

More Outstanding “Sustained” Production Results Support Higher Per Acre Valuations in Anadarko Basin Plays

Perth, Western Australia – September 26, 2018 - Brookside Energy Limited (**ASX: BRK**) (**Brookside** or the **Company**) is pleased to provide an update on its activities in the World-Class Anadarko Basin plays in Oklahoma, US.

Highlights

- **Production and net revenueⁱ data updated** for the Herring #1-33 1513MH and Kevin FIU #1-20-17XH wells
- Together these **two wells have produced ~860,000BOE (~9% Oil) in the last 10-months and generated US\$860,000 in net revenue for Brooksideⁱⁱ** over the same period
- These wells are **forecast to generate additional combined future net revenue for Brooksideⁱⁱⁱ of ~US\$2.4 million** assuming US\$65 flat for WTI (oil) and US\$2.85 flat for gas
- Both **wells are set to achieve payout in less than 2.5 years** (Herring #1-33 1513MH in 28-months and the Kevin FIU #1-20-17XH 17-months)
- The **outstanding “sustained” productivity of these wells** is further evidence of the high quality oil and gas reservoirs being exploited and this ultimately **points to higher per acre valuations**

Commenting on the announcement, Brookside Managing Director, David Prentice said;

“We are once again delighted to be able to update our shareholders and the market generally with production results from two of our non-operated Working Interest wells in the STACK Play.

“These wells now have several months of production history and they continue deliver outstanding results.

“We are particularly pleased to report on the success of the Herring well which is our second highest Working Interest well at ~18%. This well has produced almost 500,000 barrels of oil equivalent in less than 12-months and is set to achieve payout in just over 2-years.

“These results support our acreage selection methodology which is key to the success of our acreage acquisition and revaluation business model.”



Background

The Company is pleased to report updated production and net revenue data for two of its STACK Play non-operated Working Interest wells, the Herring #1-33 1513MH and Kevin FIU #1-20-17XH. Together these two wells have produced ~860,000 BOE (~9% Oil) in the last 10-months and generated US\$860,000 in net revenue for Brookside over the same period. These wells are forecast to generate additional combined future net revenue of ~US\$2.4 million over their economic life, with both wells set to achieve payout in less than 2.5 years.

Herring #1-33 1513MH well (Brookside 18.2% Working Interest)

This Triumph Energy, LLC. operated well has produced ~474,000 BOE (5% oil) in its first 10-months of production. The well has averaged ~1,500 BOE/day over this period. These results were achieved from a 4,800-foot lateral producing from the Meramec formation. Figure 1. Below is a rate/time plot of the production results achieved to date.

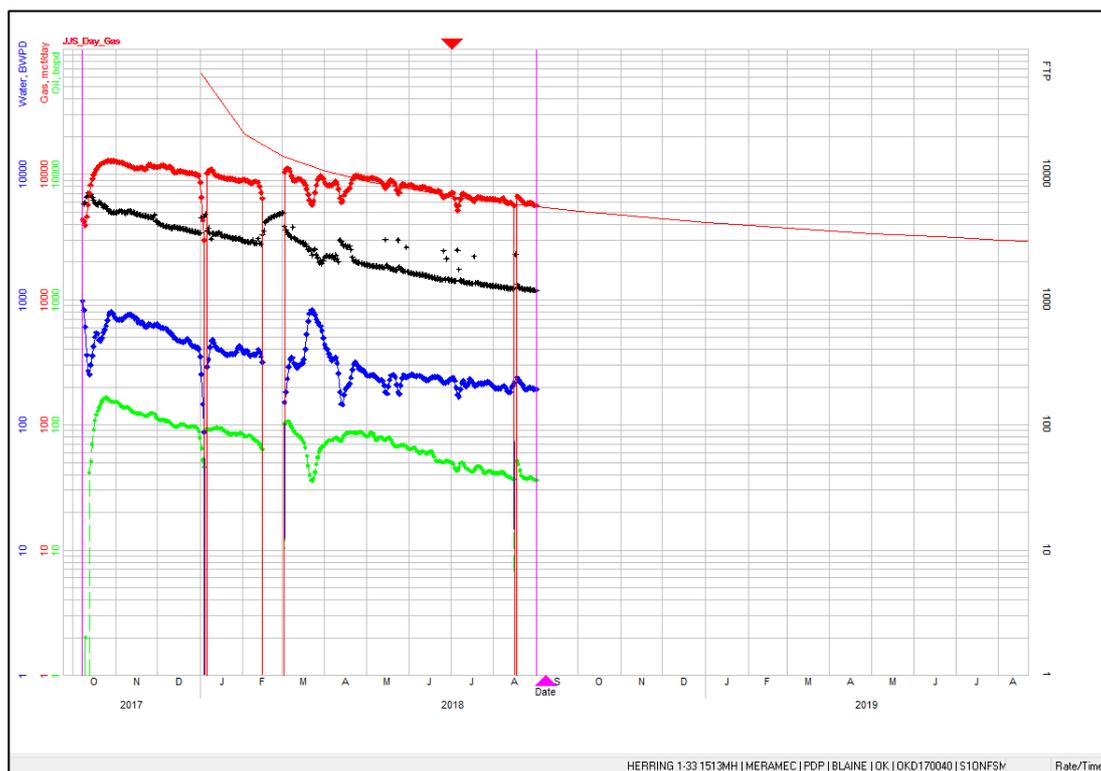


Figure 1. – Rate/Time Plot Herring #1-33 1513MH Well, Blaine County OK.

Brookside's 18.2% Working Interest in this well has generated net revenue of US\$755,000 in just 10-months, with a further US\$1.8 million in future net revenue forecast for the economic life of the well.

Based on revenue received to date and forecast future net revenue this well is set to achieve payout (i.e. the time taken for a well to recover 100% of drilling, completion and operating costs from sales) in 28-months.

Importantly, the Company will receive 75% of future net revenue from this well following the return of drilling and completion capital to the Drilling Joint Venture.



Kevin #1-20-17XH well (Brookside 2.1% Working Interest)

This Continental Resources, Inc. operated well has produced ~385,000 BOE (13% oil) in its first 3-months of production. The well has averaged ~4,200 BOE/day over this period. These results were achieved from a 10,000 foot lateral producing from the Meramec formation. Figure 1. Below is a rate/time plot of the production results achieved to date.

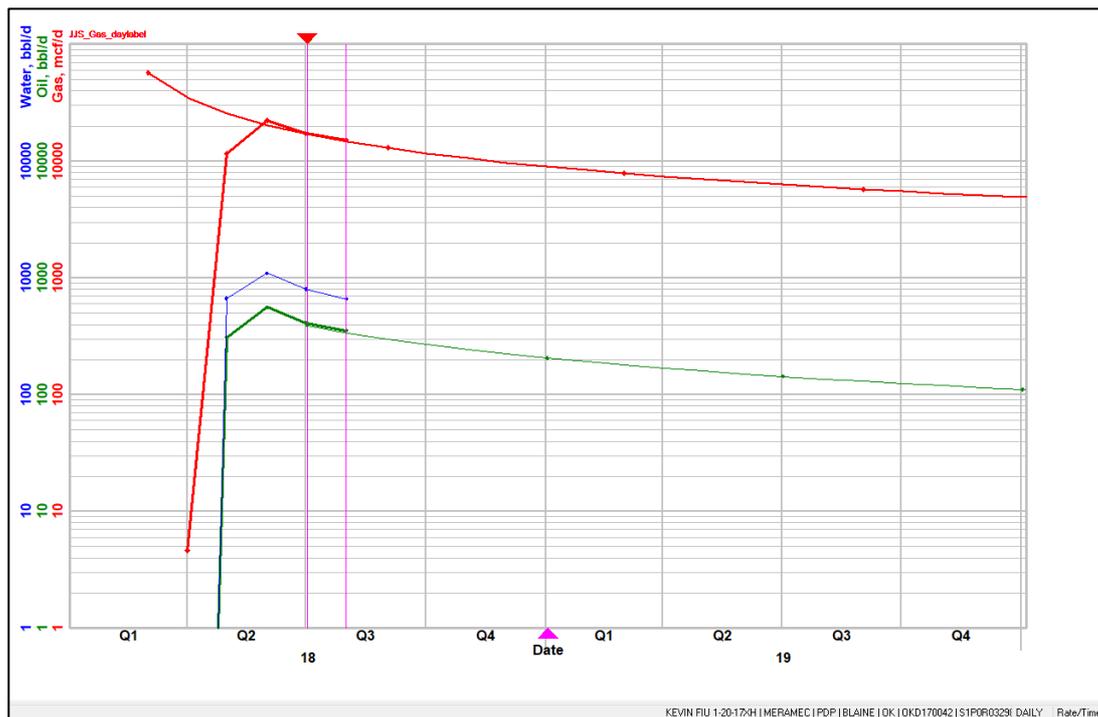


Figure 1. – Rate/Time Plot Kevin FIU 1-20-17XH Well, Blaine County OK.

Brookside's 2.1% Working Interest in this well has generated net revenue of US\$105,000 in just 3-months, with a further US\$636,000 in future net revenue forecast for the economic life of the well.

Based on revenue received to date and forecast future net revenue this well is set to achieve payout (i.e. the time taken for a well to recover 100% of drilling, completion and operating costs from sales) in 17-months.

Importantly, the Company will receive 75% of future net revenue from this well following the return of drilling and completion capital to the Drilling Joint Venture.



Table 1. below sets out some key performance metrics for the Herring #1-33 1513MH and Kevin FIU #1-20-17XH wells. The outstanding "sustained" productivity of these wells is further evidence of the high quality oil and gas reservoirs being exploited in the Anadarko Basin Plays and ultimately points to higher per acre valuations.

Key Performance Metrics		
	Kevin FIU	Herring
Working Interest	2.5%	18.2%
Lateral length (feet)	10,000	4,880
Average Daily Production (BOE/day)	4,200	1,500
Production to Date (BOE)	385,500	474,000
Net Revenue to Date (US\$million)	0.11	0.76
Forecast Further Net Revenue (US\$million)	0.64	1.80
Production (Months)	3	10
Forecast Payout (Months)	17	28
Notes:		
Net revenue and forecast further net revenue is net to Brookside's Working Interest		
Production (BOE) represents 100% Working Interest		

- 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
Development Unit	Development Unit or spacing unit is the geographical area in which an initial oil and/or gas well is drilled and produced from the geological formation listed in a spacing order. The spacing unit communitizes all interest owners for the purpose of sharing in production from oil and/or gas wells in the unit. A spacing order establishes the size of the unit; names the formations included in the unit; divides the ownership of the unit for the formations into the "royalty interest" and the "working interest"; Only one well can be drilled and completed in each common source of supply. Additional wells may be drilled in a Development Unit, but only after an Increased Density Order is issued by the Oklahoma Corporation Commission.
EUR	Estimated Ultimate Recovery
IP24	Peak rate achieved over a 24-hour period within the first full calendar month from the date of first production
IP30	Initial production reported for the first full calendar month from the date of first production
PDP	Proved Developed 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 Net revenue is net of royalties, production taxes and lease operating expenses.

ⁱⁱ Subject to the terms of the Drilling Joint Venture.

ⁱⁱⁱ Subject to the back-in after payout (25% Working Interest) set out in the Drilling Program Agreement between Black Mesa Production and BRK Oklahoma Holdings, LLC.