

NEWS RELEASE

22 July 2021

SWISH AOI Acreage Acquisition SCOOP Play, Anadarko Basin, Oklahoma

Perth, Western Australia – 22 July 2021 – Brookside Energy Limited (ASX: BRK) (FSE: 8F3) (Brookside or the Company) is pleased to provide shareholders and investors with an update on its continued acreage acquisition activities within its SWISH Area of Interest (SWISH AOI) in the core of the southern SCOOP Play in the world-class Anadarko Basin (Figure 1).

HIGHLIGHTS

- Material addition to the Company's "core of the core" SWISH AOI acreage position
- Continued opportunistic execution of the Company's Land and Leasing strategy
- Set to increase our SWISH AOI acreage by 13% with prime acreage acquired adjacent to the Rangers Drilling Spacing Unit (DSU)
- Opportunity to significantly improve the already excellent economics of the Rangers Well and to increase the associated PUD volumes and value

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

"We are very pleased to be able to bring this news to our shareholders this week. The Black Mesa team continues to make great progress across all three pillars of the business, including with our Jewell Well operations but also importantly on our land and leasing efforts within the SWISH AOI.

"This acquisition is a credit to the team and will have a very positive impact on our future development plans for the Rangers Well and on our reserves of oil and gas, our cashflows and on future acreage values for this project"

Land and Leasing Activities

The Company, via the excellent work of the Black Mesa Energy team on the ground in Oklahoma, continue to opportunistically execute the Company's Land and Leasing strategy within the SWISH AOI in Carter County, Oklahoma.

This ongoing work is aimed at delivering additional acreage in the "core of the core" of the highly sought-after Sycamore Woodford Trend in the southern SCOOP Play, with a particular focus on acreage that is complimentary to the Companies three existing DSU's, Jewell, Rangers and Flames.

Recent activity has delivered a material increase in the Company's holdings, with key acreage acquired that is now set to increase our SWISH AOI acreage by 13% with prime acreage leased adjacent to the Rangers DSU and documents have now been filed with the Oklahoma Corporation commission to create an additional 320-acre spacing unit.

This strategic acquisition will provide the opportunity to significantly improve the already excellent economics of the soon to be drilled Rangers Well, to increase the associated PUD volumes and to increase the cashflow and acreage values associated with this DSU.

Background

Brookside is developing its “core of the core” acreage position in the SWISH AOI located in the highly sought-after Sycamore-Woodford trend in the southern SCOOP Play in the world-class Anadarko Basin. Brookside has embarked on a potential 5-year, 20-plus well development drilling program across its three operated development areas / DSUs (Jewell, Flames, Rangers) that the Company controls in the SWISH AOI to develop a conservatively estimated 11,606,000 net BOE Prospective Resource¹ (best estimate, unrisks).

Initial wells drilled in the SWISH AOI will be targeting one of two primary producing formations in the SWISH AOI, the Sycamore formation. The Sycamore formation continues to deliver outstanding sustained productivity in nearby offsetting wells. To date, the Casillas Operating, LLC. operated Flash 1-8-5MXH well (located ~3-miles west of the Jewell DSU) has produced ~580,000 BOE in approximately 19-months, considerably higher than Brookside’s conservative estimate for the Jewell Well (see Figure 2).²

Future wells will also target the Woodford formation, which just like the Sycamore formation continues to deliver outstanding sustained productivity in nearby offsetting wells. To date, the Continental Resources Inc. operated Courbet 1-27-22XHW well (located ~1-mile southwest of the Jewell DSU) has produced ~430,000 BOE in approximately 14-months.³ As can be seen in Figure 3, the production rate of the Courbet well is considerably higher than BRK’s conservative estimate for the Jewell Well.

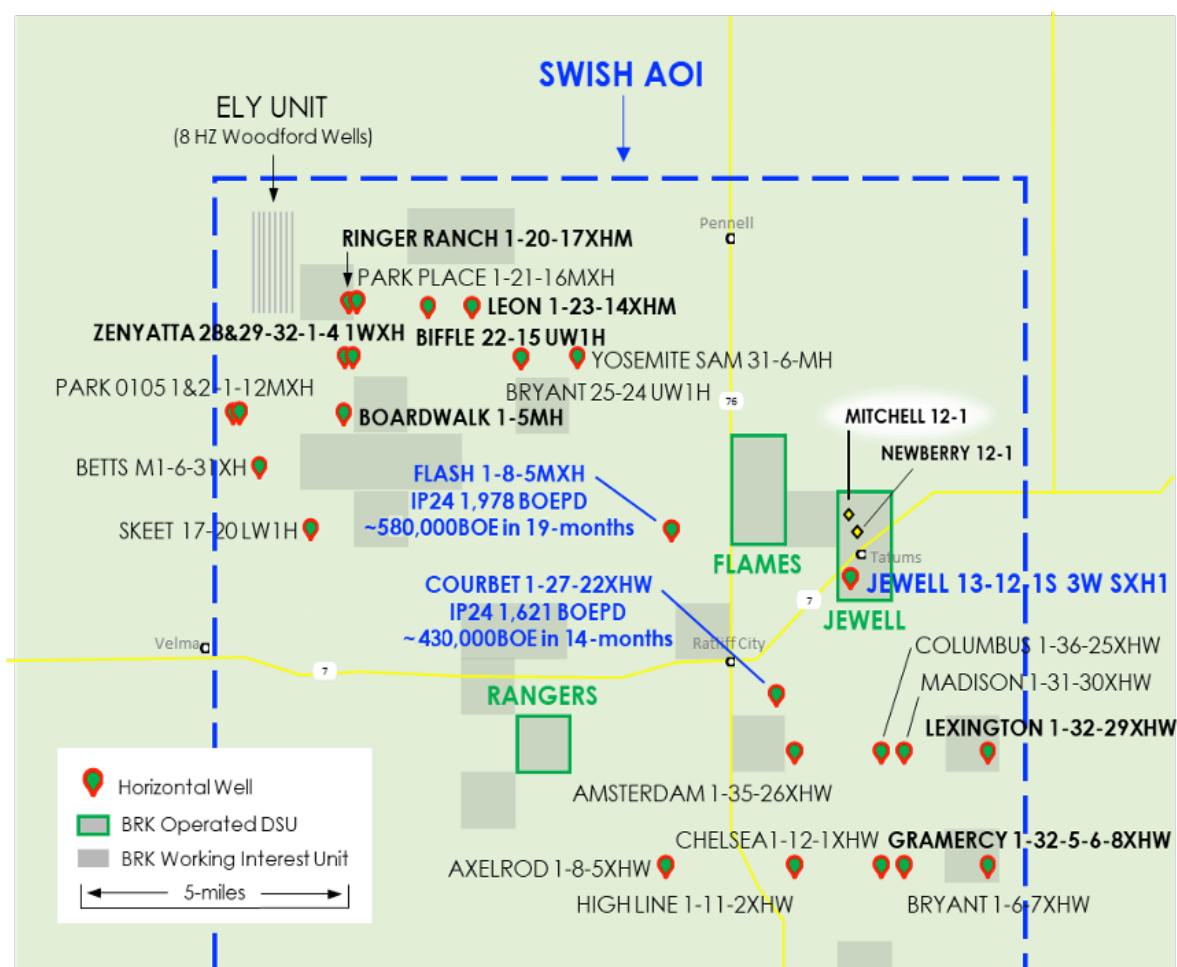


Figure 1: SWISH AOI activity map showing the location of Brookside DSUs

¹Refer to the Company’s ASX release of 17 November 2020 for further information in respect of the prospective resource. There has been no material change to the prospective resource since that release.

² Note - Brookside does not hold an interest in the Flash 1-8-5MXH well and these production results are presented for reference only.

³ Note - Brookside does not hold an interest in the Courbet 1-27-22XHW well and these production results are presented for reference only.

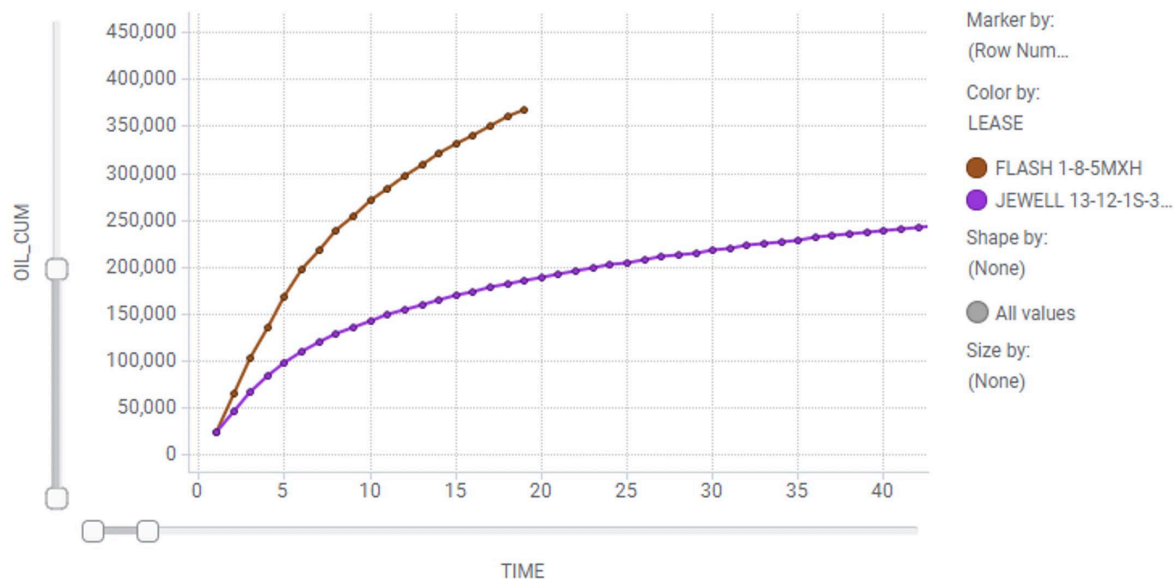


Figure 2: Flash Well cumulative oil production to date (barrels of oil) versus time (month) compared to the Jewell Well oil production type curve. Brookside has been very conservative in its production estimate for the Jewell Well producing from the Sycamore formation.

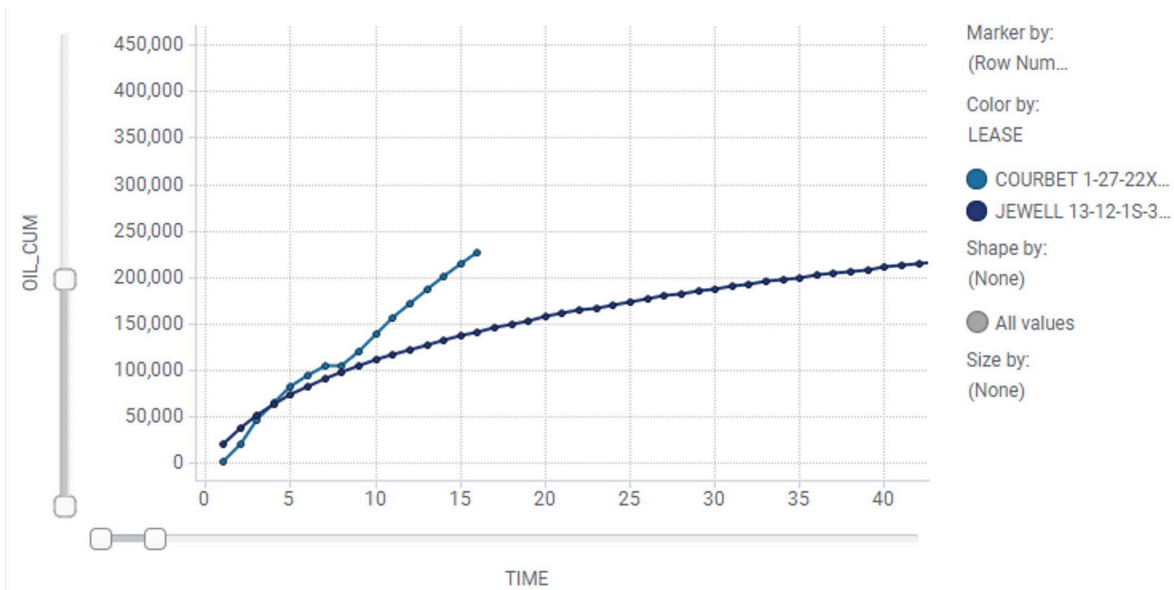


Figure 3: Courbet Well cumulative oil production to date (barrels of oil) versus time (month) compared to the Jewell Well oil production type curve. Brookside has been very conservative in its production estimate for the Jewell Well producing from the Woodford formation.



– 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, and Frankfurt 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>



GLOSSARY

APO WI	After pay-out working interest
AFIT	After Federal Income Tax
AOI	Area of Interest
BBL	Barrel
BFIT	Before Federal Income Tax
BOE	Barrels of Oil Equivalent
COPAS	Council of Petroleum Accountants Societies
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 barrels of oil equivalent
NPV ₁₀	The net present value of future net revenue, before income taxes and using a discount rate of 10%.
NRI	Net Revenue Interest
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
Prospective Resource	Prospective Resources are those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations.
PUD	Proved Undeveloped Reserves
Reserve Categories	These reserve categories are totalled up by the measures 1P, 2P, and 3P, which are inclusive of all reserve 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 "proved 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

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