

11 September 2020

Unreviewed Half Year Financial Report

Brookside Energy Limited (ASX:BRK) (Brookside or the Company) submits its unreviewed half-year Financial Report for the period ended 30 June 2020. The Company advises that it is relying on ASIC Corporations (Extended Reporting and Lodgement Deadlines—Listed Entities) Instrument 2020/451 to extend the lodgement due date to 14 October 2020 for its reviewed financial statements for the period ended 30 June 2020 and other documents required to be lodged with ASIC under section 320 of the Corporations Act. The Company will immediately make a further announcement to the market if it becomes aware that there will be a material difference between the unreviewed financial statements for the period ended 30 June 2020 and the reviewed financial statements for the period ended 30 June 2020.

– ENDS –

Authority:

This announcement has been authorised for release by the Board of Directors of Brookside Energy Limited.

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UNREVIEWED HALF-YEAR REPORT
FOR THE HALF-YEAR ENDED 30 JUNE 2020

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2020

	Notes	6 months to 30 June 2020 \$	6 months to 30 June 2019 \$
Royalty revenue		208,691	1,021,718
Production expense		(144,033)	(98,617)
Gross profit	2	64,658	923,101
Interest revenue	2	249	96
Gain on sale of asset	2	343,286	145,890
Other revenue		29,745	-
Other expenses		(166,016)	(39,213)
Director and employee related expenses		(132,664)	(130,000)
Consultants fees		(4,859)	(14,078)
Compliance and registry expenses		(93,942)	(118,139)
Travel expenses		(21,672)	(85,550)
Share based payments expense		(20,000)	(52,800)
Interest on financing		(347,404)	(280,293)
Exploration Expense		(239,447)	-
Production Expense		(97,554)	-
Amortisation expense		(124,912)	(178,538)
Fair value loss on equity investment		(15,000)	(14,755)
(Loss)/gain on foreign exchange movement		6,704	-
Profit/(loss) before income tax expense		(818,828)	155,722
Income tax expense		-	-
Net profit/(loss) for the year		(818,828)	155,722
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss:</i>			
Exchange differences on the translation of foreign operations		167,030	71,835
Other comprehensive profit/(loss) for the year net of taxes		(651,798)	227,557
Total comprehensive profit/(loss) for the year		(651,798)	227,557
Earnings/(loss) Per Share			
Basic and diluted earnings/(loss) per share (cents)	11	(0.068)	0.016

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Notes	30 June 2020 \$	31 December 2019 \$
Assets			
Current Assets			
Cash and cash equivalents		624,538	1,056,179
Trade and other receivables	3	480,261	466,684
Total Current Assets		1,104,799	1,522,863
Non-Current Assets			
Property, plant, and equipment		6,186	-
Other assets	4	-	1,336,964
Exploration and evaluation assets	5	12,420,594	10,832,623
Production assets		466,820	575,962
Financial assets fair value through profit and loss		37,500	52,500
Total Non-Current Assets		12,931,100	12,798,048
Total Assets		14,035,899	14,320,911
Liabilities			
Current Liabilities			
Trade and other payables	6	41,722	47,616
Borrowings	7	5,715,465	5,362,785
Total Current Liabilities		5,757,187	5,410,401
Total Liabilities		5,757,187	5,410,401
Net Assets		8,278,712	8,910,510
Equity			
Issued capital	8	225,427,357	225,407,357
Reserves	9	3,970,615	3,803,585
Accumulated losses	10	(221,119,260)	(220,300,432)
Total Equity		8,278,712	8,910,510

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2020

	Issued Capital \$	Accumulated Losses \$	Share Based Payment Reserve \$	Foreign Translation Reserve \$	Total \$
Balance at 1 January 2019	225,354,557	(221,217,935)	2,902,864	826,052	7,865,538
Profit for the period	-	155,722	-	-	155,722
Other comprehensive income	-	-	-	71,835	71,835
Total comprehensive loss for the period	-	155,722	-	-	227,557
Options issued during the period	-	-	9,981	-	9,981
Share issues in lieu of services	52,800	-	-	-	52,800
Balance at 30 June 2019	225,407,357	(221,062,213)	2,912,845	897,887	8,155,876
Balance at 1 January 2020	225,407,357	(220,300,432)	2,912,845	890,740	8,910,510
Profit for the period	-	(818,828)	-	-	(877,494)
Other comprehensive income	-	-	-	167,030	179,462
Total comprehensive loss for the period	-	(818,828)	-	167,030	(651,798)
Share issues in lieu of services	20,000	-	-	-	20,000
Balance at 30 June 2020	225,427,357	(221,119,260)	2,912,845	1,057,770	8,278,712

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2020

	6 months to 30 June 2020 \$	6 months to 30 June 2019 \$
Cash Flows Used in Operating Activities		
Receipts from Customers	208,691	995,733
Payments to suppliers and employees	(274,914)	(380,189)
Interest received	-	96
Net Cash Provided By/(Used In) Operating Activities	(66,223)	615,640
Cash Flows from Investing Activities		
Proceeds from disposal of assets	343,286	302,624
Payments for assets	(711,423)	(355,030)
Payments for acquisition of oil and gas properties	(239,447)	(1,004,848)
Payments for production assets	(97,554)	(302,076)
Net Cash (Used In) Investing Activities	(705,138)	(1,359,330)
Cash Flows from Financing Activities		
Proceeds from issue of options	-	9,981
Proceeds from obtaining control of subsidiaries	330,591	-
Proceeds from borrowings	-	200,000
Net Cash Provided by Financing Activities	330,591	209,981
Net Increase/(Decrease) in Cash and Cash Equivalents	(440,770)	(533,709)
Cash at beginning of the period	1,193,306	1,193,306
Effect of exchange rates on cash	(127,998)	44,820
Cash at End of Period	624,538	704,417

The accompanying notes form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.A. STATEMENT OF COMPLIANCE

The half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the interim financial statements, the Company is a for-profit entity.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position, and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 December 2019 and any public announcements made by Brookside Energy Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

1.B. BASIS OF PREPARATION

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

1.C. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 31 December 2019.

1.D. GOING CONCERN

The Group made a loss of \$651,798 for the half year ended 30 June 2020. In addition, the Group has working capital deficiency of \$4,652,388 primarily due to borrowings of \$5,715,465 being due at 31 December 2020. Cash and cash equivalents at the period-end amounted to \$624,538.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

The ability of the Company and consolidated entity to continue as going concerns is dependent on a combination of a number of factors, the most significant of which is the ability of the company to raise additional funds in the next 12 months through issuing additional shares and/or, to secure further financing facilities or extend the current financing facilities in place, which are due to be repaid on 31 December 2020. The Company also notes that it is in discussions with Oklahoma Energy Consultants regarding a further extension of the maturity date of the Drawdown Facility beyond 31 December 2020.

These factors indicate a material uncertainty exists, that may cast significant doubt as to whether the Company and consolidated entity will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

1.E. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current half-year.

1.F. ADOPTION OF NEW AND REVISED STANDARDS

1.F.1. Standards and Interpretations applicable to 30 June 2020

In the half-year ended 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2019.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

1.F.2. AASB 16 Leases

AASB 16 replaces AASB 117 Leases. AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee – effectively treating all leases as finance leases.

AASB 16 is applicable to annual reporting periods beginning on or after 1 January 2019.

1.F.3. Impact on operating leases

AASB 16 changes how the Group accounts for leases previously classified as operating leases under AASB 117, which were off-balance sheet.

Lease incentives (e.g. rent-free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under AASB 117 they resulted in the recognition of a lease liability incentive, amortised as a reduction of rental expenses on a straight-line basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

Under AASB 16, right-of-use assets are tested for impairment in accordance with AASB 136 Impairment of Assets. This will replace the previous requirement to recognise a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the Group will opt to recognise a lease expense on a straight-line basis as permitted by AASB 16.

The Group has conducted an assessment of the impact of the new standard and determined that there is no material impact due to the group not entering into any lease agreements that are covered by the standard.

1.F.4. Standards and Interpretations in issue not yet adopted applicable to 30 June 2020

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2019.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Group accounting policies.

2. REVENUES AND EXPENSES

	6 months to 30 June 2020	6 months to 30 June 2019
	\$	\$
Royalty revenue (Point in time)	208,691	1,021,718
Interest received	249	96
Gain on sale of investment	343,286	145,890
	<u>552,226</u>	<u>1,167,704</u>

3. TRADE AND OTHER RECEIVABLES

	As at 30 June 2020	As at 31 Dec 2019
	\$	\$
Current		
Other receivables	450,224	444,294
Prepayments	30,037	22,390
Closing balance	<u>480,261</u>	<u>466,684</u>

3.A. TERMS AND CONDITIONS RELATING TO THE ABOVE FINANCIAL INSTRUMENTS:

3.A.1. Other receivables are non-interest bearing and generally on 30-day terms

Ageing of past due but not impaired:

Current – 30 days	450,224	444,294
Total	<u>450,224</u>	<u>444,294</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

4. OTHER ASSETS

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Black Mesa - Earn-in	-	1,336,964
	-	1,336,964

4.A. MOVEMENT IN CARRYING AMOUNTS

Opening balance	1,336,964	972,484
Black Mesa Productions, LLC - Earn-in	-	360,325
Movement through obtaining control of subsidiaries	(1,360,012)	-
Foreign currency exchange	23,048	4,155
Closing balance	-	1,336,964

5. EXPLORATION AND EVALUATION

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
<i>Costs carried forward in respect of areas of interest in:</i>		
Exploration and evaluation phases – at cost	11,228,370	10,832,632
Opening Balance	10,832,623	10,392,000
Anadarko Basin Projects (leasehold acquisition)	558,550	1,908,191
Reclassification as producing assets	-	(303,567)
Sale of acreage	-	(1,237,590)
Movement from obtaining control of subsidiaries	849,143	-
Foreign currency transaction on movement	180,278	73,569
	12,045,594	10,832,623

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

5.A. ACQUISITION OF CONTROLLED ENTITIES

On, 1 April 2020, the Parent Entity increased its equity interest in Black Mesa Energy, LLC (**Black Mesa**), to 28.7%. The Parent Entity also gained control of Black Mesa (Board control, operational control and control of any distribution of assets, including cash held by Black Mesa) on 1 April 2020, via the provisions of the operating agreement between the Parent Entity and Black Mesa.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

6. TRADE AND OTHER PAYABLES

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Current		
Trade creditors	11,055	8,449
Accrued and other payables	30,667	39,168
Closing balance	41,722	47,617

6.A. TERMS AND CONDITIONS

Trade creditors are non-interest bearing and are normally settled on 30-day terms.

7. BORROWINGS

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Opening balance	5,362,785	4,644,838
Oklahoma Energy LLC financing ⁽ⁱ⁾	-	200,000
Interest accrued on borrowings	347,404	602,160
Foreign Currency Translation	5,276	15,787
Closing balance	5,715,465	5,362,785

(i) On 1 June 2017, Anadarko Leasing LLC (wholly owned subsidiary) entered into a Drawdown Facility with Oklahoma Energy Consultants.

Terms of the Drawdown Facility are as follows:

Date of agreement	Financing Facility	Terms
1 June 2017 (Amended 22 December 2017, 16 March 2018 and 31 October 2019)	US\$4,000,000 (increase from \$2,000,000 on 22 December 2017)	Facility is due for repayment on the 31 December 2020. Facility shall bear interest at a rate per annum of 12%, payable quarterly in arrears on drawdown amounts. Facility will be secured by the Borrower's interest in 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 Production, LLC.

7.A. DERECOGNITION OF FINANCIAL LIABILITIES

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

8. ISSUED CAPITAL

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Issued and paid up capital		
1,001,721,875 Ordinary shares (31 December 2019: 999,221,875)	225,427,357	225,407,357

8.A. MOVEMENTS IN ISSUED CAPITAL

	6 months to 30 June 2020 \$	Year ended 31 Dec 2019 \$
At the beginning of the period	225,407,357	225,354,557
Shares issued during the period:		
- Payment of Advisor Fees in Ordinary Shares	20,000	52,800
Share issue costs	-	-
At end of the period	225,427,357	225,407,357

8.B. MOVEMENTS IN NUMBER OF SHARES ON ISSUE

	6 months to 30 June 2020 Number	Year ended 31 Dec 2019 Number
At the beginning of the period	999,221,875	994,821,875
Shares issued during the period:		
- Corporate Advisory Fees paid in shares in lieu of cash	2,500,000	4,400,000
At end of the period	1,001,721,875	999,221,875

8.C. TERMS AND CONDITIONS OF CONTRIBUTED EQUITY

8.C.1. Ordinary shares

Ordinary shares have the right to receive dividends as declared and in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

8.D. OPTIONS

At the end of the reporting period, 295,140,625 options over unissued shares were on issue at the end of the reporting period.

Type	Date of Expiry	Exercise Price AUD	Number of Options on Issue
Listed options	31 Dec 2020	\$0.03	295,140,625

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

8.E. MOVEMENTS IN NUMBER OF OPTIONS ON ISSUE

	As at 30 June 2020 Number	As at 31 Dec 2019 Number
At the beginning of the period	295,140,625	70,000,000
<i>Shares issued during the period:</i>		
- Options issued under prospectus	-	225,140,625
At end of the period	225,140,625	295,140,625

9. RESERVES

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Option valuation reserve	2,912,845	2,912,845
Foreign currency translation	1,106,249	890,740
	4,019,093	3,803,585

9.A. MOVEMENTS IN OPTION VALUATION

Balance at the beginning of the period	2,912,845	2,902,864
<i>Options issued during the period:</i>		
- Options issued during the period	-	9,981
At end of the period	2,912,845	2,912,845

9.B. FOREIGN CURRENCY RESERVE

At beginning of the period	890,740	826,052
Movement during the period	215,509	64,688
Balance at end of period	1,106,249	890,740

10. ACCUMULATED LOSSES

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Balance at the beginning of the period	(220,300,432)	(221,217,935)
Net profit/(loss) for the period	(985,060)	917,503
Balance at end of the period	(221,285,492)	(220,300,432)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

11. BASIC LOSS PER SHARE

	As at 30 June 2020 \$	As at 31 Dec 2019 \$
Profit/(Loss) used in calculation of basic EPS	(985,060)	917,503
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,001,721,875	999,221,875

12. INVESTMENT IN SUBSIDIARIES

12.A. INVESTMENT IN SUBSIDIARY

Subsidiary	2020 %	2019 %	2020 \$	2019 \$
BRK Oklahoma Holdings, LLC	100	100	366	366
Anadarko Leasing	100	100	444	444
Black Mesa Energy, LLC	28.7%	-	1,360,012	

13. SEGMENT REPORTING

Brookside Energy Limited operates predominantly in one industry being the oil and gas industry in the USA.

13.A. SEGMENT INFORMATION

1.A.1. Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of its oil and gas in the USA and its corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

13.B. TYPES OF REPORTABLE SEGMENTS

1.A.2. Oil and gas exploration: Segment assets, including acquisition cost of exploration licenses and all expenses related to the projects in the USA are reported on in this segment.

1.A.3. Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents, and investments in financial assets are reported in this segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

13.C. BASIS OF ACCOUNTING FOR PURPOSES OF REPORTING BY OPERATING SEGMENTS

1.A.4. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

1.A.5. Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

1.A.6. Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrance of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables.

	Corporate \$	Oil & Gas and other USA entities \$	Total \$
30 June 2020			
Segment performance			
Segment revenue	-	552,226	552,226
Segment results	(314,094)	(504,733)	(818,827)
<i>Included within segment result:</i>			
- Interest revenue	-	249	249
- Gain on disposal of investment	-	343,286	343,286
- Loss from obtaining control of subsidiaries	-	(158,541)	(158,541)
- Drawdown facility interest expense	-	(347,404)	(347,404)
- Share based payment expense	(20,000)	-	(20,000)
Segment assets	601,989	13,433,910	14,035,899
Segment liabilities	(4,156,383)	(1,600,805)	(5,757,188)
30 June 2019			
Segment performance			
Segment revenue	96	1,425,328	1,425,424
Segment results	(454,437)	610,159	155,722
<i>Included within segment result:</i>			
- Interest revenue	96	-	96
- Gain on sale of investment	-	145,890	145,890
Segment assets	585,944	12,785,443	13,371,387
Segment liabilities	(71,698)	(5,143,813)	(5,215,511)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

14. FINANCIAL INSTRUMENTS

This note provides information about how the Group determines fair values of various financial assets and liabilities. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

	30 June 2020		31 December 2019	
	Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
<i>Financial assets</i>				
Cash and cash equivalents	624,538	624,538	1,056,179	1,056,179
Trade and other receivables	480,261	480,261	466,684	466,684
Total financial assets	1,104,799	1,104,799	1,522,863	1,522,863
<i>Financial liabilities</i>				
Trade and other creditors	(41,722)	(41,722)	(47,617)	(47,617)
Loans and borrowings	(5,715,465)	(5,715,465)	(5,362,785)	(5,362,785)
Total financial liabilities	(5,757,187)	(5,757,187)	(5,410,402)	(5,410,402)

15. SHARE BASED PAYMENTS

The following share-based payment was entered into during the period.

2,500,000 fully paid ordinary shares were issued to a consultant of the company in lieu of corporate advisory services.

	30 June 2020 Fair value \$
Type	Fully Paid Ordinary Shares
Number	2,500,000
Grant date	20 February 2020
Grant date share price	\$0.008
Total fair value of equity instrument at grant	\$20,000

No share options were exercised during the year.

16. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2020

17. EVENTS SUBSEQUENT TO REPORTING DATE

On 25 August 2020, the Company advised that it has received applications under its non-renounceable entitlement offer of one (1) New Share for every four (4) Shares held at an issue price of \$0.005 per share (**New Share**) (**ASX:BRK**) together with one (1) free attaching New Option exercisable at \$0.011 on or before 30 June 2022 (**New Option**) (**ASX:BRKOB**) for every one (1) New Share subscribed for and issued (**Entitlement Offer**), Entitlement Offer (including entitlements and applications for additional New Shares) for a total of 151,722,983 New Shares, to raise a total of \$758,615 (before costs).

On 9 September 2020 the Company announced that it had closed its Entitlement Offer with the successful placement of the remaining 99,400,629 New Shares at \$0.005 per New Share (together with 99,400,629 New Options) under the shortfall placement (**Shortfall Placement**). The Shortfall Placement raised \$497,003 (before costs).

In addition, the Company advised that it had successfully placed a further 26,375,000 oversubscription New Shares at \$0.005 per New Share (together with 25,375,000 New Options) (**Oversubscription Placement**) (**Securities**). The Oversubscription Placement raised an additional \$131,875 (before costs). The Oversubscription Placement Securities were issued using the Company's existing placement capacity with 26,375,000 New Shares and 26,375,000 New Options being issued pursuant to ASX Listing Rule 7.1.

The Entitlement Offer together with the Shortfall Placement and Oversubscription Placement (**Offers**) raised at total of \$1,387,493 (before costs).

Proceeds from the Offers are being used to progress the Company's acquisition and development activities in the Anadarko Basin, Oklahoma (including planned acquisitions under the Orion Project Joint Venture) and for general working capital.