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Australian Securities Exchange Ltd
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Brookside Continues Push Into the STACK

- ✓ Brookside holdings in the core of the STACK Play expanded to ~300 acres¹
 - ✓ Acreage secured within the highly productive over-pressured volatile oil window
 - ✓ Productivity of core STACK acreage further reinforced with the release of initial production data on two recently drilled and completed extended-reach wells that delivered very high initial (24-hour) rates of 3,700 Boe per day per well
 - ✓ Industry type curve² for extended-reach wells delivers target EUR of 1,700 Mboe (58% oil) and generates a pre-tax rate of return in excess of 70% at current pricing
 - ✓ Brookside's current STACK acreage is well down the path to supporting the Company's initial target of 10 Mmboe³ in proved reserves
 - ✓ Initial development of the expanded acreage position fully funded via the Drilling Joint Venture with Merchant Funds Management Pty Ltd
 - ✓ Brookside STACK leasing campaign ongoing
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Brookside Energy Limited (**Brookside** or the **Company**) is pleased to provide an update on progress, as it's wholly owned subsidiary BRK Oklahoma Holdings, LLC (**BRK Oklahoma**) continues to build a position in the core of the STACK Meramec Play (**STACK Play**) in Oklahoma.

BRK Oklahoma has, through its ongoing leasing campaign, expanded it's holdings in the core of the STACK Play to ~300 acres¹. Importantly, this acreage is located within the highly productive over-pressured volatile oil window in Blaine County, Oklahoma.

This part of the STACK Play continues to deliver outstanding results with experienced and well funded tier one operators including; Continental Resources, Inc. (NYSE:CLR), Marathon Oil Company (NYSE:MRO) and Devon Energy Corp. (NYSE:DVN), already successfully testing increased drilling density pilots in and around Brookside's core focus area.

The productivity of core STACK acreage was again reinforced last week with the release of initial production data on two recently drilled and completed extended-reach wells that delivered very high initial (24-hour) rates of 3,700 Boe per day per well (70% oil).

A current industry type curve² for a single extended-reach horizontal well delivers a target EUR of 1,700 Mboe (58% oil) with 380 Mboe produced in the first 12-months. This well generates a pre-tax rate of return in excess of 70% at current pricing (based on an estimated completed well cost of US\$9 million). Based on this type curve and the recent successful increased density pilots, Brookside's current STACK acreage is well down the path to supporting the Company's initial target of 10 Mmboe³ in proved reserves.

Importantly, the initial development of this expanded acreage position is fully funded via the recently announced Drilling Joint Venture between BRK Oklahoma and Merchant Funds Management Pty Ltd. The unique structure of this joint venture enables Brookside to capture value and deliver growth through the addition of cash flow, oil and gas reserves and importantly substantial future development potential from proven undeveloped locations without dilution that would come from equity capital at this point in the Company's life.

Finally, the current leasing campaign is ongoing and as the location of the acreage and the contractual terms of the leases are commercially sensitive at present, the Company will make a more fulsome disclosure when the current campaign is finalised and the final acreage acquisition opportunities have been identified and secured.

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ABOUT BROOKSIDE ENERGY LIMITED

Brookside 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.

Web <http://www.brookside-energy.com.au>

ABOUT BLACK MESA PRODUCTION LLC

Black Mesa is an Oklahoma domiciled limited liability company established for the purpose of identifying and exploiting opportunities in the upstream oil and gas sector on-shore in the United States. Black Mesa was capitalized 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>

¹ Includes non-operated working interest acres acquired pursuant to the Drilling Program Agreement between BRK Oklahoma and Black Mesa and the RA Minerals Royalty Acreage acquired pursuant to the Acquisition Program Agreement between BRK Oklahoma and Black Mesa.

² Type curve and economics per Continental Resources, Inc. Investor Update Barclays Energy & Power Conference September 6, 2016 – target EUR for STACK Over-Pressured Oil extended-reach lateral (9,800') well.

³ This is the Company's stated initial target for proved reserves in the STACK Play. This is not an independently certified reserve and the statement should not be considered a representation that the Company's STACK acreage contains 10Mmboe in proved reserves. Drilling, completion and the establishment of commercial oil and gas production on the Company's acreage will be required before an independently certified reserve can be reported.