

5 August 2020

Dear Option holder

**PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER AND OPTION OFFER
NOTICE TO OPTION HOLDERS**

This letter is to notify you that on 31 July 2020 Brookside Energy Limited (**ASX: BRK**) (**Brookside or the Company**) announced a pro rata non-renounceable entitlement offer of fully paid ordinary shares on the basis of one (1) fully paid ordinary shares (**New Shares**) for every four (4) fully paid ordinary shares in the Company (**Shares**) to eligible holders of Shares (**Shareholders**) registered at 5:00pm (WST) on Thursday 6 August 2020 (**Record Date**) at an issue price of \$0.005 per New Share together with one (1) free attaching option exercisable at \$0.011 on or before 30 June 2022 (**New Options**) for every one (1) New Share issued under the Prospectus (**Entitlement Offer**), and a separate offer of up to 300,000,000 New Options at an issue price of \$0.001, subject to Shareholder approval (**Option Offer**), to raise up to approximately \$1,555,625 (before costs) based on the number of Shares on issue at the date of this letter (**Offers**).

Eligibility to participate in the Entitlement Offer

The Entitlement Offer is only open to shareholders of the Company (**Shareholders**) who are registered as Shareholders at 5.00pm (WST) on the Record Date and who have registered addresses in Australia or New Zealand (**Eligible Shareholders**).

Prospectus and Entitlement Offer Details

Details of the Entitlement Offer, together with all other relevant information, are set out on the Company's prospectus which was lodged with the ASX on Friday 31 July 2020 (**Prospectus**). The Prospectus is currently available from the Company's website, www.brookside-energy.com.au, or the ASX website, www.asx.com.au, by searching under the Company's ASX code "BRK".

Under the terms of the options you currently hold in the Company (**Existing Options**) you are not entitled to participate in the Entitlement Offer unless you exercise your Existing Options and are entered onto the Company's Share register as a Shareholder on or before 5.00pm (WST) on the Record Date.

To exercise your Existing Options and thereby participate in the Entitlement Offer in respect of your Existing Options you will need to deliver to the registered office of the Company the following:

1. a completed application form to exercise options specifying the number of Existing Options to be exercised (**Option Exercise Notice**);
2. your Existing Option certificate(s) covering that number of Existing Options; and
3. payment for the exercise price for those Existing Options by way of cheque made payable to the Company.



Each Share allotted as a result of the exercise of an Existing Option will rank equally with all other issued Shares.

If you do not wish to participate in the Entitlement Offer in respect of your Existing Options, you do not need to take any action.

If you have any queries concerning the Entitlement Offer, please contact the Company on +61 (8) 6489 1600.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Loren King", with a small flourish at the end.

Loren King
Company Secretary
Brookside Energy Limited

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