shares** has a corresponding meaning.

Shareholder means the holder of a Share(s).

Share Purchase Plan Offer means this document.

Share Registry means Link Market Services Limited.

SPP or **Offer** means the offer of New Shares in the Share Purchase Plan Offer.

Terms and Conditions means the terms and conditions of the Offer set out in **section 4** of this Share Purchase Plan Offer.

US Person means a "U.S. person" as defined in Regulation S under the US Securities Act of 1933.

US Securities Act means *US Securities Act of 1933*.

VWAP means volume weighted average price.