

## Operational Update

### Jewell Well

#### Production Rates Continue to Increase Tracking well above Pre-drill Estimates

**Perth, Western Australia – 5<sup>th</sup> October 2021 – Stonehorse Energy Limited (ASX: SHE)** is pleased to provide shareholders and investors with an update on well operations regarding the Jewell 1-13-12 SXH well (**Jewell Well**) located in Carter County, Oklahoma in North America's Anadarko Basin.

The Company is pleased to report that production from the Jewell well continues to increase through flowback and fluid recovery operations. Daily production has now reached 1,348 BOE (83% liquids and 17% gas) with approximately 25% of the stimulation fluid now recovered.

**Oil and (liquids rich) gas production rates are expected to continue to increase beyond these current rates over the coming weeks.**

**Commenting on the announcement Stonehorse Executive Director David Deloub said,** “we are extremely pleased with the well performance to date, particularly with liquids production now in excess of 1,100 barrels per day”.

This announcement is approved for release by the Board.

#### **About Stonehorse Energy**

Stonehorse Energy Limited (ASX:SHE) is an Australian based E&P company with a focus on onshore oil and gas in North America. The overall objective of the Company is to implement its strategy of building a portfolio of high quality well bore assets with Working Interest (WI) percentages reflecting risk appetite and capital availability.

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## ASX Listing Rule 5.30 – Further Information

The Jewell 13-12-1S-3W SXH1 Well was drilled in Carter County, Oklahoma and is located within the Jewell Drilling and Spacing Unit. Stonehorse Energy holds a ~41.5% Working Interest in the Jewell Well. The Jewell Well was drilled as an extended (mid) length horizontal well with the lateral portion of the well-bore landed in the Sycamore Formation at a depth of ~7,600 feet. The well was treated via a multi-stage (23-stages) stimulation process with approximately 22% of the stimulation fluids (~280,000 barrels) recovered so far during the flow-back operations. The well is being flowed back through an open choke to the Company's production, separation, and tank facilities located on site.

## 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 Stonehorse Energy Limited ("Stonehorse 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, Stonehorse 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. This announcement does not constitute investment advice. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. Shareholders should not rely on this announcement. This announcement does not take into account any person's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. 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 in order to make an informed assessment of Stonehorse Energy. You should conduct your own investigations and perform your own analysis in order 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.

## GLOSSARY

<b>BOE</b>	Barrels of Oil Equivalent
<b>Development Unit (DSU)</b>	Development unit or Drilling Spacing Unit (DSU) is the geographical area in which an initial oil and or gas well is drilled and produced from the geological formation listed in the spacing order. The spacing unit combines all interest owners for the purpose of sharing in production from oil and or gas wells in the unit. A spacing order establishes the size of the unit, divides the ownership of the unit into the "royalty interest" and "working interest".
<b>Mboe</b>	1,000 barrels of oil equivalent
<b>IP24</b>	Means average daily oil production of a well in its peak 24 hour production
<b>IP30</b>	Means average daily oil production of a well in its peak production month



<b>IP90</b>	Means average daily oil production of a well in its peak production 3 months
<b>Mcf</b>	1,000 cubic feet (of gas)
<b>MMboe</b>	1,000,000 barrels of oil equivalent
<b>STACK</b>	<b>S</b> ooner <b>T</b> rend <b>A</b> nadarko Basin <b>C</b> anadian and <b>K</b> ingfisher Counties – oil and gas play in the Anadarko Basin Oklahoma
<b>SCOOP</b>	<b>S</b> outh <b>C</b> entral <b>O</b> klahoma <b>O</b> il <b>P</b> rovince - oil and gas play in the Anadarko Basin Oklahoma
<b>SWISH AOI</b>	Description of Brookside's Area of Interest in the SCOOP Play

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