

08 March 2017

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

Next Non-Operated STACK Well Funded

Brookside Energy Limited (**Brookside** or the **Company**) is pleased to announce that it has (via its wholly owned subsidiary BRK Oklahoma Holdings, LLC) confirmed its participation in the Sphinx 26-16N-11W-1H Well (**Sphinx Well**) in the STACK Play in Oklahoma.

The Sphinx Well (operated by Devon Energy Corp. NYSE:DVN) is located in the core of the over-pressured oil window of the STACK Play (approximately six miles South East of the town of Watonga) in a part of the play that is currently the subject of significant drilling and completion activity, including a number of increased density pilots (see Figure 1. below).

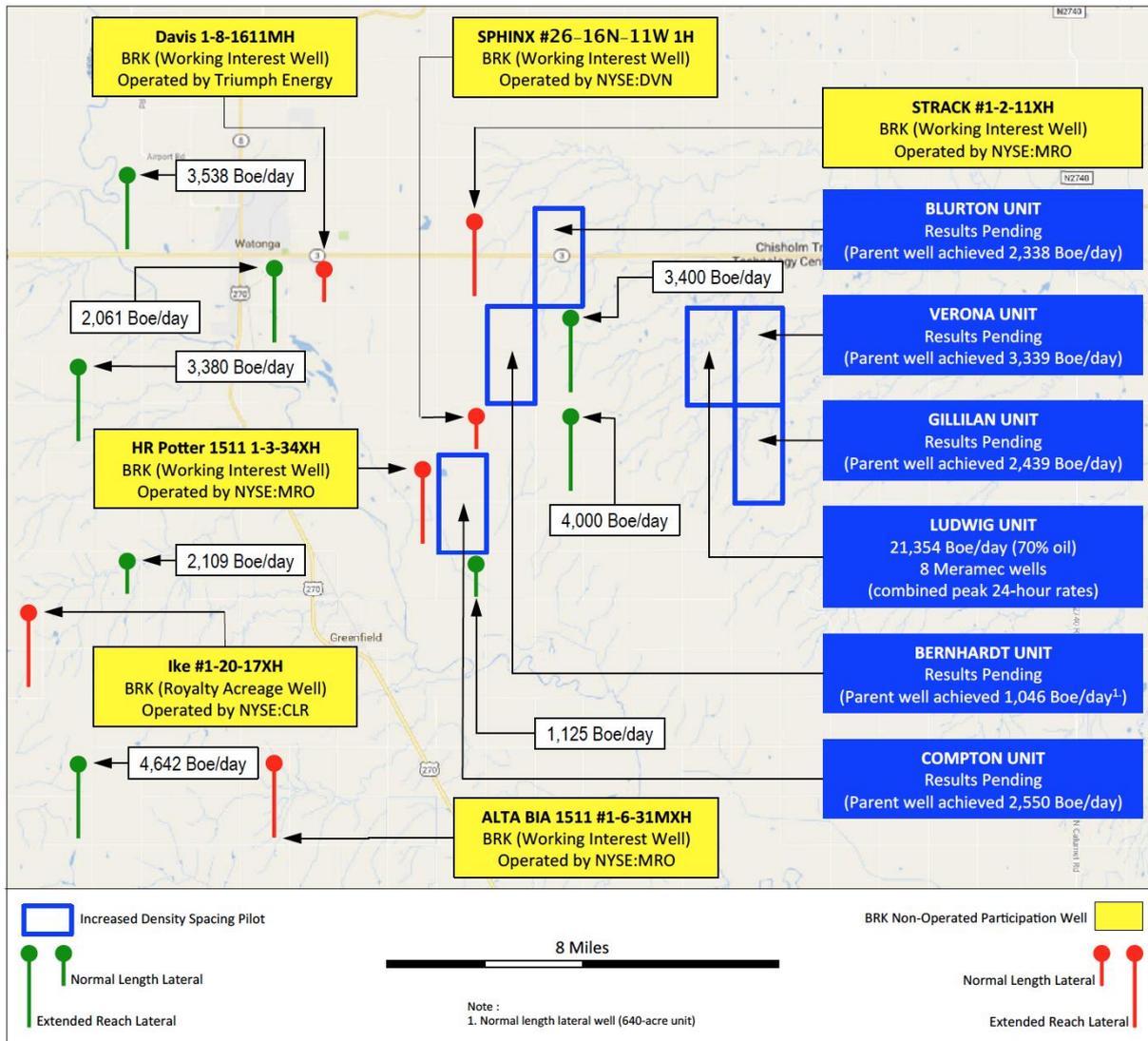


Figure 1. Drilling and completion activity near Watonga in Oklahoma

BRK Oklahoma Holdings, LLC is participating in this well with a 6.25% Working Interest (US\$453,469.76 share of estimated drilling and completion costs). These costs have been funded via the US\$3.5 million Drilling Joint Venture with Merchant Funds Management Pty Ltd.

The Sphinx Well is being drilled as a normal length lateral (640-acre unit), with this unit located between two 1,280 acre (Continental Resources, Inc. (NYSE:CLR) operated) increased density pilots (the Bernhardt and Compton Units) (see Figure 1. above).

Brookside is now participating in a total of 11 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 Company's 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	Completion underway
Ike #1-20-17XH	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 March 2017
Sphinx 26-16N-11W 1H	Devon Energy Corp.	40.0	Spudding in the June 2017 Qtr.
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 these wells are being operated by experienced well-funded operators. Several of these operators are leading the successful development of the STACK Play and have flagged very large drilling and completion capital allocations for calendar 2017 with full-field development flagged for calendar 2018.

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 newsflow 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>