



QUARTERLY REPORT

31 Oct 2023

## September Quarter 2023 Activities and Cashflow Report

Perth, Western Australia – 31 Oct 2023 – Brookside Energy Limited (ASX: BRK) (Brookside or the Company) is pleased to provide the following summary of the Company's activities for the third quarter of 2023.

### Highlights

- Cash receipts of A\$12.9m and positive operating cash flow of A\$6.3m.
- Record Free Cash Flow of \$5.2m yields a 20% increase in cash (versus the second quarter of 2023) to A\$28.1m net of A\$2.8m total On-market Share Buy-Back cost.
- Net production of 1,517 BOE per day<sup>1</sup>, of which 67% was liquids.
- Four operated SWISH AOI wells delivered gross production of 214,267 BOE and cumulative production to the end of the quarter of 1.4 million BOE.
- 1,000,000 BOE production milestone achieved during the quarter, including 715,000 BBLs of liquids less than 2 years since the first operated well came on production.
- Expanded and consolidated our acreage position in the core of the Woodford "Oil Window" by 12.5%, adding ~400 gross acres.
- Progressed approvals required for development of the Flames Drilling Spacing Unit (DSU), a major step in clearing the way for future operations to be conducted there and secured regulatory approval to create a 1,280-acre unit in the Bruins DSU, resulting in a 33% increase in the size of this DSU.
- Testing of the Juanita Well continued with flow back of a secondary target in the Simpson Group reaching a peak production test rate of 258 BOEPD (78% Oil). Bringing this well onto production with numerous potential reservoirs yet to be tested and follow-up targets already identified provides an opportunity for Brookside to establish a new AOI with cheap, low-risk, rapidly deployable wells with high rates of return.
- Our initial On-market Share Buy-Back acquired 219,999,999 shares or 4.4% of Brookside's Issued Capital thus far, costing A\$2.81m (VWAP \$0.0128).

### Brookside Energy Limited

Brookside Energy Limited is an Australian public company listed on the Australian (ASX: BRK) 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 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.

<sup>1</sup> Net to Brookside's Working Interest and after the deduction of royalties



## Corporate and Financial Summary

Share Price (A\$)	\$0.011	Quarterly Sales <sup>1</sup> . (A\$)	\$12,867,000
Shares on Issue	4,794,545,628	Net Cash (A\$) <sup>2</sup> .	\$28,108,000
Market Capitalisation (A\$)	~\$53,000,000	Production <sup>3</sup> . (BOE/day)	1,517

The Company generated strong cash receipts of A\$12.9m from Group net production of 1,517 BOEPD, just shy of last quarter's record production (Figure 1). The Company ended the quarter with a very healthy A\$28.1m in cash, which when adjusted for the A\$1.14m spent on the share buy-back, was a \$5.8m increase versus the second quarter of 2023. Brookside remains debt free and unhedged.

The Company is well advanced with plans for the next important phase: monetisation of its 11.9 million BOE Proved and Probable Reserves (2P), valued net to Brookside at US\$170.5m or A\$0.05 Per Share Pre-tax NPV10 (see ASX release of 26 April 2023). With oil prices looking like they have reached an inflexion point and heading higher, service costs beginning to normalise, and exciting emerging results from Continental Resources' neighbouring development in particular, the team is working hard to finalise the plan that it believes will deliver maximum shareholder return from this world-class discovery.

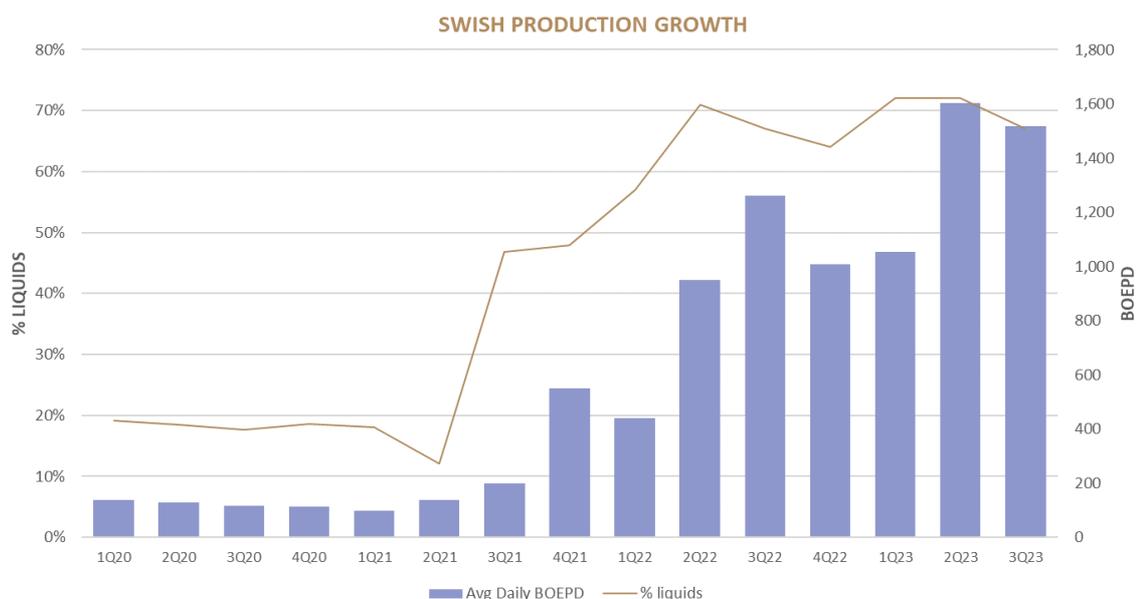


Figure 1: SWISH production growth quarter on quarter.

**Reserves Cautionary Statement:** Oil and gas reserves and resource estimates are expressions of judgment based on knowledge, experience, and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. This may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward looking statements. Brookside confirms that it is not aware of any new information or data that materially affects the information included in the market announcement dated 26 April 2023 "SWISH AOI Independent Reserves Certification" and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.



## 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 2).

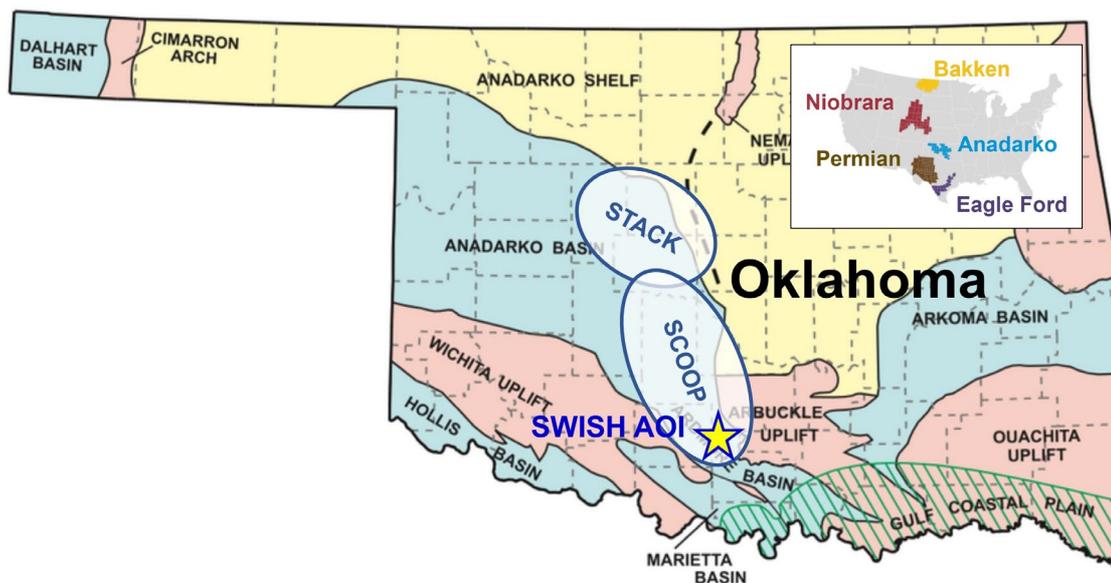


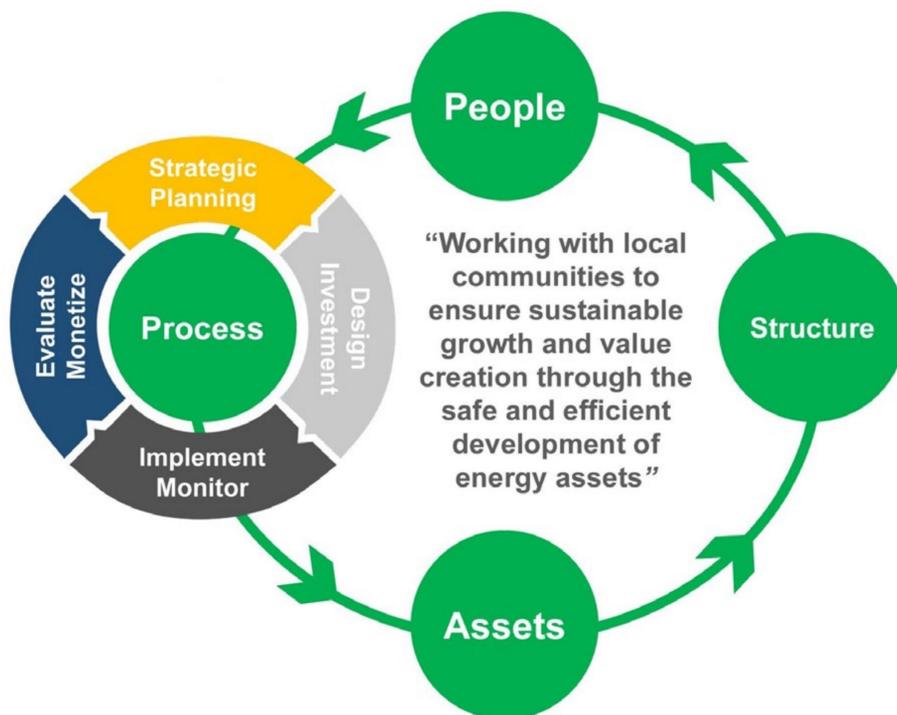
Figure 2: Brookside Projects, Oklahoma

1. Reported on a cash basis
2. Cash as of 30 September 2023
3. Net production figures are volumes attributable to the Company's Working Interest and are net of royalties

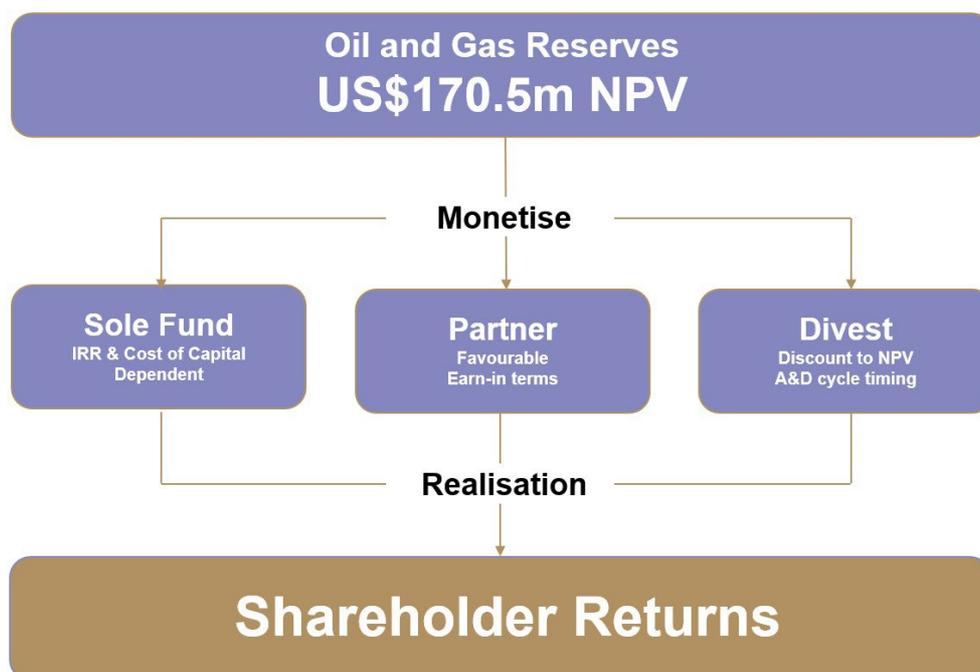


## Financially Disciplined Oil Price Leverage

Safe, Sustainable and Efficient Development  
Prospect, Prove-up and Monetise



## Path to Maximising Shareholder Value





## Operational Overview

During the third quarter, strong ongoing production combined with recovering oil prices resulted in another strong financial result for the company. Despite higher gas contribution to overall production this quarter, as expected with Wolf Pack production maturing, liquids production is still a highly enviable 67% of total production. Operationally the Company commenced production from its first drilled and operated well in the Bradbury AOI, the Juanita Well, with an initial peak rate of 130 BOPD. Bringing this well onto production with numerous potential oil reservoirs yet to be tested and follow-up targets already identified will usher in a new era for Brookside of cheap, low-risk quick drill wells with high of rates of return. Additionally, the company proudly announced that it had reached a milestone of 1 million BOE produced, including 715,000 BBLS of liquids, less than 2 years since its first operated well came on production; no mean feat for a company the size of Brookside.

On the back of exciting early results from the Continental Resources owned Courbet development and its Gapstow Well (including numerous wells with IP's above 2,000 BOEPD and several above 3,000BOEPD) in acreage adjacent to the Flames, Bruins and Jewell DSUs (Figures 3 and 4), the Company expanded and consolidated its acreage position in the core of the Woodford "Oil Window" with the addition of ~400 gross acres, growing its acreage position in this area by 12.5% and creating a strategic contiguous acreage position. The Company continues to be active in the acreage leasing space as per our stated strategy.

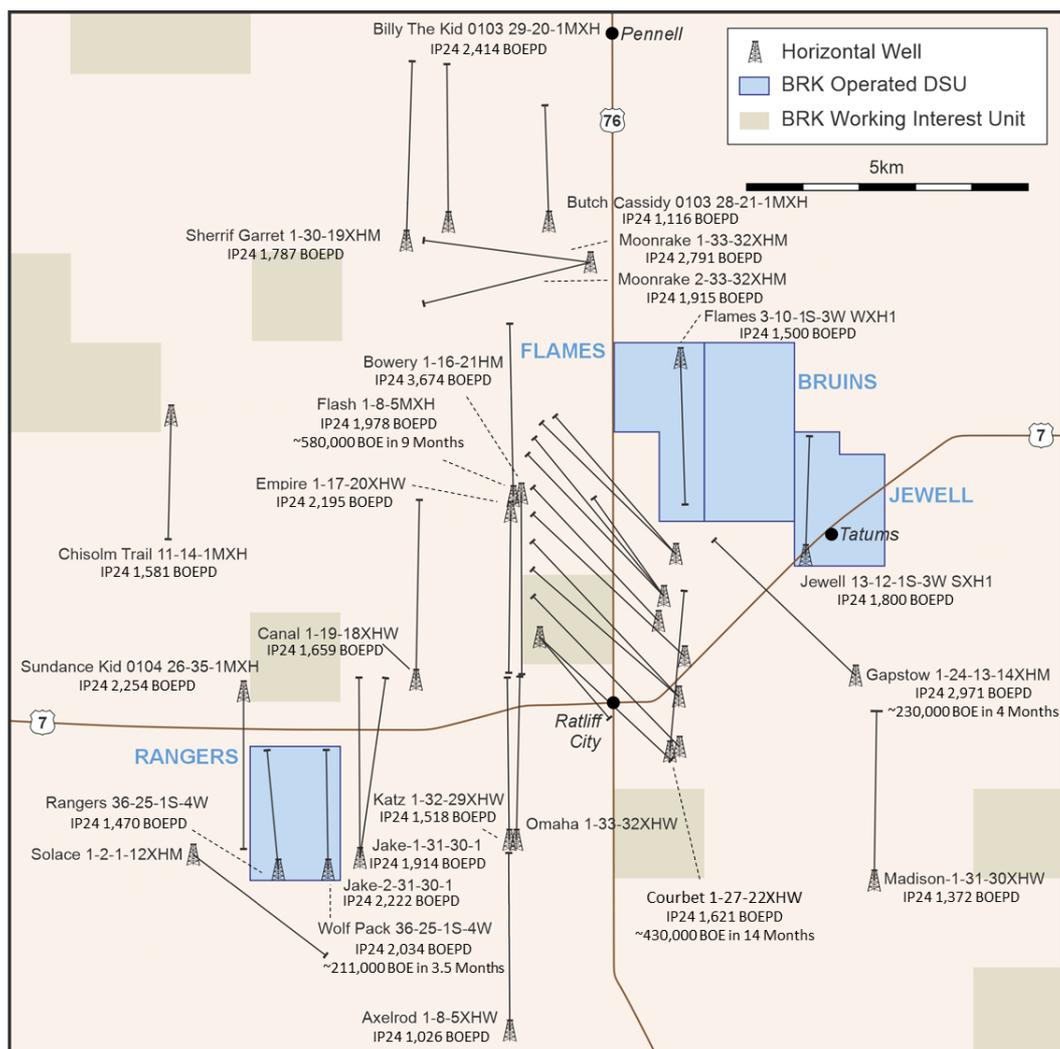


Figure 3: Location map showing Brookside's four operated SWISH AOI DSU's, Continental Resources Courbet Wells full field development south of the Flames DSU and Continental Resources Gapstow Well south of the Bruins and Jewell DSUs.





## Drilling and Completion Activities

The Company has an interest in sixty-six 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	95.00%	Black Mesa Energy, LLC	Producing
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	52.52%	Black Mesa Energy, LLC	Producing
AB 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 12-1	21.68%	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	3.72%	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	0.30%	Devon Energy Corp.	Producing
CENTAUR 7_6-15N-10W 4HX	0.30%	Devon Energy Corp.	Producing
CENTAUR 7_6-15N-10W 2HX	0.29%	Devon Energy Corp.	Producing
CENTAUR 7_6-15N-10W 5HX	0.29%	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
BIFFLE 22-15 S1H	0.18%	Cheyenne Petroleum, Co.	Producing
BIFFLE 22-15 S2H	0.15%	Cheyenne Petroleum, Co.	Producing
BIFFLE 22-15 S3H	0.14%	Cheyenne Petroleum, Co.	Producing
BOARDWALK 1-5MH	0.15%	Continental Resources, Inc.	Producing
CATSKILLS 1-1-12XHW	0.23%	Continental Resources, Inc.	Producing
LEON 2-26-23-14XHM	0.11%	Continental Resources, Inc.	Producing
ASSAULT 1-9-16-21XHM	0.10%	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 2-20-17XHM	0.01%	Continental Resources, Inc.	Producing
RINGER RANCH 3-20-17XHM	0.01%	Continental Resources, Inc.	Producing
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%	Ovintiv USA Inc.	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.	RI
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
COURBET 10-15-9XHW	0.06%	Continental Resources, Inc.	Producing
GAPSTOW 1-24-13-14-XHM	0.07%	Continental Resources, Inc.	Producing
SOLACE 1-2-1-12-XHM	0.11%	Continental Resources, Inc.	Producing
SOLACE 1-2-1-12-XHM	0.00%	Continental Resources, Inc.	RI
LEWIS A1-32 SWD	50.00%	Black Mesa Energy, LLC	Disposal
NORMAN 32-1	95.00%	Black Mesa Energy, LLC	Not Yet Spud
BOARDWALK 2-8-5HXM	0.07%	Black Mesa Energy, LLC	Producing

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.



## SWISH AOI Operated Wells

The Company currently operates four wells in the SWISH AOI: the Jewell 13-12-1S-3W SXH1, Rangers 36-25-SXH1, Flames 3-10-1S-3W WXH1 and Wolf Pack 36-25-1S-4W SXH 2 Wells. All wells were on production during the quarter. Gross production for these four wells for the quarter totalled 214,267 BOE with cumulative gross production to 30 September 2023 of 1.4 million BOE (Figure 5).

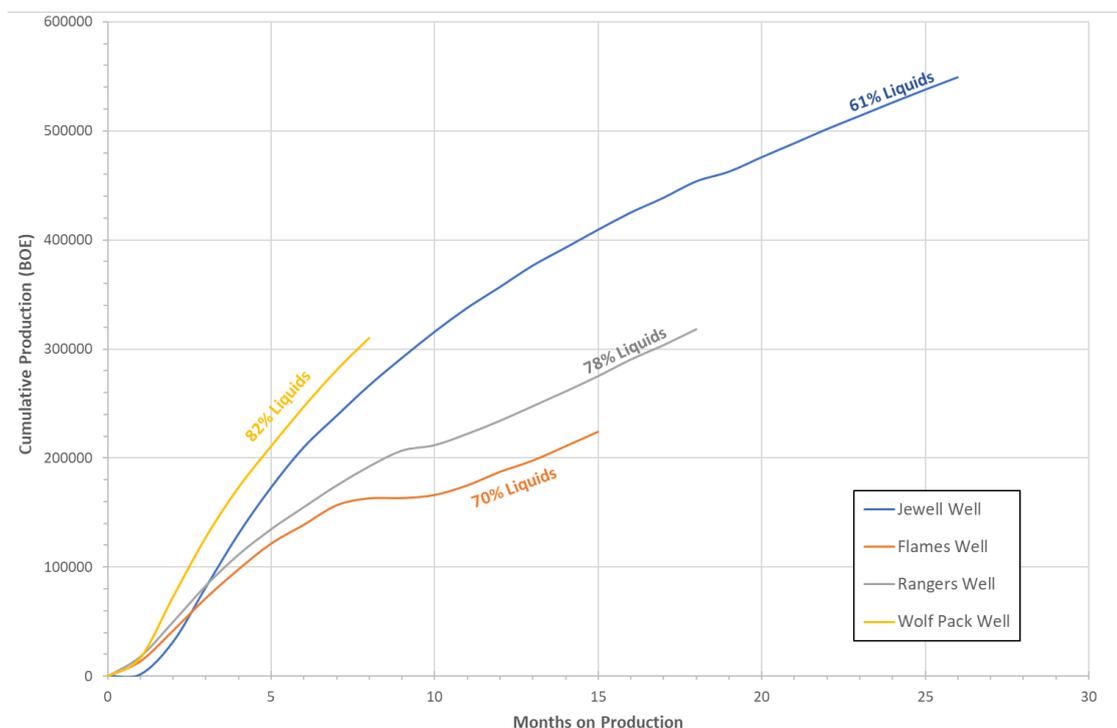


Figure 5: Cumulative production as at 30 September 2023 for the Jewell, Rangers, Flames and Wolf Pack Wells.

## SWISH AOI Operated Wells Cumulative Production

Well Name	Production Date	Oil (BBL)	Gas (Mcf)	NGL (BBL)	BOE
Jewell	31/08/2021	192,075	1,282,291	143,229	549,019
Rangers	30/04/2022	179,734	415,675	69,251	318,264
Flames	31/07/2022	111,230	399,180	46,237	223,997
Wolfpack	28/02/2023	193,432	342,661	59,684	310,227
<b>Total</b>		<b>676,471</b>	<b>2,439,808</b>	<b>318,401</b>	<b>1,401,507</b>

Brookside's SWISH AOI operated wells are all producing at or above pre-drill estimates and are on trend to meet or exceed our forecast EUR's. Two of the wells have already achieved pay-out and the others are on track to achieve this important milestone as modelled.



## Land & Leasing

During the Quarter Brookside further consolidated its position in the prized Woodford “Oil Window” of the SWISH AOI, adjacent to and north of Continental Resources’ successful Courbet wells (full field development) and its Gapstow well (see Figures 3 and 4), with the addition of ~400 gross acres, growing Brookside’s acreage position in this area by 12.5%. The Woodford shale is the source rock for a substantial proportion of Oklahoma’s production, and the Company has secured a strategic contiguous acreage position in this highly sought-after area that is delivering world-class results. Brookside is moving quickly to map out next steps for the monetisation of this acreage and the liquids rich reserves that it hosts.

The Company successfully moved forward with initial approvals required for the development of the Flames Drilling Spacing Unit (DSU). This is a major step in clearing the way for future drilling and completion operations to be conducted within this unit. In the Company’s Bruins DSU, its filings to create a 1,280-acre unit for the development of this unit have also been approved by the OCC, resulting in a 33% increase in the size of this DSU. The Company also continues to actively acquire acreage within the SWISH AOI, with additional acreage being acquired within the Jewell DSU. This success, combined with activity in the Flames and Bruins DSUs, has delivered a contiguous block of 3,200-acres (gross) in the heart of this core area. This is in addition to the Rangers DSU that hosts the Company’s highly successful Sycamore wells, in the Rangers and Wolf Pack Wells.

## 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.

During the Quarter the Company continued its successful tested program of the Juanita Well with testing of a secondary target in the Simpson Group reaching a peak production test rate of 258 BOEPD (78% Oil). This followed the previous successful test of a primary target in the Simpson Group which delivered a peak production test rate of 329 Barrels BOEPD (75% Oil). Based on these strong results a decision was made to pause testing of the remaining potential oil reservoirs and commence production. Commercial production was established in the Juanita Well by commingling of the two successfully tested sands in the highly productive Simpson Group, with production averaging 112 Barrels of Oil Per Day (BOPD) as the well cleaned up, with an initial peak rate of 130 BOPD. The remaining potential oil reservoirs will be tested at a later date.

With a second well location identified, the Company is hopeful that this well will be the first of many in the Bradbury AOI, with the potential to yield a second production base for the Company, complimenting the SWISH 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

The Company's production for the third quarter was just shy of the record gross operated volumes and record group net volumes achieved in the second quarter of 2023. 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).

<b>Production</b>	<b>Total</b>	<b>Liquids</b>
Gross Operated Volumes (BOE)	222,340	68%
Group Net Volumes (BOE)	139,568	67%

During the quarter the Company produced its one millionth barrel of oil equivalent less than 2 years since its first operated well, the Jewell Well, came on production. The production milestone includes 715,000 BBLs of liquids. This result is even more significant when considering that Brookside only brought its fourth well, the Wolf Pack Well, on production in February of this year. The speed with which Brookside produced one million BOE attests to not only the quality of the rocks but also to the operational and corporate acumen of the Brookside team.

The Company had cash receipts during the third quarter of \$12.9m from sales volumes of approximately 208,288 BOE, and a realised price per BOE of ~US\$40 (note that receipts from sales are reported on a cash basis), with cash as at 30 September of A\$28.1m. The realised price per BOE is a mix of oil, NGLs and natural gas revenue.

Quarterly cash expenses totalled A\$6.01m, including A\$0.53m in production expenses and A\$5.5m in payments to Working Interest participants and royalty holders (which includes one-off adjustments for prior periods following finalisation of interests). Staff, administration, and corporate costs were lower quarter on quarter at A\$0.80m.

Capital expenditure (investment for exploration and evaluation) for the quarter was A\$1.12m, primarily associated with the Juanita Well (100% Working Interest) as well as expenses related to leasehold acquisitions, title opinions and JIB's.

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 \$0.11m.

## Corporate

### On-market Share Buy-Back

During the quarter, the Company continued to pursue its program of on-market share purchases. As at the date of this report the Company has deployed approximately A\$2.8m to purchase 219,999,999 shares (VWAP \$0.01279) or approximately 4.4% of the Company's pre buy-back issued capital. Our commitment to creating value for our shareholders remains at the forefront of our priorities and the on market share buy-back is part of this. With the substantial free cash generation yielded from our producing properties the Company is committed to rewarding shareholders. To this end, the buy-back program is aimed at reducing the number of shares on issue through responsible capital allocation that serves the best interests of our shareholders. Buying back shares at a very substantial discount to the Company's Net Present Value is a sensible use of capital and highly accretive to existing NPV per share, Reserves per share and Earnings per share.



### 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. Brookside's Chairman and Managing Director attended the August and September meetings in person. 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 execute its plan to increase market awareness of the Company, its strategy, and the opportunities available to increase shareholder value. During the September quarter, the Company's Investor Hub continued to attract attention, with 769 unique visitors, 16 new signups, 36 investor questions, and 72 survey responses. This Investor Hub continues to be very effective interactive and promotional tool for Brookside and we encourage everyone to visit us at our Investor Hub <https://investorhub.brookside-energy.com.au>

**- 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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## **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

<b>APO WI</b>	After pay-out working interest
<b>AFIT</b>	After Federal Income Tax
<b>AOI</b>	Area of Interest
<b>BBL</b>	An oilfield barrel, a volume of 42 US gallons
<b>BFIT</b>	Before Federal Income Tax
<b>BOE</b>	Barrels of Oil Equivalent
<b>COPAS</b>	Council of Petroleum Accountants Societies
<b>Development Unit</b>	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.
<b>DSU</b>	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.
<b>HBP</b>	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.
<b>JIB</b>	Joint Interest Billing
<b>MBOE</b>	1,000 barrels of oil equivalent
<b>Mcf</b>	1,000 cubic feet
<b>MMboe</b>	1,000,000 barrel of oil equivalent
<b>MMBTU</b>	One million British Thermal Units
<b>NPV<sub>10</sub></b>	The net present value of future net revenue before income taxes and using a discount rate of 10%.
<b>ORRI</b>	Overriding Royalty Interest
<b>PDP</b>	Proved Developed Producing Reserves
<b>Pooling Agreements</b>	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.
<b>PUD</b>	Proved Undeveloped Reserves
<b>Reserve Categories</b>	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"> <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>
<b>RI</b>	Royalty Interest
<b>STACK</b>	Sooner Trend Anadarko Basin Canadian and Kingfisher Counties – oil and gas play in the Anadarko Basin Oklahoma
<b>SCOOP</b>	South Central Oklahoma Oil Province - oil and gas play in the Anadarko Basin Oklahoma
<b>SWISH AOI</b>	Description of Brookside's Area of Interest in the SCOOP Play
<b>WOR</b>	Waiting on rig
<b>Working Interest</b>	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	400 acres <sup>2</sup>	~4,160 acres <sup>2</sup>	Working Interest
Murray County, Oklahoma	Nil	~120 acres	Working Interest

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<sup>2</sup> Subject to the issue of final pooling orders.



## Appendix 2 – Capital Structure

Security	Name	Issued Capital	Number of Holders
BRK	Ordinary Fully Paid Shares	4,794,545,628	4,701



### Appendix 3 – Top 20 Shareholders

**Top holders grouped report  
Brookside Energy Limited**

**Security class: BRK - ORDINARY FULLY PAID SHARES**  
**As at date: 27-Oct-2023**  
**Display top: 20**

	<b>Holder Name</b>	<b>Holding</b>	<b>% IC</b>
1	HEDTEK PTY LTD	200,118,197	4.17%
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	154,227,199	3.22%
3	STANDARD PASTORAL COMPANY PTY LTD	125,000,000	2.61%
4	Mr David Prentice	111,000,000	2.32%
5	TUTAM PROPERTIES AU PTY LTD	83,418,000	1.74%
6	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	80,168,840	1.67%
7	BEARAY PTY LIMITED <BRIAN CLAYTON S/F A/C>	74,111,113	1.55%
8	MR IVAN MURRAY HANDASYDE	67,158,474	1.40%
9	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	62,090,200	1.30%
10	CITICORP NOMINEES PTY LIMITED	51,998,226	1.08%
11	MR WILLIAM ANTHONY MURRAY <SUPERANNUATION FUND A/C>	49,000,000	1.02%
12	STONEHORSE ENERGY LIMITED	45,000,000	0.94%
13	RUDIE PTY LTD <MATTANI SUPER FUND A/C>	44,336,296	0.92%
14	GREYHOUND INVESTMENTS PTY LTD <GREYHOUND INVESTMENTS A/C>	44,000,000	0.92%
15	MR DOUGLAS PAUL TALBOT	40,876,727	0.85%
16	FINCLEAR PTY LTD<SUPERHERO SECURITIES A/C>	40,331,243	0.84%
17	SABRELINE PTY LTD <JPR INVESTMENT A/C>	37,500,000	0.78%
18	BUTTONWOOD NOMINEES PTY LTD	35,884,949	0.75%
19	Mr Gracjan Lambert	33,772,728	0.70%
20	HOLDSWORTH BROS PTY LTD <HOLDSWORTH BROS S/F A/C>	30,000,000	0.63%
	<b>Total</b>	<b>1,409,992,192</b>	<b>29.41%</b>
	<b>Total issued capital</b>	<b>4,794,545,628</b>	<b>100.00%</b>

## 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")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	12,867	39,399
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production*	(6,013)	(21,430)
	(d) staff costs	(220)	(605)
	(e) administration and corporate costs	(584)	(2,048)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	238	341
1.5	Interest and other costs of finance paid	(2)	(5)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	35	114
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>6,322</b>	<b>16,222</b>

\*Including \$5.5 million in payments to Working Interest owners and Royalty holders.

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment (incl. Producing Assets)	(664)	(1,003)
	(d) exploration & evaluation	(453)	(19,569)
	(e) investments	-	-

## 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 (9 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,117)</b>	<b>(20,572)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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 (On-Market Share Buy-Back)	(1,136)	(2,276)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(1,136)</b>	<b>(2,276)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	23,455	33,902
4.2	Net cash from / (used in) operating activities (item 1.9 above)	6,322	16,222
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,117)	(21,034)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,136)	(2,276)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	584	1,288
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>28,108</b>	<b>28,108</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	28,058	23,405
5.2	Call deposits	50	50
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>28,108</b>	<b>23,455</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(109)
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.*

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	6,778
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(453)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	6,325
8.4 Cash and cash equivalents at quarter end (item 4.6)	28,108
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	28,108
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	N/A
<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?	
Answer: N/A	
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: N/A	
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: N/A	
<i>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.</i>	

**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: .....31 October 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.