

ASX ANNOUNCEMENT

Venus 1 CSG Well Spudded reaches total depth

- Venus-1 was drilled to TD of 715 metres
- Strong Gas shows recorded in the uppermost 3 to 5 metre thick coals with fair to good shows in the deeper coal seams.
- Current operations are wireline logging
- Over the weekend, the Juandah coals will be underreamed before running a liner.
- The next stage will be coil tubing jetting coal reservoir enhancements over highly gas saturated coal reservoirs.
- Post reservoir enhancement, Venus-1 will be set up as the first pilot CSG well for long term production testing targeting commercial gas flows
- 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: 6 November 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 report that Venus 1 well, on the Project Venus, has reached a total depth of 715 meters.

Very good gas shows were recorded in the uppermost 3 to 5 metre thick coal seams with fair to good gas shows in the deeper thinner coal seams. Current operations are wireline logging. Over the weekend, the Juandah coals will be under-reamed before running a liner. A wellhead will then be installed and the Silver City Drilling rig will be demobilised.

The results of the well will be integrated into a coil tubing-deployed reservoir stimulation program designed to improve water influx and ultimately gas flows from the targeted gassy coals. To compare the before and after stimulation results, a pre and post stimulation short-term controlled water influx test will be carried out.

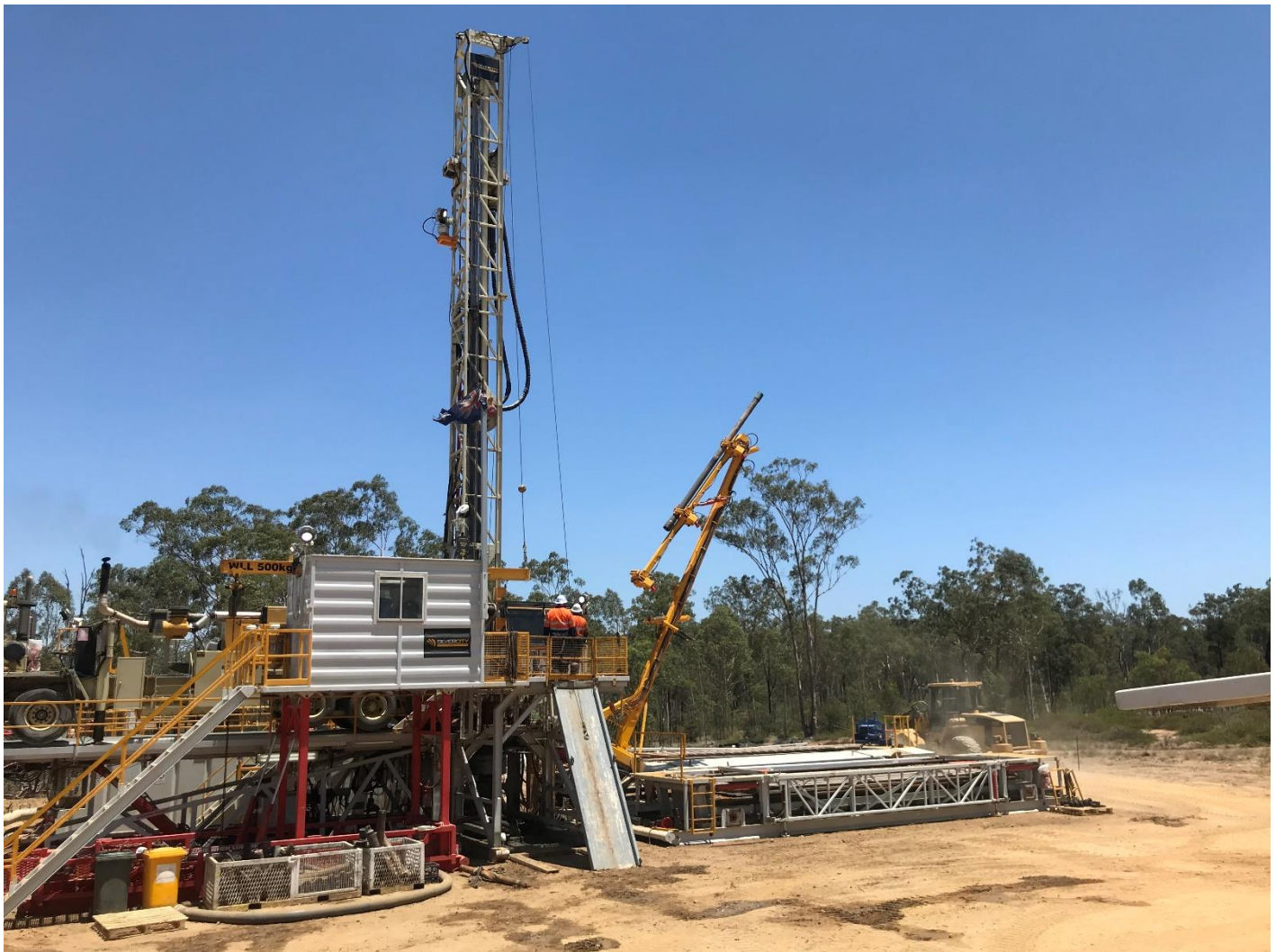
The post-stimulation water influx rate and other data are needed to design optimum production equipment and methods for Venus-1 as required to carry out a controlled drawdown production pilot flow test over several months.

The Venus-1 production pilot test is designed to prove initial gas breakout and increasing gas flows over the controlled draw down period as required to model and predict future gas flow rates and potentially commercial gas flow rates.

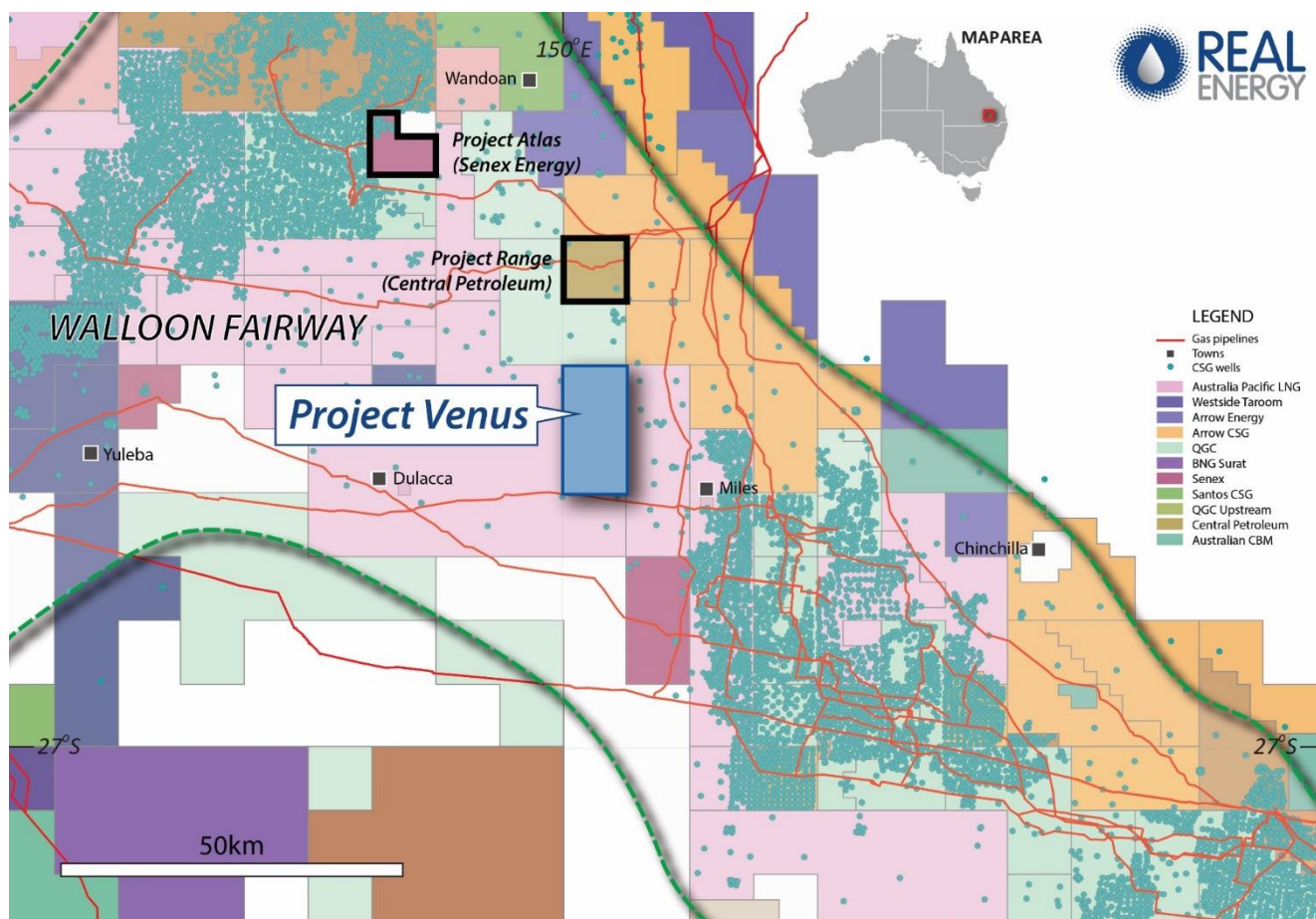
The results of the production pilot test will also be used to either expand the pilot or, if commercial flow rates are achieved, commence an aggressive appraisal program designed to certify sufficient reserves for the Project Venus JV to secure gas sales agreements, allowing commercial field development.

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The Silver City drill rig drilling Venus 1



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 Resources 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.

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