



Real Energy Corporation Limited 2015 Annual General Meeting ASX: RLE

www.realenergy.com.au

Welcome to the Real Energy 2015 AGM

Directors

- ❖ Lan Nguyen, B. Sc, M. Sc - Chairman
- ❖ Scott Brown, B. Bus, M. Com – Managing Director
- ❖ Norm Zillman, B. Sc, B. Sc – Apologies

Proxy Count

	For	Against	Discretionary	Abstain
Resolution 2 - Remuneration Report	29,887,741	73,700	183,000	50,141,289
Resolution 3 – Re-election of Norm Zillman as a Director	76,252,730	50,000	183,000	3,800,000
Resolution 4 – Approval 10% Placement Capacity	79,954,230	148,500	183,000	-

Resolution 1

1. Financial Report

To receive and consider the Financial Report of the Company and the consolidated entities, and the Reports of the Directors and Auditor for the financial year ended 30 June 2015.

Resolution 2

2. Remuneration Report

“That the Remuneration Report for the financial year ended 30 June 2015, as set out in the Directors’ Report section of the Annual Report, be adopted”.

(Note – the vote on this resolution is advisory only and does not bind the Directors or the Company.)

	For	Against	Discretionary	Abstain
Resolution 2 - Remuneration Report	29,887,741	73,700	183,000	50,141,289

Resolution 3

3. Election of Directors

*That **Norm Zillman**, who retires by rotation in accordance with clause 39 of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a director of the Company'.*

	For	Against	Discretionary	Abstain
Resolution 3 – Re-election of Norm Zillman as a Director	76,252,730	50,000	183,000	3,800,000

Resolution 4

4. Approval of 10% Placement Capacity

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given to allow the Directors to issue equity securities up to 10% of the shares on issue, through placements over a 12 month period after the AGM”

	For	Against	Discretionary	Abstain
• Resolution 4 – Approval of 10% Placement Capacity	79,954,230	148,500	183,000	-



Developing the Windorah Gas Project in the Cooper Basin

ASX: RLE

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Geological Information

The geological information in this presentation 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.

Company Overview



RLE controls over 9,523km² (2.35 million acres). All acreage is held 100% in the Cooper Basin, the premier onshore location in Australia



Real Energy made 2 gas discoveries in the Windorah Trough



Pursuing a basin-centred gas play, a lower-risk and higher-return prospect than shale - Windorah Trough is shallower than Nappamerri Trough which will result in lower costs



Recently upgraded gas resources – Independently Estimated Total Mean Gas in place increased by more than 141% to 13.76 TCF and maiden 3C gas resource of 672Bcf



RLE's acreage close to infrastructure

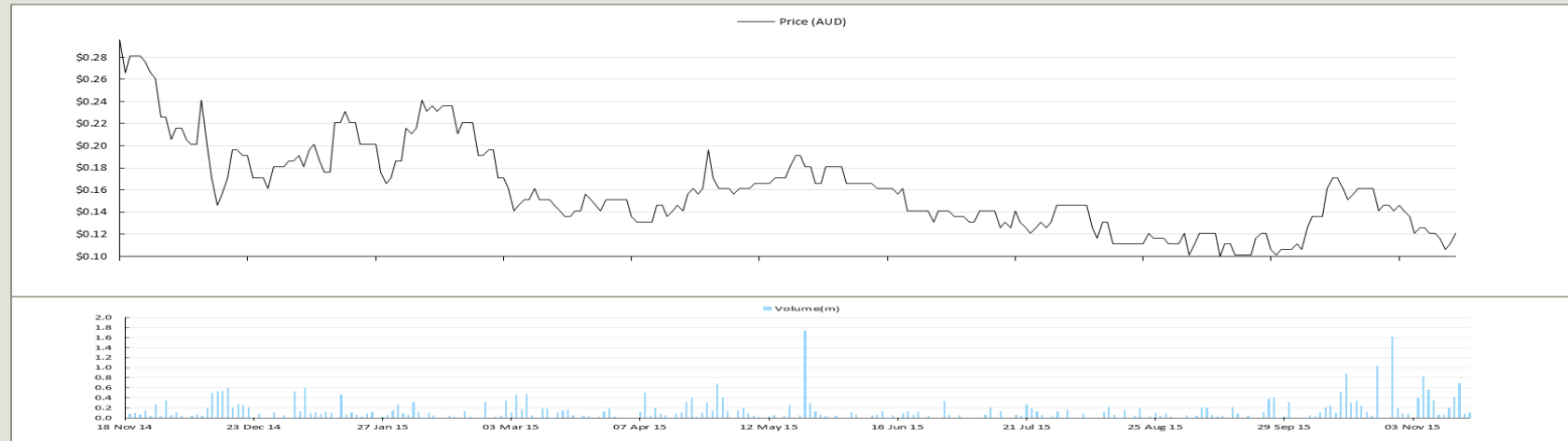


Recently signed LOI with Incitec Pivot for 10-year 110Pj Gas Sale Agreement and \$35m project funding



Developing a Tier-1 gas project in Australia's Cooper Basin

Corporate Snapshot



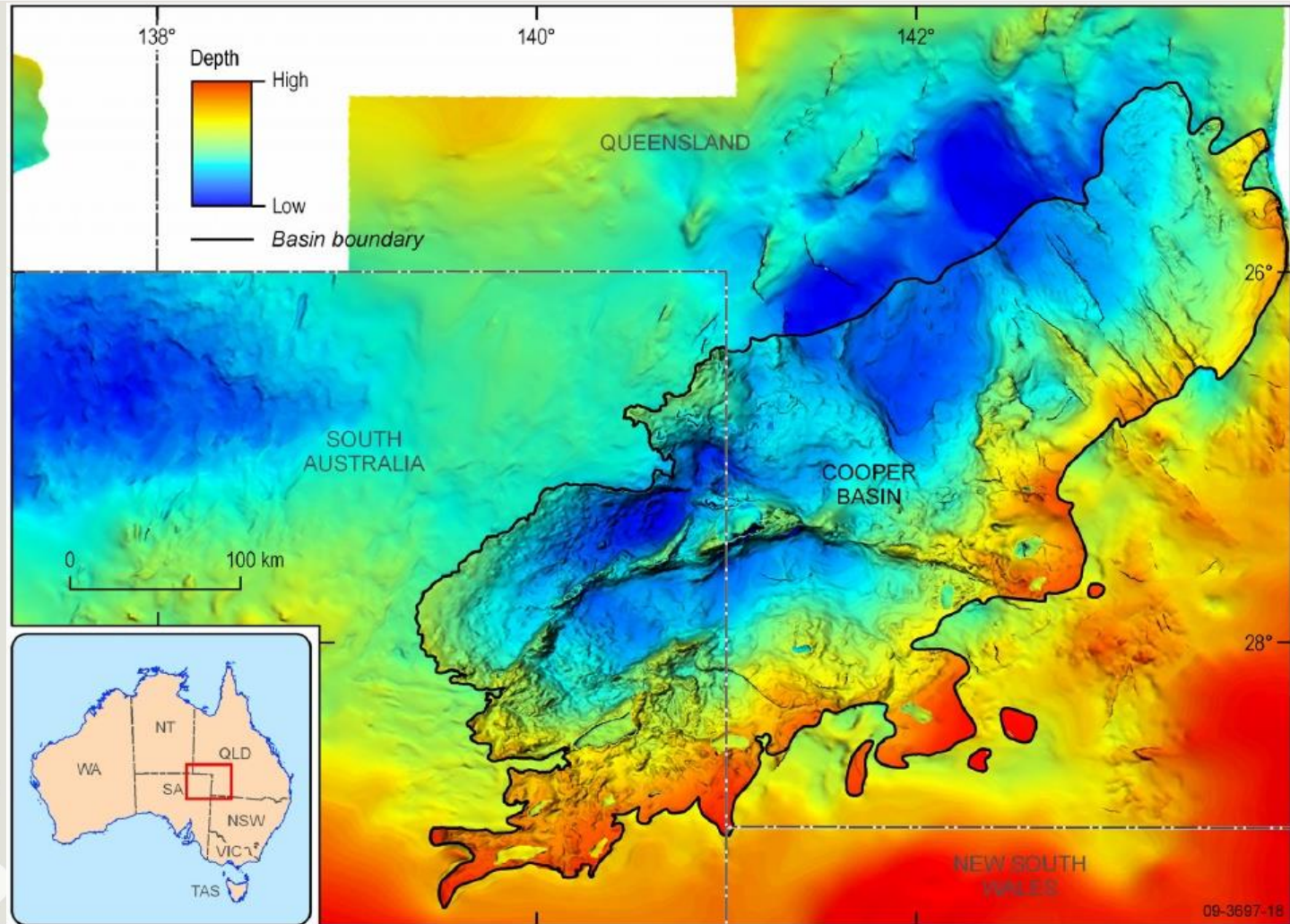
Substantial Shareholders	%
Och Ziff	12.87%
Scott Brown	12.60%
Lan Nguyen	10.03%
Sino Portfolio	8.28%

	Number of shares
Existing Shares on issue	204.2M
Market Capitalisation – 12 cents	\$24.5M
Investors Warrants ¹	27.5M
Directors Options ²	7.0M
Broker Options ³	5.0M
Total Options on Issue	39.5M
Cash Position as at 15 Nov 15	\$11.2M

1. Warrants exercisable at 25 cents expiring 14 Oct 2016
2. 5 Million Unvested Director Options expiring 30 September 2016 with exercise price of 30 cents each and 2 Million vested Director Options expiring 30 September 2017 with exercise price of 30 cents each
3. 4 million Broker options expiring 3 years from the listing date at 34 cents and 1 million Broker Options expiring on 1 October 2017 with an exercise price of 50 cents each.

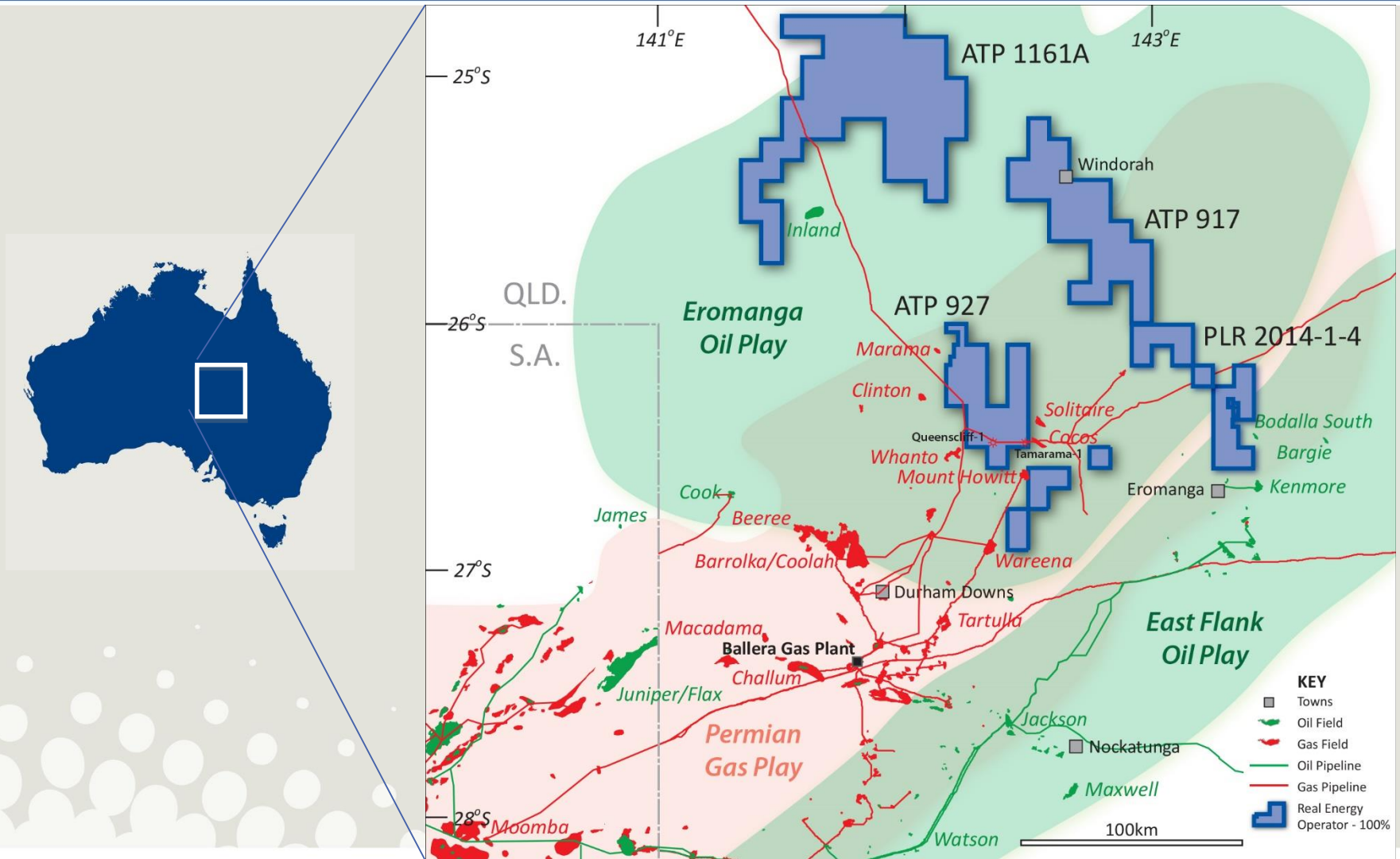
The Cooper Basin - Major Onshore Australian Petroleum Province

- A Late Carboniferous to Middle Triassic intracratonic basin
- Total area >130,000 km²
- Contains a number of major troughs, separated by narrow, sinuous structural ridges
- Overlain by the Central Eromanga depocentre of the Early Jurassic to Late Cretaceous Eromanga Basin (1,000,000 km²)
- Over 3,000 petroleum wells have been drilled in the basin
- Over 6Tcf natural gas and 300 MMBbls of oil & condensate have been produced to date



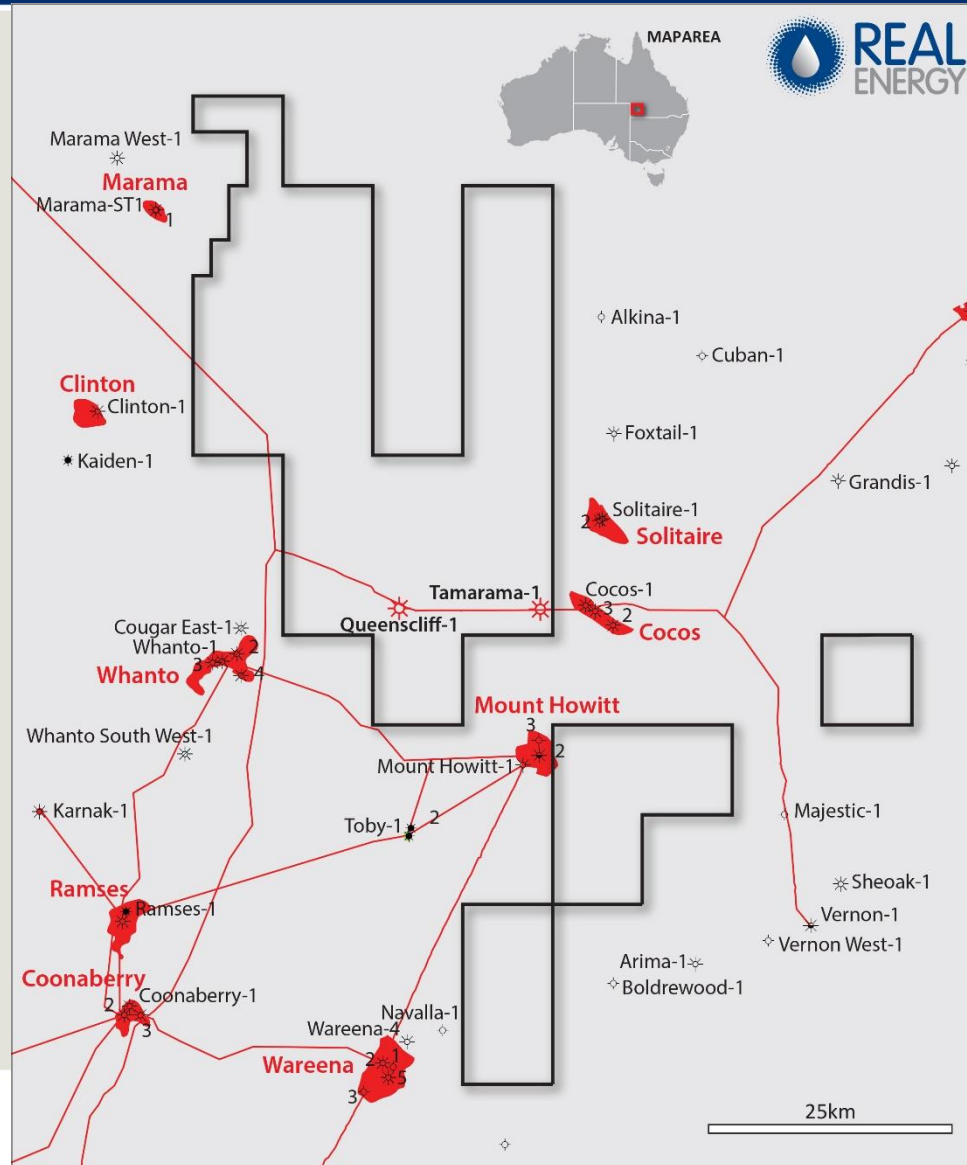
- Surface of "P" (top Permian) seismic horizon is superimposed on a background surface of the 'Z' (Pre-Permian) seismic horizon (maps from NGMA).
- Map shows the relationship of the Permian Cooper Basin to the northwestern-offset Eromanga Basin depocentre, which has created a tilted Cooper Basin.

Cooper-Eromanga – A World Class Location



Drilling Program Confirms Basin Centred Gas Play

- Drilled two exploration wells in ATP927P:
 - Tamarama-1
 - Queenscliff-1
- As Proof of Concept Wells, both wells tested free flows of gas to surface and achieved successful outcome de-risking the play:
- Proven Basin Centred Gas Play
- Independently Certified 3C Contingent Gas Resources for Tamarama-1 & Queenscliff-1 in 672 Bcf versus pre drill target of 300 Bcf for 3 wells
- Windorah Trough shallower than Nappamerri Trough which will result in lower drilling costs



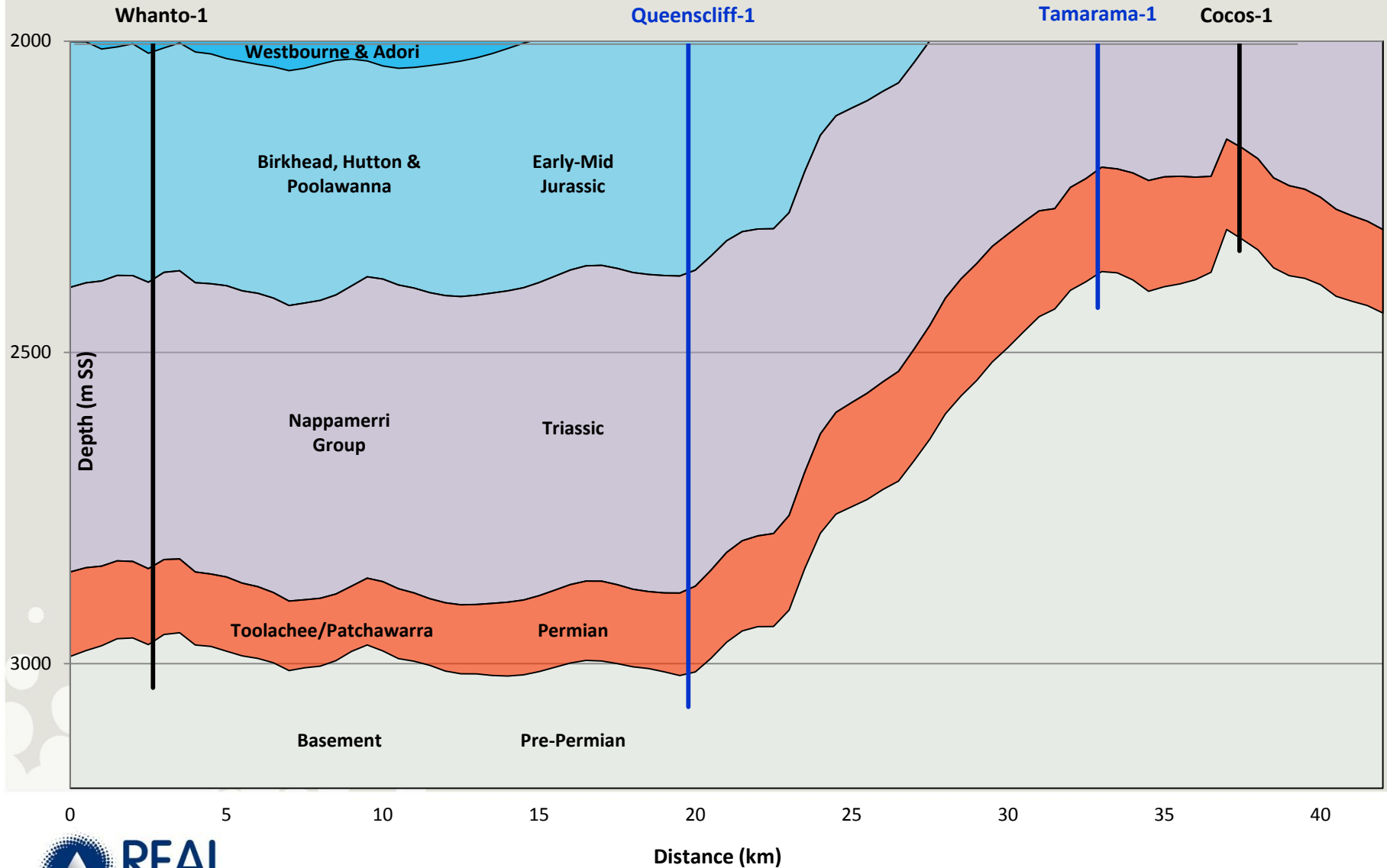
Significant Gas Resources in Place

Contingent Gas Resources	BCF
2C	276
3C	672

Permit	Area (Km ²)	Estimated Petroleum Initially in Place (Mean BCF)
ATP917P	2,171	4,500
ATP927P	1,718	13,761
ATP1161PA	4,590	-
PLR2014-1-4	1,043	-
Total	9,523	18,261
Acres Total	2,353,185	

Source: DeGolyer Mac Naughton July 2015 for ATP927P and AWT International Oct 13 for ATP917P

Structural Cross Section



Basin Centred Gas Play

- ◆ Basin centred gas play most likely present over the whole area of ATP 927P at depth from approx. 2,200m to over 3,000m.
- ◆ The basin centred gas play present in over 60% area of ATP 917P at depth from 2,600m to over 3,000m.
- ◆ Other operators have had recent success in the basin targeting the same formations.
- ◆ Lower risk play compared to shale - strong gas saturation and over pressured.
- ◆ All petroleum wells drilled around ATP927 have gas charge within the Toolachee & Patchawarra Formations.
- ◆ Low CO² in the area relative to deeper parts of the Basin.
- ◆ Reasonable condensate yields expected.

Letter of Intent Signed with Incitec Pivot

- In May 2015, RLE signed a non-binding Letter of Intent (LOI) with Incitec Pivot for Gas Supply from Real Energy's Cooper Basin gas project
- LOI is first step for parties to progress negotiations to finalise gas sale agreement
- Indicative 10-year gas sale agreement of approximately 110 PJ of gas worth about \$800M¹.
- Incitec Pivot to provide funding of \$35M towards the development of the project.
- RLE continuing to progress other commercial negotiations with a number of potential partners.



Next Steps – Well Stimulation Program

- ◆ Geomechanical modelling and frac studies indicate that gas resources in Permian Toolachee and Patchwarra can be commercially developed
- ◆ RLE currently considering five stage frac program for Queenscliff -1 and Tamarama-1 wells
- ◆ Procurement process with potential contractors currently underway
- ◆ Initial flow rates of 2-3 Million cfpd consider commercial viable



Investment Summary

SIGNIFICANTLY UNDERVALUED

- Trades at less than 3 cents per Gj, less than 1/5th of its peer group and a small fraction of US comps
- Real Energy's current market capitalisation does not reflect the enormous gas resource potential

SUBSTANTIAL LAND POSITION

- Real Energy controls over 2.35M acres in the Cooper Basin
- All projects are 100%-owned

LOW RISK GAS DEVELOPMENT

- Basin-centred gas (BCG) requires lower upfront capex than shale given lower cost wells
- BCG is laterally extensive over a wide area – low geological risk

HUGE RESOURCE POTENTIAL

- Current independent estimates 3C contingent gas resources at 672 Bcf in areas surrounding Tamarama-1 & Queenscliff-1 gas discovery wells
- Mean Prospective Unconventional Gas Resources of 5,483 BCF in ATP 927P

EXCELLENT TEAM IN PLACE

- Management team with experience building an oil and gas company and selling it to a major
- First-class investor base, including Och Ziff

Contact Information

Scott Brown

Email

Phone

Managing Director

scott.brown@realenergy.com.au

+ 61 2 9955 4008

Address

Real Energy Corporation Limited

Level 3, 32 Walker Street

North Sydney NSW 2060

Australia

