

BROOKSIDE ENERGY LIMITED
ACN 108 787 720

OPTIONS PROSPECTUS

For the placement of up to 225,140,625 New Listed Options to subscribe for Shares in the Company on the terms and conditions set out in this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New Listed Options offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Board of Directors

Michael Fry
Independent Chairman

David Prentice
Managing Director

Loren King
Non-Executive Director

Company Secretary

Loren King

Auditor*

HLB Mann Judd (WA)
Level 4, 130 Stirling Street
Perth WA 6000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Registered Office

C/- Cicero Corporate Services Pty Ltd
Suite 9, 330 Churchill Avenue
Subiaco WA 6008

Telephone: (08) 6489 6008
Facsimile: (08) 6489 1601

Email: info@bookside-energy.com.au
Website: www.brookside-energy.com.au

Share Registry*

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000

PO Box 2226
Strawberry Hills NSW 2012

Telephone: 1300 288 664

ASX Code

BRK (Shares)
BRKO (Options)

**This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.*

2. TIMETABLE

Action	Date*
Date for determining eligibility for New Listed Options	31 December 2018
Lodgement of the Prospectus with the ASIC and ASX	7 January 2019
Opening Date of the Offer	7 January 2019
Closing Date of the Offer	5.00pm (WST), 28 January 2019
General Meeting of Shareholders to approve the Offer	31 January 2019
Expected date of Official Quotation of New Listed Options	5 February 2019

** The Directors reserve the right to bring forward or extend the Closing Date of the Offer at any time after the Opening Date of the Offer without notice. As such, the date the New Listed Options are expected commence trading on ASX may vary with any change in the Closing Date of the Offer.*

3. IMPORTANT NOTES

3.1 Introduction

This Prospectus is dated 7 January 2019 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The New Listed Options offered pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus. No New Listed Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give any information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained in this Prospectus may not be relied on as having been authorised by the Company in connection with this Prospectus.

The Offer is only available to those who are eligible to accept the Offer.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The New Listed Options the subject of this Prospectus should be considered highly speculative.

Applications for New Listed Options offered pursuant to this Prospectus can only be submitted on an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.2 Risk factors

Potential investors should be aware that subscribing for New Listed Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Listed Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Listed Options pursuant to this Prospectus.

3.3 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 Background

As at 31 December 2018, the Company had two classes of Options on issue, being:

- (a) 675,421,875 listed Options exercisable at \$0.02 which expired at 5.00pm (WST) on 31 December 2018 (**Expired Options**); and
- (b) 70,000,000 unlisted Options exercisable at \$0.03 each expiring at 5.00pm (WST) on 31 December 2020 (**Unlisted Options**).

The Expired Options have since expired without being exercised.

4.2 The Offer

This Prospectus invites Applicants to participate in the placement of up to 225,140,625 New Listed Options at an issue price of \$0.00006 each with each New Listed Option exercisable at \$0.03 each and expiring at 5.00pm (WST) on 31 December 2020.

Holders of Expired Options on 31 December 2018 are eligible to apply for the New Listed Options. New Listed Options will otherwise be issued to Applicants at the absolute discretion of the Directors.

Applicants who submit an Application Form must apply for a minimum of 10,000,000 New Listed Options.

The Company will issue the New Listed Options pursuant to Shareholder approval, which is being sought at the Extraordinary General Meeting of the Company to be held on 31 January 2019. The New Listed Options will be issued within three months of the Company obtaining that approval.

In the event Shareholder approval is not received, then unless the Company can validly issue the New Listed Options under the Offer pursuant to its capacity under ASX Listing Rule 7.1, the Offer will not proceed, and no New Listed Options will be issued pursuant to this Prospectus.

All of the New Listed Options offered under this Prospectus will be issued on the terms and conditions set out in section 6.1 of this Prospectus.

All of the Shares issued upon the future exercise of the New Listed Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 6.2 for further information regarding the rights and liabilities attaching to Shares.

4.3 Minimum Subscription

There is no minimum subscription under the Offer and there is no provision for oversubscriptions.

4.4 Opening and Closing Dates

The Offer will be open on 7 January 2019 and close at 5.00pm (WST) on 28 January 2019 or such later date as the Directors, in their absolute discretion and subject to compliance with the ASX Listing Rules and the Corporations Act, may determine.

4.5 Application Forms

Applications for New Listed Options must be made by investors using the Application Form accompanying this Prospectus. By completing an Application Form, Applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled to occur on 28 January 2019.

Applications under the Offer must be accompanied by payment in full at the issue price of \$0.00006 per New Listed Option in Australian currency by cheque or direct debit in accordance with the instructions set out in the Application Form.

Application Forms submitted by Applicants under the Offer must be for a minimum of 10,000,000 New Listed Options.

The Offer is not an entitlement offer and accordingly there can be no guarantee that all New Listed Options which are applied for by Applicants are issued to those persons in respect of that application.

The Company reserves the right to close the Offer early.

If you require assistance in completing an Application Form, please contact the Company Secretary on +61 8 6489 6008.

4.6 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "**Brookside Energy Limited Offer Account**" and crossed "Not Negotiable".

Your completed Application Form and cheque must reach the Company's registered office no later than 5:00pm (WST) on the Closing Date.

4.7 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and
- (b) you will be deemed to have applied for that whole number of New Listed Options which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of New Listed Options (only where the amount is \$1.00 or greater) will

be refunded. No interest will be paid on any application monies received or refunded.

4.8 Implications on acceptance

Returning a completed Application Form will be taken to constitute a representation by you that:

- (a) You have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety;
- (b) You acknowledge that once the Application Form is returned the application may not be varied or withdrawn except as required by law.

4.9 Underwriting

The Offer is not underwritten.

4.10 ASX listing

In the event that the Company receives sufficient applications to meet the requirements for quotation of a second class of securities under the ASX Listing Rules, application for Official Quotation of the New Listed Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the New Listed Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Listed Options and will repay all application monies for the New Listed Options within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Listed Options is not to be taken in any way as an indication of the merits of the Company or the New Listed Options now offered for subscription.

4.11 Allocation Policy and Shortfall

Any New Listed Options which are not allocated to Applicants pursuant to the Offer by the Closing Date will not be issued by the Company.

No Related Party (as that term is defined in section 228 of the Corporations Act) will be issued any New Listed Options under the Offer.

The Directors reserve the right to allocate New Listed Options at their absolute discretion. The Company may issue to an Applicant under the Offer a lesser number of New Listed Options than the number applied for, reject an application for New Listed Options or not proceed with the issuing of all or part of the New Listed Options. If the number of New Listed Options is less than the number applied for, surplus applications monies will be refunded without interest.

4.12 Issue

New Listed Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Holding statements for the New Listed Options issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

4.13 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia.

Applicants resident outside of Australia are responsible for ensuring that taking up the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.14 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with separate statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Securities can be transferred without having to rely upon paper documentation. Further, monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month. Shareholders may request a holding statement at any other time, however a charge may be made for such additional statements.

4.15 Brokerage and Commissions

No brokerage or commission will be payable by Offerees pursuant to the Offer.

4.16 Enquiries

Any questions concerning the Offer should be directed to Ms Loren King, Non-Executive Director and Company Secretary, on +61 6489 1600.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Effect of the Offer

The principal effect of the Offer, assuming all New Listed Options offered under the Prospectus are issued, will be to:

- (a) increase the number of Options on issue by up to 225,140,625 Options; and
- (b) decrease cash reserves by \$10,776 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer.

All of the Shares issued upon the future exercise of the New Listed Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

5.2 Purpose of the Offer

The primary purpose of the Offer is to reward Expired Option holders for their ongoing commitment and loyalty to the Company.

5.3 Financial Effect

The New Listed Options to be issued pursuant to this Prospectus will be issued for \$0.00006 each (i.e. the New Listed Options will be issued for nominal cash consideration). Accordingly, the issue of Options pursuant to this Prospectus will not have a material impact on the Company's current financial position other than to raise \$13,508 less expenses of the Offer. Please refer to section 8.7 of this Prospectus for details relating to the estimated expenses of the Offer.

5.4 Pro-forma balance sheet

The audited balance sheet as at 30 June 2018 and the unaudited pro-forma balance sheet as at 30 June 2018 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all New Listed Options are issued, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED 30 June 2018 (\$)	PROFORMA 30 June 2018 (\$)
CURRENT ASSETS		
Cash and cash equivalents	2,706,973	2,696,197
Trade and other receivables	2,035,797	2,035,797
TOTAL CURRENT ASSETS	4,742,770	4,731,994
NON-CURRENT ASSETS		
Trade and other receivables	13,530	13,530
Property, plant and equipment	927,880	927,880
Exploration and evaluation expenditure	6,142,897	6,142,897
Intangible Asset	-	-
TOTAL NON-CURRENT ASSETS	7,084,307	7,084,307
TOTAL ASSETS	11,827,077	11,816,301
CURRENT LIABILITIES		
Trade and other payables	47,915	47,915
Short-term provisions	169,626	169,626
TOTAL CURRENT LIABILITIES	217,541	217,541
NON-CURRENT LIABILITIES		
Borrowings	3,692,433	3,692,433
TOTAL NON-CURRENT LIABILITIES	3,692,433	3,692,433
TOTAL LIABILITIES	3,909,974	3,909,974
NET ASSETS	7,917,103	7,906,327
EQUITY		
Share capital	225,292,957	225,292,957
Reserves	2,983,313	2,996,821
Retained loss	(220,359,167)	(220,383,451)
TOTAL EQUITY	7,917,103	7,906,327

5.5 Effect on capital structure

The principal effect of the Offer on the capital structure of the Company, assuming all New Listed Options offered under the Prospectus are issued, is set out below.

Shares

	Number
Shares on issue as at the date of this Prospectus	994,821,875
Shares issued under the Offer	Nil
Total Shares on completion of the Offer	994,821,875

Options

	Number
Options currently on issue	
Unquoted Options exercisable at \$0.03 each on or before 30 December 2020	70,000,000
Options to be issued pursuant to the Offer	
New Listed Options issued under the Offer (subject to Shareholder approval)	225,140,625
Total Options on issue after completion of the Offer	295,140,625

The capital structure on a fully diluted basis as at the date of this Prospectus would be 1,064,821,875 Shares and on completion of the Offer would be 1,289,962,500 Shares.

5.6 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
The Trust Company Australia Ltd ATF MOF A/C	112,500,000	11.31
Twentieth Century Motor Company Pty Ltd <Walker Family S/F A/C> ¹	57,000,000	5.73
Mark James Casey	50,265,901	5.05

Notes:

1. Twentieth Century Motor Company Pty Ltd (ACN 167 248 419) <Walker Family S/F A/C>.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 New Listed Options

The following are the terms and conditions of the New Listed Options:

(a) **Entitlement**

Each New Listed Option entitles the holder to subscribe for one Share upon exercise of the New Listed Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each New Listed Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each New Listed Option will expire at 5.00pm (WST) on 31 December 2020 (**Expiry Date**). A New Listed Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Listed Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Listed Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Listed Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Listed Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Listed Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of New Listed Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to

ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Listed Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Listed Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Listed Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Listed Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Listed Options without exercising the New Listed Options.

(l) **Change in exercise price**

A New Listed Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Listed Option can be exercised.

(m) **Transferability**

The New Listed Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the New Listed Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute

a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of person (if any) entitled to Shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to Shareholders of such a dividend.

The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividend as appear to the Directors to be justified by the profits of the Company.

Interest may not be paid by the Company in respect of any dividend, whether final or interim.

Subject to the Corporations Act and ASX Listing Rules, the Directors may in their absolute discretion establish on such terms and conditions as they think fit:

- (i) a 'dividend reinvestment plan' or a 'interest reinvestment plan' for cash dividends paid by the Company in respect of Shares

issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for Shares in the Company; and

- (ii) a 'dividend election plan' permitting Shareholders to the extent that the Shares are fully paid up, to have the option to elect to forego their right to share in any dividends (whether interim or otherwise) payable in respect of such Shares and to receive instead an issue of Shares credited as fully paid up to the extent as determined by the Directors.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair on any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued on exercise of the New Listed Options will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, be varied or abrogated in any way with the consent in writing of the holders of three quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7. RISK FACTORS

7.1 Introduction

The New Listed Options offered under this Prospectus are considered speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for New Listed pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Exploration and development risks

The business of oil and gas exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable reserves;
- (ii) access to adequate capital for project development;
- (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets;
- (iv) securing and maintaining title to interests;
- (v) obtaining consents and approvals necessary for the conduct of oil and gas exploration, development and production; and
- (vi) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Whether or not income will result from projects undergoing exploration and development programs depends on successful exploration and establishment of production facilities. Factors including costs, actual hydrocarbons and formations, flow consistency and reliability and commodity prices affect successful project development and operations.

Drilling activities carry risk as such activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of drill rigs or other equipment. In addition, drilling and operations include reservoir risk such as the

presence of shale laminations in the otherwise homogeneous sandstone porosity.

Industry operating risks include fire, explosions, unanticipated reservoir problems which may affect field production performance, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown, blow outs, pipe failures and environmental hazards such as accidental spills or leakage of liquids, gas leaks, ruptures, discharges of toxic gases or geological uncertainty (such as lack of sufficient sub- surface data from correlative well logs and/or formation core analyses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, clean up responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

There is no assurance that any exploration on current or future interests will result in the discovery of an economic deposit of oil or gas. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

(b) **Counterparty risks**

In order for the Company to be able to achieve its objectives the Company is reliant on relevant operator of the projects to:

- (i) successfully develop and operate the projects; and
- (ii) do all things necessary to ensure the operator maintains the right to operate the projects.

Failure by the relevant operator to perform the above tasks in relation to a project, or other factors such as insolvency of an operator, could have an adverse impact on the ability of the Company to achieve its objectives.

(c) **Sovereign risks**

The Company's key project interests are situated in the USA. Accordingly, the Company is subject to the risks associated in operating in foreign countries. These risks include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government relations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

The Company and its advisers will undertake all reasonable due diligence in assessing and managing the risks associated with oil and gas exploration and production in the USA. However, any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects is outside the control of

the Company. Such changes may affect the foreign ownership, exploration, development or activities of companies involved in oil and gas exploration and production and in turn may affect the viability and profitability of the Company.

7.3 Industry specific

(a) Operational risks

Oil and gas exploration, appraisal, development and production operations are subject to a number of operational risks and hazards including fire, explosions, blow outs, pipe failures, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures, or discharge of toxic gases. Oil and gas exploration, appraisal, development and production are generally considered a high-risk undertaking. The operations of the Company may also be affected by a range of factors, including:

- (i) operational and technical difficulties encountered in drilling;
- (ii) difficulties in commissioning and operating plant and equipment;
- (iii) mechanical failure or plant breakdown;
- (iv) unanticipated drilling problems which may affect production costs;
- (v) adverse weather conditions;
- (vi) industrial and environmental accidents;
- (vii) industrial disputes; and
- (viii) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(b) Tenure risks

The oil and gas interests held by the Company are subject to applicable laws regarding exploration, expenditure and renewal of such interests. If an oil and gas lease interest is not renewed (as the case may be) or access cannot be secured to carry out operations, the Company could be adversely affected as a result of the consequential loss of opportunity to discover and develop any oil and gas resources within those oil and gas lease interests.

(c) Environmental risks

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment applicable in the jurisdiction of those activities. As with most exploration and production, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or production proceeds. The Company will attempt to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities such as accidental leakages or spills, or other

unforeseen circumstances which could subject the Company to extensive liability.

(d) **Permit grant and maintenance risks**

The Company's oil and gas exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations.

The maintaining of permits, obtaining renewals, or getting permits granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

(e) **Title risks**

The ownership of oil and gas lease rights in the USA is a combination of private and governmental ownership (including Indian tribal ownership). The acquisition of privately owned oil and gas lease rights typically involves an initial review of the public records in the counties in which the relevant lands lie in order to determine the ownership of the oil and gas rights. Thereafter, oil and gas leases are negotiated with the owners of those rights. Verifying the chain of title for USA oil and gas leases can be complex any may result in remedial steps to be taken to correct any defect in title.

(f) **Lease expiry**

Successful drilling is fundamental to the appraisal and development of the leases in which the Company holds an interest. The Company's leases may expire if production is not established. It is not uncommon for oil and gas leases in the USA to provide that, if commercial production is not established on the leased properties within a specified period, the leases will expire and the holder of the leasehold interest loses its right to continue to explore for oil and gas on the relevant land.

(g) **Commercialisation**

Should the Company recover what would otherwise be commercial quantities of oil or gas, there is still no guarantee that the Company will be able to successfully transport the oil or gas to commercially viable markets, or sell the oil or gas to customers to achieve a commercial return the Company may not be able to secure satisfactory oil and gas transportation arrangements; there may be no readily available market; and no or limited access to pipelines. Pipeline access arrangements may also be subject to interruption rights which may adversely affect the Company.

7.4 General risks

(a) Economic and government risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the resources industry including, but not limited to, the following:

- (i) general economic conditions in jurisdictions in which the Company operates;
- (ii) changes in government policies, taxation and other laws in jurisdictions in which the Company operates;
- (iii) the strength of the equity markets in Australia and throughout the world, and in particular investor sentiment towards the resources sector;
- (iv) movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company operates; and
- (v) natural disasters, social upheaval or war in jurisdictions in which the Company operates.

(b) Oil and gas price fluctuations

The demand for, and price of, oil and natural gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.

International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in oil and gas prices and, in particular, a material decline in the price of oil or gas may have a material adverse effect on the Company's business, financial condition and results of operations.

(c) Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(d) Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors.

No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Taxation**

The acquisition and disposal of Shares and Options will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares and/or Options from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for New Listed Options under this Prospectus.

(f) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

7.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Listed Options offered under this Prospectus

Therefore, the New Listed Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Listed Options.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Listed Options pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, our Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Interest of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Interest in Securities

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Mr Michael Fry	4,000,000 ¹	10,000,000 ²
Mr David Prentice	1,437,372	15,000,000 ³
Ms Loren King	Nil	Nil

Notes:

1. Comprising 500,000 Shares held directly by Mr Fry and 1,000,000 Shares held indirectly by Hilmed Pty Ltd (being an entity controlled by Mr Fry) and 2,500,000 Shares held indirectly by Fry Super Pty Ltd ATF INXS Super Fund A/C.
2. 10,000,000 unquoted options which are exercisable at \$0.03 on or before 31 December 2020.
3. 15,000,000 unquoted options which are exercisable at \$0.03 on or before 31 December 2020.

Remuneration

Details of the Directors' remuneration for the previous completed and the current financial year (on an annualised basis) are set out in the table below:

Director	Remuneration for year ended 31 December 2017 (Actual)	Remuneration for year ended 31 December 2018 (Actual)	Remuneration for the current financial year (Proposed)
Mr Michael Fry	\$102,762 ¹	\$50,000	\$50,000
Mr David Prentice	\$255,395 ²	\$180,000	\$180,000
Ms Loren King	\$30,000 ³	\$30,000 ³	\$30,000

Notes:

1. Comprising a director fees of \$49,166 per annum and share-based benefits of \$53,596.
2. Comprising a base salary of \$175,000 and share based benefits of \$80,395.
3. For each of the financial years ended 31 December 2017 and 31 December 2018, Cicero Corporate Pty Ltd, an entity related to Loren King, received \$114,000 (2016: \$114,000) exclusive of GST for the provision of company secretarial and accounting work to the Company. Cicero has also been engaged to provide corporate services to the Company.

8.3 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$5,714 (excluding GST and disbursements) for legal services provided to the Company.

8.4 Consents

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.5 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
2 January 2019	BRK – Top 20 Report
24 December 2018	Notice of General Meeting and Update on Listed Options
20 December 2018	Change of Directors Interest Notice - Appendix 3Y
18 December 2018	Very Strong Sustained Production from Woodford Shale
12 December 2018	Clarifying Announcement - Listed Option Placement
12 December 2018	Listed Option Placement
6 December 2018	Maiden Oil and Gas Reserves
4 December 2018	Trading Halt Request
4 December 2018	Trading Halt
4 December 2018	Pause in Trading
30 November 2018	Notice of Expiry of Options
8 November 2018	Cleansing Notice and Appendix 3B
8 November 2018	Cleansing Notice and Appendix 3B
31 October 2018	Quarterly Activities Report and Appendix 5b – Sept 2018
29 October 2018	Becoming a Substantial Holder

Date	Description of Announcement
25 October 2018	Casey Capital Becomes a Substantial Shareholder
24 October 2018	Casey Capital Becomes a Substantial Shareholder
4 October 2018	Woodford Shale Delivers in SCOOP
26 September 2018	More Outstanding "Sustained" Production Results
26 September 2018	Pause in trading
13 September 2018	11-Month Payout for STACK Play Well
12 September 2018	Half Yearly Report and Accounts
4 September 2018	Two New Prolific Producers Come Online
1 August 2018	Quarterly Activities Report and Appendix 5B – June 2018
31 July 2018	US\$1,475,000 Proceeds from Acreage Sale
23 June 2018	Change in substantial holding
23 June 2018	Change in substantial holding
5 June 2018	Appendix 3B
31 May 2018	Results of Annual General Meeting
29 May 2018	Record 5,400 BOE/day Initial Production Rate
15 May 2018	Strategic Divestment Validates Business Model
1 May 2018	Notice of Annual General Meeting
30 April 2018	Quarterly Activities Report and Appendix 5B – Mar 2018
20 April 2018	Updated Announcement
19 April 2018	Trading Halt Request
19 April 2018	Trading Halt
19 April 2018	Step Change Growth Opportunity Unfolding
18 April 2018	Appendix 3B, Cleansing Notice and 3.10.5A Disclosure
6 April 2018	Funding Secured for SCOOP Play Acquisitions
4 April 2018	Trading Halt
3 April 2018	Annual Report for FY 31 December 2017

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.brookside-energy.com.au.

8.6 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	Share Price	Date(s)
Highest	\$0.020	8 October 2018
Lowest	\$0.010	18 and 19 December 2018, 3 January 2019
Last	\$0.011	4 January 2019

8.7 Expenses of the offer

The total expenses of the Offer are estimated to be approximately \$24,284 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	1,884
Legal fees	10,000
Printing and distribution	9,194
Total	24,284

8.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.brookside-energy.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.9 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Listed Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.11 Privacy Act

If you complete an Application Form for New Listed Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for New Listed Options, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Michael Fry
Independent Chairman
For and on behalf of
BROOKSIDE ENERGY LIMITED

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means, in relation to the Offer, a person who submits an Application Form.

Application Form means the Application Form either attached to or accompanying this Prospectus under which Applicants must apply for the Offer made under this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Brookside Energy Limited (ACN 108 787 720).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Optionholders means an Expired Option holder whose details appear on the Register as at the Eligibility Date with a registered address in Australia who are eligible under all applicable securities laws to receive an offer under the Offer.

Eligibility Date means 5.00pm on 31 December 2018, being the date of expiration of the Expired Options.

Expired Option has the meaning given to it in section 4.1 of this Prospectus.

Expired Option holder means the registered holder of an Expired Option as at 31 December 2018.

New Listed Option means an Option issued under this Prospectus on the terms and conditions set out in section 6.1 of this Prospectus.

Offer means the offer made under this Prospectus of up to 225,140,625 New Listed Options.

Official Quotation means official quotation on ASX.

Option means an option to subscribe for a Share.

Optionholder means the holder of an Option.

Prospectus means this prospectus.

Register means the register of Shareholders and Optionholders.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.