



Real Energy Corporation Limited
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Tamarama-1 Well Update

- Well currently free flowing frac fluid and gas flows increasing significantly as additional zones have progressively come in
- 40% of frac fluids recovered with gas influx continually increasing
- Flow testing with measurement of gas rates to commence following completion of flow back of frac fluids
- Program designed to test Toolache & Patchawarra formations below 2,300 metres

Sydney: 17 August, 2016, Cooper Basin focused oil & gas exploration company, Real Energy Corporation Limited (ASX:RLE) ("Real Energy"), advises that the Company is witnessing a significant increase in gas flows and frac fluids rates from the Tamarama-1 well as additional fracture stimulated zones progressively come in.

It is estimated that as at 7.00 am EST on 17 August 2016, approximately 3,500 barrels (or over 40%) of frac fluid have been recovered so far from the well. The Company expects that it is likely to take another week of clean up flow before flow testing commences.

The flow test with measurement of gas rates will immediately commence at the conclusion of the flow back period. The Company will report the flow test results to the market as soon as they become available.

Below is a picture (figure 1) and a link to a video on the Company's website and Facebook page of the Tamarama-1 flow back operations

<http://www.realenergy.com.au/tamarama.html>

<https://www.facebook.com/RealEnergyCorporation/?fref=nf>



Figure 1: Gas flare and water flow during the flowback at the Tamarama-1 well in South West Queensland

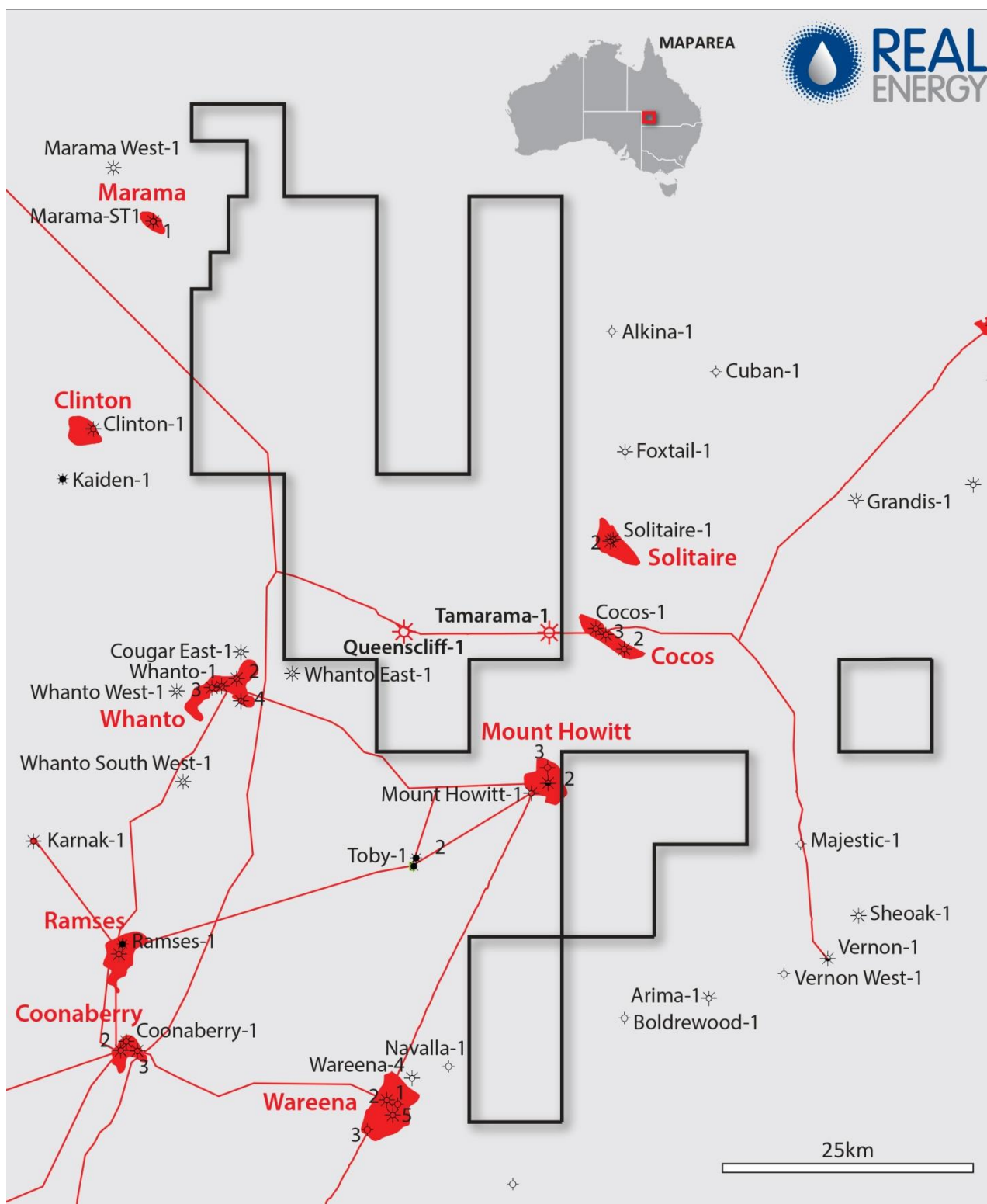
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Geological Information

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.