

30 October 2015

Quarterly Report for the period ending September 30, 2015

Brookside Energy Limited (**ASX:BRK**) (the "**Company**") is pleased to present its quarterly activities report for the period ending September 30, 2015.

On July 1, 2015 the Company provided an update to the market advising that it had successfully closed the offers made under its prospectus dated June 9, 2015 raising \$2.5 million (before costs associated with the offer). In addition the Company noted that the Conditions Precedent to completion of the Deed of Company Arrangement (DOCA) dated April 1, 2015 had been fulfilled.

On July 16, 2015 the Company further announced that the DOCA was wholly effectuated and that the Receivers and Managers had retired with control of the Company returning to the Directors effective July 15, 2015.

The Company was subsequently reinstated to official quotation on August 5, 2015.

On August 31, 2015 the Company lodged a Notice of Annual General Meeting (AGM) for a meeting to be held on September 30, 2015. Resolutions put to the AGM included, the adoption of the remuneration report, re-election of Director (Michael Fry), consolidation of capital, placement of options and participation of related parties in the placement of options. On September 30, 2015 the Company announced that all resolutions put to the meeting passed on a show of hands.

Subsequent to the end of the quarter the Company announced the completion of the previously approved consolidation of capital, which was achieved through the conversion of ten fully paid ordinary shares into one fully paid ordinary share. Post this consolidation the Company had a total of 350,000,303 fully paid ordinary shares on issue.

On October 23, 2015 the Company also announced that 175,000,000 unlisted options (exercisable at \$0.02 per option with an expiry date of December 31, 2018) had been issued following approval at the AGM held on September 30, 2015.

Finally, on October 29, 2015 the Company announced the appointment of Cicero Advisory Services (Cicero) as its corporate advisor. It is intended that Cicero will advise the Board on potential acquisition opportunities that could accelerate the transformation of the Company into a high growth and strong cash-flow generating business.

During the quarter the Company continued to pursue its main business undertaking of oil and gas exploration and production, looking to leverage off the experience of its Directors and its extensive network of experienced consultants and service companies to identify opportunities in the mid-continent region of the United States. The Company is



applying a disciplined portfolio approach to its review of potential acquisition opportunities. The Company expects to be in a position to update the market further on these activities during the December 2015 quarter.

Yours faithfully,

Loren Jones

Director and Company Secretary

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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

BROOKSIDE ENERGY LIMITED

ABN

15 108 787 720

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter (Sept 2015) \$A'000 ¹	Year to date (9 months) \$A'000 ¹
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration ²	- - - (832)	- - - (832)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
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	830	830
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	830	830

¹ Note that the Company is now reporting in AUD.

² Approximately 659,865 of the payments for administration shown at 1.2 (d) relate to the completion of the DOCA and associated expenses for the reinstatement of the Company's securities on the ASX.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

	Current quarter (Sept 2015) \$A'000	Year to date (9 months) \$A'000
1.13 Total operating and investing cash flows (carried forward)	830	830
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	2,550	2,550
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	(165)	(165)
Net financing cash flows	2,385	2,385
Net increase (decrease) in cash held	1,555	1,555
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	1,555	1,555

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

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	(75)
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	
Payment of director's fees, rent, administration expenses and reimbursements.	

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

None

- 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

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	131
4.2 Development	-
4.3 Production	-
4.4 Administration	139
4.5 Finance costs	-
Total (outflow)	270

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 (Sept 2015) \$A'000	Previous quarter (June 2015) \$A'000
5.1 Cash on hand and at bank	1,555	-
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)	1,555	-

+ 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)	-	-	-
7.2	Changes during quarter			
	(a) Increases through issues	-	-	-
	(b) Decreases through conversion to shares and cancellations	-	-	-
7.3	+Ordinary securities	3,500,000,000	-	-
7.4	Changes during quarter			
	(a) Increases through exercise of performance rights	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-

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	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 <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	-	-	Exercise price -	Expiry date -
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

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 give a true and fair view of the matters disclosed.

Loren Jones
Director and Company Secretary
30 October 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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