



Excellent Initial Production Rates Continue to Provide Catalyst for Increasing Per Acre Values

Perth, Western Australia – January 24, 2018 - Brookside Energy Limited (**ASX: BRK**) (**Brookside** or the **Company**) is pleased to provide an update on drilling and completion operations across its non-operated Working Interest in the Anadarko Basin plays in Oklahoma.

Highlights

- A total of **fourteen wells have now spud** across the Company's Anadarko Basin holdings
- **Most recent three wells** to come on-line have **recorded outstanding initial production rates**, including a **Company record IP24 ~3,500 Boe/day**
- **All three wells** are on track to **support EUR's above the Company's Type Curve** for this part of the basin
- **Excellent initial production rates like these** together with continued "**play scale**" **drilling success and** the on-going **successful density pilots** are the catalysts that **drive per-acre valuations higher**
- Company's **average Working Interest in these wells is ~ 5.7%**
- **Three more wells** are **currently being completed**, with **two wells drilling**
- **The total well count now stands at twenty seven, spread across the Company's non-operated Working Interest and Mineral Royalty acreage in the Anadarko Basin Plays**

The Company's non-operated Working Interest wells in the world-class Anadarko Basin plays continue to deliver excellent initial production rates provided further support for the excellent quality of the acreage that Brookside has been able to secure within the Anadarko Basin plays in Oklahoma.

The most recent three wells to commence production are located within the Company's Blaine County focus area (see figure 1.). All three wells achieved IP24's above 2,000 Boe/day (~33% oil), with one well achieving a Company record ~3,500 Boe/day.

Pleasingly, the Company's average Working Interest in these wells is ~5.7%, at the upper end of the Company average Working Interest secured to date.

All three of these well support (subject to continued performance in-line with the Company's type curve) EUR's well above the Company's 1,039Mboe estimate for this part of the basin.

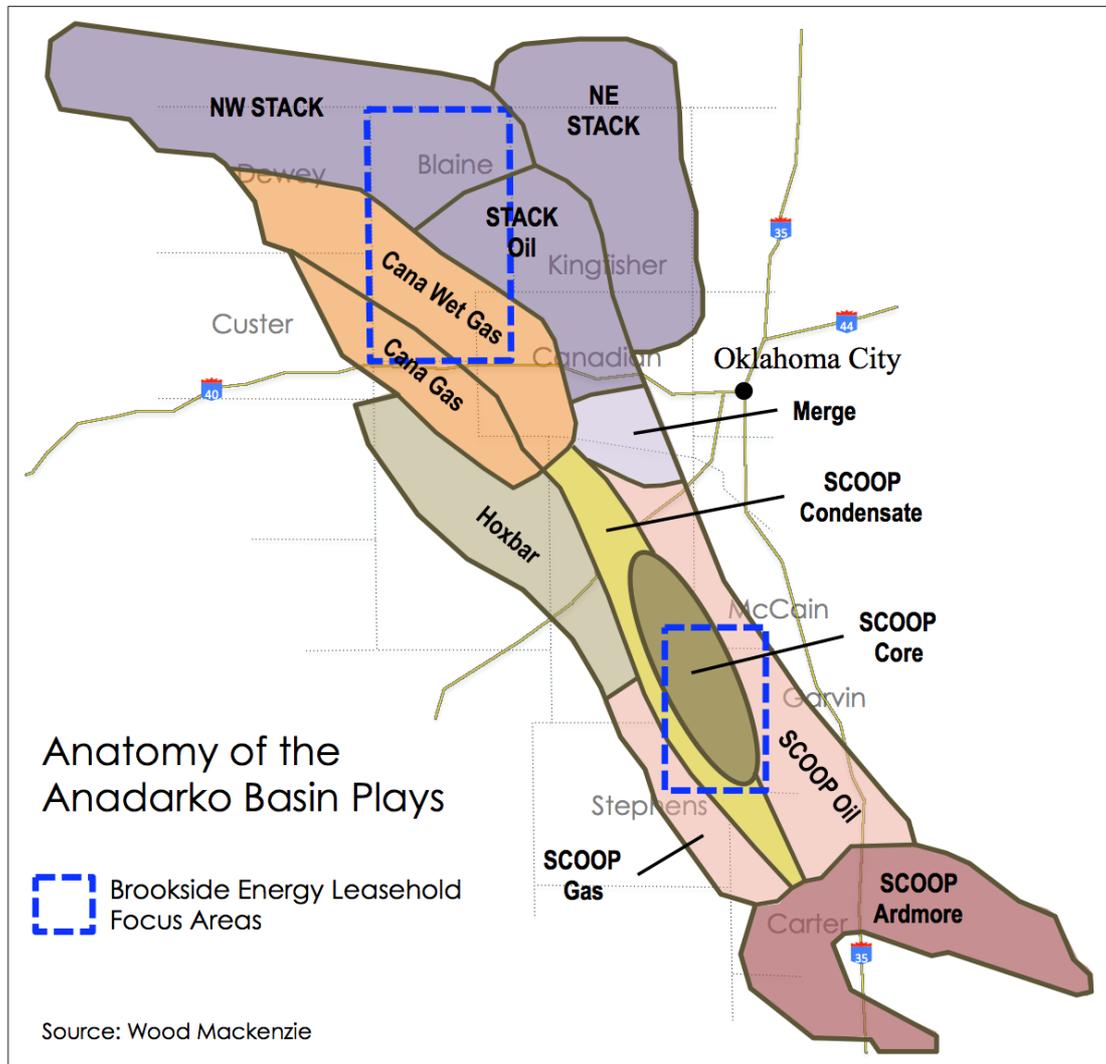


Figure1. Brookside Energy Leasehold Focus Areas

The Company is now participating in twenty-seven wells (twenty-five non-operated Working Interest wells and two Mineral Royalty wells). These wells are at various stages of development (see table below).

| Well Name | Operator | Working Interest | Status |
|-----------------------------|---------------------------------|------------------|-----------------|
| Strack #1-2-11XH | Marathon Oil, Co. | 1.0% | Producing |
| Davis #1-8-1611MH | Triumph Energy, LLC | 1.2% | Producing |
| Ike #1-20-17XH | Continental Resources, Inc. | Mineral Interest | Producing |
| HR Potter 1511 #1-3-34XH | Marathon Oil, Co. | 0.8% | Producing |
| Landreth BIA #1-14H | Marathon Oil, Co. | 2.5% | Producing |
| Mote #1-26-23H | Rimrock Resource Operating, LLC | 4.6% | Producing |
| Sphinx 26-16N-11W #1H | Devon Energy Corp. | 3.1% | Producing |
| Herring #1-33 1513MH | Triumph Energy, LLC | 13.6% | Producing |
| Mike Com #1H-0706X | Cimarex Energy, Co. | 0.4% | Producing |
| Roser #1611-3-34 | Marathon Oil, Co. | 3.9% | Completing |
| Luttrull #1-30-31XH | Continental Resources, Inc. | Mineral Interest | Completing |
| Kevin FIU #1-20-17XH | Continental Resources, Inc. | 2.1% | Completing |
| Ladybug 27_22-15N-13W # 1HX | Devon Energy Corp. | 2.2% | Drilling |
| Dr. NO 1-17-20XH | Triumph Energy, LLC | 3.7% | Drilling |
| Bullard #1-18/7H | Rimrock Resource Operating, LLC | 13.7% | Permitted |
| Randolph 34_27 15N-13W | Continental Resources, Inc. | 0.3% | Permitted |
| Henry Federal #1-8-5XH | Continental Resources, Inc. | 5.2% | Permitted |
| Watonga #1-19H | Highmark Resources, LLC | 0.3% | Permitted |
| Scoville #1-17-20XH | Continental Resources, Inc. | 3.7% | Permitted |
| Alta BIA 1511 #1-6-31MXH | Marathon Oil, Co. | 1.3% | Permitted |
| Shipp #1-H-2722X | Devon Energy Corp. | 1.9% | Permitted |
| Liger #1H 24-16N-11W | Devon Energy Corp. | 1.8% | Permitted |
| Big Earl #6-15N-10W | Devon Energy Corp. | 0.5% | Permitted |
| Blackhawks #26-15-4W-W1 | Operator to be Confirmed | 11.1% | Awaiting Permit |
| Swish #1-H-12SX | Operator to be Confirmed | 30.5% | Awaiting Permit |
| Rangers 36-1S-4W | Operator to be Confirmed | 48.3% | Awaiting Permit |
| McKinley Unit | Continental Resources, Inc. | 1.0% | Awaiting Permit |

Note: Working Interest percentages may increase subject to the issue of final pooling orders.

- ENDS -

For further information, contact:

Loren King

Director and Secretary

Brookside Energy Limited

Tel: (+61 8) 6489 1600

loren@brookside-energy.com.au

FORWARD-LOOKING STATEMENTS AND OTHER DISCLAIMERS

This announcement may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of Brookside Energy Limited ("Brookside Energy" or "the Company"). These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Brookside Energy does not undertake any obligation to update or revise any information or any of the forward looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

This announcement does not constitute investment advice. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. Shareholders should not rely on this announcement. This announcement does not take into account any person's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

The information set out in this announcement does not purport to be all-inclusive or to contain all the information, which its recipients may require in order to make an informed assessment of Brookside Energy. You should conduct your own investigations and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

To the fullest extent permitted by law, the Company does not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts or other representations contained in this announcement. No responsibility for any errors or omissions from this announcement arising out of negligence or otherwise is accepted.

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. |