

BROOKSIDE ENERGY LIMITED

(SUBJECT TO DEED OF COMPANY ARRANGEMENT)

(RECEIVERS AND MANAGERS APPOINTED)

ACN 108 787 720

Quarterly Activities Report for the period ended 31 March 2015

As outlined in the Quarterly report for the period ended 31 December 2014, on 8 December 2014, Clifford Rocke, Martin Madden and David Winterbottom of KordaMentha Pty Ltd were appointed as Receivers and Managers ("R&M") of certain assets of Red Fork Energy Limited (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) (renamed Brookside Energy Limited) (the Company) under the terms of the security provided to Guggenheim Corporate Funding LLC (Guggenheim).

On 10 December 2014, the Company's securities were suspended from quotation on the Australian Securities Exchange (ASX). On 10 December 2014, the Directors of the Company resolved to place the Company in voluntary administration and appointed Messrs Martin Jones, Darren Weaver and Benjamin Johnson of Ferrier Hodgson (the Administrators) as joint and several administrators of the Company.

On 12 December 2014 the R&M were appointed over the Company. Following appointment of the R&M and the Administrators, the powers of the Company's officers (including Directors) were suspended and subject to the appointment of the R&M and Administrators who assumed control of the Company's business, property and affairs.

This Quarterly Activities Report (QAR) and the attached Quarterly Cash Flow Statement (5B) has been prepared by Directors in office for the full periods presented in this report. Every reasonable effort has been made by the Directors to ascertain the true position of the Company as at 31 March 2015.

These reports may not contain all the required information or disclosure in relation to transactions undertaken by the company as this information is unascertainable due to the administration process.

Consequently, although the Directors have prepared these reports to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that these reports have been prepared in accordance with the Australian Accounting Standards including Australian interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the Corporations Act 2001, nor is it possible to state these reports gives a true and fair view of the Company's financial position as at 31 March 2015.

Events Subsequent to the Quarter ended 31 March 2015

On 1 April 2015, at a meeting of creditors of the Company, the creditors of the Company resolved that the Company execute a deed of company arrangement (DOCA) between the Company, the Administrators and Cicero Advisory Services Pty Ltd. The DOCA was subsequently executed on 2 April 2015. Under the terms of the DOCA, the Administrators were appointed as deed administrators of the DOCA (Deed Administrators). The DOCA included a proposal for the reconstruction and recapitalisation of the Company (Recapitalisation Proposal).

Completion of the DOCA was subject to a number of conditions, including obtaining necessary shareholder approvals. On 8 June 2015 the Company announced that all of the resolutions put to shareholders at the General meeting held on 5 June 2015 were passed.

On the 9 June 2015 the Company lodged a Prospectus for the capital raising contemplated in the Recapitalisation Proposal. On 1 July 2015 the Company further announced that the offers outlined in the Prospectus had closed oversubscribed, with a total of \$2.5 million raised. The Company also announced that the Conditions Precedent to the completion of the DOCA had been fulfilled and that the Company is working with the Deed Administrators and Cicero to bring the DOCA to completion.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

RED FORK ENERGY LIMITED
(Subject to Deed of Company Arrangement) (Receivers and Managers Appointed)
(RENAMED BROOKSIDE ENERGY LIMITED)

ABN

15 108 787 720

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

	Current quarter US\$'000	Year to date (3 months) US\$'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	- - - -	- - - -
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	-	-
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Disposal of subsidiaries)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

	Current quarter US\$'000	Year to date (3 months) US\$'000
1.13 Total operating and investing cash flows (brought forward)	-	-
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other – cost of share issue	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held		
1.20 Cash at beginning of quarter/year to date	-	-
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at end of quarter	-	-

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter US\$'000
1.23 Aggregate amount of payments to the parties included in item 1.2	-
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

On 8 December 2014, Clifford Rocke, Martin Madden and David Winterbottom of KordaMentha Pty Ltd were appointed as Receivers and Managers (“R&M”) of certain assets of the Company under the terms of the security provided to Guggenheim Corporate Funding LLC “Guggenheim”.

On 10 December 2014, Red Fork Energy Limited’s (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) (to be renamed Brookside Energy Limited) securities were suspended from quotation on the Australian Securities Exchange (ASX). On 10 December 2014, the Directors of the Company resolved to place the Company in voluntary administration and appointed Messrs Martin Jones, Darren Weaver and Benjamin Johnson of Ferrier Hodgson as joint and several administrators of the Company.

On 12 December 2014 the R&M were appointed over the Company. Following appointment of the R&M and administrators, the powers of the Company’s officers (including Directors) were suspended and subject to the appointment of the R&M and Administrators who assumed control of the Company’s business, property and affairs.

As a result these cash flows do not contain all the required information in relation to transactions undertaken by the company as this information is unascertainable due to the administration process and/or the change in directorships.

1.23 is the Directors Fees and Salaries for Australian based directors only.

+ See chapter 19 for defined terms.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available US\$'000	Amount used US\$'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	US\$'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	-
4.5 Finance costs	-
Total (outflow)	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter US\$'000	Previous quarter US\$'000
5.1 Cash on hand and at bank	-	-
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – Restricted cash (Cash held in escrow account of lender and certificates of deposit)	-	-
Total: cash at end of quarter (item 1.22)	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference + securities (description)		Class	
	1,000,000	-	B (Directors)	Nil
	2,000,000	-	C (Directors)	Nil
	1,530,000	-	A (Employee)	Nil
	2,890,000	-	B (Employee)	Nil
	3,040,000	-	C (Employee)	Nil
	9,546,062	-	2014 Employee LTI Rights	Nil
7.2	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through conversion to shares and cancellations	-	-	-
7.3	+Ordinary securities	501,051,719	-	-
7.4	Changes during quarter			
	(a) Increases through exercise of performance rights	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.5	+Convertible debt securities (description)	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options (description and conversion factor)	-	-	Exercise price -	Expiry date -
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~does not~~* (delete one) give a true and fair view of the matters disclosed.

Loren Jones
Director and Company Secretary
8 July 2015

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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