



Real Energy Corporation Limited
Level 3, 32 Walker Street North Sydney NSW 2060
Telephone 02 9955 4008

7 May 2015

Name of option holder
Address of option holder
XXXXXXX
XXXXXXXXXX

Holder SRN/HIN: xxxxxx
Number of Option Held: xxxxxxxx

This is an IMPORTANT LETTER

Please read this letter fully and if you don't understand the expiry conditions of your options contact your broker or financial advisor.

Dear Option Holder

OPTIONS EXERCISABLE AT \$0.30 EACH ON OR BEFORE 31 MAY 2015 (ASX: RLEO)

We write to you as a registered holder of the above number of options in Real Energy Corporation Limited (Real Energy) (ASX: RLEO) as at the date of this notice. The options are exercisable at \$0.30 each, with each option providing the right to purchase a single fully paid ordinary share in Real Energy (RLE).

You are formally notified that these options will expire at the end of the month and official quotation on the Australian Stock Exchange (ASX) will cease at the close of trading on Thursday 22 May 2015.

The courses of action open to you as a holder of these options are:

- i. Exercise all or some of the options. Documentation and payment must be received by the Company no later than 5.00 pm EST on 5 June 2015;
- ii. Do nothing, if you do not take any action to exercise your options prior to this date and the options will expire and your rights to purchase shares at \$0.30 will lapse.

In the event you wish to exercise all or part of your options, please complete the "application for shares upon exercise of options" form enclosed with this letter and lodge it with the Company, together with your payment for the number of shares you wish to purchase.

The total number of outstanding options as at the date of this letter was 17,800,256.

The current market price of fully paid ordinary Real Energy shares (ASX: RLE) is \$0.16 (being the closing price on 6 May 2015). The highest and lowest market prices of the shares in the 3 months immediately before this notice were:

Highest	\$0.25 (9 February 2015)
Lowest	\$0.12 (6 March 2015)

If you require any further information, please contact the Company.

The Directors thank you for your continued support.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'R Hollands'.

Ron Hollands
Company Secretary



Notice of Exercise

Security Reference Number (SRN) or
Holder identification Number (HIN)*

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Full Name

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Registered Address

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Daytime Contact No.

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Email Address

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* Your Security Reference Number (SRN) /Holder identification Number (HIN) may be found on your holding statement and other shareholder communications. Note that this can have up to 12 characters usually starting with an 'I' or an 'X'.

Section A: Request to Exercise

OPTIONS HELD: RLEO

LAST EXERCISE DATE: 31 May 2015

I request to exercise

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 (insert number of Options) in accordance with the terms.

I instruct Real Energy Corporation Limited to:

☐ **Cash Exercise - exercise and issue Shares as Fully Paid Ordinary Shares**
Arrange for the exercise of my Options and issue the Shares into my name as Fully Paid Ordinary Shares.

Signature of shareholders – this must be completed for this form to be actioned.

Shareholder 1 (individual)

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Sole Director & Sole Company Secretary

Joint shareholder 2 (individual)

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Director/Company Secretary (Delete one)

Joint shareholder 3 (individual)

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Director

Date:

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Section B: Payment Instruction

Payment may be made by electronic funds transfer (EFT) or by cheque. All cheques must be made payable to **Real Energy Corporation Limited** and must be in Australian dollars. EFT payment may be made to:

Bank: **Bankwest**

Account Name: Real Energy Corporation Limited, BSB: 302-985, Account no: 012936-1.

Please Include your SRN/HIN in the reference line.

Your completed Notice of Exercise and your payment **must be received by 5 pm EST on 5 June 2015** to:

Postal Address: Real Energy Corporation Limited, Level 3, 32 Walker Street, North Sydney NSW 2060.

Please contact us on 02 9955 4008 if you have any queries regarding this Notice of Exercise.