CONVERTING GAS RESOURCES TO RESERVES AND LOWER EMISSIONS

- 11.8 TCF¹ GAS RESOURCES
- MANAGEMENT HAVE DONE IT BEFORE
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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 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.

Notes

1. See announcement dated 12 December 2019 - Project Venus Prospective Gas Resources 694 PJ Best
2. The Prospective Gas Resources is a combination of Project Venus Prospective Gas Resources 694 PJ Best, with Serowe CSG Project Prospective Gas Resources of 2.4 Trillion Cubic Feet (Tcf) and the Windorah Gas Project Prospective Gas Resources of 8.8Tcf which was adjusted for the reduced ATP 927P area post partial relinquishment in September 2019.
3. The contingent gas resources were disclosed in Real Energy announcement dated 23 August 2019. The Prospective resource estimates made in DeGolyer Mac Naughton July 2015 for ATP927P – Announced 21 July 2015. The stated figures have been adjusted for the reduced ATP 927P area post partial relinquishment in September 2019
CORPORATE STRUCTURE

Pure energy is the merger Real Energy and Strata-X Energy

**PRE MERGER:**
- Real Energy: 353 million shares
- Strata-X Energy: 112 million shares

**MERGER:**
- Strata-X Energy share for 3 Real Energy shares
- post merger shares on issue ~233 million shares

Chairman: Ron Prefontaine
- Previously ED/MD of Arrow and Bow CSG

Managing Director: Scott Brown
- Previously CFO/Finance director of Mosaic Oil, Objective Corporation Limited and Allegiance Mining.

5. Includes existing SXA shares on issue currently - 112,538,318 plus additional shares due to suppliers and management and directors (subject to shareholder approval) and additional 117,731,777 shares for RLE shareholders.
PURE ENERGY IS MORE THAN A SIMPLE MERGER

PURE ENERGY’S DIRECTORS HAVE A SUCCESSFUL HISTORY ~$5 BILLION TAKEOVERS:

11.8 TCF\(^1\) PROSPECTIVE, 770 BCF 3C\(^2\) 353 BCF 2C\(^2\) GAS RESOURCES

WITH THE VISION OF LOW EMISSIONS HYDROGEN TRANSITION TO RENEWABLES
PURE ENERGY HAS AN 11.8 TCF DIVERSIFIED GAS PORTFOLIO

100% Surat Basin CSG, Queensland:
• 694Pj in proven Walloon CSG

100% Cooper Basin gas:
• 8.8 TCF basin-centered gas

100% Serowe CSG, Botswana (farmed out):
• 2.38 TCF of high-grade CSG

Pure Energy
Given the high gas saturations, need to determine the optimum completion methods to achieve commercial gas flow rates.

Once commercial gas flow rates achieved can systematically convert resources into saleable gas.

Over 10,000 CSG wells drilled on the CSG fairway.

694 PJ PROSPECTIVE GAS RESOURCE IN PROVEN SURAT CSG FAIRWAY
PROJECT VENUS SURAT CSG

- Connor re-entry and flow test
- Install new wellhead
- Drill out cement and bridge plug,
- Abrasive perforations of Juandah coal seams
- Flow test post stimulation
- Planned for in the next month.

Abrasive Perforations of coal seams 405 to 645 metres (Juandah seams)
Pilot located adjacent to core hole with 100% gas saturations in upper Walloon coal seams.

3 well pilot lined up for optimal Interference

Maximum water drawdown from centre well ~ Highest Gas Flow
WINDORAH GAS PROJECT – COOPER BASIN

Prospective OGIP  8,800 BCF
2C Resources  330 BCF
3C Resources  770 BCF

- Estimated Prospective OGIP are Mean Original Gas-In-Place adjusted for renewal and excluding 2C/3C Resources.
- Gas Volumes are expressed in billions of cubic feet (BCF) at standard temperature and pressure bases.
- Resource estimates independently certified by DeGolyer & MacNaughton (Queenscliff area) & Aeon Petroleum Consultants (Tamarama area)
PROPOSED COIL TUBING ENHANCEMENTS ON CURRENT VERTICAL WELLS

Four gas wells drilled:
• Tamarama-1, 2 & 3 + Queenscliff-1 were all gas discoveries,
• Certified 2C/3C gas resources of 330/770 BCF$^3$,
• Tamarama-2 had initial flow rates of 2 mmcf/d
• Tamarama-3 had initial flow rates of 2.5 mmcf/d

Coil tubing deployed reservoir enhancements:
• Anticipate considerable improvements in Tamarama-2 gas flow rates using coil tubing workovers with non-frack reservoir enhancement,
• Total cost expected to be less than $1 million,
• Sufficient improvement in flow rates allows for early gas sales.
SEROWE CSG PROJECT, BOTSWANA AFRICA

- 100% of 364,325 acres (1,475 sq km) interpreted high-grade CSG.
- With 2.38Tcf Prospective Resource and 23Bcf 2C
- 3rd party funded $7 million appraisal program to commence Sept/Oct 2020*.
- Targets predictable reserves growth.

* Subject to Covid-19 international travel restrictions being lifted.
GAS FOR DIESEL SUBSTITUTION AT NEARBY ORAPA DUAL FUEL POWER STATION

Compressed Natural Gas (CNG) – offers early cash flow
- CNG hub planned at Pure’s Serowe CSG field to transport gas on roads.
- CNG generates early cash flow while pipeline/compression infrastructure is planned and built.
- Multiple CNG markets – bus companies, mines, solar backed by CNG.
- Initially supply CNG to Orapa until pipeline built.

Orapa power station – foundation gas market
- 90-megawatt capacity with dual fuel configuration (diesel & natural gas)
- ~90 km from Pure’s high-grade CSG area
- Currently a peaking station using imported diesel.
- Fully funded appraisal program targets reserves to supply Pure’s gas for 24/7 base load electricity generation.
MERGER CREATES A VERY HIGH POTENTIAL AND DIVERSIFIED GAS PORTFOLIO

Pure has 11.8 TCF\(^2\) of prospective gas resource in three 100% owned projects:
• 100% CSG Walloon Surat Basin – 694 BCF\(^1\) Project Venus;
• 100% Cooper Basin basin-centered gas – 8.8 TCF/ 770 BCF 3C\(^3\) Windorah Gas Project.
• 100% CSG Botswana – 2.4 TCF\(^4\) Serowe CSG Project. Fully carried on $US4.6 million ($7 million) de-risk program; 51% retained after de-risk program completed.

PROVING COMMERCIAL GAS FLOWS ARE THE KEYS TO RESERVES GROWTH:
• Next 12 months: Pure Energy to test completion methods targeting commercial gas flow rates.

Merger Advantages:
• More diversified 11.8 TCF\(^2\) potential gas portfolio;
• Larger market cap with lower emissions hydrogen initiatives;
• Streamline costs of each company to lower overheads;
• Combined skill sets of SUCCESSFUL industry veterans
PURE ENERGY HAS HYDROGEN INITIATIVES


2. Pure Gas
   Feasibility of value adding methane by conversion to hydrogen and carbon products.

Fast track a hydrogen economy

Fuel cell car

For personal use only
PURE ENERGY’S VISION IS VERY LOW EMISSIONS HYDROGEN

Pure plans to expedite the manufacturing of hydrogen from CSG waste water and Pure Energy’s 11.8 TCF$^2$ of uncommitted methane gas resource:

- Hydrogen manufactured from CSG waste water.
- ZERO emissions hydrogen is the FUTURE of transportation fuels – the Hydrogen Economy.
- Hydrogen and carbon products manufactured using methane pyrolysis.
- The carbon/graphite/graphene from methane pyrolysis could be the bigger value add product.
- There are sufficient global methane reserves to allow a sustainable, predictable, very low emissions transition to renewables.
- Makes methane the only green fossil fuel and an ethical investment.
EXAMPLE OF PURE ENERGY’S PLANNED ULTRA LOW EMISSIONS HYDROGEN MODULE

- This module would be located within the Walloon CSG field Adjacent to a RO plant
PURE ENERGY TARGETS KEYS TO PROGRESSIVELY CONVERT 11.8 TCF OF GAS RESOURCE INTO GAS RESERVES AND HYDROGEN

100% owned projects with 11.8 TCF gas resources to reserves growth programs planned over the next 12 months:

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Planned program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venus Gas</td>
<td>Surat CSG, QLD</td>
<td>Connor-1 re-entry/flow test</td>
</tr>
<tr>
<td>Windorah Gas</td>
<td>Cooper Basin, QLD</td>
<td>CT enhancements/flow test</td>
</tr>
<tr>
<td>Serowe Gas</td>
<td>Botswana CSG</td>
<td>Fully carried ~$7 million.</td>
</tr>
</tbody>
</table>

CREATING MULTIPLE PATHS TO PREDICTABLE RESERVES GROWTH

Plus low emissions hydrogen manufacturing initiatives:

<table>
<thead>
<tr>
<th>Project</th>
<th>Location</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pure Hydrogen</td>
<td>Queensland</td>
<td>Proposed Hydrogen Plant</td>
</tr>
<tr>
<td>Pure Gas</td>
<td>Queensland</td>
<td>Methane to H2 + Carbon</td>
</tr>
</tbody>
</table>

Any one of these opportunities can be a Company maker.

Management has done it before.
PURE ENERGY TO HAVE:

- ~233 MILLION ASX LISTED SHARES
- NO TSX LISTING
- MD AND CHAIRMAN OWN ~11.5 %

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The contingent Resources for Queenscliff area are prepared based on a deterministic method, calculating the potentially recoverable portion of the gas-in-place using the overall prospect area, the mapped net coal thickness, raw gas content and coal density, as well as a range of estimates of the gas recovery factor of the coals. The review was carried out in accordance with the standards in the Canadian Oil and Gas Evaluation Handbook as amended from time to time, maintained by the Society of Petroleum Evaluation Engineers. This leads to a Best Estimate of prospective resources in the subject areas of 658 Bcf, a Low Estimate of 526 Bcf, and a High Estimate of 799 Bcf (all numbers are gross 100% volumes). We have no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources, as only a portion may be potentially recovered by the application of a future development project relative to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRM standards. The existence of a significant moveable hydrocarbons are determined by the results of 4 petroleum wells and the flow of gas to surface from these wells. The analytical procedures used to estimate the contingent resources are based on the Petroleum Resource Management System (PRMS). The key contingent that prevents the contingent resource from being classified as petroleum reserves are the usual risks associated with a gas resource of this type. The Contingent Resources stated are prevented from being reserves until sufficient production services for the petroleum industry and Tim L. Hower is the Senior Technical Advisor responsible for the estimates. Tim L. Hower is a qualified petroleum reserves and resources evaluator within the meaning of the ASX Listing Rules. The contingent resources are reported as 100% share. The stochastic method is based on assigning a statistical distribution to each of the various parameters of the volumetric calculation of recoverable hydrocarbons (in this instance gas) and varying them in a Monte Carlo simulation. Arithmetic summation has been used in each category to determine Contingent Resources. The key contingent that prevents the contingent resource from being classified as petroleum reserves are the usual risks associated with a gas resource of this type. The Contingent Resources stated are prevented from being reserves until sufficient production services for the petroleum industry and Tim L. Hower is the Senior Technical Advisor responsible for the estimates. The information contained in this release pertaining to the ATP927P contingent resource figures are based on, and fairly represent, information prepared under the supervision of Mr Tim L Hower, Senior Technical Advisor of MHA Petroleum Consultants. Mr Tim L Hower is a qualified petroleum reserves and resources evaluator within the meaning of the ASX Listing Rules and consents to the inclusion in this release of the prospective resources estimates related information in the form and context in which that information is presented.

WINDORAH GAS PROJECT

The Contingent Resources are reported as at 31 July 2019. The contingent resources are reported as at 31 July 2019. The existence of a significant moveable hydrocarbons are determined by the results of 4 petroleum wells and the flow of gas to surface from these wells. The analytical procedures used to estimate the contingent resources are based on the Petroleum Resource Management System (PRMS). The key contingent that prevents the contingent resource from being classified as petroleum reserves are the usual risks associated with a gas resource of this type. The Contingent Resources stated are prevented from being reserves until sufficient production services for the petroleum industry and Tim L. Hower is the Senior Technical Advisor responsible for the estimates. The information contained in this release pertaining to the ATP927P contingent resource figures are based on, and fairly represent, information prepared under the supervision of Mr Tim L Hower, Senior Technical Advisor of MHA Petroleum Consultants. Mr Tim L Hower is a qualified petroleum reserves and resources evaluator within the meaning of the ASX Listing Rules and consents to the inclusion in this release of the prospective resources estimates related information in the form and context in which that information is presented.

ATP 927P Prospective Resources and Queenscliff area contingent resources estimates are based on, and fairly represent, information prepared under the supervision of Mr Paul Szatkowski, Senior Vice President of DeGolyer & MacNaughton in June 2015. Mr Szatkowski is a qualified petroleum reserves and resources evaluator within the meaning of the ASX Listing Rules and consents to the inclusion in this release of the contingent resources and prospective resources estimates related information in the form and context in which that information is presented.

SEROWE CSG PROJECT

Prospective and Contingent Resources figures are from an audit report prepared by Timothy Hower of MHA Petroleum Consultants, a qualified independent reserves auditor, dated and effective 10 May 2019 following MHA’s audit in accordance with the COG Handbook of the available technical data including the geological interpretation, information from relevant nearby wells, Company drilled wells, analogous reservoirs and the proposed program for the Project. The project is operated by Aeon Petroleum Consultants, an independent petroleum engineering firm, whose principals are James R. Weaver, P.E. and Stephen E. Dunbar. The reports Prospective and Contingent Resources are over Prospecting Licenses Strata-X holds for methane production the Republic of Botswana. Actual sales from the Prospecting License cannot begin until converted by Strata-X e file and environmental filings to the Republic of Botswana. Stated Prospective Resource figures are Best Estimate estimated using deterministic method – unrisked, undiscovered natural gas quantities and net of a royalty and are shown at a 100% working interest in the Project and are derived from coal characterization data from the 19B-1 well comprised of 10 net metre of coal, gas saturation yields of 126 cubic feet per ton, coal density of 1.7g/cm and a 75% recovery factor. Stated Contingent Resource figures are Best Estimate – natural gas quantities and net of a royalty and are shown at a 100% working interest in the Project and are derived from coal characterization data from the 19B-1 well comprised of 10 net metre of coal, gas saturation yields of 126 cubic feet per ton, coal density of 1.7g/cm and a 75% recovery factor. Contingent Resources stated are estimated using low, best and high analytical inputs, using deterministic method. Contingent Resources were extrapolated over an area of 15km2 using the characterization of the 19B-1 well and analogues reservoirs. By application of future development project. Prospective Resources have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRM standards. The key contingent that prevents the contingent resource from being classified as petroleum reserves are the usual risks associated with a gas resource of this type. The Contingent Resources stated are prevented from being reserves until sufficient production services for the petroleum industry and Mr Tim L. Hower is the Senior Technical Advisor responsible for the estimates. The information contained in this release pertaining to the ATP927P contingent resource figures are based on, and fairly represent, information prepared under the supervision of Mr James Weaver, CEO of Aeon Petroleum Consultants. Mr Weaver is a qualified petroleum resources and reserves evaluator within the meaning of the ASX Listing Rules and consents to the inclusion in this release of the prospective resources estimates related information in the form and context in which that information is presented.

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