

NEWS RELEASE

8 September 2021

## Rangers Well Operations Drilling Rig Secured

**Perth, Western Australia – 8 September 2021 – Brookside Energy Limited (ASX: BRK) (FSE: 8FE) (Brookside or the Company)** is pleased to provide shareholders and investors with an update on operations in preparation for the drilling of Brookside's second well in the SWISH Area of Interest (AOI) in the world-class Anadarko Basin, the high-impact Rangers 36-25 SXH 1 Well (**Rangers Well**) (Figures 2 & 3).

Brookside is pleased to announce that its controlled subsidiary, Black Mesa Energy, LLC (**Black Mesa**) has executed an IADC Drilling Bid Proposal and Daywork Drilling Contract with Bakersfield, California based Kenai Drilling (**Kenai**). Kenai, a large drilling contractor in the United States, operates a modern rig fleet with a significant focus on the mid-continent via their Oklahoma City office. The contract is to supply and operate Kenai Rig 18 for the drilling of the Company's second well being its first well in the Rangers DSU, the Rangers Well, under the supervision of the Black Mesa team.

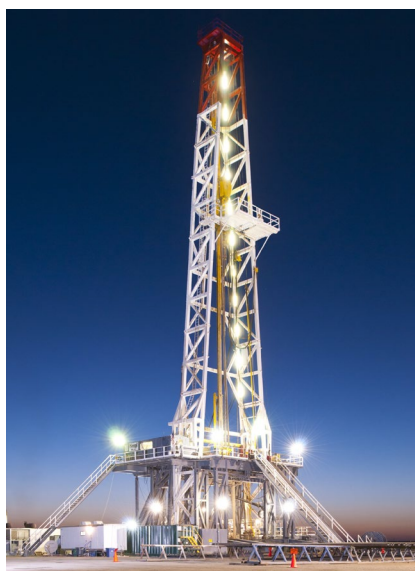


Figure 1. Kenai Drilling modern top-drive rig  
(photo courtesy of Kenai Drilling)

The Company took the opportunity to secure Kenai Rig 18, a newer generation rig than that used to drill the Jewell Well, when presented with the chance to do so. Kenai Rig 18 has been operating extensively in the Southern Scoop area, drilling horizontal wells for some of the large privately held operators that are active in the area. Kenai Rig 18 is currently drilling in the SWISH area and the Company is working with Kenai to align the drilling slot with the availability of related well services and materials that the Company is in the process of securing in anticipation of the upcoming well spud.

Kenai Rig 18 is a new generation modern top-drive rig with a Canrig Model 1250 AC-681, 500-ton Top Drive Drilling System, American Block Drawworks, powered by a Joliet 1,500 HP AC drilling motor. The rig has a drilling range of 23,000 feet and is powered by 4-MTU, 12V-4000 (1,482 HP each) diesel engines, driving 4-Hyundai 1,100 KW Generators. Kenai Rig 18 meets and exceeds the specifications required to drill the Rangers Well on time and on budget while complying with all HSE requirements.

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

"We are delighted to have the opportunity to work with the team at Kenai Drilling to maintain our operating momentum in the SWISH AOI. Through its decades of experience, and modern rig fleet they are a great partner for Brookside to work with as we kick-off our second well in our SWISH AOI drilling campaign.

"With a large focus on the mid-continent and considerable experience drilling in the Anadarko Basin, Brookside will benefit from Kenai's local experience, personnel, and equipment."

"With the rig now secured and the pad works proceeding to schedule, the Black Mesa team are working diligently to lock down agreements with other key service providers and we are looking forward to providing further updates in this regard shortly."

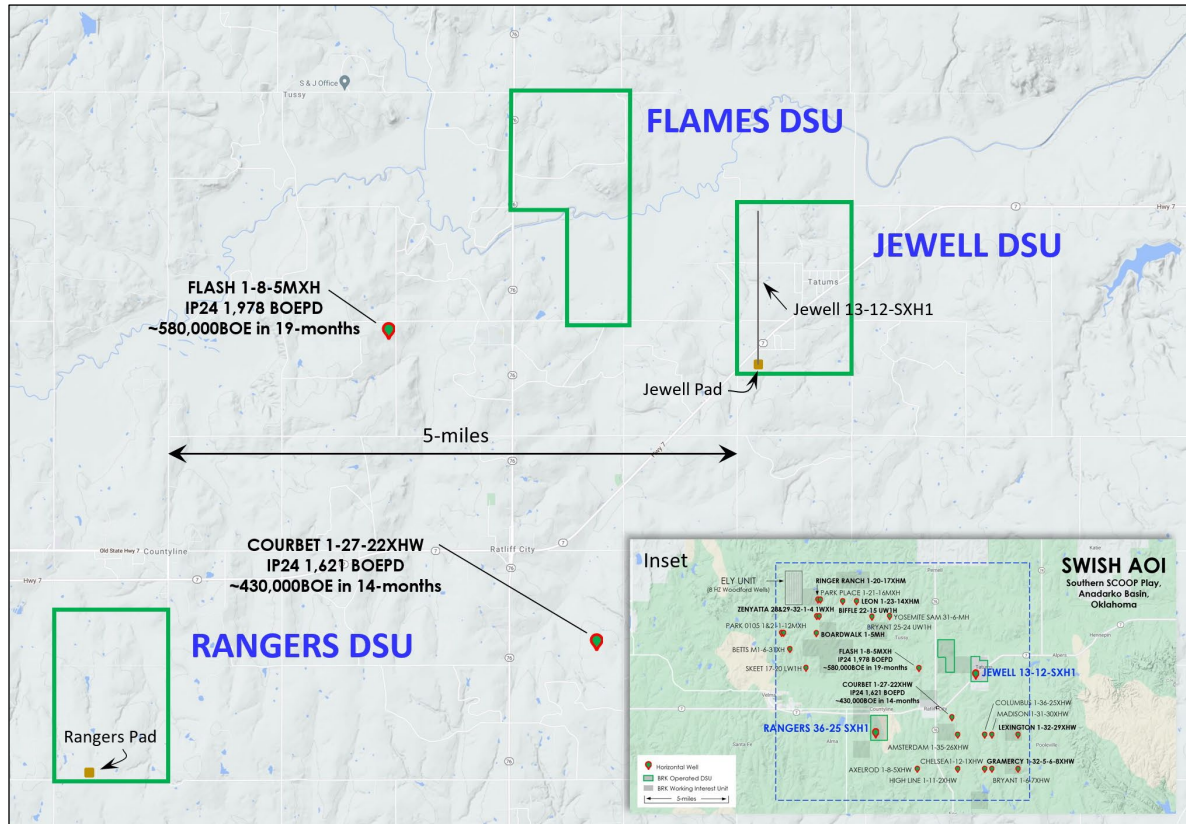


Figure 2. Location map showing Brookside's three operated SWISH AOI DSU's and the location of the Rangers Well

## 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 Resource<sup>1</sup> (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 Continental Resources, Inc. (**Continental**) (NYSE: CLR) operated Flash 1-8-5MXH well has produced ~580,000 BOE in approximately 19-months.



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, another Continental operated well, the Courbet 1-27-22XHW well, has produced ~430,000 BOE in approximately 14-months.

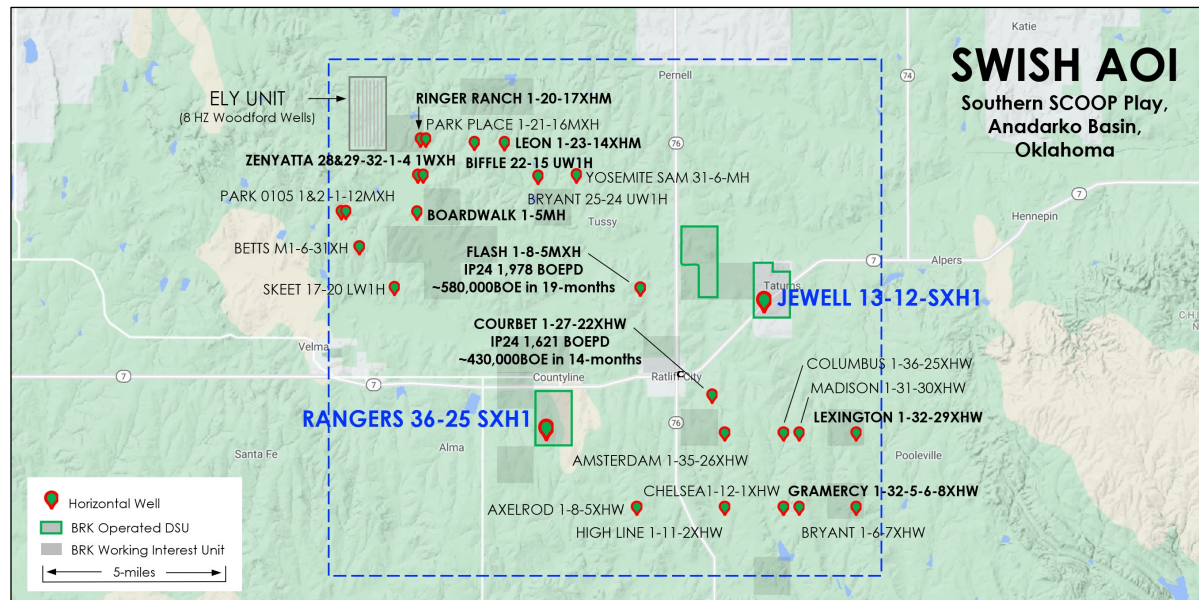


Figure 3. SWISH AOI activity map showing the location of Brookside DSUs

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#### Authority:

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

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## ABOUT BROOKSIDE ENERGY LIMITED

**Brookside Energy** is a Perth-based ASX, and Frankfurt listed company that generates shareholder value by developing oil and gas plays in the United States, specifically the Anadarko Basin in Oklahoma. The Anadarko Basin is a proven Tier One oil and gas development province with significant existing oil and gas gathering and transportation infrastructure, a competitive and highly experienced oil and gas service sector, and a favourable regulatory environment. Brookside is executing a "Real Estate Development" approach to acquiring prospective acreage in the Anadarko Basin and adding value to it by consolidating leases and proving up oil and gas reserves. The Company then has the option of selling the revalued acreage or maintaining a producing interest. The Company is now set to scale-up its activities and asset base significantly with its operated- interests in the SWISH AOI.

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 <sub>10</sub>	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"> <li>• "1P reserves" = proven reserves (both proved developed reserves + proved undeveloped reserves).</li> <li>• "2P reserves" = 1P (proven reserves) + probable reserves, hence "proved AND probable."</li> <li>• "3P reserves" = the sum of 2P (proven reserves + probable reserves) + possible reserves, all 3Ps "proved AND probable AND possible."</li> </ul>
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