



Real Energy Corporation Limited
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Real Energy raises \$2.34M in a placement

Sydney: 3 October 2017, Cooper Basin focused oil & gas exploration company, Real Energy Corporation Limited (ASX: RLE) ("Real Energy"), is pleased to announce that it has raised \$2.34 million (before costs) through the issue of approximately 26 million new fully paid ordinary shares at \$0.09 per share. The issue was heavily oversubscribed.

The placement to existing and new shareholders was completed under the Company's existing placement capacity with the issue price calculated at a 12% discount to the 30-day Volume Weighted Average Price (VWAP) of 10.2 cents.

The funds raised, together with existing cash reserves, will be used to accelerate our exploration and development program at the flagship Windorah Gas project in the Cooper Basin, Queensland. Planning has commenced for the drilling of two additional appraisal wells - Tamarama-2 and 3.

Real Energy's Managing Director Scott Brown said: "We are grateful to the existing shareholders and new investors for their support for this placement. It is a strong vote of confidence in the Windorah Project and our Cooper Basin-focused growth strategy.

"We are very encouraged by the performance of the Tamarama-1 well to date, and it clearly demonstrates that we potentially have a large gas resource at the Windorah Project. "

"While Tamarama-1 is still dewatering coal seams, this temporarily prevents us from getting a stabilised gas flow. However, it is very promising that we are recording strong flow rates. This reinforces our belief that the gas resource at Windorah is very significant, and as such, we are keen to drill Tamarama-2 and 3 to prove up the deliverability of the project as soon as possible. "

"Tamarama-1 was drilled as an exploration well, and we now understand significantly more about the play and the geology. We are now using this knowledge to design future wells. We are changing the drilling and completion design and considering deviated wells. The technical team is using a lot of science and technology to maximise well performance."

"The current gas crisis on the east coast of Australia is something we predicted when we formed Real Energy. We positioned the Company to take advantage of this situation and our aim is to very quickly prove up at least 1 trillion cubic feet of gas and make this available for domestic markets."

"While the Company's cash position is strong with just under \$7M in the bank, this placement gives us additional financial flexibility to commit to the drilling of these two new wells. Now we have completed this placement, we can get on with our program."

The maximum number of ordinary shares to be issued under this placement is 26,072,008 ordinary shares and the shares will rank alongside all other ordinary shares of the company. The placement is made under the ASX

Listing Rule 7.1 (5,643,205 ordinary shares) and Listing Rule 7.1A (20,428,803 ordinary shares) capacities and hence does not require shareholder approval.

Proposed well locations are shown on the following map (see Figure 1 & 2).

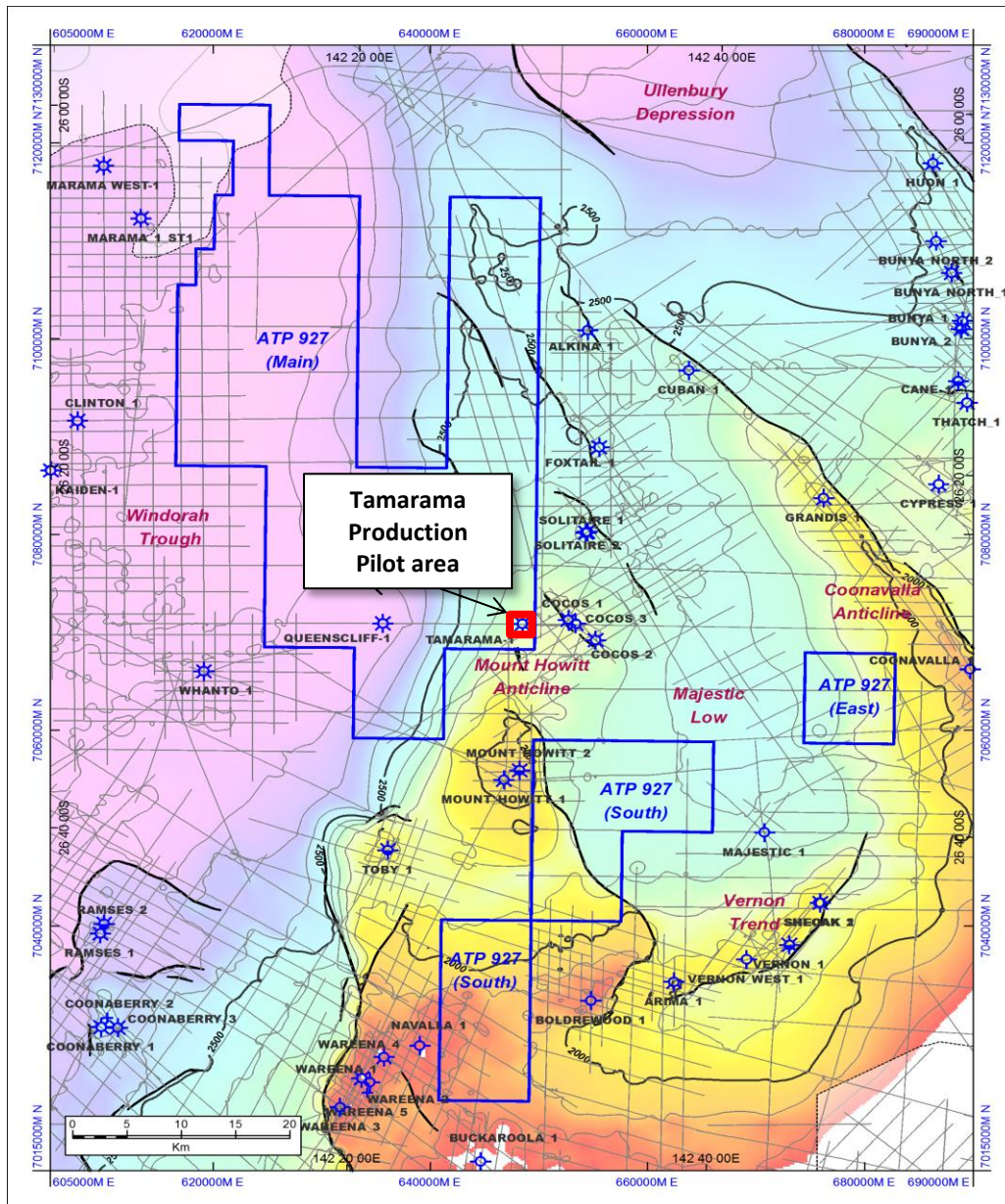


Figure 1: Map of ATP927 with pilot production area

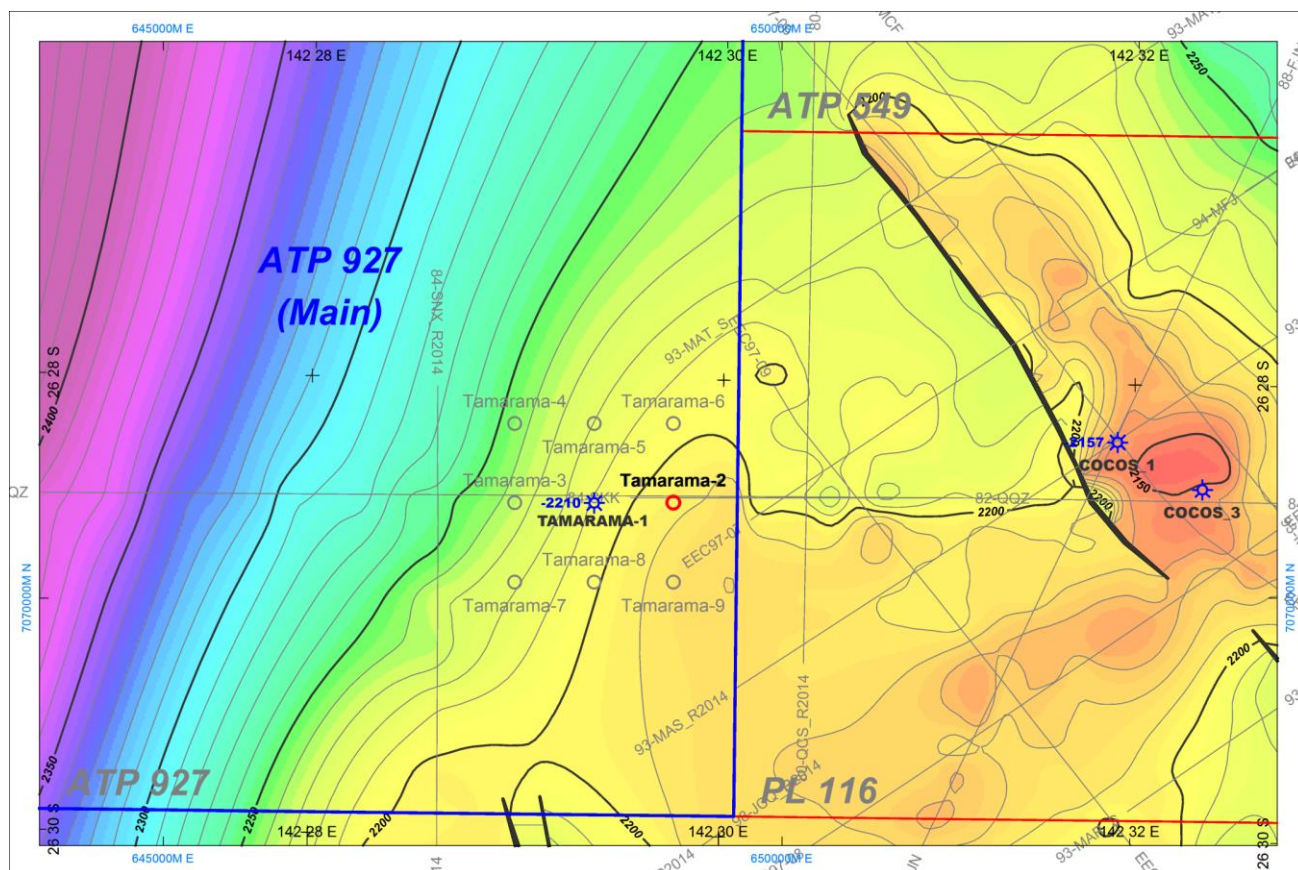


Figure 2: Well locations for Appraisal and Developments wells

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Or visit the website: www.realenergy.com.au

Twitter: <https://twitter.com/RealEnergyCor>

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.

