



Brookside Secures US\$2,000,000 Anadarko Leasing Facility

Perth, Western Australia – 21 June 2017 - Brookside Energy Limited (**ASX:BRK**) (**Brookside** or the **Company**) is pleased to announce that its recently incorporated wholly owned subsidiary, Anadarko Leasing, LLC¹ (**Anadarko Leasing**) has executed an agreement with Tulsa based Oklahoma Energy Consultants, Inc. (**OEC**) to provide Anadarko Leasing with up to US\$2.0 million in funding² for Brookside's ongoing leasing activities in the Anadarko Basin Plays in Oklahoma.

Brookside, together with its partner and manager of US operations Black Mesa Production, LLC (**Black Mesa**), is ramping up its leasing and acquisition activities across the liquids-rich fairways of the Anadarko Basin in Oklahoma. Specifically in the SCOOP and STACK Plays.

This new facility compliments the previously announced US\$3.5 million STACK-A Joint Venture with Merchant Funds Management Pty Ltd, and brings the total amount of non-equity, asset level funding secured by Brookside to date for its Anadarko Basin focussed leasing and development efforts to US\$5.5 million.

The further expansion of leasing activity (with funding now secured) will enable the Company to push ahead towards its initial targets of ~1,280 Working Interest leasehold acres across the STACK and SCOOP Plays and 10 million barrels of oil equivalent in Proved Reserves.

Brookside Managing Director, David Prentice, said:

"We are very pleased to have this asset level funding secured, enabling our team to continue to aggressively pursue acreage within the core areas of the Anadarko basin margin and to capitalise on a short window in which to build a material premier asset position in this high-margin repeatable resource play.

"This facility, matched with the Drilling Joint Venture funding enables us to continue to capture value for shareholders through the establishment of high quality Proved Reserves without the dilution that would come from equity capital at this point in the Company's life. We see these funding arrangements as strong endorsements of the structure of our business that is designed to allow maximum flexibility in sourcing capital from a very broad range of investors and partners."

- ENDS -

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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>

GLOSSARY

BOE	Barrels of Oil Equivalent
EUR	Estimated Ultimate Recovery
PDP	Proved Developing Producing Reserves
PUD	Proved Undeveloped Reserves
Type Curve	Representative production profile of a well for a specific play
Working Interest	Percentage of ownership in a lease granting its owner the right to explore, drill and produce oil and gas from a tract of property. Working interest owners are obligated to pay a corresponding percentage of the cost of leasing, drilling, producing and operating a well or unit.

ⁱ Anadarko Leasing is a wholly owned subsidiary of Brookside, incorporated solely for the purpose of acquiring Working Interest leasehold acreage in the Anadarko Basin Plays in Oklahoma on behalf of Brookside and pursuant to the Drilling Program Agreement between BRK Oklahoma and Black Mesa.

ⁱⁱ The agreement between Anadarko Leasing (Borrower) and OEC is for a US\$2,000,000 facility (to be drawn at the Borrowers discretion in tranches of at least US\$250,000). The facility will mature on the date that is 24 months from the date on which the first tranche of the facility is drawn and the Borrower is permitted to repay the Facility in whole or in part at any time without penalty. Amounts drawn under the facility will be secured only by the Borrowers interest in future Working Interest leasehold acreage that is acquired by the Borrower pursuant to and subject to the terms of the Drilling Program Agreement between the Borrower and Black Mesa. The facility shall bear interest at a rate per annum equal to 12% (payable quarterly in arrears on drawn amounts). There are no other fees or charges payable by the Borrower for this facility and there is no asset level or other equity burden associated with the facility. Amounts drawn by the Borrower under the facility shall be used to fund leasing in the Anadarko Basin Plays in Oklahoma and for general working capital, and general corporate purposes.