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Listing

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Directors

Michael Fry (Chairman)
David Prentice (Managing Director)
Loren Jones (Non Exec. & Co. Sec.)

About Brookside Energy

Brookside Energy Limited is an Australian publicly held company listed on the Australian Securities Exchange (ASX:BRK). The Company was established in 2004 and first listed via an Initial Public Offering in October 2005. The Company has established deep and valued relationships in the oil and gas sector over the last 10 years through its successful activities in the oil and gas sector focused on the mid-continent region of the United States. Brookside's goal is to build value per share through a disciplined portfolio approach to the acquisition and development of producing oil and gas assets and the leasing and development of acreage opportunities.

Perth, Western Australia
December 7th, 2015

Investment in US Focused Energy Start-up

- Brookside subsidiary BRK Oklahoma has acquired a 15% interest in United States focused energy start-up Black Mesa Production LLC
- Investing alongside a Tulsa, Oklahoma based equity group with extensive industry experience and a strong track record for creating significant value from energy start-ups
- Commodity price environment is creating a period of significant opportunity for targeted investments in the energy sector
- Black Mesa management team in place with accomplished oil and gas professionals across key disciplines of land, finance, operations and reservoir engineering
- Black Mesa executing a returns-based, disciplined strategy directed at both the acquisition of producing properties and lower-risk development drilling opportunities
- Evaluation of potential opportunities has already commenced

Brookside Energy Limited ("Brookside or the Company") is pleased to announce that its wholly owned subsidiary BRK Oklahoma Holdings LLC ("BRK Oklahoma") has made an investment in United States focused energy start-up Black Mesa Production, LLC ("Black Mesa").

BRK Oklahoma and a Tulsa, Oklahoma based equity group ("the Tulsa Equity Group") have executed an Operating Agreement with Black Mesa. Under this agreement, which is effective December 1st, 2015, BRK Oklahoma will acquire 15% of Black Mesa and the Tulsa Equity Group will acquire 35% ("the Equity Members"). The Black Mesa management team will earn 50% equity in Black Mesa as Incentive Members.

The Tulsa Equity Group has appointed three representatives to the Black Mesa Board, including the Chairman/CEO. Brookside Managing Director, David Prentice has also been appointed to the Board of Black Mesa.

Black Mesa has moved quickly to establish itself with the capability to efficiently review both acquisition and development opportunities with experienced professionals in place across key disciplines of land, finance, operations and reservoir engineering. The Black Mesa team has already begun to review potential acquisition and development opportunities.

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The Equity Members have committed US\$3.126 million (pro-rata in accordance with their respective equity positions) in start-up capital to Black Mesa over three years. Black Mesa will leverage its relationship with Brookside and the Tulsa Equity Group to support and enhance its efforts to identify potential acquisition and development opportunities and to provide capital for these initiatives as required.

Brookside's acquisition of this interest in Black Mesa is consistent with the portfolio approach of acquiring and developing producing oil and gas properties as well as lower-risk development drilling opportunities.

The acquisition compliments Brookside's existing assets in Oklahoma and at the same time it gives the Board the flexibility to pursue further opportunities as these emerge. As previously announced, Cicero Advisory Services continues to advise the Board on potential acquisition opportunities.

Commenting on this news release, Brookside's Managing Director David Prentice said, "We are excited about this opportunity and are very confident that the quality, experience and extensive industry contacts of the Black Mesa team and the equity group will attract exciting development and acquisition opportunities. We think the timing in the commodity price cycle is creating a very significant opportunity and we are pleased to have exposure to this opportunity through our investment in Black Mesa."

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Investor enquiries

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