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Australian Securities Exchange Ltd
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

Brookside Accelerates STACK Leasing Efforts

Brookside Energy Limited (**Brookside** or the **Company**) is pleased to announce that its partner and manager of its US operations Black Mesa Production, LLC (**Black Mesa**) has entered into an Exploration and Participation Agreement (**STACK E&P Agreement¹**) with an Edmond, Oklahoma based private company with the **aim of accelerating its leasing and acquisition efforts in the STACK Play.**

This agreement comes on the back of **Brookside's** announcement earlier this week of a **significant increase in its (non-operated working interest leasehold) acreage within the highly productive over-pressured volatile oil window of the STACK Play** in Blaine County, Oklahoma.

The STACK E&P **Agreement provides a framework for the rapid expansion of research and leasing efforts within** an area of mutual interest (**AMI**) that covers the key counties of Blaine, Kingfisher and Canadian within **the core of the STACK Play.**

The agreement combines the substantial experience of the Black Mesa team with the well established network of the **private company's senior executives** who **have a strong track record of successful acquisition and divestiture activity in the Mid-continent region, specifically in the STACK and SCOOP plays.** This team has worked with some of the most successful first movers and operators in the STACK Play, including Continental Resources, Chesapeake Energy and Felix Energy (which was recently acquired by Devon Energy in a US\$1.9bn transaction) and as a result they have a **unique knowledge base that is expected to provide a competitive advantage in leasing and acquisition efforts in the STACK play.**

The combined efforts of both teams in the AMI are seen as critical in enabling us to **stay ahead of the current and accelerating consolidation that is taking place in the STACK Play** and to ensure that we can take advantage of the opportunities that remain in this highly competitive area.

Brookside expects this agreement to significantly enhance its capacity to **maintain and increase momentum and** capitalize on the short window in which to **build a material premier asset position in this high-margin repeatable part of the STACK Play.**

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For further information, contact:

Loren Jones
Non-Executive Director and Secretary

Brookside Energy Limited
Tel: (+61 8) 6489 1600
loren@brookside-energy.com.au

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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 STACK E&P Agreement key commercial terms - under the terms of the agreement the parties have established an area of mutual interest (AMI) in order to identify, acquire and share in the development of oil and gas interests. The agreement has a one-year primary term and can be extended for a further year upon written notice. The parties have agreed to pay (at their sole election) their undivided proportionate share of lease acquisition costs of properties located within the AMI on the basis of 90% /10% (Black Mesa 90%). With respect to the initial well drilled on any oil and gas interest acquired, Black Mesa will pay all of the drilling and completion costs and all costs associated with equipping the well for production and the parties will thereafter receive there undivided proportionate share of any production (Black Mesa 90%). The parties will be "heads up" on any subsequent wells drilled on the oil and gas interest acquired. Any rights, benefits or obligations for Black Mesa that are created by the operation of this agreement will be governed by the terms of the Drilling Program Agreement between Brookside's wholly owned subsidiary, BRK Oklahoma Holdings, LLC and Black Mesa.