

21 November 2022

## Juanita Well Operations Update

### Oil Shows, Over-pressured Zone, Rig Change Required

#### HIGHLIGHTS

- Rig change required due to an over-pressured zone encountered in sandstones of the Springer Group with operations temporarily suspended
- Current rig is not suited for this pressure regime and has been demobilised, with several suitable replacement rigs already identified and being reviewed
- Oil shows and elevated gas readings encountered in the first of ten targeted potential reservoirs
- Operations to recommence as soon as possible, likely to be early in the New Year

**Perth, Western Australia – Brookside Energy Limited (ASX: BRK) (OTC Pink: RDFEF) (Brookside or the Company)** is pleased to provide shareholders and investors with an update on activity from Brookside's expanded Bradbury Area of Interest (AOI) located within the Arbuckle Uplift – Ardmore Basin in Oklahoma.

#### Present Operations

Drilling has encountered an over-pressured zone in the sandstones of the Springer Group at ~3,500 ft TVD. The decision was made to temporarily suspend the well until a rig capable of operating more efficiently at these pressures can be mobilised. Oil shows and elevated gas readings have already been observed in the Sycamore formation, the first of ten targeted potential reservoirs.

#### Activity Planned

Several suitable rigs have been identified and are readily available with these rigs currently being reviewed by the Black Mesa team. Operations will recommence as soon as possible, estimated to be early in the New Year.

#### Commenting on this announcement, Managing Director, David Prentice said:

"It is encouraging to see oil shows and elevated gas readings in the Juanita already and while it is very early days in terms of drilling and logging across the zones of interest it is a great start.

"The temporary suspension of operations is the prudent course of action in these circumstances and the team is getting out in front of this situation and has already located several options for a rig capable of completing the next phase of drilling and successfully reaching target depth.

"We are looking forward to bringing news of the recommencement of operations as soon as possible as well as updates from drilling of the Wolf Pack well in our SWISH AOI which is proceeding on schedule."

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**About the Juanita Well**

The Juanita Well is a low-cost vertical well operated by Black Mesa, LLC (a controlled subsidiary of Brookside) and being drilled by Edge Services, Inc Rig 12 in the Bradbury AOI. The Juanita Well will be drilled as a vertical well to a true vertical depth (TVD) of ~6,450 feet. The Juanita Well is targeting ten potential oil reservoirs, including zones from within the highly productive Simpson Group, all of which are proven producers in the area, with mean cumulative production from vertical wells in the Bradbury AOI of ~130 MBO per well, including a 744 MBO producer less than a mile east of the Juanita Well location.

**Brookside Energy Interactive Investor Hub**

Engage with us directly by asking questions, watching video summaries, and seeing what other shareholders have to say about this and past announcements at our Investor Hub <https://investorhub.brookside-energy.com.au/>

– ENDS –

**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** is an Australian public company listed on the Australian (ASX: BRK), Frankfurt (8F3: FSE) and USA (OTC Pink: RDFEF) 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  |
| BOEPD                   | Barrels of Oil Equivalent Per Day  |
| BOPD                    | Barrels of Oil Per Day   |
| BPD                     | Barrels Per Day  |
| 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.   |
| IP                      | Initial Production   |
| 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 "proven 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  |
| TVD                     | True Vertical Depth  |
| 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  |