



QUARTERLY REPORT

28 April 2023

1Q23 Activities and Cashflow Report

Perth, Western Australia – 28 April 2023 – Brookside Energy Limited (**ASX: BRK**) (**Brookside** or the **Company**) is pleased to provide the following summary of the Company's activities during the 1Q23.

Highlights

- Gross operated daily production totalled 1,822 BOE per day for the quarter, Group net production (including non-operated production) totalled 1,053 BOE per day (net to Brookside's Working Interest and after the deduction of royalties). Normalising for temporary well shut-ins and part month Wolf Pack production, Group net production (including non-operated production) totalled 1,617 BOE per day (net to our Working Interest and after the deduction of royalties).
- The Company's three operated SWISH AOI wells delivered gross production for the quarter of 164,000 BOE and cumulative production to the end of the quarter of 943,833 BOE.
- 1Q23 receipts from customers (sale of oil, gas and NGL's) (A\$9.0 million) were down as a result of temporary shut-ins of the Company's SWISH AOI operated wells and lower realised oil, gas and NGL prices.
- Capital expenditure for the quarter was higher at A\$18.9 million, as the full cost of drilling and completing the Company's highly successful Wolf Pack Well (84% Working Interest) and the exciting Juanita Well (100% Working Interest) were fully funded from working capital.
- Working capital remained strong at end of quarter at A\$17.7 million, and is projected to grow considerably in 2Q23, as receipts from the sale of oil, gas and NGL's increase with all wells back on production, a full quarter of Wolf Pack revenue recognised, and no further significant capex associated with the Wolf Pack or Juanita Wells.
- As noted above, the Company temporarily shut-in its SWISH AOI operated wells at various times during the quarter to avoid interference from nearby hydraulic stimulation operations resulting in decreased production and revenue for the quarter. During the quarter, the Jewell and Rangers Wells were back online and at full production with the Flames Well coming online after the end of the quarter, performing in line with expectations and continuing to recover towards pre shut-in levels.
- The Company released its 2022 Full Year Financial Result, showing that the Company generated revenue of A\$53.0 million (2021: A\$12.6 million), resulting in record after tax profit of A\$15.1 million (2021: \$2.6 million loss), produced 613,533 BOE (Gross Operated) and grew its acreage position by 41% year on year to ~4,615 Working Interest leasehold acres.
- Hydraulic stimulation of the Wolf Pack Well was successfully completed during the quarter and the well was brought on production in mid-February, producing a total of 71,333 BOE to the end of the quarter (80% oil plus gas and natural gas liquids). Revenue from this production will be recognised in 2Q23, which will result in material increase in receipts from customers (sale of oil, gas and NGL's).
- Juanita Well reached total depth with logging indicating 389 feet of net pay over 1,119 feet of gross pay across the primary, secondary, and tertiary pre-drill target zones. Surface facilities are being constructed in preparation for production testing of the well, with production testing expected to take several months to complete.

About Brookside Energy Limited

Brookside Energy Limited is an Australian public company listed on the Australian (ASX: BRK) and USA (OTC Pink: RDEF) 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 Energy, LLC (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.



Corporate and Financial Summary

| | | | |
|-----------------------------|---------------|--------------------------------------|--------------|
| Share Price (A\$) | \$0.014 | Quarterly Sales ¹ . (A\$) | \$9,002,000 |
| Shares on Issue | 5,014,545,627 | Cash (A\$) ² . | \$17,724,000 |
| Market Capitalisation (A\$) | ~\$70,000,000 | Production ³ . (BOE/day) | 1,053 |

The Company continued its strong operational performance in 1Q23 with quarterly sales of A\$9.0 million, A\$17.7 million in working capital and no debt after fully funded the extraordinarily successful Wolf Pack Well (horizontal Sycamore well) in the Rangers Drilling Spacing Unit (DSU) and the exciting Juanita Well in the Bradbury AOI. Quarterly sales were down quarter on quarter as a result of temporary shut-in of its operated SWISH AOI wells to avoid interference from nearby hydraulic stimulation operations resulting in decreased production and revenue for the quarter. All wells are now back online with the Jewell and Rangers back at full production and the Flames performing in line with expectations, continuing to recover towards pre shut-in levels. Working capital is projected to grow considerably in 2Q23, as receipts from the sale of oil, gas and NGL's increase with all wells back on production, a full quarter of Wolf Pack revenue recognised, and no further significant capex associated with the Wolf Pack or Juanita Wells.

Anadarko Basin Focussed

Anadarko Basin, Oklahoma

The Anadarko Basin is a geologic depositional and structural basin centred in the western part of Oklahoma that is oil and gas rich, and generally well explored (mature). The 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. Recent activity (last six years) has been focussed primarily on two world-class oil and gas plays – STACK and SCOOP. The STACK (Sooner Trend, Anadarko Basin, Canadian and Kingfisher Counties) and SCOOP (South Central Oklahoma Oil Province) Plays are being developed using modern horizontal drilling and completion techniques targeting the Mississippian aged formations (that sit above the Woodford Shale) and the Woodford Shale itself (the organic rich source rock for the hydrocarbons in the basin). The SWISH AOI is an area of interest in the core of the SCOOP Play, identified and named by Brookside's partner and manager of US operations, Black Mesa (see Figure 1.)

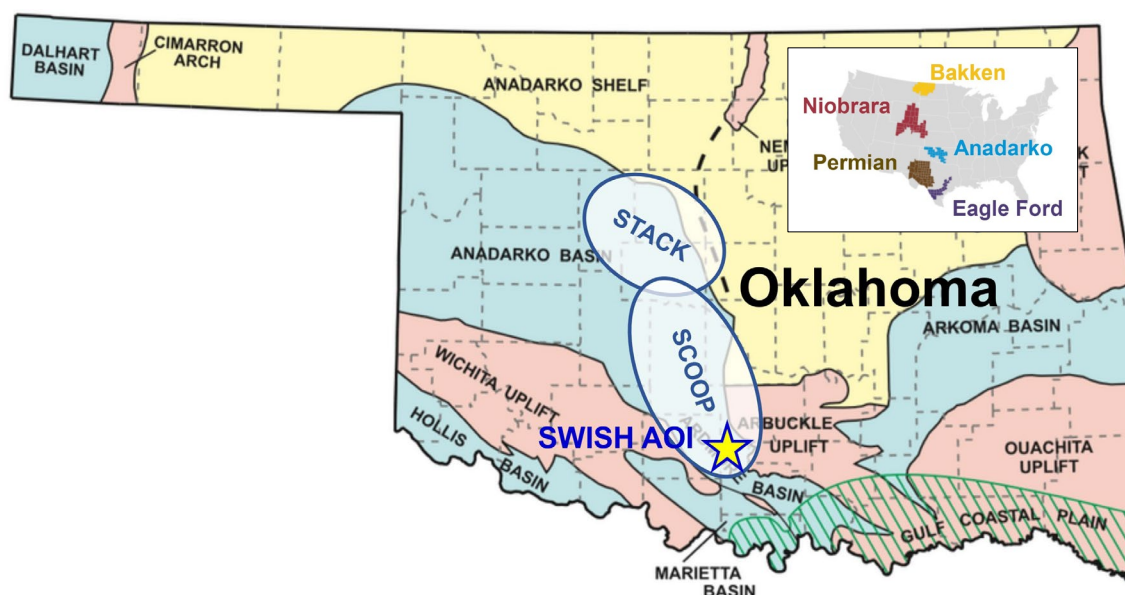


Figure 1: Brookside Projects, Oklahoma

1. Reported on a cash basis

2. Cash as of 31 March 2023

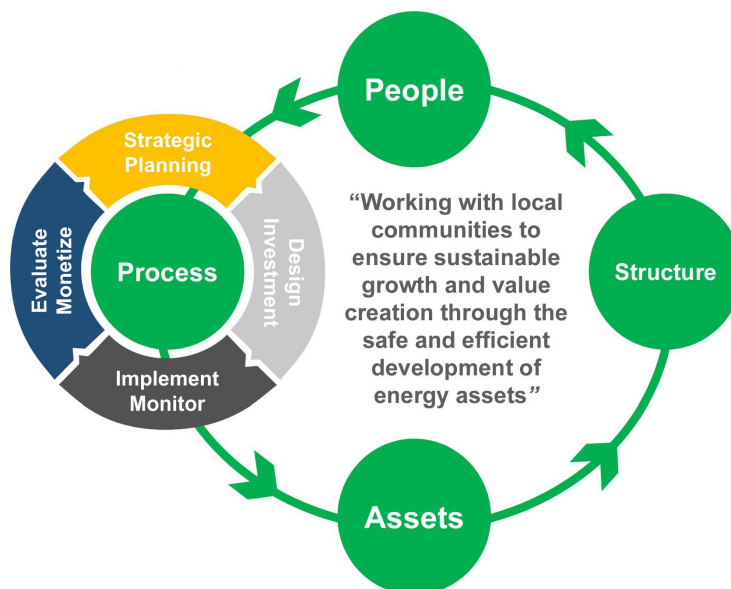
3. Net production figures are volumes attributable to the Company's Working Interest and are net of royalties



Boutique Energy Company

Safe, Sustainable and Efficient Development

Prospect, Prove-up and Monetise



During the quarter, the Company finished drilled and completion operations on two wells, the Wolf Pack Well and the Juanita Well. The Wolf Pack, the first well in the Phase Two Development Program, was brought on production and in its first month produced over 40,000 BOE (80% oil plus gas and natural gas liquids). The Juanita well logged an impressive 389 feet of net pay over 1,119 feet of gross pay across the primary, secondary, and tertiary pre-drill target zones. With surface facilities being constructed in preparation for production testing of the well, the Company is quietly confident that this well will be the first of many low cost highly economic vertical producers in the Bradbury AOI.

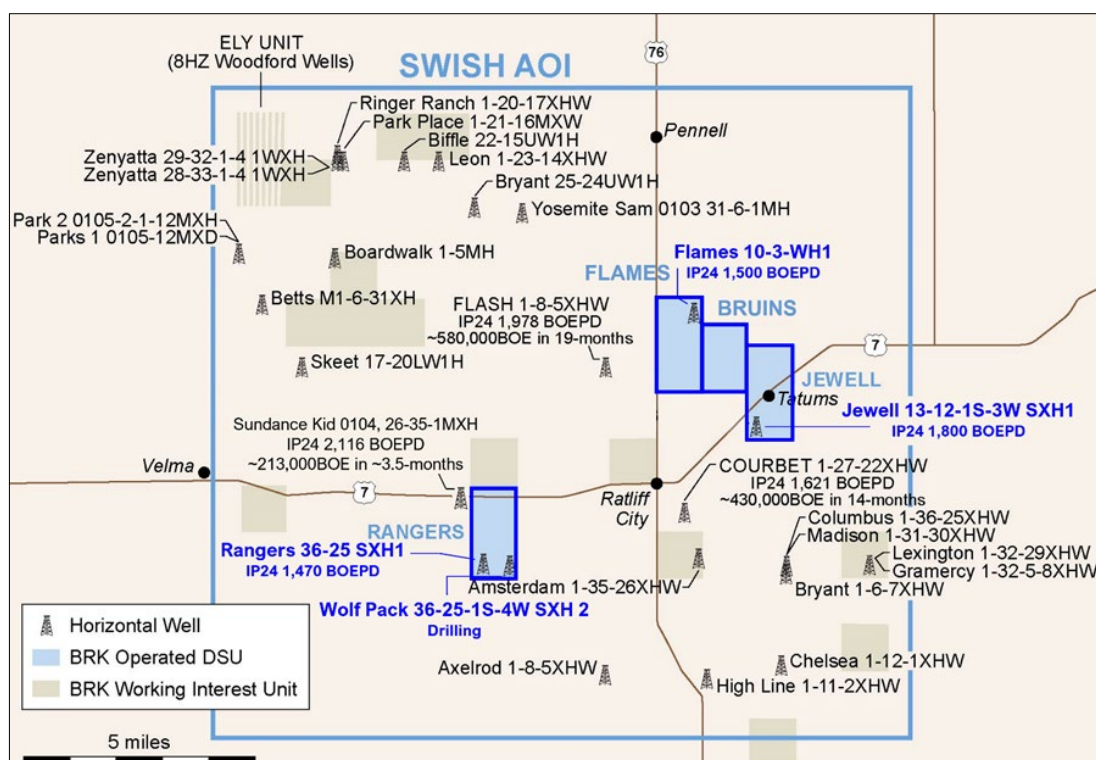


Figure 2: SWISH activity map showing the location of Brookside's four operated wells and DSUs.



Drilling and Completion Activities

The Company has an interest in fifty-eight wells and royalty interest in four DSUs. targeting the productive formations of the Anadarko Basin (see Table 1).

| Well Name | WI | OPERATOR | STATUS |
|----------------------------|---------|---------------------------------|---------------|
| LEE 1-10 | 96.40% | Black Mesa Energy, LLC | Producing |
| JUANITA 32-1 | 100.00% | Black Mesa Energy, LLC | Prep for Test |
| WOLF PACK 36-25-1S-4W SXH2 | 83.93% | Black Mesa Energy, LLC | Producing |
| RANGERS 36-25-1S-4W SXH1 | 75.29% | Black Mesa Energy, LLC | Producing |
| FLAMES 10-3-1S-3W WXH1 | 71.30% | Black Mesa Energy, LLC | Producing |
| JEWELL 13-12-1S-3W SXH1 | 52.13% | Black Mesa Energy, LLC | Producing |
| MITCHELL 12-1 | 49.44% | Black Mesa Energy, LLC | Shut-In (TA) |
| CARTER 12-1 | 36.98% | Black Mesa Energy, LLC | Producing |
| THELMA 1-32 | 36.20% | Black Mesa Energy, LLC | Producing |
| NEWBERRY | 21.70% | Black Mesa Energy, LLC | Shut-In (TA) |
| HERRING 1-33 1513MH | 18.18% | Citizen Energy III, LLC | Producing |
| COMPTON 2-8 | 9.46% | Mustang Fuel Corp. | Producing |
| BULLARD 1-18-07UWH | 5.21% | Rimrock Resource Operating, LLC | Producing |
| HENRY FEDERAL 1-8-5XH | 4.43% | Continental Resources, Inc. | Producing |
| CAULEY 1-7 | 4.22% | Devon Energy Corp. | Shut-In |
| GERHARDT 1-7 | 4.22% | Devon Energy Corp. | Shut-In |
| TRIM UNIT 1 | 4.22% | Devon Energy Corp. | Shut-In |
| DR NO 1-17-20 1611MHX | 3.79% | Citizen Energy III, LLC | Producing |
| MOTE 1-26-23UWH | 3.20% | Rimrock Resource Operating, LLC | Producing |
| SPHINX 26 23-16N-11W-1XH | 2.89% | Devon Energy Corp. | Producing |
| ROSER 1611 1-3-34MXH | 2.80% | Marathon Oil Co. | Producing |
| KEVIN FIU 1-20-17XH | 2.21% | Continental Resources, Inc. | Producing |
| LADYBUG 27 22-15N-13W 1HX | 2.15% | Devon Energy Corp. | Producing |
| LANDRETH BIA 1-14H | 1.80% | Marathon Oil Co. | Producing |
| DAVIS 1-8-1611MH | 1.17% | Citizen Energy III, LLC | Producing |
| STRACK 1-2-11XH | 1.02% | Marathon Oil Co. | Producing |
| MIKE COM 1H-0706X | 0.38% | Cimarex Energy, Co. | Producing |
| CENTAUR 7_6-15N-10W 3HX | 0.29% | Devon Energy Corp. | Producing |
| CENTAUR 7_6-15N-10W 4HX | 0.29% | Devon Energy Corp. | Producing |
| CENTAUR 7_6-15N-10W 2HX | 0.29% | Devon Energy Corp. | Producing |
| CENTAUR 7_6-15N-10W 5HX | 0.28% | Devon Energy Corp. | Producing |
| LEON 1-23-14XHM | 0.17% | Continental Resources, Inc. | Producing |
| GRAMERCY 1-32-5-6-8XHW | 0.17% | Continental Resources, Inc. | Producing |
| BIFFLE 22-15 UW1H | 0.16% | Cheyenne Petroleum, Co. | Producing |
| BOARDWALK 1-5MH | 0.15% | Continental Resources, Inc. | Producing |
| CATSKILLS 1-1-12XHW | 0.12% | Continental Resources, Inc. | Producing |
| LEON 2-26-23-14XHM | 0.11% | Continental Resources, Inc. | Producing |
| ASSAULT 1-9-16-21XHM | 0.08% | Citation Oil & Gas Company | Producing |
| LEXINGTON 1-32-29XHW | 0.08% | Continental Resources, Inc. | Producing |
| ESSEX 1R-12-13-24XHW | 0.03% | Continental Resources, Inc. | Producing |
| LEON 3-26-23-14XHM | 0.03% | Continental Resources, Inc. | Producing |
| ZENYATTA 28-33-1-4 1WXH | 0.02% | Citizen Energy III, LLC | Producing |
| RINGER RANCH 1-20-17XHM | 0.01% | Continental Resources, Inc. | Producing |
| RINGER RANCH 1-20-17XHM | 0.01% | Continental Resources, Inc. | Producing |
| RINGER RANCH 1-20-17XHM | 0.01% | Continental Resources, Inc. | Producing |
| RINGER RANCH 2-20-17XHM | 0.01% | Continental Resources, Inc. | Completing |
| RINGER RANCH 3-20-17XHM | 0.01% | Continental Resources, Inc. | Completing |
| McKINLEY 13&24 15-13 | 0.00% | Continental Resources, Inc. | ORRI Only |
| BUCHER 1711 1-34MH | 0.00% | Marathon Oil Co. | ORRI Only |
| MCCLUNG 1-17 | 0.00% | Encana | ORRI Only |
| ROSER 1611 1-3-34MXH | 0.00% | Marathon Oil Co. | ORRI & RI |
| ROSER 1611 2-3-34MXH | 0.00% | Marathon Oil Co. | ORRI Only |
| ROSER 1711 4-3-34MXH | 0.00% | Marathon Oil Co. | ORRI Only |
| BOARDWALK 1-5MH | 0.00% | Continental Resources, Inc. | ORRI |
| HENRY FEDERAL 1-8-5XH | 0.00% | Continental Resources, Inc. | ORRI |
| LADYBUG 27 22-15N-13W 1HX | 0.00% | Devon Energy Corp. | ORRI |
| DR NO 1-17-20 1611MHX | 0.00% | Citizen Energy III, LLC | ORRI |
| CATSKILLS 1-1-12XHW | 0.00% | Continental Resources, Inc. | ORRI |
| NW CAMP DEESE UNIT | 0.00% | Phoenix Petrocorp, Inc. | RI |
| TATUMS FIELD UNIT | 0.00% | Citation Oil & Gas Company | RI |
| TATUMS TOWNSITE UNIT | 0.00% | Citation Oil & Gas Company | RI |
| TATUMS SAND UNIT | 0.00% | Citation Oil & Gas Company | RI |

Table 1: Company wells / DSUs and Working Interest (WI) in the SCOOP and STACK Plays in the Anadarko Basin and the Arbuckle Uplift in the Ardmore Basin, Oklahoma.

Note: Working Interest percentages may change subject to the issue of final pooling orders.



Jewell 13-12-1S-3W SXH1 well (Jewell Well)

The Jewell Well the Company's first operated well in the SWISH AOI, had gross production for the quarter of 38,167 BOE and cumulative production to the end of the quarter of 475,533 BOE (Figure 3). The Jewell Well was shut-in for eight days during the quarter to avoid interference from nearby hydraulic stimulation operations and was back at full production approximately seven days after being brought back online.

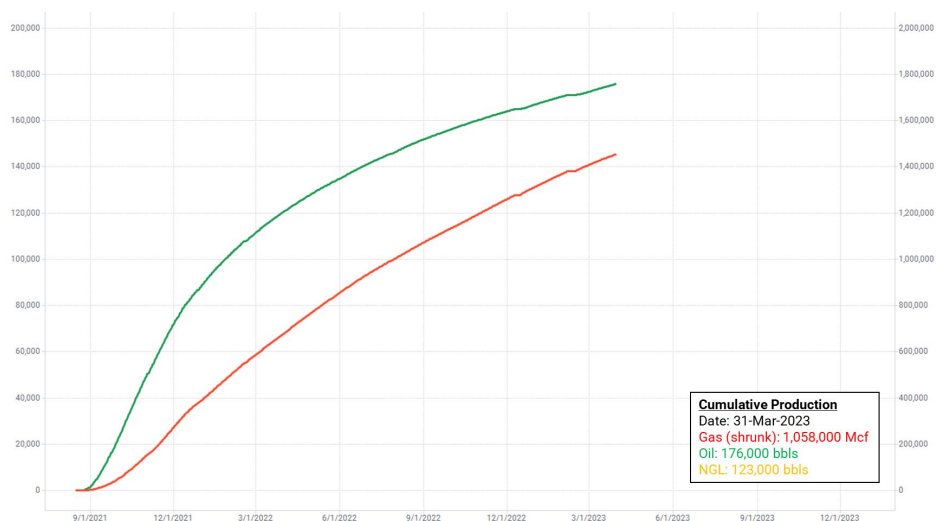


Figure 3: Cumulative production as at 31 March 2023 for the Jewell Well.

Rangers 36-25-SXH1 well (Rangers Well)

The Rangers Well, Brookside's second operated well in the SWISH AOI, had gross production for the quarter of 29,333 BOE and cumulative production to the end of the quarter of 234,000 BOE (Figure 4). The Rangers Well was temporarily shut-in for fifteen days during the quarter as a result of the multizone stimulation of the Wolf Pack Well as a safeguard against any well interference. After being brought back online the Rangers Wells was back at full production within approximately six days.

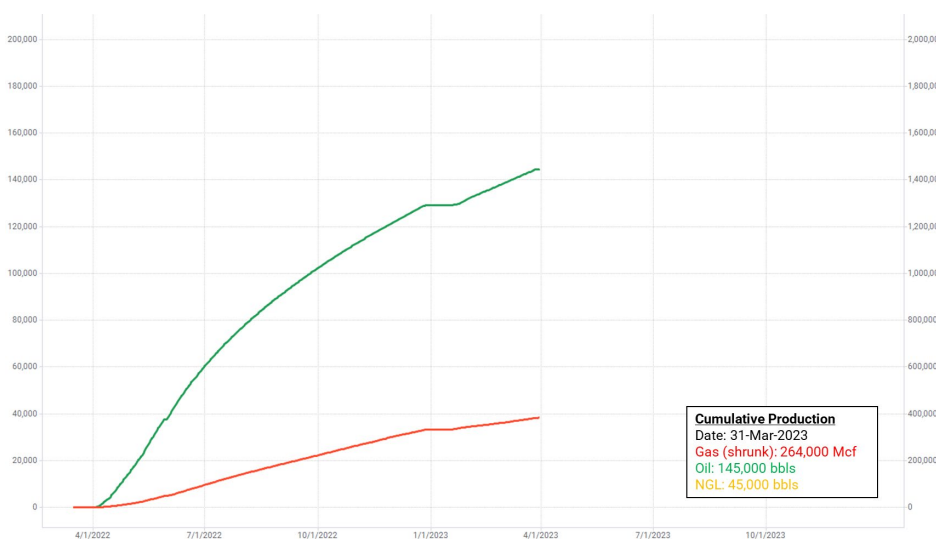


Figure 4: Cumulative production as at 31 March 2023 for the Rangers Well.



Flames 3-10-1S-3W WXH1 well (Flames Well)

The Flames Well, Brookside's third operated well in the SWISH AOI, had gross production for the quarter of 25,167 BOE and cumulative production to the end of the quarter of 163,167 BOE (Figure 5). The Flames Well was shut-in during the quarter for an extended period to avoid interference from a nearby full-field multi-well hydraulic stimulation operation. Post the end of the quarter the Flames Well was brought back online and is performing in line with expectations, continuing to recover towards pre-shut-in levels.

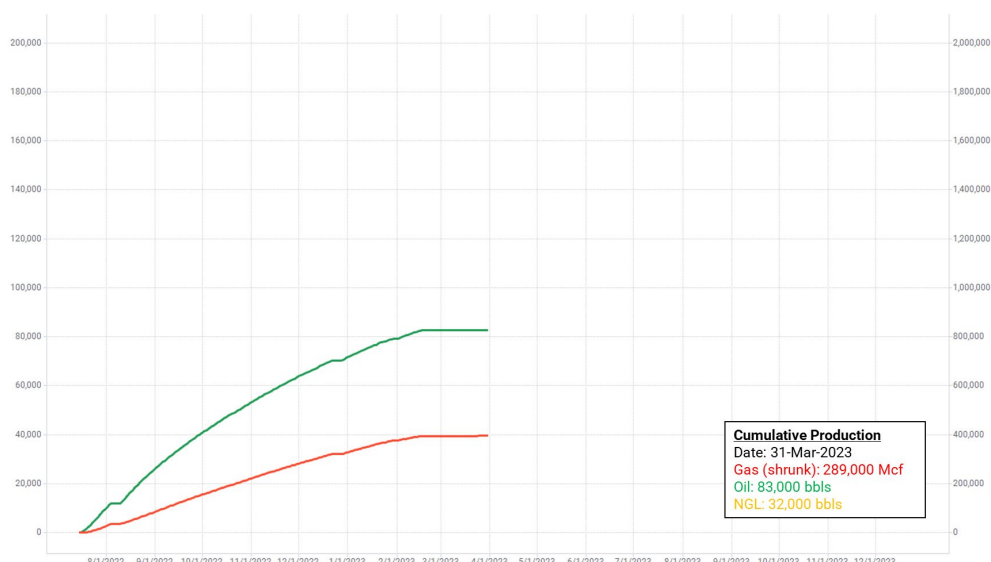


Figure 5. Cumulative production as at 31 March 2023 for the Flames Well.

Wolf Pack 36-25-1S-4W SXH 2 well (Wolf Pack Well)

During the quarter, the Company announced that the multi-stage hydraulic stimulation of the Wolf Pack Well, the first Phase Two Development Well in the SWISH AOI, had been completed successfully, with all stages completed and the reservoir successfully stimulated in accordance with the completion design. A snubbing unit was mobilised and the isolation plugs were successfully milled out with the well then circulated to clean-up and remove any remaining debris from the milling of the isolation plugs and stimulation process. Commercial production and sales were established from the Wolf Pack Well in mid-February with the Company announcing on 21 March 2023 that the Wolf Pack Well had produced a tremendous 40,000 BOE in its first 30 days of early flowback(80% oil, plus gas and natural gas liquids). The Wolf Pack Well had gross production of 71,333 BOE to the end of the quarter.

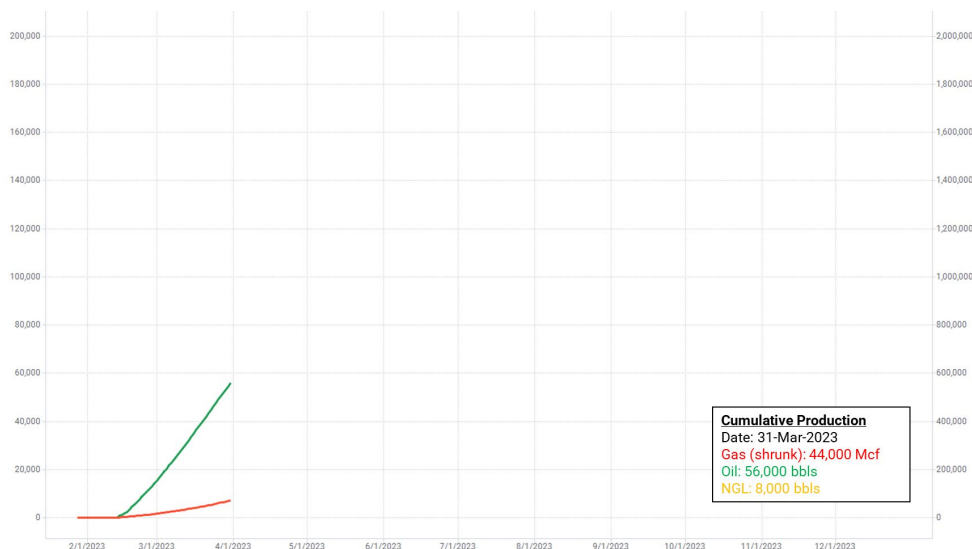


Figure 6. Cumulative production as at 31 March 2023 for the Rangers Well.



Land & Leasing

During the quarter, the Company continued to evaluate new acreage opportunities. While still early in the process the Company is confident that some of these opportunities will bear fruit for the Company and its shareholders, allowing Brookside to continue to grow its acreage position.

Bradbury AOI

The Bradbury AOI is located within the Arbuckle Uplift – Ardmore Basin, east-northeast of our SWISH AOI, in an area identified using historical production data and logs from vertical producers as well as seismic and mapping with the potential to be exploited using low-cost vertical drilling.

The Juanita Well reached total depth during the quarter with logging indicating 389 feet of net pay over 1,119 feet of gross pay across the primary, secondary, and tertiary pre-drill target zones. Surface facilities are being constructed in preparation for production testing of the well, with production testing expected to take several months to complete. Testing will be done sequentially reservoir by reservoir, beginning at the lowest reservoir at approximately 6,101 feet Total Vertical Depth (TVD) through to the shallowest reservoir at approximately 4,084 feet TVD. Reservoirs to be evaluated include both clastic (sandstone, siltstone & shale) and carbonate formations (limestone). It is envisaged that sales of hydrocarbons will commence during production testing.

With a second well already identified pending results of the Juanita Well production test, the Company is quietly confident that this well will be the first of many in the Bradbury AOI. The combination of low-cost drilling and completion costs and high reserve potential is expected to result in superior well economics from vertical wells that are drilled, completed, and successfully brought online in this AOI.

Production and Cash Flow

Group net production volumes were up in 1Q23 despite the temporary shut-in of the Company's SWISH AOI wells to avoid interference from nearby hydraulic stimulation operations. Production was supported by the impressive performance of Wolf Pack Well which produced a gross 71,333 BOE for the quarter after coming online in mid-February. Gross operated and group net volumes for the quarter are summarised below (net volumes are attributable to the Company's Working Interest and net of royalties). Note volumes are reported on a three-stream basis i.e., oil, natural gas liquids and shrunk gas (converted to BOE on an energy equivalent basis).

| Production | Total | Liquids |
|------------------------------|--------------|----------------|
| Gross Operated Volumes (BOE) | 164,000 | 74% |
| Group Net Volumes (BOE) | 94,749 | 72% |

Quarterly sales were down quarter on quarter due to the temporary shut-in of the Company's operated SWISH AOI wells and lower commodity prices. 1Q23 receipts from customers were A\$9.0 million from sales volumes of approximately 119,000 BOE, and a realised price per BOE of ~US\$52.0 (note that receipts from sales are reported on a cash basis), with cash and cash equivalents as at 31 March of A\$17.7 million. Working capital is projected to grow considerably in 2Q23, as receipts from the sale of oil, gas and NGL's increase with all wells back on production, a full quarter of Wolf Pack revenue recognised, and no further significant capex associated with the Wolf Pack or Juanita Wells.

Quarterly outflows totalled A\$7.2 million, including A\$0.74 million in production expenses (US\$4.24 per BOE) and A\$5.50 million in payments to Working Interest participants and royalty holders (which includes one-off adjustments for prior periods following finalisation of interests), and staff, administration and corporate costs of A\$0.99 million.



Capital expenditure for the quarter was higher at A\$18.9 million, as the full cost of drilling and completing the Company's highly successful Wolf Pack Well (84% Working Interest) and the exciting Juanita Well (100% Working Interest) as well as expenses related to leasehold acquisitions, title opinions and JIB's were funded from working capital.

The Company also confirms that the amount disclosed in the Appendix 5B under Section 6, Payments to related parties of the entity and their associates, relates solely to payments made during the quarter of fees to members of the Board of Directors amounting to \$0.105 million.

Corporate

During the quarter the Company released the 2022 Full Year Financial Result, showing that the Company generated revenue of A\$53.0 million (2021: \$12.6 million), resulting in record after tax profit of A\$15.10 million (2021: A\$2.61 million loss), produced 613,533 BOE (Gross Operated) and grew its acreage position by 41% year on year to ~4,615 Working Interest leasehold acres. 2022 was a transformational year for Brookside as the Company continued to execute its strategy to prospect for, prove-up and then monetise oil and gas assets. The momentum that began in 2021 with the drilling of the Jewell Well accelerated into 2022 with the Company drilling multiple wells, growing production, adding acreage, and most importantly generating significant revenue growth and a maiden after tax profit.

On 26 April the Company released a SWISH AOI Independent Reserves Certification showing 11.9 million BOE Proved and Probable Reserves (2P) net to Brookside's Working Interest and net of royalties (Net Reserves) for the SWISH AOI with strong Net Reserves economics of pre-tax NPV10 of US\$170.5 million (A\$254.5 million), total net sales of US\$629.0 million (A\$939.0 million) and pre-tax future net income (net of CAPEX) of US\$336.2 million (A\$501.8 million) (Tables 2 and 3). Please refer to the Company's ASX release 26 April 2023 for further information in respect of the requirements of Chapter 5 of the ASX Listing Rules.

| Net Reserves | | | | |
|--|------------------|------------------|-------------------|-------------------|
| | Oil (Barrels) | NGL (Barrels) | Gas (Mcf) | BOE |
| Proved Producing | 348,815 | 292,757 | 2,553,440 | 1,067,145 |
| Proved Non-Producing | 227,807 | 121,571 | 846,616 | 490,481 |
| Proved Undeveloped | 757,726 | 601,878 | 4,679,501 | 2,139,521 |
| Total Proved (1P) | 1,334,348 | 1,016,206 | 8,079,557 | 3,697,147 |
| Probable | 2,267,134 | 2,689,086 | 19,281,826 | 8,169,858 |
| Total Proved Plus Probable (2P) | 3,601,482 | 3,705,292 | 27,361,383 | 11,867,005 |

Table 2: Net Reserves as 31 December 2022.

| 2P Net Reserves | Net Sales | CAPEX |
|-------------------|-------------------------|-------------------|
| 11.9 MMBOE | US\$629.0M | US\$151.8M |
| FNI | NPV₁₀ | IRR |
| US\$336.2M | US\$170.5M | 53% |

Table 3: Summary of Net Reserves Key Project Economics.



On-market Share Buy-Back

After the end of the quarter the Company announced its intention to undertake an on-market buy-back of shares in the Company (**Share Buy-Back**). The Board believes the Company's market capitalisation does not reflect the underlying asset value, and notes the Company's recently announced 2022 full year financial results (A\$53 million in revenue, after tax profit of A\$15.1 million and EPS of 0.35 cents) and the Company's 26 April 2023 announcement of Independent Reserves Certification for its SWISH AOI acreage delivering US\$170.5 million or A\$0.05 per share pre-tax NPV₁₀ Net Reserve Value. CPS Capital Group has been appointed to conduct the Share Buy-Back on the Company's behalf. It is intended that the Share Buy-Back commences no earlier than 15 May 2023 and that it will be completed by 29 December 2023. The Company will only buy back shares at such times and in such circumstances as it considers beneficial to the efficient capital management of the Company and the buy-back is therefore dependent upon market conditions, volumes, and other relevant factors. Accordingly, the Company reserves the right to suspend or terminate the Share Buy-Back at any time.

The Company notes that up to 350,451,918 shares can be acquired under the Share Buy-Back in accordance with the "10/12 limit" permitted by the *Corporations Act 2001* (Cth) (**Corporations Act**) rather than the 500,000,000 shares advised in the Company's release of 26 April 2023. The Company retains the discretion to acquire up to 500,000,000 shares under the Share Buy-Back but would require shareholder approval to do so in accordance with the Corporations Act.

Board Meetings

The Board of Black Mesa met monthly during the quarter. David Prentice is Chairman and CEO of Black Mesa and Brookside's representative on this board. Michael Fry (Brookside's Chairman) and David Prentice attended these meetings via conference call. A meeting of the Brookside Board is regularly convened to align with these Black Mesa Board Meetings.

Investor Relations

During the quarter, the Company continued to work with its investor relations and corporate access service providers to increase market awareness of the Company's strategy including investor meetings and presentations in Sydney and Brisbane and attending and presenting at the Noosa Mining Conference.

- ENDS -

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

For further information contact:

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Company Secretary

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katherine@brookside-energy.com.au



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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The information set out in this announcement does not purport to be all-inclusive or to contain all the information, which its recipients may require to make an informed assessment of Brookside Energy. You should conduct your own investigations and perform your own analysis to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

To the fullest extent permitted by law, the Company does not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts, or other representations contained in this announcement. No responsibility for any errors or omissions from this announcement arising out of negligence or otherwise is accepted.

ABOUT BROOKSIDE ENERGY LIMITED

Brookside 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://www.brookside-energy.com.au>

ABOUT BLACK MESA ENERGY LLC

Black Mesa, a Brookside controlled subsidiary, is an Oklahoma domiciled limited liability company established for the purpose of identifying and exploiting opportunities in the upstream oil and gas sector onshore in the United States. Black Mesa was capitalised via an agreement between the Tulsa Equity Group, BRK Oklahoma (a wholly owned subsidiary of Brookside Energy Limited) and the Incentive Members of Black Mesa. Black Mesa is executing a returns-based, disciplined strategy directed at the acquisition of producing properties, lower-risk development drilling opportunities and larger scale entry level acreage plays/concepts. Black Mesa's is leveraging the extensive experience of its executive team and its Board with the latest technology and data sets that are available to identify and evaluate opportunities.

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



GLOSSARY

| | |
|---------------------------|---|
| APO WI | After pay-out working interest |
| AFIT | After Federal Income Tax |
| AOI | Area of Interest |
| BBL | An oilfield barrel, a volume of 42 US gallons |
| BFIT | Before Federal Income Tax |
| BOE | Barrels of Oil Equivalent |
| COPAS | Council of Petroleum Accountants Societies |
| Development Unit | Development Unit or 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. |
| DSU | A Drilling Spacing Unit refers to the area allotted to a well where an operating oil company has acquired a majority working interest and will drill at least one well. |
| HBP | Held by Production; A provision in an oil, gas, and mineral lease that perpetuates a company's right to operate a property as long as the property produces a minimum paying quantity of oil or gas. |
| JIB | Joint Interest Billing |
| MBOE | 1,000 barrels of oil equivalent |
| Mcf | 1,000 cubic feet |
| MMboe | 1,000,000 barrel of oil equivalent |
| MMBTU | One million British Thermal Units |
| NPV₁₀ | The net present value of future net revenue before income taxes and using a discount rate of 10%. |
| ORRI | Overriding Royalty 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 as specified in Appendix 1. |
| PUD | Proved Undeveloped Reserves |
| Reserve Categories | These reserve categories are totalled up by the measures 1P, 2P, and 3P, which are inclusive of all reserves 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 "proven AND probable AND possible." |
| RI | Royalty Interest |
| 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 |
| WOR | Waiting on rig |
| 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 |



Appendix 1 – Schedule of Oil and Gas Interests

| COUNTY | INTEREST ACQUIRED OR DISPOSED OF DURING THE QUARTER | TOTAL ACRES | WORKING INTEREST |
|---|---|--------------|---------------------|
| Blaine County, Oklahoma | Nil | ~430 acres | Working Interest |
| Garvin County, Oklahoma | Nil | ~305 acres | Working Interest |
| Stephens & Carter Counties, Oklahoma | Nil | ~3,760 acres | Working Interest |
| Murray County, Oklahoma | Nil | ~120 acres | Working Interest |



Appendix 2 – Capital Structure

| Security | Name | Issued Capital | Holders |
|----------|----------------------------|----------------|---------|
| BRK | ORDINARY FULLY PAID SHARES | 5,014,545,627 | 4,789 |



Appendix 3 – Top 20 Shareholders



Top Holders Grouped Report

Brookside Energy Limited

Security Class(es): BRK - ORDINARY FULLY PAID SHARES

Display Top: 20

As at Date: 27-Apr-2023

| Position | Holder Name | Holding | % IC |
|----------------------|---|---------------|---------|
| 1 | THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C> | 204,168,840 | 4.07% |
| 2 | HEDTEK PTY LTD | 200,118,197 | 3.99% |
| 3 | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP> | 163,992,515 | 3.27% |
| 4 | STANDARD PASTORAL COMPANY PTY LTD | 125,000,000 | 2.49% |
| 5 |  KMP - David Prentice | 111,000,000 | 2.21% |
| 6 | TUTAM PROPERTIES AU PTY LTD | 83,418,000 | 1.66% |
| 7 | BEARAY PTY LIMITED <BRIAN CLAYTON S/F A/C> | 74,111,113 | 1.48% |
| 8 | MR IVAN MURRAY HANDASYDE | 66,158,474 | 1.32% |
| 9 | CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C> | 62,090,200 | 1.24% |
| 10 | NICOJOHN PTY LTD <STEIN SF A/C> | 59,027,696 | 1.18% |
| 11 | CITICORP NOMINEES PTY LIMITED | 50,613,379 | 1.01% |
| 12 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2 | 48,631,380 | 0.97% |
| 13 | STONEHORSE ENERGY LIMITED | 45,000,000 | 0.90% |
| 14 | GREYHOUND INVESTMENTS PTY LTD <GREYHOUND INVESTMENTS A/C> | 44,000,000 | 0.88% |
| 15 | MR DOUGLAS PAUL TALBOT | 40,043,394 | 0.80% |
| 16 | SABRELINE PTY LTD <JPR INVESTMENT A/C> | 40,000,000 | 0.80% |
| 17 | RUDIE PTY LTD <MATTANI SUPER FUND A/C> | 39,980,236 | 0.80% |
| 18 | SUPERHERO SECURITIES LIMITED <CLIENT A/C> | 36,045,268 | 0.72% |
| 19 | DUTCH INK (2010) PTY LTD | 35,826,113 | 0.71% |
| 20 |  KMP - Gracjan Lambert | 33,772,728 | 0.67% |
| TOTALS | | 1,562,997,533 | 31.17% |
| Total Issued Capital | | 5,014,545,627 | 100.00% |

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Brookside Energy Limited (Brookside, the Company)

ABN

15 108 787 720

Quarter ended ("current quarter")

31 March 2023

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | 9,002 | 9,002 |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | - | - |
| | (b) development | - | - |
| | (c) production* | (6,225) | (6,225) |
| | (d) staff costs | (178) | (178) |
| | (e) administration and corporate costs | (811) | (811) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 71 | 71 |
| 1.5 | Interest and other costs of finance paid | (1) | (1) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (provide details if material) | 39 | 39 |
| 1.9 | Net cash from / (used in) operating activities | 1,897 | 1,897 |

*Including \$5.5 million in payments to Working Interest participants and royalty holders

| | | | |
|-----------|--|----------|----------|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment (incl. Producing Assets) | (144) | (144) |
| | (d) exploration & evaluation | (18,793) | (18,793) |
| | (e) investments | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|---|------------------------------------|--|
| | (f) other non-current assets | - | - |
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements / working interests | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other ((FX movement in Investments) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (18,937) | (18,937) |

| | | | |
|-------------|---|----------|----------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | - | - |

| | | | |
|-----------|--|----------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 33,902 | 33,902 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | 1,897 | 1,897 |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (18,937) | (18,937) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | 862 | 862 |
| 4.6 | Cash and cash equivalents at end of period | 17,724 | 17,724 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|----------------------------|-----------------------------|
| 5.1 | Bank balances | 17,674 | 33,852 |
| 5.2 | Call deposits | 50 | 50 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 17,724 | 33,902 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----------|---|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | (105) |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

| | | | |
|-----------|---|---|--|
| 7. | Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
| 7.1 | Loan facilities | - | - |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | - | - |
| 7.5 | Unused financing facilities available at quarter end | | - |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | | | |

| | | |
|-----------|---|----------------|
| 8. | Estimated cash available for future operating activities | \$A'000 |
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | 1,897 |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (18,793) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (16,896) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 17,724 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 17,724 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 1.05 |
| | <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | <p>Answer: No, as a result of the following:</p> <p>Capital expenditure (payments for exploration and evaluation) for 1Q23 was A\$18.8 million, as the full cost of drilling and completing the Company's highly successful Wolf Pack Well (84% Working Interest) and the exciting Juanita Well (100% Working Interest) were fully funded from working capital. Working capital is projected to grow considerably in 2Q23, as receipts from the sale of oil, gas and NGL's increase with all wells back on production, a full quarter of Wolf Pack revenue recognised, and no further significant capital expenditure associated with the Wolf Pack or Juanita Wells.</p> | |
| 8.8.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| | Answer: Refer to response in question 1. | |

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Refer to response in question 1.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28 April 2023.....

Authorised by: The Board of Directors, Brookside Energy Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.