

Canadian Operations Update



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Issued Capital (ASX: SHE)

684.4m Ordinary Shares

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Investor Hub

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SCAN ME

The Caroline well produces over 165,000 BOE in first 135 days of production. The Gryphon Wapiti well produces over 17,000 BOE in first 60 days production.

Perth, Western Australia – 8th March 2024 – Stonehorse Energy Limited (ASX: SHE) is pleased to announce production volumes for the producing Caroline and Wapiti wells located in Alberta, Canada.

Key Highlights:

Caroline 01-27-33-05 well production performance:

- *Produced over 165,000 BOE (Raw Sales) in the first 135 days of production.*
- *The Caroline well's IP 135 average production was an impressive 1,220 BOE per day of gross sales or 320 BOE per day net to Stonehorse (26.25% working interest).*
- *An increase facility capacity and removal of a down hole choke in early February 2024 has resulted in a significant (~30%) increase in daily production rates.*
- *Current daily production as at March 1st, 2024 (estimated sales): BOE 8/8ths: 1,580 BOEPD with Stonehorse's current BOE net equivalent (26.25%): 415 BOED*

Wapiti 16-02-65-08 well production performance:

- *Project completed on time and budget with no accidents or incidents.*
- *The well production was brought online to a permanent facility January 1, 2024.*
- *Produced over 17,000 BOE in the first 60 days of production on natural flow.*
- *Current IP 60 average production: 290 boepd.*
- *The well production is being optimized with contingency for plunger lift installation if and when required.*
- *Light oil is being trucked to terminal and associated gas in being gathered and processed at regional third-party gas plant.*



Stonehorse Executive Director David Deloub commented:

"We are pleased with the performance of both of our first two Western Canadian oil and gas well investments. The Caroline well in particular continues to deliver material production and revenue, more than doubling the company's total daily production. As we add new production and generate revenue in the area, we continue to evaluate and prioritize accretive opportunities available to us".

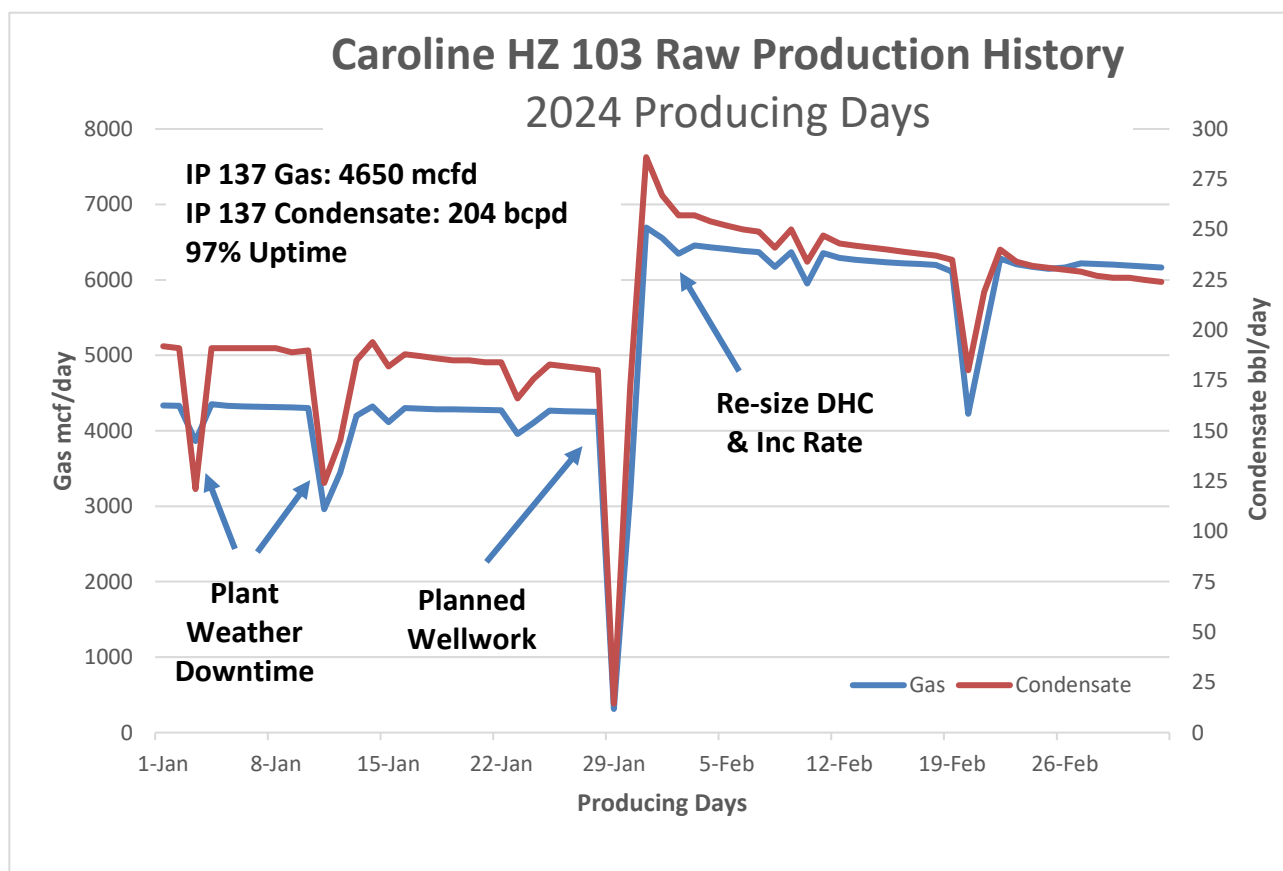


Figure 1. Caroline 01-27 Well production history for 2024.

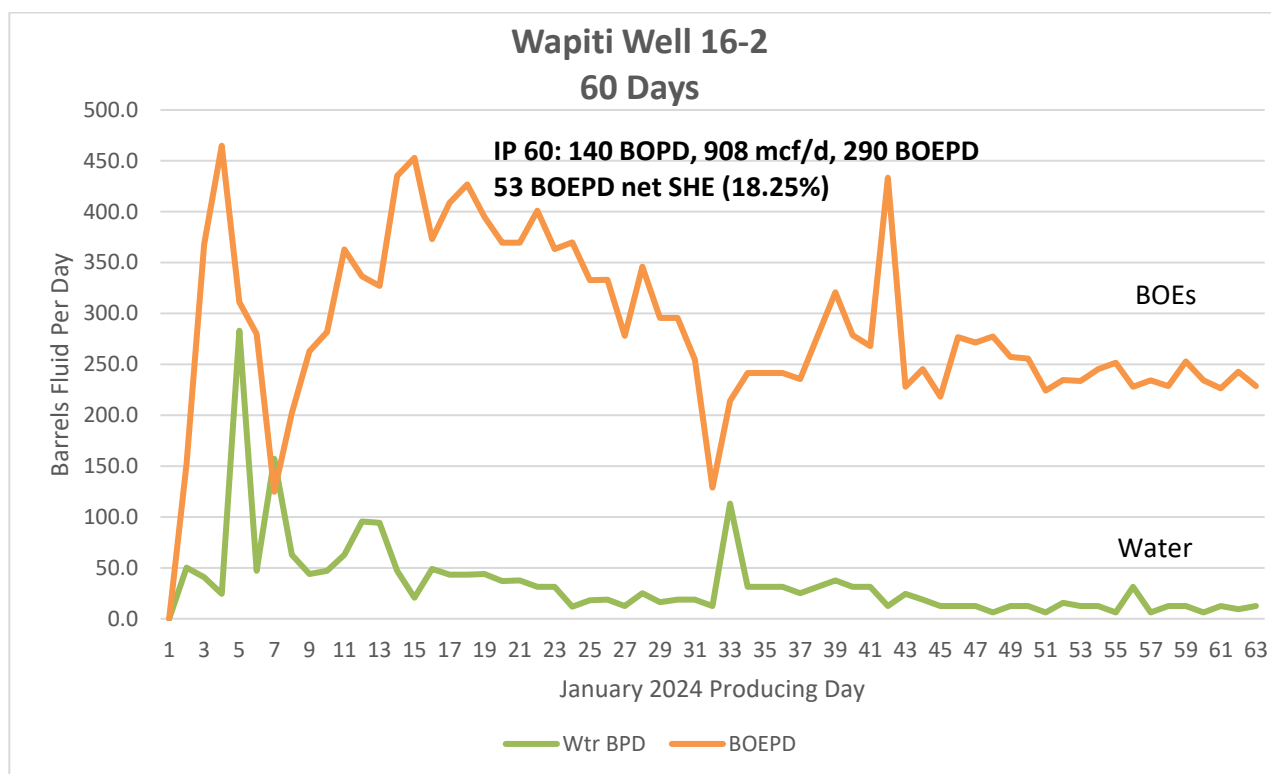


Figure 2. Wapiti 16-02 Well Production History for 2024.

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.

- ENDS -

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GLOSSARY

BCF	Billion cubic feet.
BOE	Barrels of Oil Equivalent
Development Unit (DSU)	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".
E&P	Exploration and Production
NWI	Net Working Interest – Working interest net of the agreed override with the vendor.
NGL	Natural Gas Liquids
Mcfd	1,000 cubic feet (of gas) per day
MMcfd	1,000,000 cubic feet (of gas) per day
Mboe	1,000 barrels of oil equivalent
MMboe	1,000,000 barrels of oil equivalent
O&G	Oil and Gas
WI	Working Interest - Percentage of ownership in a lease granting its owner the right to explore, drill and produce oil and gas from a tract of property. Working interest owners are obligated to pay a corresponding percentage of the cost of leasing, drilling, producing, and operating a well or unit
Spud	Commencement of drilling the well.