



Real Energy Corporation Limited
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Tamarama-1 Well Update

Sydney: 21st December, 2016, Cooper Basin focused oil & gas exploration company, Real Energy Corporation Limited (ASX: RLE) ("Real Energy"), provides this update on the progress of operations at its Tamarama-1 well.

The well has continued to flow back gas and frac fluids. The total recovered fluids significantly exceeded the total injected frac fluid volume. Analysis of water samples indicate highly saline fluid volume is not from the sandstone reservoirs as its water chemistry does not match any known water produced from the Toolachee or Patchawarra formation sandstones in the area. It is interpreted that the additional water is most likely from the coal seams immediately above the uppermost sandstone unit.

Given this development, the well was re-completed and the uppermost 2-metre perforated interval was temporarily isolated in order to test the underlying Patchawarra Formation sandstone reservoirs (Stage 1 to Stage 4 fracture stimulated zones). The well has been put on flow since the conclusion of the re-completion operations and a majority of completion fluids which were lost to the formation during the re-completion operations has been recovered.

Due to unavailability of equipment and also services personnel during the Christmas and New Year period, the Company has decided to suspend the operations during this festive period and will resume the flow back operations in late January 2017. RLE will update shareholders when operations resume.

"The flow of gas from the well is very encouraging however the time it is taking to clean up the well is frustrating" stated Managing Director Scott Brown.

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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 exploration and development company with a focus on the Cooper Basin, Australia's most prolific onshore producing petroleum basin. Real Energy has 100% ownership in 3 large permits in Queensland – ATP 917P, ATP 927P & ATP1194PA.

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.

