

Capital Raising to Fast Track Rangers Development

Perth, Western Australia – 06 August 2021 – Brookside Energy Limited (ASX: BRK) (Brookside or the **Company**) is pleased to provide shareholders and investors with an update on funding for the further aggressive development of its “core of the core” position in the highly-sought after Sycamore-Woodford Trend in the Company’s SWISH Area of Interest (**SWISH AOI**) in the world-class Anadarko Basin.

Highlights

- A\$9.0 million raised (before costs of the offer) by CPS Capital in a heavily oversubscribed placement to sophisticated or professional investors that saw very strong support from a mix of new and existing shareholders locally and overseas, including several new high net worth investors looking for exposure to the oil and gas sector
- Capital from this very successful placement will be used to increase the Company’s position in the Rangers Drilling Spacing Unit (**DSU**) and to fund a majority Working Interest in the development of the Rangers Well in the SWISH AOI. The Rangers Well is the second well in a potential 5-year, 20-plus well development drilling program across the three operated DSU’s the Company controls in the SWISH AOI
- The Company will now move quickly to bring forward the timetable for the development of the Rangers Well, securing key services (including Latshaw Drilling), completing leasing and regulatory requirements and construction of a drill pad on the Rangers DSU

Commenting on the announcement, Brookside Managing Director, David Prentice said:

“We are delighted with the response we have received from our existing shareholders (and from new investors) to this placement and would like to thank CPS Capital Group for assisting us with this very successful raising. We are especially pleased to welcome our new overseas investors as we continue to expand our international investor base.

“This raising will enable us to increase our operational momentum, increase our Working Interest in future developments (including both the Rangers and Flames DSU’s) and to make sure we can lock in key services when they are available to avoid delays. Faster development with majority Working Interests translates to more rapid growth in terms of both oil and gas reserves and cashflow.

“This is a very exciting time for the Company and the team at Black Mesa Energy and we are obviously thrilled that we are now in a position to move forward aggressively with the continued development of our SWISH AOI acreage.

“Shareholders and investors can look forward to a considerable amount of news over the coming weeks and months as we complete the Jewell Well and turn it to sales while at the same time, we lock in the timetable for the Rangers Well.”

Background

Brookside is developing its “core of the core” acreage position in the SWISH AOI located in the highly sought-after Sycamore-Woodford trend in the southern SCOOP Play in the world-class Anadarko Basin. Brookside has embarked on a potential 5-year, 20-plus well development drilling program across its three operated development areas / DSUs (Jewell, Flames, Rangers) that the Company controls in the SWISH AOI to develop a conservatively estimated 11,606,000 net BOE Prospective Resource¹ (best estimate, unrisks).

Prospective Resources Cautionary Statement

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Initial wells drilled in the SWISH AOI will be targeting one of two primary producing formations in the SWISH AOI, the Sycamore formation. The Sycamore formation continues to deliver outstanding sustained productivity in nearby offsetting wells. To date, the Casillas Operating, LLC. operated Flash 1-8-5MXH well (located ~3-miles west of the Jewell DSU) has produced ~580,000 BOE in approximately 19-months, considerably higher than Brookside’s conservative estimate for the Jewell Well (see Figure 2).²

Future wells will also target the Woodford formation, which just like the Sycamore formation continues to deliver outstanding sustained productivity in nearby offsetting wells. To date, the Continental Resources Inc. operated Courbet 1-27-22XHW well (located ~1-mile southwest of the Jewell DSU) has produced ~430,000 BOE in approximately 14-months.³ As can be seen in Figure 3, the production rate of the Courbet well is considerably higher than BRK’s conservative estimate for the Jewell Well.

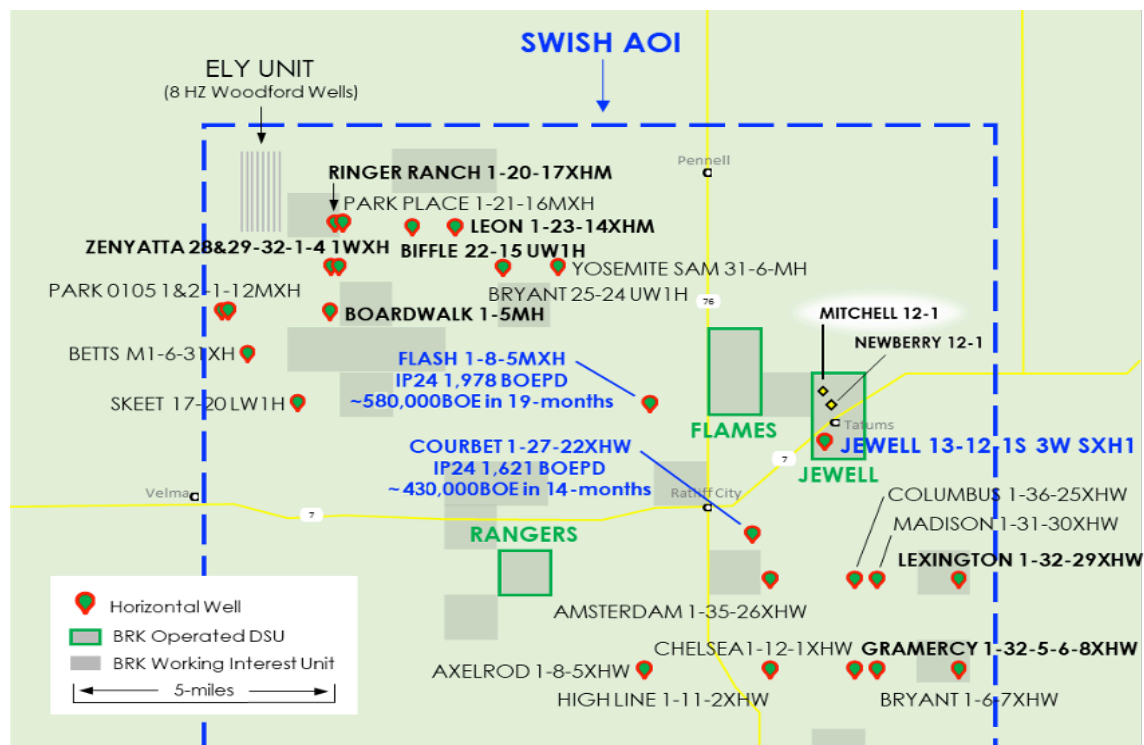


Figure 1: SWISH activity map showing the location of Brookside DSUs

¹Refer to the Company’s ASX release of 17 November 2020 for further information in respect of the prospective resource. There has been no material change to the prospective resource since that release.

² Note - Brookside does not hold an interest in the Flash 1-8-5MXH well and these production results are presented for reference only.

³ Note - Brookside does not hold an interest in the Courbet 1-27-22XHW well and these production results are presented for reference only.

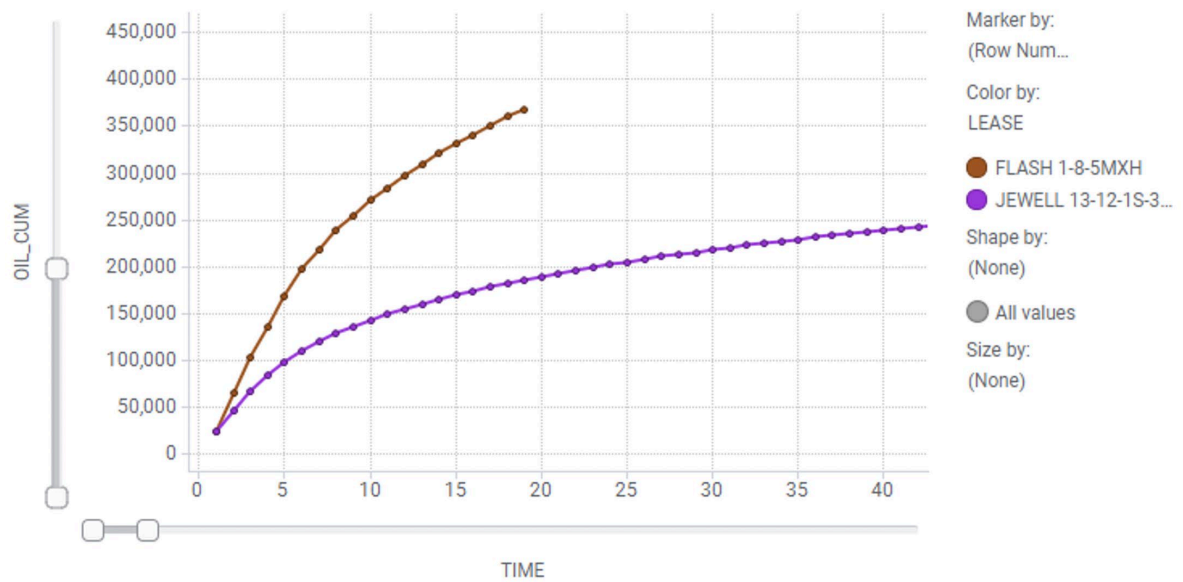


Figure 2: Flash Well cumulative oil production to date (barrels of oil) versus time (month) compared to the Jewell Well oil production type curve. Brookside has been very conservative in its production estimate for the Jewell Well producing from the Sycamore formation.

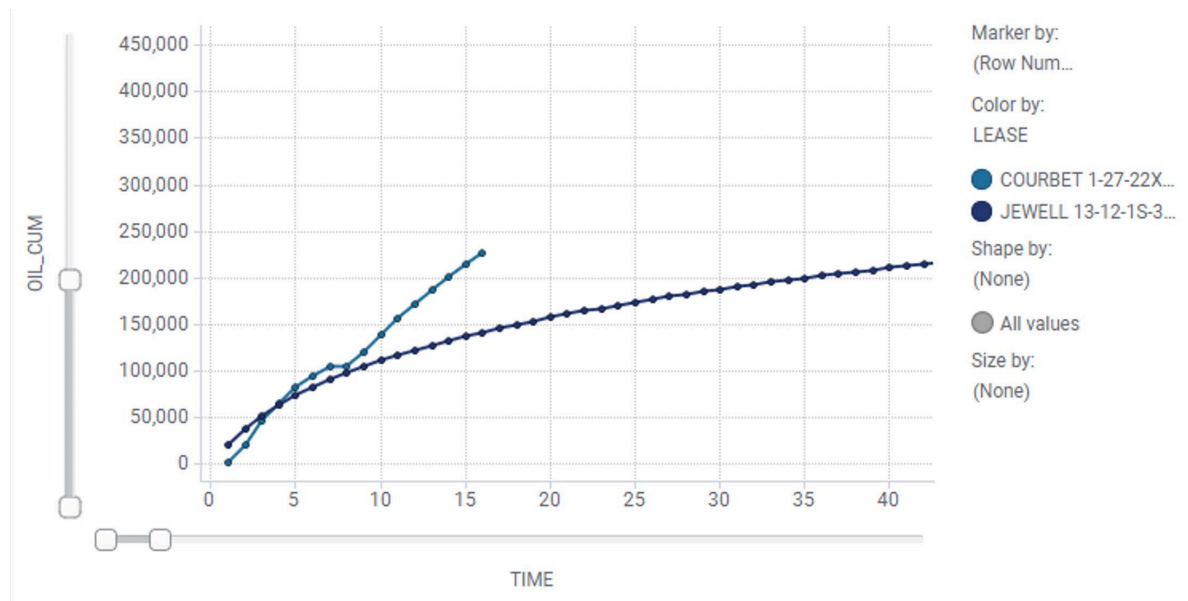


Figure 3: Courbet Well cumulative oil production to date (barrels of oil) versus time (month) compared to the Jewell Well oil production type curve. Brookside has been very conservative in its production estimate for the Jewell Well producing from the Woodford formation.



Capital Raising

The Company appointed CPS Capital Group Pty Ltd (**CPS**) to act as lead manager and broker to this successful capital raising. CPS has also agreed to assist the Company in a corporate advisory capacity for a minimum of twelve (12) months under the terms of a mandate⁴.

Under the terms of the placement the Company has agreed to issue up to 300,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) to sophisticated and professional investor clients of CPS at an issue price of \$0.03 per Share, together with one (1) free attaching listed option exercisable at \$0.011 per option on or before 30 June 2022 (being the existing class of BRKOB listed options) (**Options**) for every three (3) Shares subscribed for and issued, to raise up to \$9,000,000 (before costs⁵) (**Placement**).

The Placement will be conducted within the Company's available capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

– ENDS –

Authority:

This announcement has been authorised for release by the Board of Directors of Brookside Energy Limited

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⁴ The mandate provides that CPS will receive a monthly corporate advisory fee of AUD\$10,000 plus GST, for a minimum period of twelve (12) months from the date of the mandate. The mandate contains warranties and representations and other terms and conditions ordinarily found in an agreement of its type. The Company has also agreed to issue a total of 45,000,000 Options to CPS and/or its nominee(s), at an issue price of \$0.00001 per Option.

⁵ CPS will be entitled to receive fees totaling 6% of the total gross proceeds of the Placement plus GST in consideration for services provided to the Company.



Forward-Looking Statements and Other Disclaimers

This announcement may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions, which are outside the control of Brookside Energy Limited ("Brookside Energy", or "the Company"). These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal, or regulatory developments, political risks, project delay or advancement, approvals, and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Brookside Energy does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

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ABOUT BROOKSIDE ENERGY LIMITED

Brookside Energy is an Australian public company listed on the Australian (ASX: BRK) and Frankfurt (8F3: FSE) stock exchanges. The Company was founded in 2015, to focus on the mid-continent region of the US, where our deep and valued relationships enable us to work with local communities to ensure sustainable growth and value creation through the safe and efficient development of energy assets. Focused on exploitation not exploration, the Company generates shareholder value through a disciplined portfolio approach to the acquisition and development of oil and gas assets and the leasing and development of acreage opportunities. The Company's US subsidiary and manager of operations, Black Mesa, is an experienced mid-continent operator, which identifies opportunities and executes development for Brookside. Our business model effectively assigns risk and provides commercial incentives to maximize value for both parties.

Web <http://brookside-energy.com.au>

ABOUT BLACK MESA ENERGY, LLC

Black Mesa Energy, a Brookside Energy controlled subsidiary, is a Tulsa-based oil & gas exploration and production company focused on profitable development of petroleum properties located in the Mid-Continent oil province of the United States. Our lean and highly specialized technical and operations team is committed to providing attractive returns for our investors and shareholders by generating and drilling high quality oil and gas prospects. The founders of Black Mesa have worked together for over 30 years at companies they previously founded, including Medallion Petroleum, InterCoast Energy and Brighton Energy. Over the course of their careers, the Black Mesa team has drilled hundreds of horizontal wells and thousands of vertical wells in numerous mid-continent oil and gas basins. In addition to the financial backing from the Black Mesa shareholders, Black Mesa partners with outside investors on larger-scale projects by offering non-operated direct working interest participation.

Web <http://www.blkmesa.com>



GLOSSARY

APO WI	After pay out working interest
AFIT	After Federal Income Tax
AOI	Area of Interest
BBL	Barrel
BFIT	Before Federal Income Tax
BOE	Barrels of Oil Equivalent
COPAS	Council of Petroleum Accountants Societies
Development Unit or DSU	Development Unit or drilling spacing unit is the geographical area in which an initial oil and/or gas well is drilled and produced from the geological formation listed in a spacing order. The spacing unit communitizes all interest owners for the purpose of sharing in production from oil and/or gas wells in the unit. A spacing order establishes the size of the unit; names the formations included in the unit; divides the ownership of the unit for the formations into the "royalty interest" and the "working interest"; Only one well can be drilled and completed in each common source of supply. Additional wells may be drilled in a Development Unit, but only after an Increased Density Order is issued by the Oklahoma Corporation Commission.
Force Pooled	The Oklahoma Corporation Commission is authorized to establish well spacing and drilling units covering any common source of supply of hydrocarbons, or any prospective common source of supply. Once the unit is established, the Commission can force pool the interests of all the owners who own interests in that unit and who have not voluntarily joined in the development of that unit.
MBOE	1,000 barrels of oil equivalent
Mcf	1,000 cubic feet
MMBOE	1,000,000 barrels of oil equivalent
NPV ₁₀	The net present value of future net revenue before income taxes and using a discount rate of 10%.
NRI	Net Revenue Interest
PDP	Proved Developed Producing Reserves
Pooling Agreements	The pooling agreements facilitate the development of oil and gas wells and drilling units. These binding pooling agreements are between the Company and the operators
Prospective Resource	Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations.
PUD	Proved Undeveloped Reserves
Reserve Categories	These reserve categories are totalled up by the measures 1P, 2P, and 3P, which are inclusive of all reserve types: <ul style="list-style-type: none"> • "1P reserves" = proven reserves (both proved developed reserves + proved undeveloped reserves). • "2P reserves" = 1P (proven reserves) + probable reserves, hence "proved AND probable." • "3P reserves" = the sum of 2P (proven reserves + probable reserves) + possible reserves, all 3Ps "proved AND probable AND possible."
STACK	Sooner Trend Anadarko Basin Canadian and Kingfisher Counties – oil and gas play in the Anadarko Basin Oklahoma
SCOOP	South Central Oklahoma Oil Province - oil and gas play in the Anadarko Basin Oklahoma
SWISH AOI	Description of Brookside's Area of Interest in the SCOOP Play
Working Interest	Percentage of ownership in a lease granting its owner the right to explore, drill and produce oil and gas from a tract of property. Working interest owners are obligated to pay a corresponding percentage of the cost of leasing, drilling, producing, and operating a well or unit