

# ASX ANNOUNCEMENT

5 MARCH 2019

## Definitive documentation signed with Doriemus for L15 farmin

### Highlights:

- Definitive documentation signed with Doriemus for L15 farmin
- L15 farmin includes aiming to bring the West Kora well back into production
- Doriemus has advised due diligence process finalised for the proposed EP487 farmin

Further to its announcement on 31 December 2018, Rey Resources Limited (**Rey** or the **Company**) (ASX: REY) is pleased to advise it has now entered into definitive documentation (subject only to the usual Government approvals), including a binding Farmout Agreement which comprises an agreed form Joint Operating Agreement (**Agreements**) with Doriemus PLC (**Doriemus**) (ASX:DOR) for Rey's Petroleum Production Licence 15 (**L15**).

Rey currently holds a 100% interest in Production Licence L15. Pursuant to the Agreements, Doriemus is to fund A\$1 million in development work on L15, in an endeavour to bring the West Kora 1 well (which is located within L15) into economic production.

Subject to Doriemus funding the \$1 million field development plan over the next 12 months, Doriemus will be assigned a 50% of the L15 permit.

### About L15

West Kora 1 is located within L15 (Production Licence) which is located on the Lennard Shelf, onshore Canning Basin, Western Australia. It comprises two graticular blocks covering an area of 163.46 square kilometres. L15 was granted on 1 April 2010 for a period of 21 years.

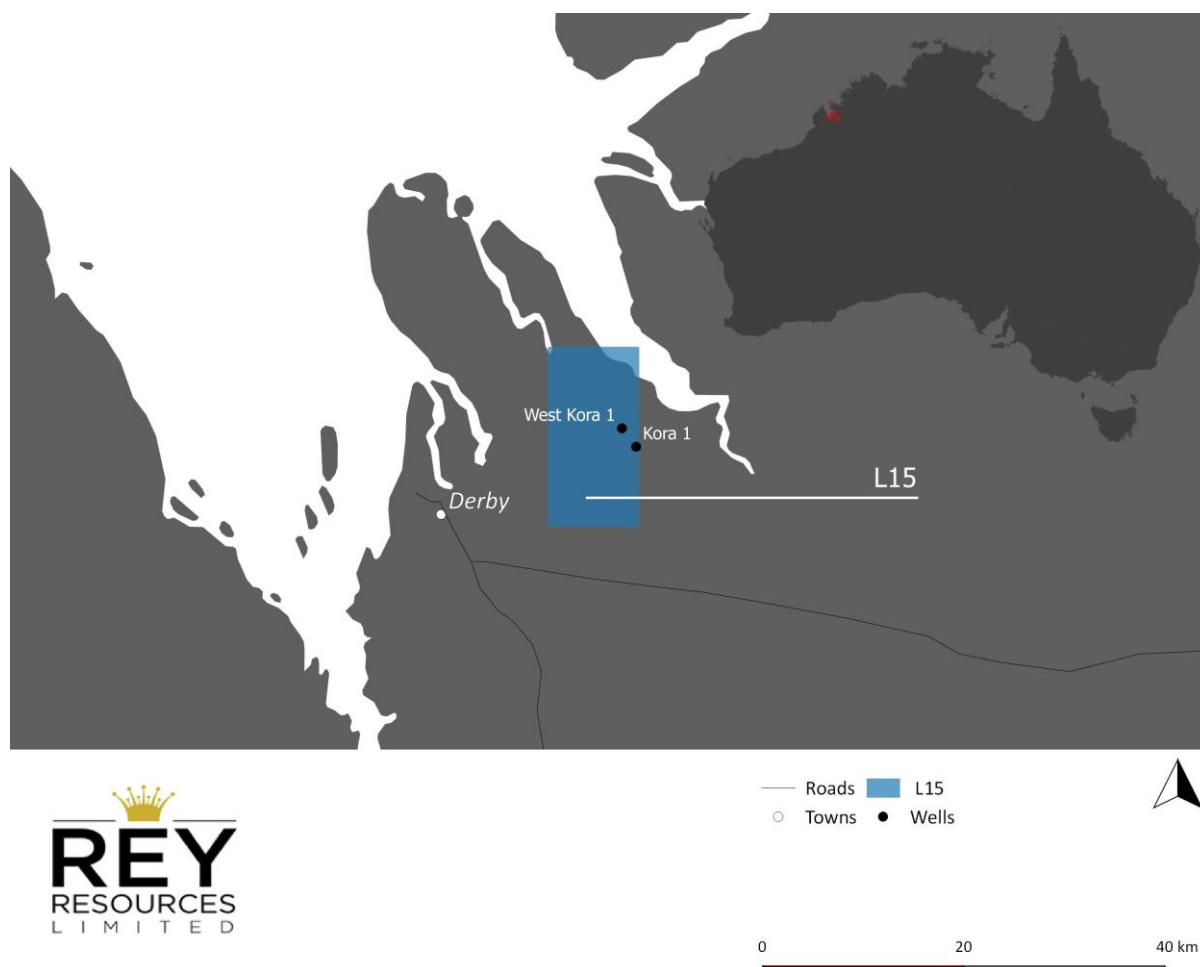


Figure 1: Map of L15 including locations of West Kora 1 Well

### Prospective Remaining Reserves and Resources of West Kora Oilfield in L15

An estimation of oil reserves and contingent oil resource for the West Kora Oilfield in L15 was provided by Energetica Consulting in September 2015 (refer to Key Petroleum Limited's ASX releases dated 30 September 2015) and reviewed and released by REY on 14 May 2018. The estimation is based on the vintage wells in the permit and relevant studies. The estimated remaining reserves and resources, as calculated by Energetica Consulting in September 2015, are listed in Table 2 below.

Estimated Remaining Reserves and Resources				
		1P	2P	3P
West Kora Oilfield Recoverable Oil	mmSTBO <sup>1</sup>	0.25	0.38	0.66
		1C	2C	3C
West Kora Oilfield Recoverable Contingent Resources	mmSTBO	0.06	0.12	0.26
Point Torment Gas Discovery Recoverable Contingent Resources	BCF <sup>2</sup>	2.41	4.725	8.42

Table 2: Reserves and Contingent Resources estimation of West Kora Oilfield (estimate prepared by Energetica Consulting in September 2015, refer to Key ASX releases dated on 30 September 2015 and REY release dated 14 May 2018).

<sup>1</sup> mmSTBO – million stock tank barrels of oil.

<sup>2</sup> BCF – billion cube feet

*The remaining reserves and resources are the estimated quantities of petroleum that may be potentially recovered by the application of a future development project and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.*

#### **Exploration Permit 487 (EP487) – Due Diligence Completed**

Further to the announcement on 31 December 2018 Doriemus has now advised that it has finalised due diligence in relation to potentially also farming into Exploration Permit 487 (EP487). Doriemus and Rey and now aiming to finalise definitive documentation for proposed farmin to EP487 and Rey expects to provide a further update on this transaction soon.

For further information please contact:

**Wei Jin**

Managing Director +61 2 9290 9600

#### **Competent Persons Statement - Petroleum Exploration**

*The technical and the prospective reserves and resources information quoted for L15 is quoted from Rey's announcement on 14 May 2018 and was compiled and/or assessed by Mr Doug Barrenger. Mr Doug Barrenger received a BSc degree (geology) from the Australian National University and a Graduate Diploma in computing Science from the Queensland University of Technology. He has more than 35 years of experience in the petroleum industry. He has written numerous Independent Expert Reports, Resource Reports and Acreage and Resource Valuations, for IPO on several stock exchanges. He was the General Manager Subsurface at Exoma Energy through 2012 and is a founding partner of Fluid Energy Consultants (2013). He is a member of the Petroleum Exploration Society of Australia (PESA), the Society of Petroleum Engineers (SPE) and a thirty five-year, Active Member of the American Association of Petroleum Geologists (number 330431). The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement.*