

AGM Presentation  
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26 November 2014

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- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, operating costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Rey, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

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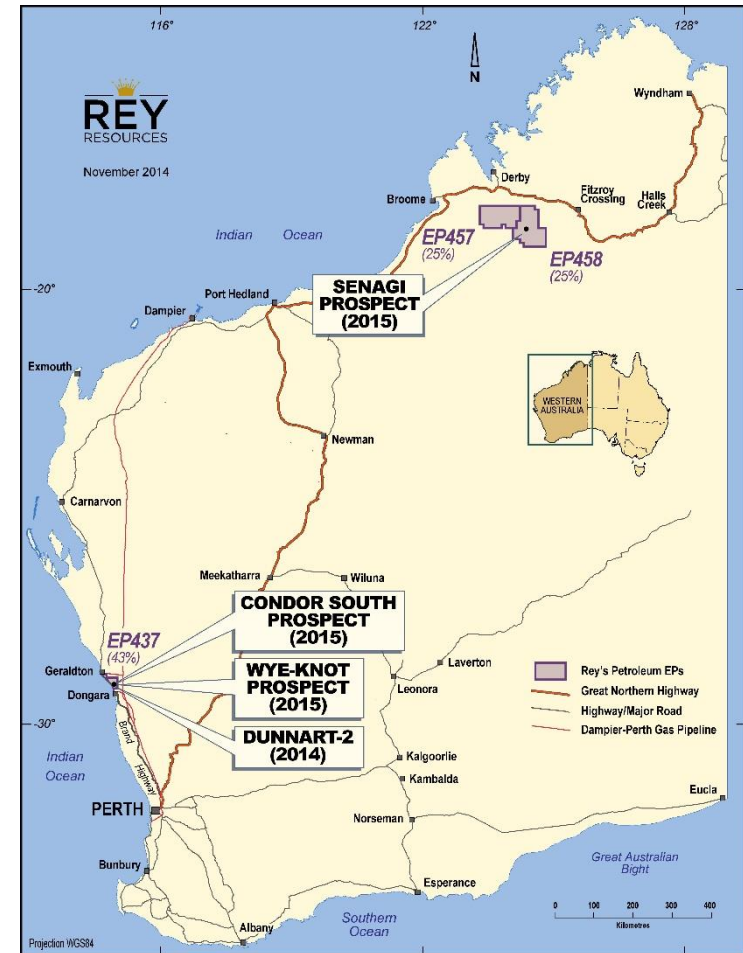
All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

The prospective resources and technical information quoted has been compiled and/or assessed by Mr Keith Martens who is a self-employed consulting professional geologist, and a continuous Member of the Petroleum Exploration Society of Australia since 1999. Mr Martens has a BSc degree in geology/geophysics and has over 35 years’ experience in the petroleum industry. Mr Martens has consented to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Front and back cover shots: Dunnart-2 rig

\* Technical information pertaining to the Ungani oil discovery and Laurel gas accumulation has been sourced from Buru releases to ASX, August 8 2013. and May 1 2013.

- Oil exploration in 2 key basins in WA
  - Canning (Fitzroy Blocks)
  - Perth (EP437)
- Coal
  - Duchess Paradise: permitting and title regimes



# Introduction

# Rey Resources



- ASX CODE: REY
- Cash \$1.5M <sup>(1)</sup>
- 659.9m fpo shares
- 4.9m rights
- Market Capitalisation:  
~\$66m

(1) As at 24 November, 2014

- Major shareholders

ASF	19.7%
Wanyan Liu	12.7%
Crystal Yield	10.7%

- Board

Min Yang	Chairman
Kevin Wilson	MD
Jin Wei	NED
Dachun Zhang	NED
Geoff Baker	NED

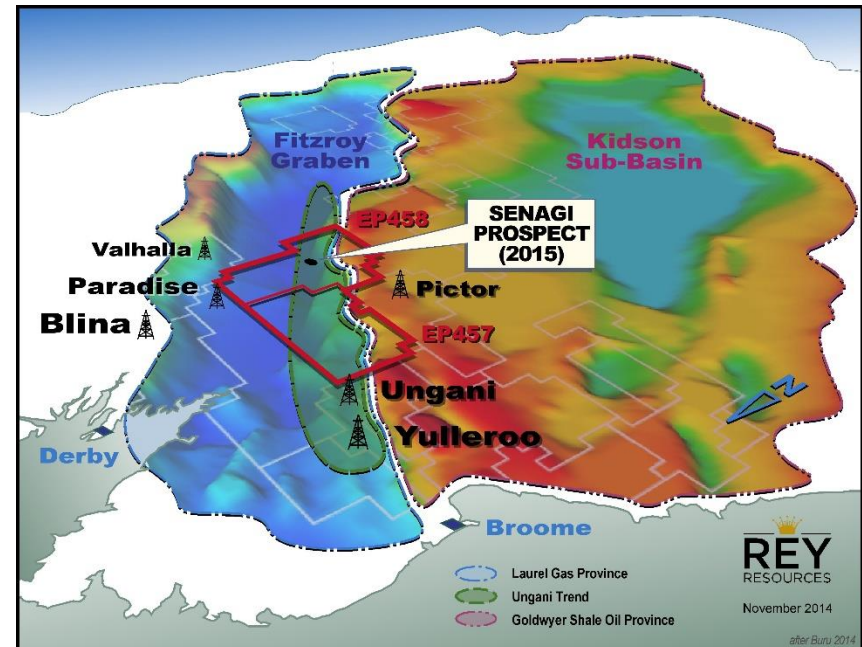
- Extended petroleum portfolio into Perth Basin
  - Dunnart-2 drilled
  - 20m oil show
  - production test in 2015 + 2 exploration wells
- Canning basin
  - seismic acquisition on Fitzroy Blocks
  - preparation for 2 wells in 2015
  - in discussions for additions to portfolio
- Strategic Alliance with China National fuels Corporation (CNFC)

- 25% interest in Fitzroy Blocks (EP547 & EP458)
  - 10% interest free carried
  - on key Ungani oil trend
- ownership
  - Rey 25%
  - MC 37.5%
  - Buru 37.5% operator
- still maturing exploration
  - 145kms 2D seismic in 2014
  - ~650kms for 2015
- drill 2 wells in 2015



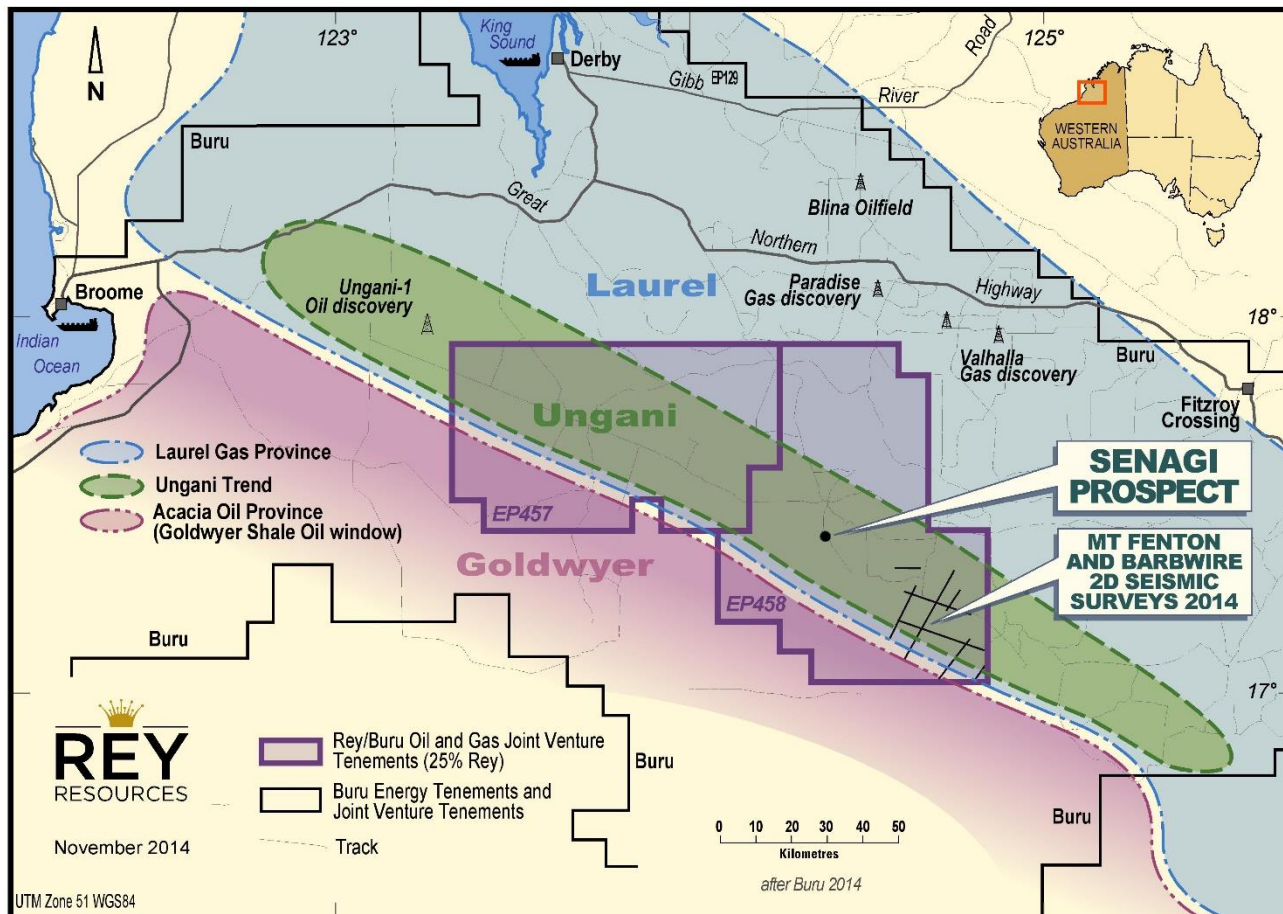


- **Ungani**
  - conventional, proven
  - oil
  - key priority
- **Laurel**
  - unconventional
  - tight gas in sandstone
  - massive potential
- **Goldwyer**
  - unconventional
  - oil to wet gas in shale
  - untested



# Fitzroy Blocks

## 3 trends

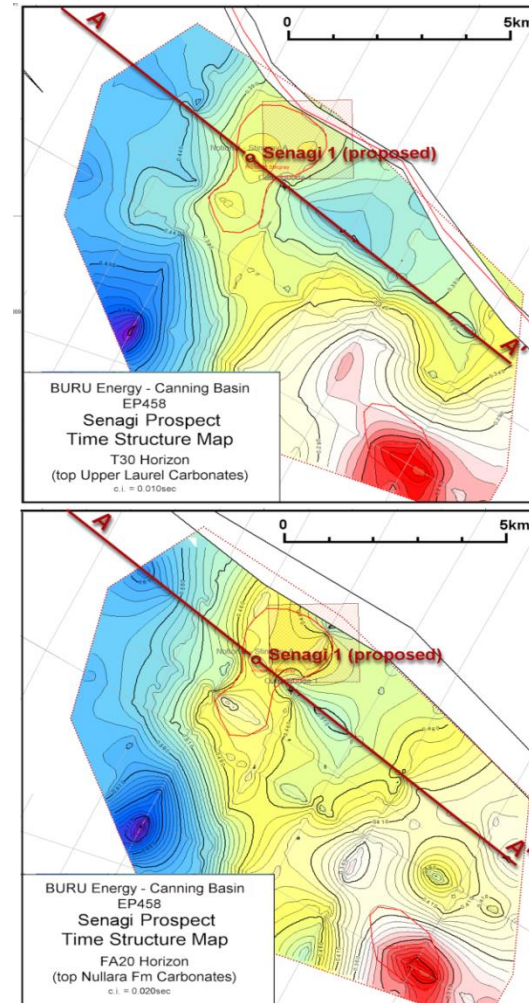




# Ungani trend

# Senagi Prospect

- **Ungani** <sup>(1)</sup>
  - ~15km from Fitzroy Blocks
  - +50m oil column
  - 37 deg API- sweet
  - 10-20mmbbls gross
  - 10mmbbls min median
- **Senagi**
  - up dip from 12m oil show in mineral core (Camelgooda-1)
  - 800m to top of target
  - dolomitised carbonate
  - reservoir equivalent to Ungani dolomite
  - drill Q2/Q3 2015



*<sup>(1)</sup> Technical information pertaining to the Ungani oil discovery and Laurel gas accumulation has been sourced from Buru releases to ASX, 8 August 2013. Senagi figures source: Buru Energy.*

# Senagi Prospect

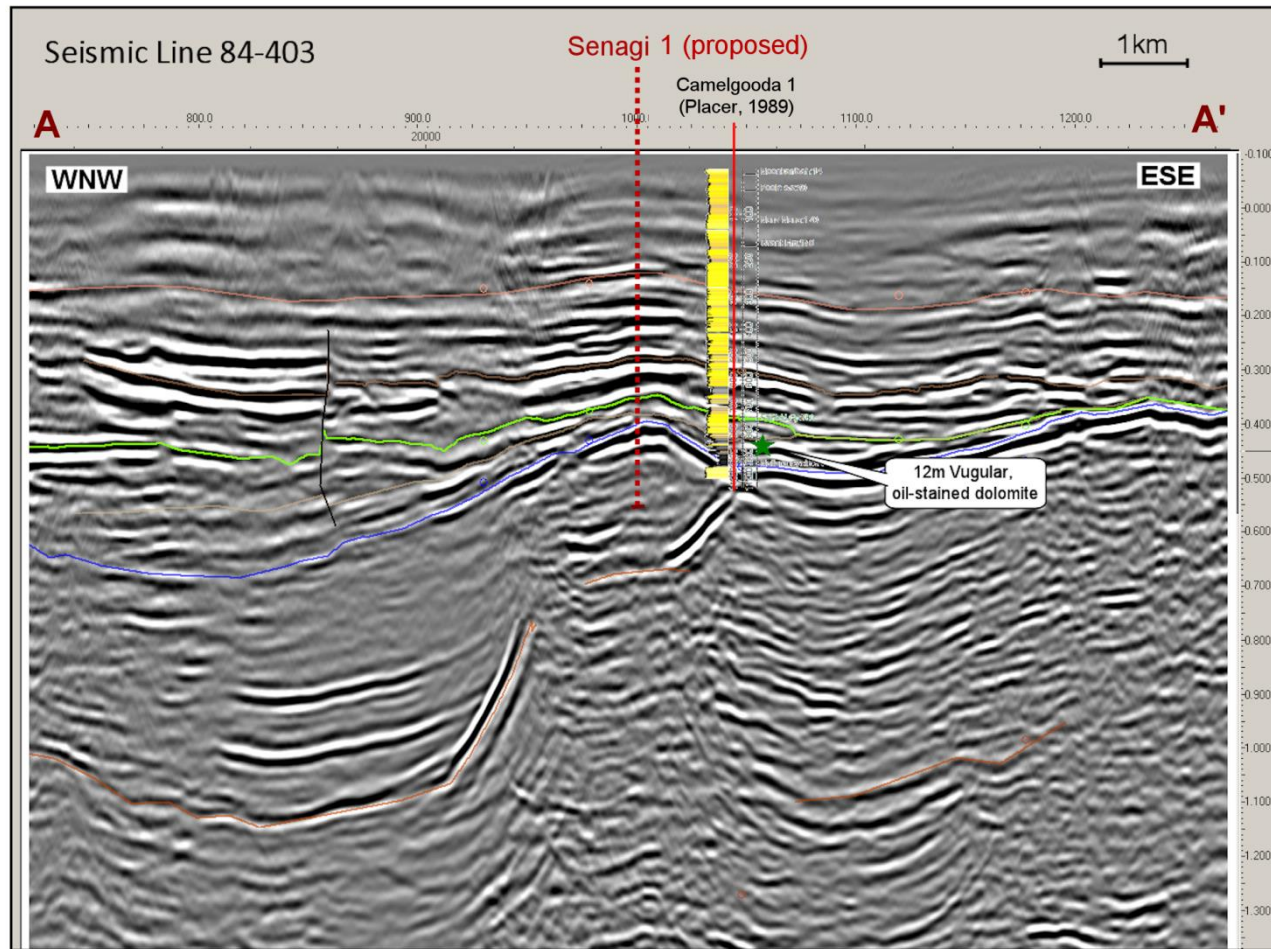
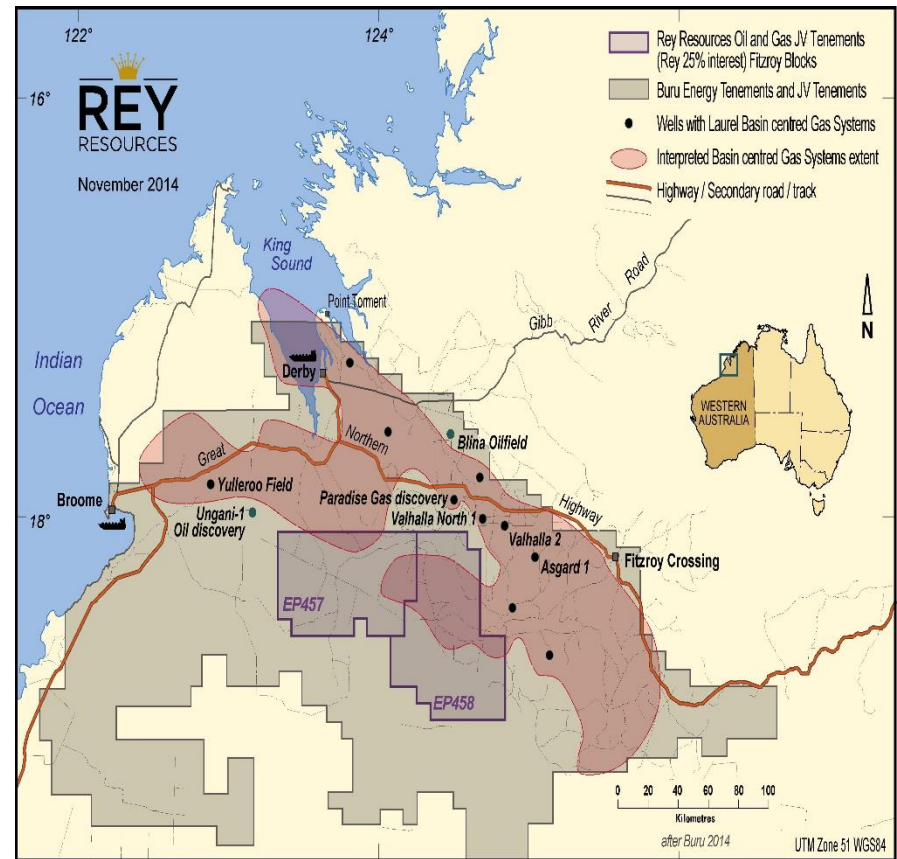


Figure source: Buru Energy

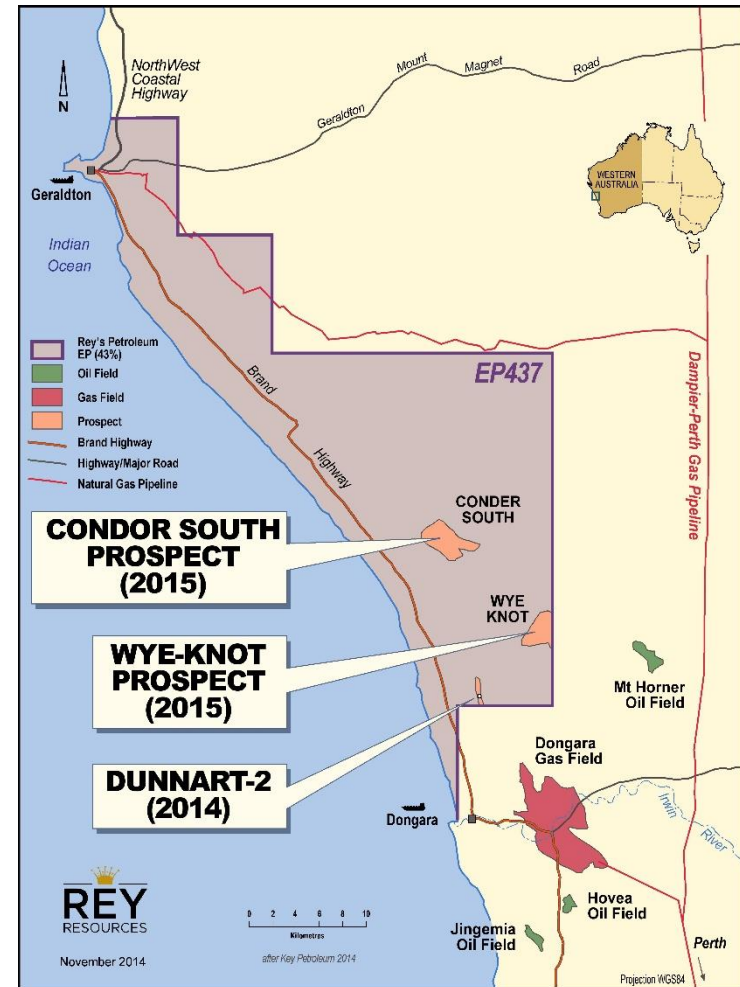
# Laurel trend world class accumulation

- independent regional assessment of Laurel for Buru <sup>(1)</sup>
  - 56TCF gas, recoverable
  - 1Bbbl oil, recoverable
  - low CO<sub>2</sub>, no H<sub>2</sub>S
- extends into Fitzroy Blocks
- longer term asset (behind oil program)



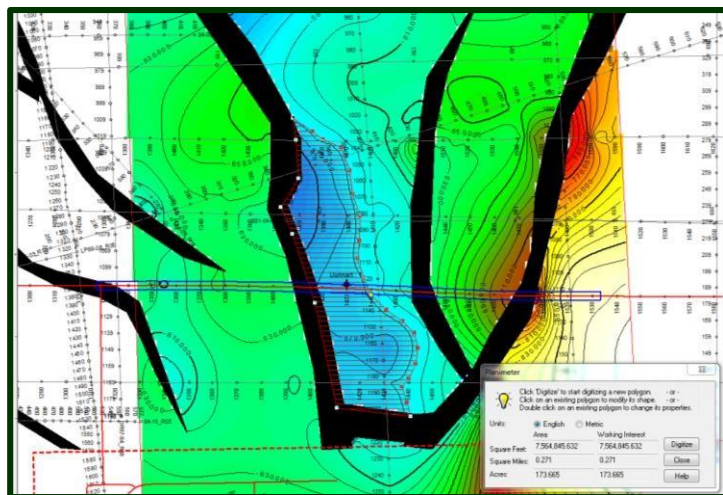
(1) Technical information pertaining to the Ungani oil discovery and Laurel gas accumulation has been sourced from Buru release to ASX, 8 August 2013.

- north Perth Basin
- 55k SE of Geraldton
- 14km NNW of Dongara gas field
- ownership
  - Rey 43.47%
  - Key 43.47% (operator)
  - Caracal 13.06%





Top Depth Map



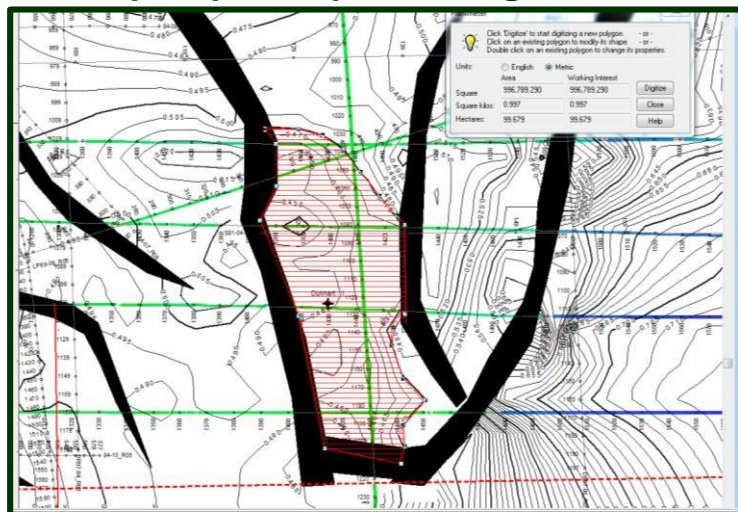
Play is combination of structural/stratigraphic with shale-shale juxtaposition across main bounding fault.

Prospective resource <sup>(1)</sup>:

Low Estimate of 1.1MMBL; a Best Estimate of 2.1MMBL; and a High Estimate of 3.4MMBL.

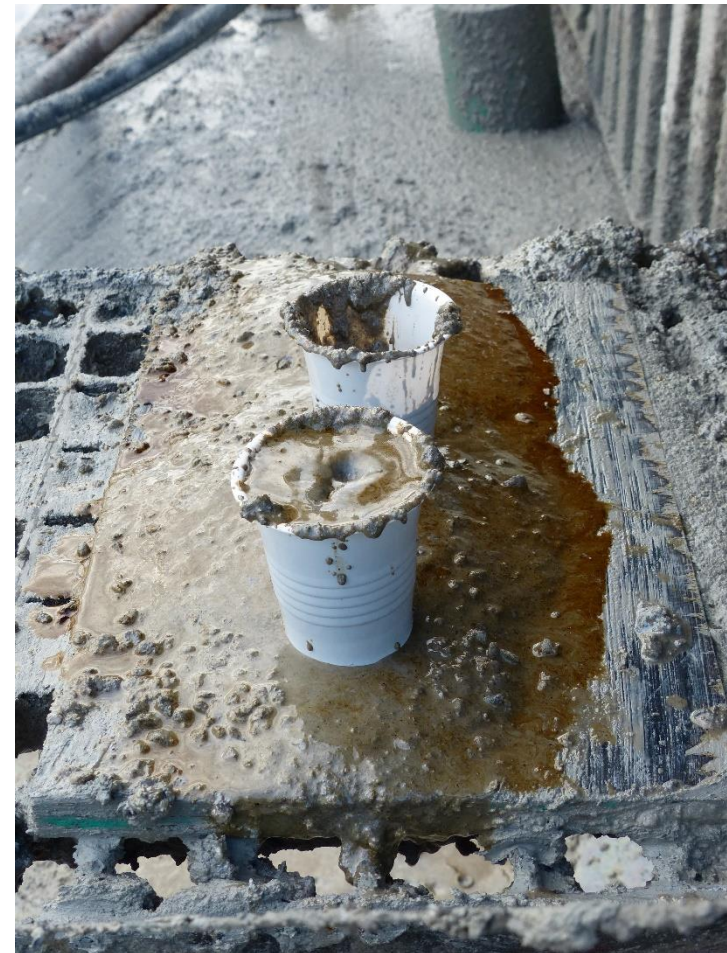
Rey's share is 43.47% of this, or 0.5-1.5MMBL.

Top Depth Map – closing contour



(1) As reported by Key Petroleum (ASX:KEY) on 15 April, 2014 and Rey on 13 June 2014, the "Un-risked Prospective Resource" (in accordance with Clause 7.3 of ASX Guidance Note 32) calculates recoverable oil in a range from a Low Estimate of 1.1MMBL; a Best Estimate of 2.1MMBL; and a High Estimate of 3.4MMBL. Rey's share is 43.47% of this, namely 0.5-1.5MMBL. All estimates made using deterministic procedure. The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) 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.

- 2.87m live oil at top of Bookara Sandstone from 614m
- further 2m live oil from 625m
- 20m total oil show through sediments into basal granites
- drill stem tests suffered mechanical failure
- drilled to 654m- plugged and suspended
- wireline logging and formation evaluation points to Bookara having reservoir quality sands
- **next step: production testing 2015**



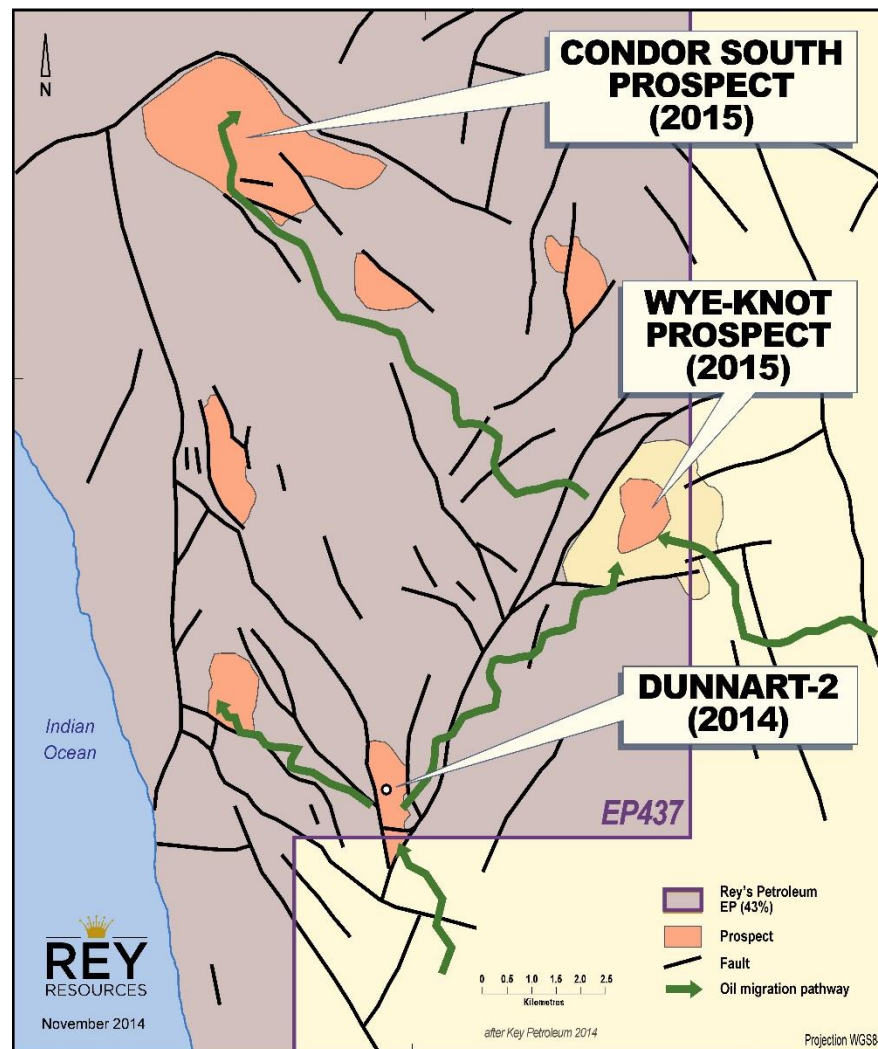
*Figure: live oil (brown) being collected from ditch cuttings and mud in cups below the shale shakers at Dunnart-2*



# Wye Knot & Conder South Prospects

- Wye Knot<sup>(1)</sup>
  - 3-way dip closed anticline
  - down dip of Wye Knot-1 gas discovery
- Conder South
  - 11km closure
  - down dip of Conder-1 with shallow oil shows (199-211m)
  - prospective resource under estimate underway

*(1) the Wye Knot prospective resource estimate is as reported by Key Petroleum in its 15 April 2014 ASX Announcement under SPE PRMS guidelines.*



2015			Q1	Q2	Q3	Q4
basin	permit	activity				
Canning <sup>(1)</sup>	EP457	drill		Senagi-1		
	EP458	drill			Well-2	
	EP457/8	geophysics		~650kms		
Perth <sup>(2)</sup>	EP437	drill		D-2 prod test	Conder S-1	Wye Knot-1

## Seeking to extend footprint in the Canning

- (1) *drills scheduled post wet season and subject to internal and external approvals. Location of second well (Well-2) also subject to JV approval.*
- (2) *Dunnart-2 production test scheduled to commence post fire-ban season, March/April and subject to internal and external approvals*



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