

SWISH AOI Prospective Resource Confirms Very High Potential of Anadarko Basin Acreage

Perth, Western Australia – 17 November 2020 – Brookside Energy Limited (ASX: BRK) (Brookside or the Company) is pleased to provide shareholders and investors with the details of an initial Prospective Resource estimate for our holdings in the SWISH AOI located in the SCOOP play in the world-class Anadarko Basin.

Highlights

- 11,606,000 net barrels of oil equivalent (BOE) Prospective Resource attributable to Brookside's SWISH AOI in the southern part of the SCOOP Play
- Initial Prospective Resource confirms the very high potential of this highly sought-after area that has attracted the attention of several of the large very successful tier-one operators that have remained active through the pricing cycle
- The Prospective Resource covers Brookside's Jewell, Flames and Rangers drilling spacing units (DSUs) and includes the highly anticipated Jewell Well which is targeting the Sycamore formation
- The Sycamore formation is delivering outstanding sustained productivity in offsetting wells, including from the Casillas Operating, LLC. operated Flash 1-8-5MXH well¹, which is located ~3-miles west of the Jewell DSU (which has produced ~390,000 BOE in approximately 8-months)
- The Jewell Well will be the first well in a potential twenty-one well, 5-year program to develop this large resource (both the Sycamore and Woodford formations) and access the significant net cash flow that will come from these DSUs

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

"We are delighted to provide our shareholders and investors with details of the Prospective Resources attributable to our SWISH AOI holdings.

"This is a large resource in the context of our acreage position and market capitalisation and demonstrates the very high productivity of the Sycamore and Woodford formations in this highly sought-after part of southern SCOOP.

"The initial and sustained production results coming from wells drilled in the area by other operators have served to enhance our already high confidence in the producibility and economics of this area.

"The application of modern horizontal drilling and completion techniques in this area to exploit known sources of oil and gas is delivering enormous value to operators and we look forward to commencing operations on the Jewell Well and continuing the process of unlocking this value for our shareholders."

¹ Note. Brookside does not hold an interest in the Flash 1-8-5MXH well and these production results are presented for reference only.



Background

Brookside's US controlled subsidiary and manager of operations, Black Mesa Energy, LLC (**Black Mesa**) has prepared an estimate of the oil and gas Prospective Resources contained within the Jewell, Flames and Rangers DSUs in the SWISH AOI. These DSUs are located within the highly sought-after Sycamore-Woodford trend in the southern part of the Anadarko Basin's SCOOP Play. The net prospective resource attributable to Brookside's SWISH AOI are set out in Table 1 below.

Resource (Net to Brookside)	Oil (MMbl)	Gas (Mcf)	Mboe
Prospective Resource (best estimate, unrisks)	3,839	46,602	11,606

Table 1: Brookside Prospective Resource

The target reservoirs in the SWISH AOI include the 340' to 500' thick Woodford Shale (the organic rich, oil and gas prone source rock for entire Anadarko Basin) and the 320' to > 380' thick Sycamore Limestone that lies directly above the Woodford Shale. Both of these reservoirs are already being successfully exploited by tier-one operators that are actively developing adjacent acreage, including NYSE listed large independents ExxonMobil (NYSE: XOM), Continental Resources (NYSE: CLR) and Marathon Oil (NYSE: MRO).

The SWISH AOI was identified by Black Mesa following a review of the reservoir characteristics and productivity of the producing non-operated Working Interest wells in which the Company had participated in the STACK Play, as well as data from numerous wells drilled throughout the Anadarko Basin.

Through consistent and successful application of its leasing, trading and high-grading activities, Brookside acquired a premium acreage position in the southern SCOOP that ultimately resulted in the successful acquisition of a controlling interest in three operated DSUs in the SWISH AOI: the Jewell, Flames and Rangers DSUs. These three DSUs are all located in the core of the Sycamore-Woodford sub-play in southern SCOOP in very close proximity to some of the best wells drilled and completed in this area (see Figure 1 below) since its emergence as a focus for several of the tier-one independents.

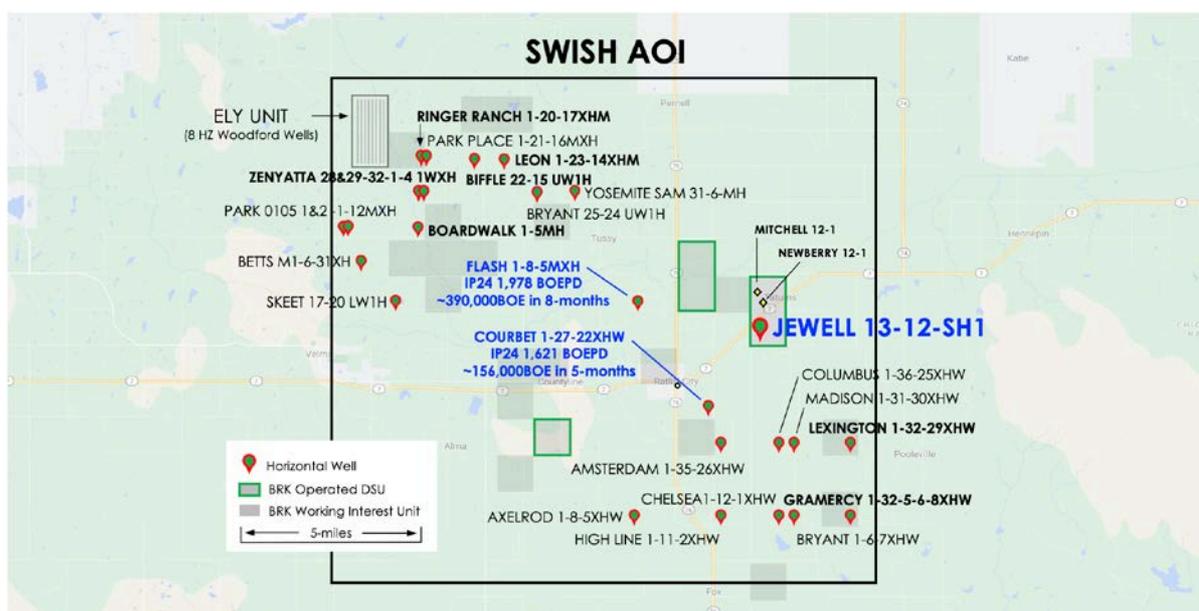


Figure 1: SWISH activity map showing the location of Brookside DSUs



The Jewell Well will be the first well in a potential twenty-one well, 5-year program to develop this significant resource and access the significant net cash flow that will come from these DSUs. The twenty-one well program would target both the Sycamore Formation (7 wells) and the Woodford Formation (14 wells) both of which are demonstrated to be highly productive in the SWISH AOI.

– ENDS –

Authority:

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

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ABOUT BROOKSIDE ENERGY LIMITED

Brookside Energy is a Perth-based ASX listed company that generates shareholder value by developing oil and gas plays in the United States, specifically the Anadarko Basin in Oklahoma. The Anadarko Basin is a proven Tier One oil and gas development province with significant existing oil and gas gathering and transportation infrastructure, a competitive and highly experienced oil and gas service sector, and a favourable regulatory environment. Brookside is executing a "Real Estate Development" approach to acquiring prospective acreage in the Anadarko Basin and adding value to it by consolidating leases and proving up oil and gas reserves. The Company then has the option of selling the revalued acreage or maintaining a producing interest. The Company is now set to scale-up its activities and asset base significantly with its operated- interests in the SWISH AOI.

Web <http://brookside-energy.com.au>

ABOUT BLACK MESA ENERGY, LLC

Black Mesa Energy, a Brookside Energy controlled subsidiary, is a Tulsa-based oil & gas exploration and production company focused on profitable development of petroleum properties located in the Mid-Continent oil province of the United States. Our lean and highly specialized technical and operations team is committed to providing attractive returns for our investors and shareholders by generating and drilling high quality oil and gas prospects. The founders of Black Mesa have worked together for over 30 years at companies they previously founded, including Medallion Petroleum, InterCoast Energy and Brighton Energy. Over the course of their careers, the Black Mesa team has drilled hundreds of horizontal wells and thousands of vertical wells in numerous mid-continent oil and gas basins. In addition to the financial backing from the Black Mesa shareholders, Black Mesa partners with outside investors on larger-scale projects by offering non-operated direct working interest participation.

Web <http://www.blkmesa.com>



Competent Persons Statement

The resources information contained in this announcement pertaining to the SWISH AOI, SCOOP play is based on, and fairly represents, information and supporting documentation compiled by Mr John Schumer, Vice President of Reservoir Engineering for Black Mesa, a Brookside controlled subsidiary. Mr Schumer holds a B.S. Geological Engineering from the University of North Dakota, is a Petroleum Engineer with over 18 years of experience in reservoir engineering, prospect generation and evaluations, prospect and project level resource and risk estimation and is a member of the Society of Petroleum Engineers (SPE). The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS) . Mr Schumer is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

Prospective Resources Cautionary Statement

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Prospective Resources Reporting Notes (SWISH AOI, SCOOP Play reported for the first time)

- (i) The prospective resources information in this document is effective as at 17 November 2020 (LR 5.25.1).
- (ii) The prospective resources information in this document has been estimated and is classified in accordance with SPE PRMS (Society of Petroleum Engineers Petroleum Resources Management System) (LR 5.25.2).
- (iii) The prospective resources information in this document is reported according to the Company's economic interest in each of the resources and net of royalties (LR 5.25.5).
- (iv) The prospective resources information in this document has been estimated and prepared using the deterministic method (LR 5.25.6).
- (v) The prospective resources information in this document has been estimated using a 6:1 BOE conversion ratio for gas to oil; 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency (LR 5.25.7).
- (vi) The prospective resources information in this document has been estimated on the basis that products are sold on the spot market with delivery at the sales point on the production facilities (LR 5.26.5).
- (vii) Prospective resources are reported on a best estimate basis (LR 5.28.1).
- (viii) For prospective resources, the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons (LR 5.28.2).
- (ix) The net prospective resources referred to in this statement assume Brookside will secure a 90% working interest in each of the Jewell, Flames and Rangers DSUs. Brookside holds a controlling working interest in each of these DSUs and the Company therefore has a statutory path to force pool the balance of the acreage in each unit. Upon receipt of final pooling orders the Company expects it will secure at least a 90% working interest in these DSUs (LR 5.35.1).
- (x) The prospective resources have been estimated on the following basis (LR 5.35.2): the best estimate prospective resource calculation was based on a consideration of offset well information and seismic expression; a combination of volumetric assessment and field analogues have been used to estimate the prospective resources; exploration drilling will be required to assess these resources.
- (xi) The chance of discovery is considered high as the prospective resources are near developed and undeveloped reserves and in a proven oil and gas producing province. There is a low risk that exploration will not result in sufficient volumes of oil and/or gas for a commercial development (LR 5.35.3).
- (xii) Prospective resources are un-risked and have not been adjusted for an associated chance of discovery and a chance of development (LR 5.35.4).



GLOSSARY

BOE	Barrels of Oil Equivalent
Development Unit or DSU	Development Unit or drilling 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.
Force Pooled	The Oklahoma Corporation Commission is authorized to establish well spacing and drilling units covering any common source of supply of hydrocarbons, or any prospective common source of supply. Once the unit is established, the Commission can force pool the interests of all the owners who own interests in that unit and who have not voluntarily joined in the development of that unit.
Mboe	1,000 barrels of oil equivalent
Mcf	1,000 cubic feet
MMboe	1,000,000 barrel of oil equivalent
Prospective Resource	Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations.
SCOOP Play	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