Brookside

News Release

11 September 2026

Financial Year 2026 First Half Results

Tulsa, Oklahoma, USA – 11 September 2026 – Brookside Energy Limited (ASX: BRK) (OTC Pink: RDFEF) (Brookside or the Company) has released its financial report for the half-year ended 30 June 2026.

Brookside generated A$24.0 million of revenue, A$10.3 million of gross profit, approximately A$6.5 million of EBITDA and A$4.4 million of operating cash flow during the half. After A$3.7 million of investment in exploration and producing assets, substantially offset by A$2.8 million of Working Interest partner contributions, free cash flow was approximately A$3.4 million. That cash generation supported the Company's on-market share buy-back while cash increased to A$14.5 million at 30 June 2026, with no debt.

These results were delivered during the gap between major operated development programs. No new operated wells were brought online during the period and production declined as expected across the existing production base, with net production of 259,728 BOE, averaging approximately 1,435 BOEPD. Brookside nevertheless remained profitable, with its most recent independently certified reserves showing growth across PDP, 1P and 2P reserves, including a 122% PDP reserve replacement ratio.

The business has moved forward materially since period end. Both Suttles wells have been successfully drilled and cased and are now progressing through completions ahead of turn to sales. The Lone Star acquisition has added immediate production and increased Brookside's ownership in existing producing wells. Together, these initiatives are expected to drive the next step-up in production and cash flow.

Riverbend is advancing as Brookside's next operated growth platform, with more than 40% of the initial strategic leasehold objective secured. The strategy is the same one used successfully at SWISH: secure acreage, de-risk the opportunity and convert it into reserves, production and development inventory.

The proposed Level III ADR program and U.S. listing continue to advance. The PCAOB audit process resulted in accounting corrections and presentation reclassifications to prior periods, which are reflected in the restated comparatives and detailed in the half-year report. With that work now substantially complete, submission of the registration statement is the next key milestone.

The focus for the second half is straightforward: complete Suttles, grow production and cash flow, advance Riverbend and continue to build scale.

– ENDS –

Authority:

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

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Forward-Looking Statements and Other Disclaimers

This announcement may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions, which are outside the control of Brookside Energy Limited ("Brookside Energy", or "the Company"). These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal, or regulatory developments, political risks, project delay or advancement, approvals, and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Brookside Energy does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

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The information set out in this announcement does not purport to be all-inclusive or to contain all the information, which its recipients may require to make an informed assessment of Brookside Energy. You should conduct your own investigations and perform your own analysis to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

To the fullest extent permitted by law, the Company does not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts, or other representations contained in this announcement. No responsibility for any errors or omissions from this announcement arising out of negligence or otherwise is accepted.

ABOUT BROOKSIDE ENERGY LIMITED

Brookside is a U.S.-focused oil and gas producer operating in the Anadarko Basin, one of North America's most productive hydrocarbon regions. The company has built a concentrated position in the SWISH Play, establishing a growing production base alongside a meaningful reserve inventory and drilling runway. Our strategy is simple: grow production, build scale, and return capital, executing disciplined development, maintaining a strong balance sheet, and allocating capital to compound per-share value over time.

Brookside Energy Investor Centre

Engage with us directly by asking questions, watching video summaries, and seeing what other shareholders have to say about this and past announcements at our Investor Centre at https://relait.brookside-energy.com.au/announcement-dashboard

Or visit our website at https://brookside-energy.com.au/

You can also follow us on social media at

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Brookside

BROOKSIDE ENERGY LIMITED
ACN 108 787 720

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2026

CONTENTS

DIRECTORS' REPORT

The Directors of Brookside Energy Limited (**Company**) and its subsidiaries (**Group**) present their report and the financial statements for the half-year ended 30 June 2026. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

BOARD OF DIRECTORS

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Name	Position
Michael Fry	Non-Executive Chairman
David Prentice	Managing Director
Richard Homsany	Non-Executive Director
Chris Robertson	Non-Executive Director
Chris Weatherl	Non-Executive Director

REVIEW OF OPERATIONS

Overview

Brookside is pleased to present its results for the first half of the 2026 financial year. The period was marked by continued operational execution across the Company's nine operated SWISH Play wells, which performed in line with expectations, and by the advancement of the Company's second multi-well pad development, the Suttles two-well pad, in the SWISH Area of Interest (AOI). The Company also released its independently certified year-end 2025 reserves during the half, confirming continued growth in PDP, 1P and 2P reserves, and continued to progress its planned U.S. listing and its capital return program. Brookside remains focused on disciplined growth, capital efficiency, and shareholder returns.

Financial Performance

Revenue from oil and gas sales for the half-year was A$24.03 million, compared with A$35.37 million in the first half of 2025 (restated — see Note 16). Royalties expense was A$8.96 million (1H2025 restated: A$14.61 million) and production expense was A$4.81 million (1H2025 restated: A$5.36 million), resulting in a gross profit of A$10.26 million (1H2025 restated: A$15.40 million).

EBITDA was approximately A$6.50 million (1H2025 restated: approximately A$13.43 million). Net Profit After Tax was A$0.50 million (1H2025 restated: A$5.80 million), with the decline substantially reflecting lower production volumes following expected base decline and no new wells being brought online during the half. Basic and diluted earnings per share were approximately $0.005 per share (1H2025 restated: $0.06 per share).

The balance sheet remained healthy with net assets of A$93.08 million (31 December 2025 restated: A$95.16 million), a reduced total liability position, and cash and cash equivalents up to A$14.53 million (31 December 2025: A$11.86 million).

Production Performance

Gross operated production for the half-year totalled approximately 432,615 BOE (58% liquids), with Group Net Production of approximately 259,728 BOE (53% liquids), compared with 523,709 BOE and 331,554 BOE respectively in the first half of 2025. The reduction reflects expected base decline across the Company's nine operated SWISH Play wells, with no new wells brought online during the half; production is expected to step up as the Suttles wells are completed and turned to sales. On a daily basis, gross operated production averaged approximately 2,391 BOE per day over the half, with Group Net Production averaging approximately 1,435 BOE per day, both in line with modelled expectations.

Description	Total	Liquids
Gross Operated Volumes (BOE)	432,615	58%
Group Net Volumes (BOE)	259,728	53%

Operations

Suttles Two-Well Pad

Brookside advanced the next phase of its SWISH AOI development during the half, completing site works, surface production facilities and gas takeaway arrangements at the Suttles two-well pad and securing rig continuity ahead of drilling. The gross AFE for the two-well program is approximately US$18.5 million, inclusive of pad construction, drilling, completion and surface facilities, and is fully funded from existing cash, operating cash flow and Working Interest partner contributions, with the Company's undrawn credit facility available to support any contingencies.

Subsequent to the end of the half, Brookside completed drilling and casing of both wells at the Suttles two-well pad. The Sabres 2-1-1S-3W SXH1 Well targeted the Sycamore Formation and the Whalers 2-1-1S-3W WXH2 Well targeted the Woodford Formation. Following completion of drilling, Kenai Drilling's Rig 18 was released and the program moved into the completions phase. Brookside holds an approximate 70% working interest in both wells.

Riverbend AOI

Brookside continued to advance the Riverbend Area of Interest during the half, securing more than 40% of its initial strategic leasehold objective for the current phase of acreage capture. In parallel with leasing, the Company advanced title review, technical analysis and regulatory planning across the AOI, work designed to mature the opportunity toward future reserve-definition activity. Riverbend remains in the land, technical and regulatory consolidation phase, with initial reserve definition drilling to follow subject to acreage consolidation, permitting, capital allocation and prevailing commodity market conditions.

Reserves

Brookside released its independently certified year-end 2025 reserves report during the first half of 2026, prepared by Haas & Cobb Petroleum Consultants with an effective date of 31 December 2025. The report confirmed Total Proved plus Probable (2P) Net Reserves of 12.52 MMBOE, with Proved Developed Producing (PDP) reserves increasing by approximately 5% to 2.80 MMBOE and Total Proved (1P) reserves increasing by approximately 7% to 5.33 MMBOE. The update delivered a PDP reserve replacement ratio of approximately 122%.

Reserve Class (as at 31/12/2025)	Oil (Bbl)	NGL (Bbl)	Gas (Mcf)	BOE
Proved Developed Producing	596,421	852,230	8,091,402	2,797,218
Proved Developed Non-Producing	7,815	—	18,300	10,865
Proved Undeveloped	746,065	735,989	6,245,853	2,523,030
Total Proved (1P)	**1,350,301**	**1,588,219**	**14,355,555**	**5,331,113**
Probable Undeveloped	1,819,500	2,319,235	18,323,264	7,192,612
Total Proved plus Probable (2P)	**3,169,801**	**3,907,454**	**32,678,819**	**12,523,725**

Reserves Cautionary Statement: Oil and gas reserves and resource estimates are expressions of judgment based on knowledge, experience, and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Brookside confirms that it is not aware of any new information or data that materially affects the information included in its market announcement dated 19 March 2026 that included the results of the year-end 2025 independent certification of its reserves of oil and gas, and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

CORPORATE

Proposed U.S. Listing

Brookside continued to progress its proposed Level III American Depositary Receipt program and NYSE American listing during the half, advancing the PCAOB audit of its historical financial statements, the SEC registration statement, exchange eligibility review, and supporting legal, accounting and governance documentation. The Company had targeted submission of the registration statement during the first half of 2026; that milestone was not achieved, as the PCAOB audit and associated accounting work took longer to complete than anticipated. The relevant corrections and presentation reclassifications arising from that work are set out in Note 16 to the financial statements. With the audit now substantially complete, Brookside intends to submit the registration statement as soon as practicable and will update shareholders when that submission has occurred.

On-Market Share Buy-Back

During the half, Brookside purchased 1,099,032 shares under its on-market share buy-back program. At 30 June 2026, the Company had 94.58 million ordinary shares on issue. Subsequent to the end of the half, the Company completed purchases under the buy-back, having acquired approximately 1.90 million ordinary shares in total under the current program, representing approximately 2.0% of pre-buy-back issued capital. As at the date of this report, Brookside has approximately 94.6 million ordinary shares on issue.

Annual General Meeting

The Company's Annual General Meeting was held on 29 May 2026. The Remuneration Report received 71.16% of votes cast in favour; as more than 25% of votes were cast against the resolution, this constituted a second strike, and the conditional spill resolution was put to the meeting. The spill resolution was not carried, with 79.78% of votes cast against it. Shareholders also re-elected Mr Michael Fry as a Director, elected Mr Chris Weatherl as a Director, and approved the renewal of the Company's proportional takeover provisions as a special resolution.

Composition of the Share Register

Average daily trading volume was approximately 400,000 shares over the half. As at 28 July 2026, Brookside had 3,812 shareholders, with the top 20 shareholders holding approximately 35% of the Company's issued capital.

SUBSEQUENT EVENTS

On 1 July 2026, the Company announced completion of purchases under its on-market share buy-back. In total, approximately 1.90 million ordinary shares were acquired under the current program, representing approximately 2.0% of pre-buy-back issued capital.

Subsequent to the end of the half-year, Brookside completed drilling and casing of both wells at the Suttles two-well pad. The Sabres 2-1-1S-3W SXH1 Well targeted the Sycamore Formation and the Whalers 2-1-1S-3W WXH2 Well targeted the Woodford Formation. Following completion of drilling, Kenai Drilling's Rig 18 was released, with both wells moving into the completions phase. Brookside holds an approximate 70% working interest in both wells.

On 30 July 2026 (Form 604 lodged 3 August 2026), Cumulus Wealth Pty Ltd disclosed an increase in its substantial holding from approximately 7.6% to approximately 8.7% of the Company's fully paid ordinary shares (7,315,290 to 8,222,530 shares), held on behalf of its clients via managed discretionary accounts.

On 2 September 2026, the Company announced completion of the acquisition of the U.S. oil and gas interests of Lone Star Exploration & Production, Inc. for a purchase price of US$1.114 million. At the purchase price, the acquisition represents approximately US$9,100 per flowing BOEPD, based on the portfolio's average production during 2Q2026.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group other than as referred to elsewhere in this consolidated half-year report and in the accounts and notes attached thereto.

SCHEDULE OF OIL AND GAS INTERESTS

COUNTY	INTEREST ACQUIRED OR (DISPOSED) OF DURING THE PERIOD	TOTAL ACRES	WORKING INTEREST
Blaine County, Oklahoma	Nil	~302 acres	Working Interest
Garvin County, Oklahoma	Nil	~290 acres	Working Interest
Stephens & Carter Counties, Oklahoma	-68	~4,412 acres	Working Interest
Murray County, Oklahoma	Nil	~120 acres	Working Interest

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick Audit (WA) Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on the following page and forms part of this directors' report for the half-year ended 30 June 2026.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

David Prentice
Managing Director

Dated this 11th day of September 2026

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

As lead audit director for the review of the financial statements of Brookside Energy Limited and its controlled entities for the half-year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK AUDIT (WA) PTY LTD
ABN 42 163 529 682

NIKKI SHEN CA
Director

Dated this 11th September 2026
Perth, Western Australia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Half-Year Ended 30 June 2026

	Notes	6 months to 30-Jun-26 $	6 months to 30-Jun-25 Restated* $
Revenue	2	24,026,158	35,371,273
Royalties expense	2	(8,958,539)	(14,613,457)
Production expense		(4,807,909)	(5,362,171)
Gross profit		10,259,710	15,395,645
Interest income		175,440	184,782
Fair value gain on equity investment		22,500	-
Gain on derivative instruments		-	316,334
Other revenue	2	141,855	681,478
Director and employee related expenses		(2,270,187)	(1,011,733)
Administrative expenses	2	(731,798)	(1,839,664)
Amortisation expense	5	(5,965,636)	(7,388,205)
Depreciation and accretion expense		(60,929)	(137,887)
Share based payments expense	13	(54,000)	(53,400)
Interest expense	8	(123,746)	(329,547)
Fair value loss on equity investment		-	(15,000)
Loss on derivative instruments		(889,581)	-
		(10,095,877)	**(10,775,436)**
Profit before income tax expense		**503,628**	**5,802,803**
Income tax expense		**-**	**-**
Net profit for the period		**503,628**	**5,802,803**
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss:			
Gain / (loss) on cash flow hedges		(157,013)	325,382
Exchange differences on the translation of foreign operations		(1,986,127)	(5,007,822)
Total other comprehensive income/(loss) for the period		**(2,143,140)**	**(4,682,439)**
Total comprehensive income for the period		**(1,639,512)**	**1,120,364**
Earnings Per Share			
Basic earnings per share	9	0.005	0.06
Diluted earnings per share	9	0.005	0.06

*Restated to reflect prior period adjustment. Refer to note 16 for further details.

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 June 2026

	Notes	30-Jun 2026 $	31-Dec 2025 Restated* $	1-Jan 2025 Restated* $
Assets				
Current Assets				
Cash and cash equivalents		14,530,578	11,855,293	11,391,127
Trade and other receivables	3	4,182,380	4,333,520	8,327,305
Derivative financial instruments		-	174,226	-
Financial assets fair value through profit or loss		75,000	52,500	52,500
Other		455,142	176,125	44,232
Total Current Assets		**19,243,100**	**16,591,664**	**19,815,164**
Non-Current Assets				
Property, plant, and equipment		159,078	179,287	17,843
Right- of-use assets	4	643,023	750,595	941,755
Producing assets	5	66,461,461	74,628,032	75,546,098
Exploration and evaluation assets	6	26,264,044	25,087,313	32,992,833
Total Non-Current Assets		**93,527,606**	**100,645,227**	**109,498,529**
Total Assets		**112,770,706**	**117,236,891**	**129,313,693**
Liabilities				
Current Liabilities				
Trade and other payables	7	16,414,637	17,032,954	24,215,528
Derivative financial instruments		157,013	-	-
Finance lease liabilities		140,108	121,881	106,091
Provisions		-	653,358	126,178
Other liabilities	8	1,727,966	3,466,252	4,695,753
Total Current Liabilities		**18,439,724**	**21,274,445**	**29,143,550**
Non-Current Liabilities				
Finance lease liabilities		686,012	801,542	976,884
Provisions		569,080	-	466,617
Other liabilities		-	-	1,690,975
Total Non-Current Liabilities		**1,255,092**	**801,542**	**3,134,476**
Total Liabilities		**19,694,816**	**22,075,987**	**32,278,026**
Net Assets		**93,075,890**	**95,160,904**	**97,035,667**
Equity				
Share capital	10	264,802,287	265,247,789	265,064,748
Reserves	11	3,454,062	5,597,203	13,143,191
Accumulated losses		(175,180,459)	(175,684,088)	(181,172,272)
Total Equity		**93,075,890**	**95,160,904**	**97,035,667**

*Restated to reflect prior period adjustment. Refer to note 16 for further details.

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Half-Year Ended 30 June 2026

	Share Capital $	Accumulated Losses $	Share Based Payment Reserve $	Cash Flow Hedge Reserve $	Foreign Currency Translation Reserve $	Total $
Balance at 1 January 2025	265,064,748	(182,799,158)	1,595,534	-	11,547,657	95,408,781
Prior period restatement (note 16)	-	1,626,886	-	-	-	1,626,886
Balance at 1 January 2025 (Restated)	265,064,748	(181,172,272)	1,595,534	-	11,547,657	97,035,667
Profit for the period	-	5,802,803	-	-	-	5,802,803
Other comprehensive income	-	-	-	325,382	(5,007,821)	(4,682,439)
Total comprehensive loss for the period	**-**	**5,802,803**	**-**	**325,382**	**(5,007,821)**	**1,120,364**
Share rights issued during the period	183,400	-	-	-	-	183,400
Share rights exercised during the period	-	-	(130,000)	-	-	(130,000)
Share issue costs during the period	(2,049)	-	-	-	-	(2,049)
Balance at 30 June 2025	**265,246,099**	**(175,369,469)**	**1,465,534**	**325,382**	**6,539,835**	**98,207,382**
Balance at 1 January 2026	265,247,789	(178,836,776)	-	174,226	5,422,976	92,008,215
Prior period restatement (note 16)	-	3,152,689	-	-	-	3,152,689
Balance at 1 January 2026 (Restated)	**265,247,789**	**(175,684,087)**	**-**	**174,226**	**5,422,976**	**95,160,904**
Profit for the period	-	503,628	**-**	-	-	503,628
Other comprehensive income	-	-	-	(157,013)	(1,986,127)	(2,143,140)
Total comprehensive loss for the period	**-**	**503,628**	**-**	**(157,013)**	**(1,986,127)**	**(1,639,512)**
Share issued during the period	54,000	-	-	-	-	54,000
Share buy-back during the period	(498,408)	-	-	-	-	(498,408)
Share issue costs during the period	(1,094)	-	-	-	-	(1,094)
Balance at 30 June 2026	**264,802,287**	**(175,180,459)**	**-**	**17,213**	**3,436,849**	**93,075,890**

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Half-Year Ended 30 June 2026

	6 months to 30-Jun-26 $	6 months to 30-Jun-25 $
Cash flows from operating activities		
Receipts from customers	19,883,260	32,560,982
Payments to suppliers and employees	(15,664,784)	(21,626,204)
Interest received	175,440	180,214
Interest paid	-	(24,445)
Net cash provided by operating activities	**4,393,916**	**11,090,547**
Cash flows from investing activities		
Payments for exploration activities	(2,563,244)	(12,659,426)
Payments for producing assets	(1,161,348)	(984,283)
Proceeds from Working Interest owner for drilling program	2,757,990	-
Payments for property, plant and equipment	-	(45,802)
Proceeds from sale of exploration assets	83,669	124,815
Net cash used in investing activities	**(882,933)**	**(13,564,696)**
Cash flows from financing activities		
Proceeds from borrowings	-	2,442,748
Repayments of borrowings	-	(2,442,748)
Payments of borrowings costs	-	(55,712)
Payments for lease liabilities	(84,518)	(73,565)
Payments for share buy-back	(491,568)	-
Net cash used in financing activities	**(576,086)**	**(129,277)**
Net increase / (decrease) in cash and cash equivalents	**2,934,897**	**(2,603,426)**
Cash at beginning of the period	11,855,293	11,391,127
Effect of exchange rates on cash	(259,612)	(469,926)
Cash at end of period	**14,530,578**	**8,317,775**

The accompanying notes form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.A. STATEMENT OF COMPLIANCE

The half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the interim financial statements, the Company is a for-profit entity.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position, and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 December 2025 and any public announcements made by Brookside Energy Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

1.B. BASIS OF PREPARATION

The half-year report has been prepared on a historical cost basis unless specified elsewhere in the financial statements. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.C. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 31 December 2025.

1.D. GOING CONCERN

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

1.E. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current half-year.

1.F. ADOPTION OF NEW AND REVISED STANDARDS

1.F.1. Standards and Interpretations applicable to 30 June 2026

In the half-year ended 30 June 2026, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2026.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

1.F.2. Standards and Interpretations in issue not yet adopted applicable to 30 June 2026

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2026.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Group accounting policies.

2. REVENUES AND EXPENSES

REVENUE

	6 months to 30-Jun-26 $	6 months to 30-Jun-25 $
Oil and gas sales - operator (Point in time)	22,012,625	30,442,300
Oil and gas sales – non-operator (Point in time)	2,013,533	4,928,973
Oil and gas revenue	24,026,158	35,371,273
Royalties expenses[1]	(8,958,539)	(14,613,457)
	15,067,619	**20,757,818**
Other revenue		
Overhead income from program participants	-	442,643
Other	141,855	238,834
	141,855	**681,477**

[1]*Royalty expenses represent amounts paid or payable to third party mineral owners.*

EXPENSES

	6 months to 30-Jun-26 $	6 months to 30-Jun-25 $
Administration expenses		
Compliance and registry expenses	213,653	79,216
Accounting and audit fees	139,882	490,868
Travel expenses	106,901	141,348
Consultant fees	36,903	103,202
Insurance expenses	25,684	127,016
Promotion and communication cost	28,761	99,385
Bank fees	67,738	51,953
Other general and administrative expenses	458,611	746,676
Overhead reimbursement from partners	(346,335)	-
	731,798	**1,839,664**

3. TRADE & OTHER RECEIVABLES

	As at 30-Jun-26 $	As at 31-Dec-25 $
Current		
Accrued revenue	3,776,913	4,321,601
Other receivables	405,467	11,919
	4,182,380	**4,333,520**

4. RIGHT-OF-USE ASSETS

	As at 30-Jun-26 $	As at 31-Dec-25 $
Balance at beginning of period	750,595	941,755
Additions	-	-
Depreciation expensed	(66,637)	(170,127)
Effect of exchange rates	(40,935)	(21,033)
	643,023	**750,595**

In May 2024, BRK Oklahoma Holdings, LLC, a subsidiary of the Company entered into an office lease agreement for their office space in Tulsa, Oklahoma. The term of the lease is for 75 months and 9 days.

5. PRODUCING ASSETS

	As at 30-Jun-26 $	As at 31-Dec-25 Restated* $
Balance at beginning of period	73,001,146	75,546,098
Transferred from exploration and evaluation assets	-	16,114,088 [(i)]
Add: capitalisation of production expense	50,878	554,958
Less: sale of oil & gas property	(93,131)	(122,149)
Less: amortisation	(5,965,636)	(13,909,511)
Reclassification adjustments (refer to Note 6)	-	1,221,700
Foreign currency translation on movement	(531,796)	(4,777,152)
	66,461,461	**74,628,032**

(i) On 23 July 2025, the Company announced solid early production results from the Bruins Well, its ninth operated horizontal well in the SWISH Play. A total cost of $12,109,561 in relation to the Bruins wells drilling program, has been transferred from exploration and evaluation assets to producing asset.

6. EXPLORATION AND EVALUATION

	As at 30-Jun-26 $	As at 31-Dec-25 $
Costs carried forward in respect of areas of interest in:		
Exploration and evaluation phases – at cost	**26,264,044**	**25,087,313**
Opening Balance	**25,087,313**	**32,992,833**
Capitalised expenses	2,735,033	15,190,449
Transfer to Producing assets	-	(16,114,089)
Reclassification adjustments(i)	-	(1,221,701)
Foreign currency translation on movement	(1,558,302)	(5,760,179)
	26,264,044	**25,087,313**

(i) In the prior year, management reviewed the presentation of certain line items within the financial statements. As a result, reclassifications have been made within the current reporting period to enhance consistency and relevance of presentation. These reclassifications have no impact on previously reported profit, loss, or equity.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

7. TRADE AND OTHER PAYABLES

	As at 30-Jun-26 $	As at 31-Dec-25 $
Current		
Trade creditors	6,711,748	5,759,318
Other current liabilities(i)	9,414,618	11,050,786
Accrued and other payables	288,271	222,850
	16,414,637	**17,032,954**

(i) Other current liabilities – relates to revenues and royalties payable to third party mineral owners.

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the reporting period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

8. OTHER LIABILITIES

	As at 30-Jun-26 $	As at 31-Dec-25 $
Current	1,727,966	3,466,252
	1,727,966	**3,466,252**

On 1 January 2024, the Company executed an agreement with the holders of incentive units in Black Mesa Energy LLC, a subsidiary of the Company. The Company purchased all remaining incentive units via a combination of a 1.3% royalty on future production from the SWISH AOI acreage and payments from cash flow that commence after the FMDP wells are in full production. The payments total AUD$6,540,974 payable over 7 quarterly instalments beginning on 31 March 2025 through 30 September 2026. This is shown on the balance sheet as a current liability at present value, using an imputed interest rate of 9%.

9. EARNINGS PER SHARE

	As at 30-Jun-26 $	As at 30-Jun-25 Restated* $
Profit used in calculation of basic and diluted EPS	503,628	5,802,803
Weighted average number of ordinary shares outstanding during the period used in calculating diluted EPS	95,229,929	95,707,832

10. SHARE CAPITAL

	As at 30-Jun-26 $	As at 31-Dec-25 $
Issued and paid-up capital		
94,580,000 Ordinary shares	264,802,287	265,247,789
(31 December 2025: 95,559,032)		

10.A. MOVEMENTS IN SHARE CAPITAL

	6 months to 30-Jun-26 $	Year ended 31-Dec-25 $
At the beginning of the period	265,247,789	265,064,748
Shares issued during the period:		
- Exercise of share rights	-	364,409
- Payment of advisor fees in ordinary shares	54,000	95,400
Share buy back	(498,408)	(271,437)
Share issue costs	(1,094)	(5,331)
At end of the period	**264,802,287**	**265,247,789**

10.B. MOVEMENTS IN NUMBER OF SHARES ON ISSUE

	6 months to 30 June 2026 Number	Year ended 31-Dec-25 Number
At the beginning of the period	95,559,032	95,458,550
Shares issued during the period:		
- Exercise of share rights	-	546,364
- Payment of advisor fees in ordinary shares	120,000	240,000
Share buy back	(1,099,032)	(685,882)
At end of the period	**94,580,000**	**95,559,032**

10.C. TERMS AND CONDITIONS OF CONTRIBUTED EQUITY

10.C.1. Ordinary shares

Ordinary shares have the right to receive dividends as declared and in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

11. RESERVES

Nature and purpose of reserves

Share-based Payments Reserve
This reserve is used to record the value of equity benefits provided to employees, consultants and Directors as part of their remuneration. Refer to Note 13 for further details of these plans.

Cash Flow Hedge Reserve
This reserve is used to record the cumulative effective portion of gains or losses on hedging instruments that are designated and qualify as cash flow hedges.

Foreign Currency Translation Reserve
The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.

	As at 30-Jun-26 $	As at 31-Dec-25 Restated* $
Share based payment reserve	-	-
Cash flow hedge reserve	17,213	174,226
Foreign currency translation reserve	3,436,849	5,422,976
	3,454,062	**5,597,202**

SHARE BASED PAYMENT RESERVE

	As at 30-Jun-26 $	As at 31-Dec-25 $
Balance at the beginning of the period	-	**1,595,534**
Reversal of limited recourse loan	-	(1,231,125)
Share Rights exercised during the period:		
- Share Rights exercised	-	(364,409)
Balance at end of period	**-**	**-**

FOREIGN CURRENCY RESERVE

	As at 30-Jun-26 $	As at 31-Dec-25 $
At beginning of the period	5,422,976	11,547,657
Movement during the period	(1,986,127)	(6,124,681)
	3,436,849	**5,422,976**

12. SEGMENT INFORMATION

Brookside Energy Limited operates predominantly in one industry being the oil and gas industry in the USA.

12.A. IDENTIFICATION OF REPORTABLE SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of its oil and gas in the USA and its corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

12.B. TYPES OF REPORTABLE SEGMENTS

Oil and gas exploration: Segment assets, including acquisition cost of exploration licenses and all expenses related to the projects in the USA are reported on in this segment.

Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents, and investments in financial assets are reported in this segment.

12.C. BASIS OF ACCOUNTING FOR PURPOSES OF REPORTING BY OPERATING SEGMENTS

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables.

	Corporate $	Oil & Gas and other USA entities $	Total $
30 June 2026			
Segment performance			
Segment revenue	5,992	24,337,461	24,343,453
Segment results	(998,685)	1,502,313	503,628
Included within segment result:			
- Finance costs	(525)	(67,213)	(67,738)
- Interest expense	-	(123,746)	(123,746)
- Amortisation expenses	-	(5,965,636)	(5,965,636)
- Share based payment expense	(54,000)	-	(54,000)
Segment assets	711,563	112,059,143	112,770,706
Segment liabilities	(189,189)	(19,505,627)	(19,694,816)
30 June 2025			
Segment performance			
Segment revenue	2,461	36,551,406	36,553,867
Segment results (restated)	(1,102,627)	6,905,430	5,802,803
Included within segment result:			
- Finance costs	(4,100)	(47,853)	(51,953)
- Interest expense	-	(329,547)	(329,547)
- Amortisation expenses (restated)	-	(7,388,205)	(7,388,205)
- Share based payment expense	(53,400)	-	(53,400)
Segment assets (restated)	541,596	120,100,452	120,642,048
Segment liabilities	(273,616)	(23,787,937)	(24,061,553)

13. SHARE BASED PAYMENTS EXPENSE

Share-based payments made during the half-year ended 30 June 2026 are summarised below.

	6 months to 30 June 2026 $	6 months to 30 June 2025 $
Payment of advisor fees in ordinary shares	54,000	53,400
	54,000	**53,400**

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the ordinary shares issued is determined by using the closing market price.

14. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

15. EVENTS SUBSEQUENT TO REPORTING DATE

On 1 July 2026, the Company announced that it had completed purchases under the current on-market share buy-back. In total, approximately 1.90 million ordinary shares were acquired, representing approximately 2.0% of pre-buy-back issued capital.

Subsequent to the end of the half-year, the Company completed drilling and casing of both wells at the Suttles two-well pad. The Sabres 2-1-1S-3W SXH1 Well targeted the Sycamore Formation and the Whalers 2-1-1S-3W WXH2 Well targeted the Woodford Formation. Following completion of drilling, Kenai Drilling's Rig 18 was released, with both wells progressing to the completions phase. Brookside holds an approximate 70% working interest in both wells.

On 2 September 2026, the Company announced the successful completion of the acquisition of the U.S. oil and gas interests of Lone Star Exploration & Production, Inc. (Lone Star). Lone Star is the wholly owned U.S. subsidiary of Stonehorse Energy Limited. At the US$1.114 million purchase price, the acquisition represents approximately US$9,100 per flowing BOEPD, based on the portfolio's average production during 2Q2026.

No other matters or circumstances have arisen since the end of the half-year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

16. RESTATEMENT OF COMPARATIVES

16.A. Correction of error

The Group has identified certain transactions that have historically been incorrectly recorded which has resulted in the misreporting of Producing assets and Amortisation expense.

As disclosed in the Company's prior financial reports, on 1 January 2024 the Company entered into an agreement to acquire the remaining incentive units in Black Mesa Energy LLC, with consideration comprising a 1.3% royalty on future production from the SWISH AOI acreage and cash payments. In accounting for that transaction, the fair value of A$772,189 attributed to certain royalty interests granted to employees was capitalised as producing assets. During the half year ended 30 June 2026, management's review of the historical accounting treatment determined that this amount should instead have been recognised as an employee benefit expense. As a result, producing assets were overstated and employee benefit expenses were understated in the financial year ended 31 December 2024 financial statements. The resulting prior-period error has been corrected retrospectively, with the comparative information restated accordingly.

During the financial years ended 31 December 2025 and 31 December 2024, amortisation expense was overstated by A$1,525,803 and A$2,399,075, respectively. The overstatements arose from the reduction in the carrying value of the producing assets, revisions to the reserves basis used in the amortisation calculation, and adjustments to the related revenue accruals.

The Group has restated each of the affected financial statement lines in the corresponding prior periods to correctly record these transactions.

The correction of the prior period errors has resulted in an increase in the Group's profit for the comparative period. The Group is undertaking an assessment of the associated income tax consequences of the restatement. As at the date of this report, the tax treatment of the adjustments has not been finalised and, consequently, the amount of any additional current and/or deferred tax liability arising from the restatement cannot be reliably determined. No adjustment has therefore been recognised in respect of the potential tax implications of the restatement. The Group will recognise the relevant tax effects once the tax position has been finalised. Given the Group has sufficient unutilised tax losses available to offset taxable income, no current income tax liability is expected to arise for the period.

The impact of the restatement on the relevant financial statement line items is disclosed in the table below.

16. RESTATEMENT OF COMPARATIVES (CONTINUED)

Impact on Consolidated Statement of Financial Position

	31 December 2025			Opening balance at 1 January 2025		
	Reported	Adjustments	Restated	Reported	Adjustments	Restated
	$	$	$	$	$	$
Assets						
Producing assets	71,475,343	3,152,689	74,628,032	73,919,212	1,626,886	75,546,098
Equity						
Accumulated losses	(178,836,776)	3,152,689	(175,684,087)	(182,799,158)	1,626,886	(181,172,272)

Impact on Consolidated Statement of profit or loss and other comprehensive income

	6 months to 30-Jun-25 Reported	6 months to 30-Jun-25 increase / (decrease)	6 months to 30-Jun-25 Restated*
	$	$	$
Amortisation expense	(8,193,589)	805,384	(7,388,205)
Profit before income tax expense	**4,997,419**	**805,384**	**5,802,803**
Net profit for the period	**4,997,419**	**805,384**	**5,802,803**

Impact on Earnings Per Share

	6 months to 30-Jun-25 Reported	6 months to 30-Jun-25 increase / (decrease)	6 months to 30-Jun-25 Restated*
	$	$	$
Earnings Per Share			
Basic earnings per share	0.05	0.01	0.06
Diluted earnings per share	0.05	0.01	0.06

16. RESTATEMENT OF COMPARATIVES (CONTINUED)

16.B. Presentation Restatement

Following a review of the presentation of oil and gas revenue and associated operating costs, the Group determined that separate presentation of revenue, royalty expense and production expense provides more reliable and relevant information regarding the nature of the Group's operations and improves comparability between reporting periods. The revised presentation will be applied consistently in future reporting periods.

The impact of the reclassification on the relevant financial statement line items is disclosed in the table below.

Impact on presentation of the Statement of profit or loss and other comprehensive income

	6 months to 30-Jun-25 Reported $	6 months to 30-Jun-25 increase / (decrease) $	6 months to 30-Jun-25 Restated* $
Revenue	30,012,545	5,358,728	35,371,273
Royalties expense	(13,627,485)	(985,972)	(14,613,457)
Production expense	(1,274,474)	(4,087,697)	(5,362,171)
Gross profit	15,110,586	285,059	15,395,645
Other revenue	966,536	(285,059)	681,477

DIRECTORS' DECLARATION

In the opinion of the directors of Brookside Energy Limited (**Company**):

1. The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:

   a. complying with Accounting Standards, the *Corporations Act 2001* and other mandatory professional reporting requirements; and

   b. giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year then ended;

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

David Prentice
Managing Director

Dated this 11th day of September 2026

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BROOKSIDE ENERGY LIMITED AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Brookside Energy Limited and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Directors' Responsibility for the half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's consolidated financial position as at 30 June 2026 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Hall Chadwick

HALL CHADWICK AUDIT (WA) PTY LTD
ABN 42 163 529 682

NS

NIKKI SHEN **CA**
Director

Dated this 11th September 2026
Perth, Western Australia