

SCOOP Play Woodford Well Continues to Outperform Delivers Strong Cash Flows and Reserve Potential

Perth, Western Australia – March 7, 2019 - Brookside Energy Limited (**ASX: BRK**) (**Brookside** or the **Company**) is pleased to provide shareholders and investors with a production update from its first Woodford Well in the world-class SCOOP Play in the Anadarko Basin, Oklahoma.

Highlights

- Bullard #1-18-07UWH^{i,ii} well has continued to deliver strong, sustained results from the Woodford Shale, with the well having now produced in excess of 160,000 BOE (59% oil) in its first 4 ½ months of production
- This well continues to perform above pre-drill estimates, flagging the potential for Brookside to book significant proved undeveloped reserves in this development unit when the annual review of the Company's oil and gas reserves is completed
- Brookside's share of net revenueⁱⁱⁱ from this well has already returned ~60% of the drilling and completion capex (Brookside's share estimated to be US\$2,000,000) and the well looks set to achieve pay-out in less than 2-years
- Bullard #1-18-07UWH well is located approximately five-miles north of Brookside's SWISH AOI and these results together with other recent success from third-party operators in the area validates our view that the Woodford Shale has very significant production and reserve potential in this part of the SCOOP Play

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

"This well continues to surprise on the upside, with very strong sustained production and cash flow from the Woodford Shale in a part of the SCOOP Play where the geology and position on the Anadarko Basin margin correlates very strongly with our acreage in the SWISH AOI further to the south.

"It is very pleasing to have such a strong data point in the Woodford Shale (with the Bullard well performing significantly above our pre-drill estimates) when we are on the cusp of kicking off our operated drilling program in SWISH.

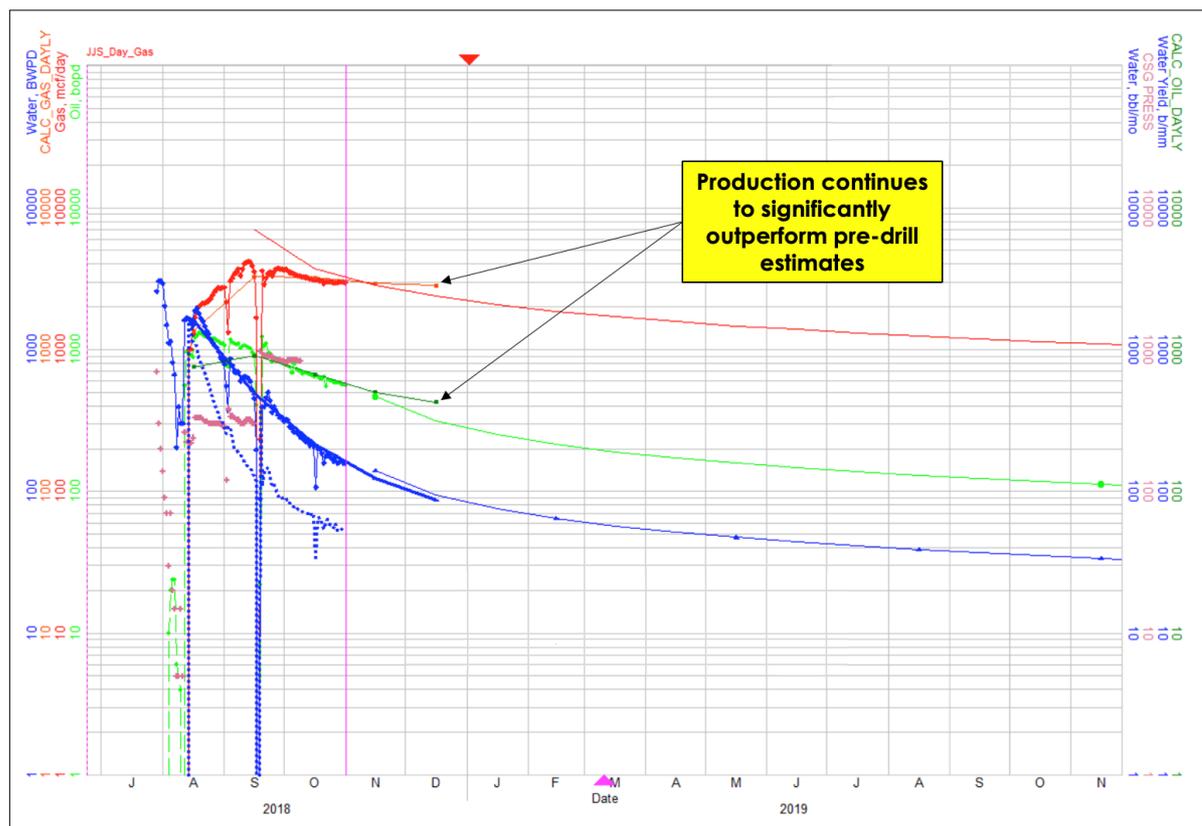
"This is a very exciting period for our shareholders as we transition from our non-operated position in the STACK Play to a much larger operated position in SCOOP. This will provide the platform for transformational growth in terms of acreage and reserve growth."



Background

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

The Rimrock Resource Operating, LLC. operated Bullard #1-18-07UWH well (Brookside 20.57% Working Interest) has produced approximately 160,000 BOE (59% oil) in 4^{1/2} months (~95,000 barrels of oil and 428,000 Mcf gas). See Figure 1. below.



These production results are being achieved from a horizontal well bore with a 7,500-foot lateral producing at a depth of approximately 8,050 feet in the "volatile oil window" of the Woodford Shale formation. The well is currently producing full open flow through a 64/64-inch choke on gas lift.

Net revenue (net to Brookside) from this well for its first four months of production is estimated to be ~US\$1,200,000, with approximately 60% of the Working Interest share of drilling and completion capex recovered in this period.

Production from this well continues to exceed our pre-drill estimates, flagging the potential for Brookside to book significant proved undeveloped reserves in this development unit when the annual review of the Company's oil and gas reserves is completed. The Company is estimating up to six additional potential well locations within this development unit.



The Bullard #1-18-07UWH well provides another very strong “data point” for the reserve potential of the Woodford Shale in this area and further justification for higher per-acre valuations in the SCOOP Play generally. Significantly this well is located adjacent to (approximately 5-miles north) the Company's SWISH AOI, which is the focus of the current leasing campaign. These initial production results provide the Company with further confirmation of the productivity of the Woodford Shale in this part of the SCOOP Play and validate our SWISH acreage acquisition strategy were the Company is targeting both the Sycamore and Woodford Formations.

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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

APO WI	After pay out working interest
AFIT	After Federal Income Tax
AOI	Area of Interest
BFIT	Before Federal Income Tax
BOE	Barrels of Oil Equivalent
COPAS	Council of Petroleum Accountants Societies
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.
Mboe	1,000 barrels of oil equivalent
Mcf	1,000 cubic feet
MMboe	1,000,000 barrel of oil equivalent
NPV₁₀	The net present value of future net revenue, before income taxes and using a discount rate of 10%.
PDP	Proved Developed Producing Reserves
Pooling Agreements	The pooling agreements facilitate the development of oil and gas wells and drilling units. These binding pooling agreements are between the Company and the operators as specified in Appendix 1.
PUD	Proved Undeveloped Reserves
Reserve Categories	These reserve categories are totalled up by the measures 1P, 2P, and 3P, which are inclusive of all reserves types: <ul style="list-style-type: none"> • "1P reserves" = proven reserves (both proved developed reserves + proved undeveloped reserves). • "2P reserves" = 1P (proven reserves) + probable reserves, hence "proved AND probable." • "3P reserves" = the sum of 2P (proven reserves + probable reserves) + possible reserves, all 3Ps "proven AND probable AND possible."
STACK	Sooner Trend Anadarko Basin Canadian and Kingfisher Counties – oil and gas play in the Anadarko Basin Oklahoma
SCOOP	South Central Oklahoma Oil Province - oil and gas play in the Anadarko Basin Oklahoma
SWISH AOI	Description of Brookside's Area of Interest in the SCOOP 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 Subject to the back-in after payout (25% Working Interest) set out in the Drilling Program Agreement between Black Mesa Production, LLC and BRK Oklahoma Holdings, LLC.

ⁱⁱ This well is subject to the previously announced Step-in Agreement, between LS Operating, LLC (a wholly owned subsidiary of Lone Star Energy Limited (Lone Star)) and BRK Oklahoma Holdings, LLC (a wholly owned subsidiary of BRK). Lone Star will be acquired by Nickleore Limited (to be renamed Stonehorse Energy Limited) provided a number of conditions precedent are satisfied, including the successful capital raising as set in a Prospectus dated 20 November 2018.

ⁱⁱⁱ Net revenues are after the deduction of royalties, production taxes, direct operating costs and required capital expenditures (where applicable) and before the deduction of federal and state income taxes.