

Brookside Energy Ltd

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Brookside Energy declares maiden reserve of 3.45 million barrels from Anadarko Basin in US

Brookside Energy Ltd's (ASX:BRK) maiden reserves of 3.45 million barrels of oil equivalent (MMboe) confirm the success of its acreage acquisition and re-valuation strategy in the USA's prolific Anadarko Basin.

With these net oil and gas reserves attributable to around 20% of its total holdings in the basin, the company is confident of growing the total.

The combined NPV10 of this reserve is US\$12.5 million with forecast future net revenues of US\$37.75 million.

Net reserves, estimated net reserves and future net revenues.

Brookside managing director David Prentice said: "These outstanding results clearly demonstrate the effectiveness of our acreage acquisition and re-valuation business model."

He said they also demonstrated "the quality of the acreage and oil and gas reservoirs identified within it and, very importantly, the calibre of our team in Oklahoma that is responsible for identifying, securing and developing these opportunities."

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Shares were up almost 15% to 1.6 cents at opening and within an hour more than 12 million had been traded.

Proven reserves are estimated at 2.83 MMboe, or around 82% of total reserves, with a further 617 MMboe in the probable reserve category.

An NPV10 per acre of approximately US\$30,000 confirms Brookside's business model.

Price: A\$0.012

Market Cap: A\$11.94M

1 Year Share Price Graph



Share Information

Code: BRK

Listing: ASX

52 week High Low
A\$0.02 A\$0.01

Sector: Energy

Website: www.brookside-energy.com.au

Company Synopsis:

Brookside Energy Ltd (ASX:BRK) is listed on the Australian Securities Exchange.

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Prentice said: "In the short term we will continue to work hard to close the gap between our current market capitalisation of approximately US\$10 million and the combined value of these proved reserves and the potential of the remaining 80% of our Anadarko Basin holdings.

"Beyond that we are very excited by the opportunity we have to reward our shareholders as we scale-up both reserves and acreage, with development of our acreage and increases to our holdings in this world-class basin."

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Brookside's partner and manager of US operations, Black Mesa Production LLC, prepared the estimate of the oil and gas reserves and future net revenues for certain petroleum property interests owned by Brookside.

These interests consist of non-operated working interests and royalty interests in Oklahoma.

Brookside is active in the South Central Oklahoma Oil Province.

Estimated future net revenue should be realised from the sale of the estimated net reserves after deduction of Black Mesa's 'back-in after payout', royalties, production taxes, direct operating costs and required capital expenditures, where applicable.

Future net revenue is before the deduction of federal and state income taxes.

The estimates shown are for proved developed producing, proved

undeveloped, and probable reserves and do not include any possible reserves that may exist within these properties.

Brookside's goal is to build value through a disciplined portfolio approach to the acquisition and development of producing oil and gas assets and the leasing and development of acreage opportunities.

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