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Australian Securities Exchange Ltd  
 Level 40, Central Park  
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 PERTH WA 6000

## Brookside's Non-Operated STACK Activity Surges Strong pipeline of news flow throughout 2017

- ✓ **Significant increase in drilling and completion activity** across Brookside's STACK holdings
- ✓ **Now participating in ten horizontal wells in the core of the world-class STACK Play**
- ✓ First extended reach horizontal well (**Strack #1-2-11XH**) **now successfully drilled and awaiting completion** (expected to take place in the next six weeks)
- ✓ **Drilling operations have commenced on two additional horizontal wells** (Ike #1-20-17XH and the Davis #1-8-1611MH)
- ✓ Fourth extended reach horizontal well (**HR Potter 1511 #1-3-34XH**) **expected to spud in April 2017**
- ✓ **Drilling and completion commitments fully funded via the Drilling Joint Venture with wells operated by experienced well funded operators**

Brookside Energy Limited (**Brookside** or the **Company**) is pleased to announce a significant increase in drilling and completion activity across its non-operated working interest leasehold in the STACK Play in Oklahoma.

The Company is now participating in a total of ten horizontal wells in the core of the world-class STACK Play (see Table 1.), with working interests ranging from approximately 1% to 9% (consistent with the stated strategy of accumulating minority non-operated working interest positions in as many development units as possible while the leasing opportunity continues).

Well Name	Operator	Working Interest Acres	Status
Strack #1-2-11XH	Marathon Oil, Co.	12.5	Drilled awaiting completion
Ike #1-20-17XH <sup>1</sup>	Continental Resources, Inc.	38.0	Drilling
Davis #1-8-1611MH	Triumph Energy, LLC	7.5	Drilling
HR Potter 1511 #1-3-34XH	Marathon Oil, Co.	10.2	Spudding April 2017
Watonga 1-19H	Highmark Resources, LLC	1.9	Permitted
Scoville 1-17-20XH	Continental Resources, Inc.	47.4	Permitted
Kevin 1-20-17XH	Continental Resources, Inc.	21.1	Permitted
Henry Federal 1-8-5XH	Continental Resources, Inc.	66.6	Permitted
Craig 1-33 1513MH	Triumph Energy, LLC	57.2	Permitted
Alta BIA 1511 #1-6-31MXH	Marathon Oil, Co.	16.0	Permitted

Table 1.

Importantly, all the wells are being operated by experienced well-funded operators, including Tier One operators Marathon Oil Company (NYSE:MRO) and Continental Resources (NYSE:CLR), and Brookside's share of the drilling costs are fully funded via the US\$3.5 million Drilling Joint Venture with Merchant Funds Management Pty Ltd.

As previously announced, Brookside is moving quickly to capitalise on a short window in which to build a material premier asset position in this high-margin repeatable part of the STACK Play. These wells are the first of many that Brookside will have the opportunity to participate in through its growing non-operated working interest position in the play.

The Company is looking forward to keeping shareholders updated during 2017 with a strong pipeline of news flow expected as oil and gas sales are established, proved reserves are booked and further wells are drilled and/or added to the inventory.

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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>

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<sup>1</sup> The Ike #1-20-17XH is being drilled within the Company's RA Minerals Royalty Acreage which was acquired pursuant to the Acquisition Program Agreement between BRK Oklahoma and Black Mesa.