

ASX ANNOUNCEMENT

SPP closes well oversubscribed and raises \$650,000

- 150 Applications received totalling \$1,039,400 which was significantly more than the original target \$200,000
- Some scale back required but most shareholders will receive full amount for which they applied
- Shares to be issued early next week
- Real Energy well-funded for drilling and completion of Venus 1 CSG well and various Pure Hydrogen initiatives that are advancing positively

Sydney: 9 October 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 further to its announcement of the 6 October 2020 it has now closed and reconciled applications received in the Share Purchase Plan ("SPP").

Given the strong support the Company has decided to increase the size of the SPP to \$650,000 from the original target of \$200,000. The Company received 150 applications totalling \$1,039,400 despite closing the Offer early.

The New Shares will be issued at an issue price of 2 cents each, 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 shares and options under the SPP are expected to be issued early next week most likely on Tuesday 13 October 2020.

The strong interest required a scaling back of valid applications that were received by Real Energy under the SPP. The scale back was applied having regards to the size of the shareholders holding and whether the applicants have sold Real Energy Shares during the SPP Offer period. Generally those that applied for a large amount under the SPP with a relatively small shareholdings were scaled back. Notwithstanding this, most eligible applications will receive the full amount that they applied for. For those applications that were scaled back refund cheques for the amount not accepted under the SPP will be sent out on 19 October 2020.

Scott Brown, Managing Director of Real Energy stated: "We are pleased with the success of the SPP and thank shareholders for their strong support. The amount of demand is a very pleasing and solid endorsement of our numerous growth initiatives that we are pursuing in the energy sector.

"The funds raised from the placement and the SPP give us the necessary flexibility to drill and complete the Venus 1 CSG well, which expected to start in 2 weeks, and to advance a number of exciting developments that are materialising in our 100%-owned Pure Hydrogen business."



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). 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. It is expected that the drilling rig will be mobilised in 2 weeks.

As announced 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. This announcement has been authorised by the Managing Director.

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 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.