



29 January 2016

QUARTERLY ACTIVITIES REPORT

For the 3 months ending 31 December 2015

The Directors of Brookside Energy Limited (**ASX:BRK**) (**Company**) are pleased to present the Company's quarterly activities report for the period ending December 31, 2015.

During the quarter ended December 2015 the Company pursued a number of initiatives aimed at delivering on its goal to build value per share. These initiatives included, the appointment of a Corporate Advisor a successful placement to strengthen the balance sheet and a consolidation of the Company's issued capital. In addition, the Company announced it's investment in US focused Energy startup, Black Mesa Production LLC (**Black Mesa**).

As a result of the successful completion of these initiatives the Company ended the quarter with approximately A\$1.8 million in cash, 400 million fully paid ordinary shares and 187.5 million listed options (exercisable at \$0.02 per option with an expiry date of 31 December 2018) on issue.

The Board is committed to pursuing and developing strategies to build value per share that conserve capital and provide the flexibility to consider any and all opportunities during this important initial growth phase.

The appointment of Cicero Advisory Services (**Cicero**) as Corporate Advisor was a key part of this strategy and the Company is working closely with Cicero to identify and review high growth strong cashflow generating opportunities. The investment in Black Mesa is consistent with this approach, providing the Company with exposure to the US Energy Sector at an opportune time in the commodity price cycle with a modest investment that will allow the Company to pursue other initiatives in parallel.

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For further information please contact:

Brookside Energy Limited

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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")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter (Dec 2015) \$A'000 ¹	Year to date (12 months) \$A'000 ¹
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(131)	(131)
(b) development	-	-
(c) production	-	-
(d) administration	(230)	(1,062) ²
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	7
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	(356)	(1,186)
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 Note that the Company is now reporting in AUD.

² Approximately 659,865 of the payments for the year to date administration costs 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 (Dec 2015) \$A'000	Year to date (12 months) \$A'000
1.13 Total operating and investing cash flows (carried forward)	(356)	(1,186)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	635	3,185
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)
Net financing cash flows	635	3,020
Net increase (decrease) in cash held	279	1,834
1.20 Cash at beginning of quarter/year to date	1,555	-
1.21 Exchange rate adjustments to item 1.20	3	3
1.22 Cash at end of quarter	1,837	1,837

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	(93)
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	(85)
4.2 Development	-
4.3 Production	-
4.4 Administration	(139)
4.5 Finance costs	-
Total (outflow)	(224)

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 (Dec 2015) \$A'000	Previous quarter (Sept 2015) \$A'000
5.1 Cash on hand and at bank	1,837	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)	1,837	1,555

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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	-	-	-	-
7.2				
	(a) Increases through issues	-	-	-
	(b) Decreases through conversion to shares and cancellations	-	-	-
7.3	400,000,000 ¹	400,000,000 ¹	-	-
7.4				
	(a) Increases through placement of new fully paid ordinary shares	49,999,697	\$0.012	\$0.012
	(b) Decreases through returns of capital, buy-backs	-	-	-

¹ During the quarter, the capital of the Company was consolidated on a 1 for 10 basis reducing the number of shares on issue from 3,500,000,000 to 350,000,303

+ 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 <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>	187,499,924	187,499,924	Exercise price \$0.02	Expiry date 31 Dec 2018
7.8 Issued during quarter	187,499,924	187,499,924	Exercise price \$0.02	Expiry date 31 Dec 2018
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
29 January 2016

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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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