



25 January 2017

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

Successful Capital Raising funds further STACK Acquisitions

Brookside Energy Limited (**Brookside** or the **Company**) is pleased to announce the placement of a total of 165,000,000 new fully paid ordinary shares (**Shares**) at an issue price of \$0.012 to raise A\$1,980,000 (before costs of the issue) (**Placement**). The Company will also issue one free attaching listed option (**Options**) (exercisable on or before December 31, 2018 at \$0.02) for every two new shares issued under the Placement. Proceeds of the Placement will be used to fund BRK Oklahoma's ongoing leasing and acquisition activities in the core of the STACK Play in Oklahoma and for general working capital.

Brookside's Managing Director, Mr. David Prentice, said "We are very pleased with the level of support for the Placement and we are grateful for the strong support of our existing shareholders and are also delighted to welcome a number of new institutional and sophisticated investors to our share register. We are looking forward to putting this capital to work building on our position in this world-class play."

The Company is now participating in five wells in the core of the STACK Play. These wells are at various stages of development (from drilled and awaiting completion to recently spudded and drilling ahead to permitted awaiting spud). These wells are the first of many that BRK Oklahoma will have the opportunity to participate in through its growing position in the STACK Play. The Company's leasing campaign is ongoing as we build a material premier asset position in this high-margin repeatable part of the play. We are maintaining a disciplined approach, targeting acres in the very best parts of the play (being developed by experienced operators) thereby managing risk by gaining exposure to a large number of development units that will ultimately host a very large number of de-risked, very high margin proven undeveloped wells.

To date, BRK Oklahoma has acquired a non-operated working interest in 18 development units. This position (based on the increased density pilots that are currently being successfully tested by tier-one operators) could support upwards of 100 wells in full field development. Importantly, initial development in these units (to hold the acreage by production) is fully funded for BRK Oklahoma via the previously announced US\$3.5 million Drilling Joint Venture with Merchant Funds Management Pty Ltd.

It is proposed that the 165,000,000 Shares and 82,500,000 Options will be issued using the following ASX Listing Rules:

- (a) having obtained Shareholder approval at the Company's 11 January 2017 General Meeting, the Company will issue 75,000,000 of the Placement Shares under ASX Listing Rule 7.3;
- (b) the 82,500,000 free attaching Options and a further 22,500,000 of the Placement Shares will be issued using the Company's placement capacity under ASX Listing Rule 7.1; and
- (c) the remaining 67,500,000 Placement Shares will be issued using the Company's placement capacity under ASX Listing Rule 7.1A.

The Company will lodge the required ASX disclosures upon completion of the Placement.

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For further information, contact:

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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>