

Large US Producers to Participate in Rangers

Perth, Western Australia – 20 January 2022 – Brookside Energy Limited (ASX: BRK) (OTC Pink: RDEF) (FSE: 8F3) (Brookside or the Company) is pleased to provide shareholders and investors with an update regarding the Working Interest (WI) participants in the Rangers Drilling Spacing Unit (DSU) in Brookside's SWISH Area of Interest (SWISH AOI) in the world-class Anadarko Basin (Figure 1).

HIGHLIGHTS

- Some of the largest oil and gas producers in the US, Citation Oil and Gas Corporation (**Citation**), Continental Resources Inc. (**Continental**) and Exxon Mobil Corporation subsidiary XTO Energy, Inc (**XTO**) have confirmed their participation in the Rangers DSU
- Brookside expects to retain a ~80% WI in the DSU, with the Company's subsidiary Black Mesa Energy, LLC (**Black Mesa**) as the operator

Three large US producers have confirmed their participation in the Rangers DSU, led by Houston based Citation with a 10.2% WI, Oklahoma City headquartered Continental (NYSE: CLR) with a 5.3% WI and Houston based XTO with a 1.7% WI.

Citation is one of the largest private oil and gas companies in the US and is a very experienced and active player in the SWISH AOI and the Southern SCOOP area generally. Continental (market capitalisation of US\$19bn) is a top ten oil producer in the US, and the most dominant operator across the Anadarko Basin plays, with very large holdings throughout the STACK and SCOOP Plays and a dominant position in the Southern SCOOP. XTO is a subsidiary of super major Exxon Mobil (NYSE: XOM) (market capitalisation US\$304bn) that has extensive largely non-operated holdings within the Anadarko Basin.

A further 2.1% WI was taken up by a combination of private equity and smaller private oil and gas firms. Participation in the Rangers DSU includes an equivalent WI in the high-impact Rangers Well plus the opportunity to participate in future wells drilled in this DSU.

Brookside expects to retain a ~80% WI in the Rangers DSU, with the Company's subsidiary Black Mesa as the operator.

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

"We are once again delighted to see some of the largest, most experienced and well-funded US operators joining with us in our SWISH AOI development program. This is a strong endorsement of the quality of our acreage and the operational capability of our Black Mesa team.

"It is particularly pleasing to be partnering with Citation and Continental who are very active within the SWISH AOI with dominant land holdings and an impressive inventory that includes some of the best wells drilled in the highly sought-after Sycamore Woodford trend in the Southern SCOOP.

"We are looking forward to keeping our shareholders updated as we move ahead to complete the Rangers Well for production and the commencement of sales."

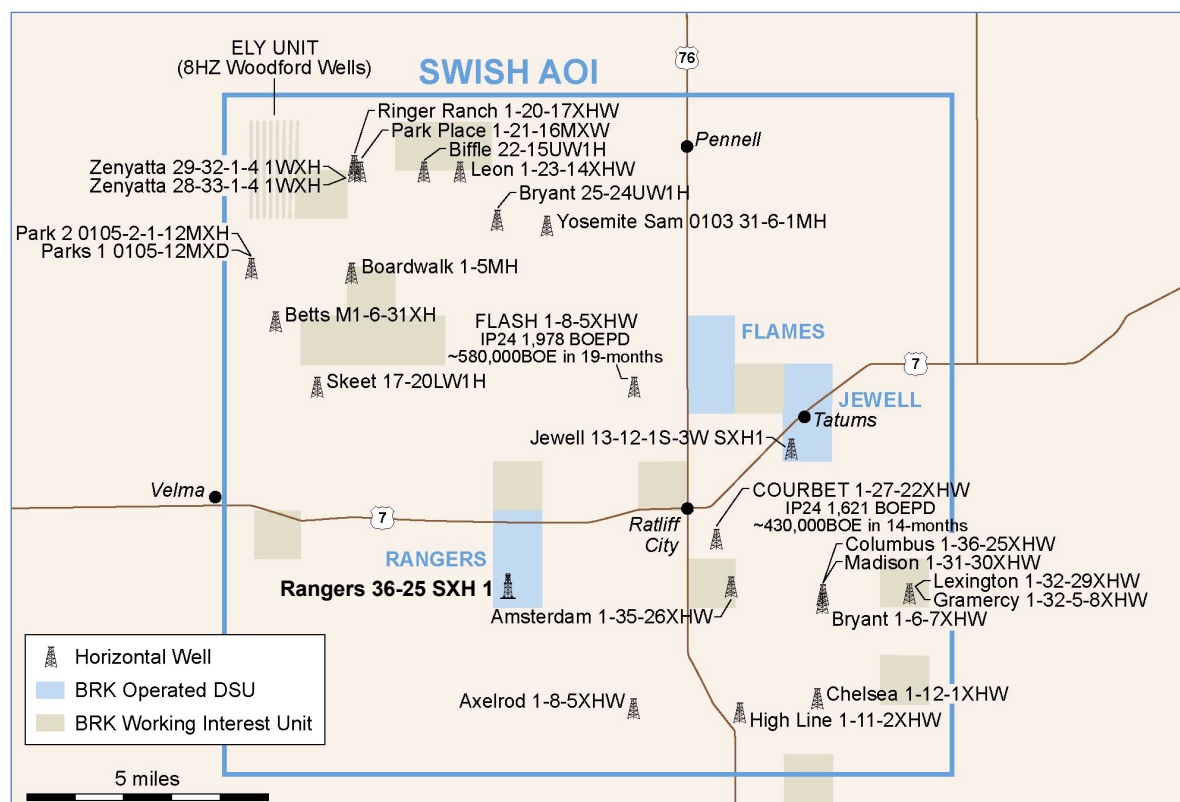


Figure 1. Location map showing the location of the Rangers Well and Brookside's three operated SWISH AOI DSU's

– 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 is an Australian public company listed on the Australian (ASX: BRK), Frankfurt (8F3: FSE) and USA (OTC Pink: RDEFF) stock exchanges. The Company was founded in 2015, to focus on the mid-continent region of the US, where our deep and valued relationships enable us to work with local communities to ensure sustainable growth and value creation through the safe and efficient development of energy assets. Focused on exploitation not exploration, the Company generates shareholder value through a disciplined portfolio approach to the acquisition and development of oil and gas assets and the leasing and development of acreage opportunities. The Company's US subsidiary and manager of operations, Black Mesa, is an experienced mid-continent operator, which identifies opportunities and executes development for Brookside. Our business model effectively assigns risk and provides commercial incentives to maximize value for both parties.

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
BOEPD	Barrels of Oil Equivalent Per Day
BOPD	Barrels of Oil Per Day
BPD	Barrels Per Day
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