

Non-Operated Development Drilling Underway High-Quality Low-Risk Infill Wells in the STACK Play

Perth, Western Australia – April 11, 2019 - Brookside Energy Limited (**ASX: BRK**) (**Brookside** or the **Company**) is pleased to announce its participation in its first infill development of proved undeveloped locations within its non-operated STACK Play holdings in the Anadarko Basin, Oklahoma.

Highlights

- Brookside participating in NYSE listed Devon Energy Corp. (NYSE:DVN, “Devon Energy”) operated Centaur Unit (a four well infill or development project) located in the STACK Play
- This is the first of these opportunities to emerge from the substantial inventory of high-quality low-risk proved undeveloped locations that Brookside has delineated within its STACK Play holdings
- These development wells are direct offsets to the highly successful Big Earl 6-15N-10W #1H well (Brookside 0.3% Working Interestⁱ) (a Drilling JVⁱⁱ funded parent well) which recorded an IP24 of 1,540 BOE/day (70% oil) from a normal length (~5,000’) lateral drilled in the Meramec Formation
- Two of these four development wells have already successfully reached projected total depth (~21,000’) and are awaiting completion with the remaining two wells currently drilling
- The Company’s Working Interest share of the drilling and completion costs is being funded from existing working capital and future net revenue from these wells (expected in Q4 2019) and will therefore be to the account of Brookside

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

“Participating in our first development wells in one of our many non-operated Working Interest units in the world-class STACK Play in Oklahoma is yet another significant milestone for the Company.

“While our interest in the Centaur Unit is small, our participation in the development of this Devon Energy operated unit in the core of the STACK Play is a great “pilot study” for future participation (with more material Working Interests) in the large inventory of high-quality low-risk proved undeveloped locations that will emerge from our acreage in the Anadarko Basin.

“Production from these wells will provide valuable cash flow for us and more importantly provide “proof of concept” for our strategy to participate in these low-risk development opportunities in the future when it makes economic sense to do so.

“The opportunity to participate in these high-quality low-risk development opportunities and receive the resultant cash flow is a wonderful second pillar to our already successful acreage acquisition and re-valuation business model.”

Background

The Company is pleased to announce that it is participating in the Devon Energy operated Centaur Unit, a four well infill development project located in the core of the STACK Play in the world-class Anadarko Basin.

This is the first development opportunity to emerge from Brookside's substantial inventory of high-quality low-risk proved undeveloped locations that the Company has delineated within its STACK Play holdings. These highly prized development drilling opportunities have come about as a result of the Company's Acreage Acquisition Strategy beginning in 2016 and from the success of the "parent wells" that were funded via the Drilling Joint Venture.

Importantly, many of the NSYE listed tier-one operators in the STACK Play are now advanced with their infill or full field development activities. These operators are refining the optimal well spacings for these development units and critically they are reporting up to 30% lower drilling and completions costs for these infill wells. It is the productivity of the parent wells combined with this spacing optimisation work and significant cost savings that are driving the economics of these infill projects.

The Centaur Unit development wells are direct offsets to the highly successful Big Earl 6-15N-10W #1H well (Brookside 0.3% Working Interest) (a Drilling Joint Venture funded parent well) which recorded an IP24 of 1,540 BOE/day (70% oil) from a normal length (~5,000') lateral drilled in the Meramec Formation. Figure 1. below shows the scale of the development activity that Devon Energy are undertaking in just this small area within the STACK Play.

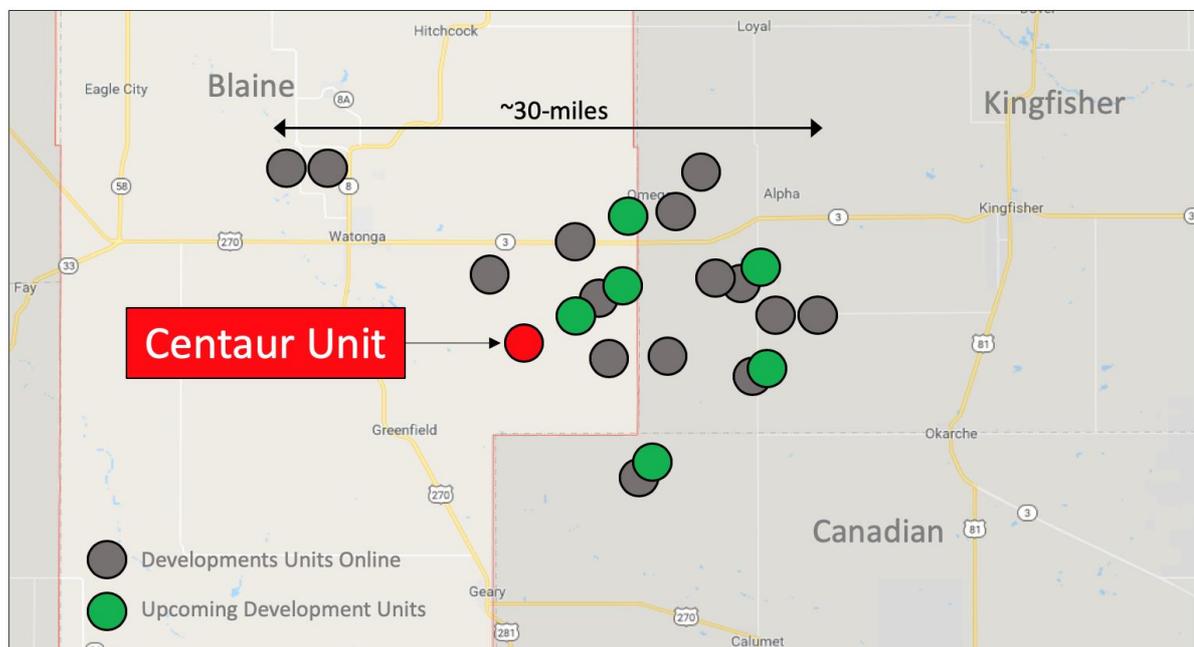


Figure 1. Devon Energy STACK Play Development Activity

Development operations are currently underway in the Centaur Unit, with two of the four wells having already successfully reached projected total depth (~21,000') and currently waiting on completion with the remaining two wells currently drilling. It is expected that completion operations will get underway early in the third quarter of calendar 2019.



The Company's Working Interest share of the drilling and completion costs is being funded from existing working capital and future net revenue from these wells (expected in Q4 of 2019) will therefore be to the account of Brookside.

Pre-Drill Estimates

The following table sets out some of the key technical parameters used to describe the development potential of the Centaur Unit.

| Name | | Centaur Unit - Single Well |
|---|--|--------------------------------------|
| Location | | STACK Play, Anadarko Basin, Oklahoma |
| Working Interest | | ~0.3% |
| Operator | | Devon Energy Corp. |
| Hydrocarbon Phases | | Light Oil, Condensate and Gas |
| Target Formations | | Meramec |
| Pre-Drill Estimates | | |
| Depth | | ~10,000' |
| Lateral Length | | 5,000' to 10,000' |
| IP30 Boe per day | | ~1,500 to ~2,000 |
| % Oil | | ~70% |
| 12-month Cum Boe | | ~300,000 |
| Full Unit Development | | 5 Meramec wells |
| Note: IP30 and 12-month Cum estimates are based on 5,000' lateral | | |

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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 The terms of the Drilling Joint Venture are set out set out in the Company's announcement dated 25 July 2016, titled "Brookside Secures STACK Joint Venture Partner".