



**STONEHORSE**  
ENERGY

# HALF YEAR REPORT

For the 6 month period  
ended 31 December 2024

**ASX:SHE**  
**STONEHORSEENERGY.COM**

**Stonehorse Energy Ltd**  
**Corporate directory**  
**31 December 2024**

Directors	Robert Gardner -Executive Chairman David Deloub -Executive Director Jay Stephenson Non-executive Director Michael McFadyen Non-executive Director
Company secretary	Jay Stephenson
Registered office	Suite 4, 182 Claisebrook Road, Perth WA 6000 Postal: PO Box 52, West Perth WA 6872 Telephone: +61 (0)8 6141 3500 Facsimile: +61 (0)8 6141 3599 Email: info@stonehorseenergy.com.au
Share register	Computershare Registry Services Level 11, 172 St Georges Terrace, Perth WA 6000 Postal: GPO Box D182, Perth WA 6840 Telephone: 1300 787 272 (investors within Australia) +61 (0)8 9323 2000
Auditor	Moore Australia Audit (WA) Exchange Tower, 2 The Esplanade, Perth WA 6000 Telephone: +61 (0)8 9225 5355
Stock exchange listing	Stonehorse Energy Ltd shares are listed on the Australian Securities Exchange (ASX code: SHE) Exchange Plaza, Level 10, Central Park, 152-158 St Georges Terrace, Perth WA 6000
Website	<a href="http://www.stonehorseenergy.com">www.stonehorseenergy.com</a>

## **Stonehorse Energy Ltd**

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**31 December 2024**

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**Stonehorse Energy Ltd**  
**Directors' report**  
**31 December 2024**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Stonehorse Energy Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

**Directors**

The following persons were directors of Stonehorse Energy Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Robert Gardner	Executive Chairman
Mr David Deloub	Executive Director
Mr Jay Stephenson	Non-executive Director
Mr Michael McFadyen	Non-executive Director

**Principal activities**

The Group is an Australian based Exploration and Production (E&P) energy company. Its overall objective is to implement its strategy of building a portfolio of geographically and geophysically diverse, high quality well bore assets with Working Interest (WI) percentages reflecting risk appetite and capital availability.

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Review of operations**

Stonehorse Energy Limited (**ASX: SHE**) (**Stonehorse** or the **Company**) is pleased to present this Directors' report for the half year ended 31 December 2024.

**OPERATIONAL HIGHLIGHTS**

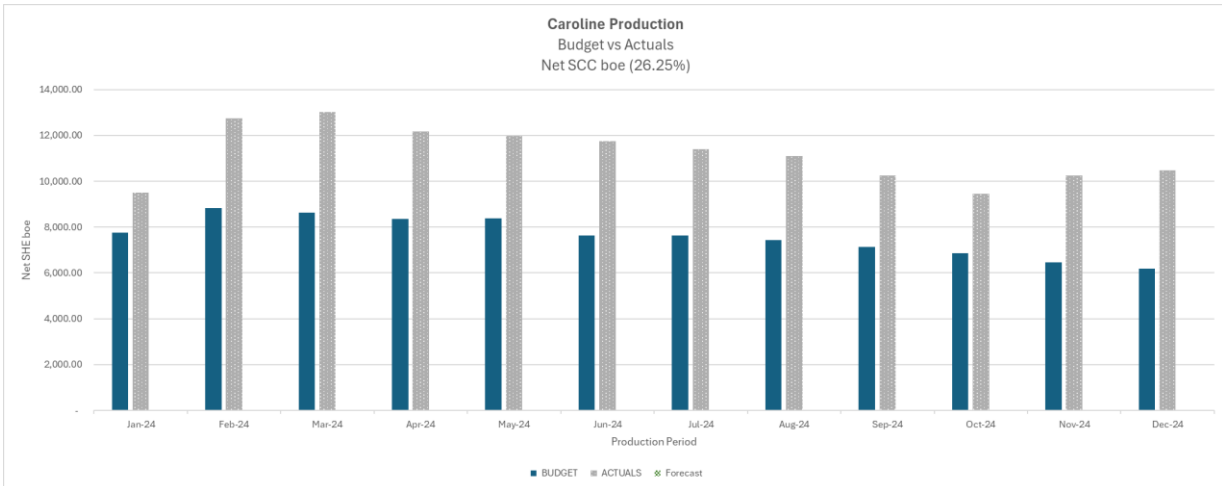
- The Company entered into a Letter of Intent (LOI) prior to year end 2024 with a private Canadian based E&P company. The arrangement allows Stonehorse the right to participate as a partner in future potential oil well development scenarios in S.E. Alberta.
- From October to December 2023 the Certus Caroline produced over 75,000 BOE with an initial production average of 1,193 BOE per day well above expectations with a higher than forecasted condensate yield. The production efficiency, mixed with the continuous
- Production from the US portfolio remains consistent with the portfolio contributing in excess of \$550,000 of production revenue for the 6-month period.

**CANADIAN ASSETS**

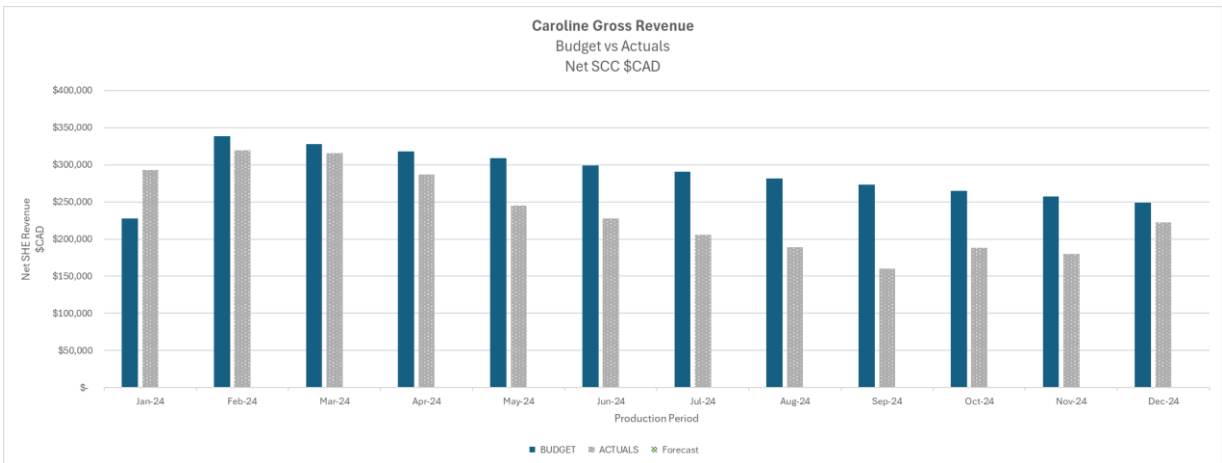
During the Second half of 2024, Stonehorse entered into a Letter of Intent (LOI) with a private Canadian based E&P company to potentially earn the right to participate in a number of new development wells in south eastern Alberta.

The Caroline well 1-27-33 continues to produce above expectations with minimal production decline since the well was brought online in October 2023. The offset development well program is on hold due to current low Canadian gas prices.

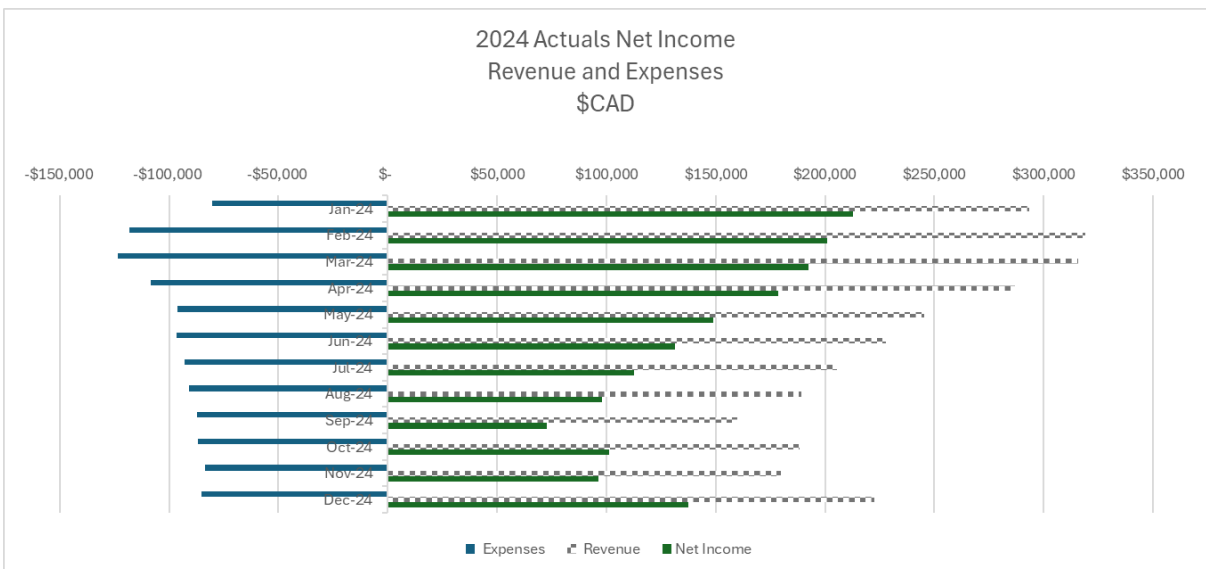
**Stonehorse Energy Ltd**  
**Directors' report**  
**31 December 2024**



*The Caroline well has been producing at over 97% operational uptime and continues to exceed predrill expectations.*



*Despite low Canadian natural gas prices, the Caroline well continues to generate a positive revenue stream for our Canadian operations. The production stream continues to be >50% NG liquids that achieves a competitive netback.*



*Based on current commodity price strip and current production payout for the well is estimated to occur in mid-2025.*

**Stonehorse Energy Ltd**  
**Directors' report**  
**31 December 2024**

**US ASSETS**

The current oil and gas well portfolio consisting of 11 operating wells in North America continues to perform strongly delivering seasoned production.

Total net operating revenues have been impacted by the impact of a Continental new drill and completion adjacent to the Jewell well and softer oil and gas prices in North America.

Recent production data shows that the production rates from the Jewell well have been recovering in line with expectations.

**AUSTRALIAN ASSETS**

**Myall Creek-2 (Surat Basin, QLD)**

Continued delays in the remediation and frac stimulation of the MC-2 well have pushed the forecast production dates out to the third quarter of 2025. The delays have been primarily due to the operator conducting a review and reset on drill plans since being privatised and the availability of frac spreads in the region. Currently re-negotiating the participation agreement with ADZ to reflect the change in timing and partner due to the privatisation of Armour Energy.

**CURRENT PORTFOLIO OF OIL AND GAS WELL ASSETS**

The Company currently has non-operated working interests in 14 wells including the 2 new wells located in Alberta, Canada and the highly productive Jewell well located in Oklahoma.

<b>Well Name</b>	<b>Reference Number</b>	<b>Working Interest</b>	<b>County, State</b>	<b>Operator</b>
<b>Stonehorse US</b>				
<i>Burgess</i>	<i>28-1</i>	<i>96.81%</i>	<i>Ellis, OK</i>	<i>Black Mesa Energy</i>
<i>Sutton</i>	<i>2H-52</i>	<i>25.00%</i>	<i>Hansford, TX</i>	<i>Strat Land Exploration</i>
<i>Bullard</i>	<i>1-18-07UWH</i>	<i>15.60%</i>	<i>Garvin, OK</i>	<i>Rimrock Resources</i>
<i>Henry Federal</i>	<i>1-8-5XH</i>	<i>2.30%</i>	<i>Blaine, OK</i>	<i>Continental Resources</i>
<i>Randolph</i>	<i>1-34-27XHM</i>	<i>0.21%</i>	<i>Blaine, OK</i>	<i>Continental Resources</i>
<i>Randolph</i>	<i>3-34-27XHM</i>	<i>0.21%</i>	<i>Blaine, OK</i>	<i>Continental Resources</i>
<i>Randolph</i>	<i>4-34-27XHM</i>	<i>0.21%</i>	<i>Blaine, OK</i>	<i>Continental Resources</i>
<i>Jewell</i>	<i>1-13-12SXH</i>	<i>41.50%</i>	<i>Carter, OK</i>	<i>Black Mesa Energy</i>
<i>Newberry</i>	<i>12-1</i>	<i>21.70%</i>	<i>Carter, OK</i>	<i>Black Mesa Energy</i>
<i>Mitchell</i>	<i>12-1</i>	<i>50.00%</i>	<i>Carter, OK</i>	<i>Black Mesa Energy</i>
<i>Thelma</i>	<i>1-32</i>	<i>50.00%</i>	<i>Murray, OK</i>	<i>Black Mesa Energy</i>
<b>Stonehorse Canada</b>				
<i>Caroline</i>	<i>1-27-33</i>	<i>26.25%</i>	<i>Sundry, AB</i>	<i>Certus</i>
<i>Wapiti</i>	<i>16-02-65-08</i>	<i>18.75%</i>	<i>Wapiti, AB</i>	<i>Gryphon</i>
<b>Stonehorse Australia</b>				
<i>Myall Creek</i>	<i>Myall Creek-2</i>	<i>25.00%</i>	<i>Surat Basin, Qld</i>	<i>ADZ</i>

**CORPORATE**

**Operating results**

The loss for the Group after providing for income tax amounted to \$2,143,034 (31 December 2023: \$676,404). The loss includes an amortisation of producing assets of \$1,800,623.

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

## **Financial position**

The Group cash balance as at 31 December 2024 was \$6,497,457 and had working capital surplus of \$7,086,043 (30 June 2024: \$7,392,124) and net assets of \$13,008,439 (30 June 2024: \$15,020,061) as at 31 December 2024.

## **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Group during the financial half-year.

## **Matters subsequent to the end of the financial half-year**

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

## **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Robert Gardner  
Chairman

14 March 2025

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF STONEHORSE ENERGY LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



NEIL PACE  
PARTNER



MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 14<sup>th</sup> day of March 2025.



**Stonehorse Energy Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**

		<b>Consolidated</b>	
		<b>31</b>	<b>31</b>
	<b>Note</b>	<b>December</b>	<b>December</b>
		<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	4	1,287,220	1,248,681
Other income	5	46,286	73,699
Foreign exchange gain		-	43,030
<b>Expenses</b>			
Production costs		(748,555)	(373,331)
Professional fees		(341,010)	(252,850)
Employee benefits expense		(198,993)	(141,731)
Share-based payment expense	15	(1,718)	-
Depreciation and amortisation expense		(1,800,623)	(664,119)
Exploration and evaluation expenditure		-	(304,795)
Insurance expense		(11,962)	(78,823)
Compliance costs		(203,818)	(40,757)
Fair value loss on financial assets		(148,500)	(135,000)
Other expenses		(21,361)	(50,408)
<b>Loss before income tax expense</b>		(2,143,034)	(676,404)
Income tax expense		-	-
<b>Loss after income tax expense for the half-year</b>		(2,143,034)	(676,404)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		129,694	-
Other comprehensive income for the half-year, net of tax		129,694	-
<b>Total comprehensive income for the half-year</b>		<u>(2,013,340)</u>	<u>(676,404)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	6	(0.31)	(0.10)
Diluted earnings per share	6	(0.31)	(0.10)

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Stonehorse Energy Ltd**  
**Statement of financial position**  
**As at 31 December 2024**

		<b>Consolidated</b>	
		<b>31</b>	<b>30</b>
	<b>Note</b>	<b>December</b>	<b>June</b>
		<b>2024</b>	<b>2024</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	6,497,457	6,240,175
Trade and other receivables	8	337,268	730,028
Financial assets at fair value through profit or loss	9	391,500	540,000
Other		46,721	24,284
<b>Total current assets</b>		<u>7,272,946</u>	<u>7,534,487</u>
<b>Non-current assets</b>			
Property, plant and equipment		316	1,184
Exploration and evaluation	11	650,157	650,157
Producing assets	10	5,538,335	7,243,009
<b>Total non-current assets</b>		<u>6,188,808</u>	<u>7,894,350</u>
<b>Total assets</b>		<u>13,461,754</u>	<u>15,428,837</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	159,926	122,882
Income tax		6,274	6,274
Provisions		20,703	13,207
<b>Total current liabilities</b>		<u>186,903</u>	<u>142,363</u>
<b>Non-current liabilities</b>			
Deferred tax		266,412	266,413
<b>Total non-current liabilities</b>		<u>266,412</u>	<u>266,413</u>
<b>Total liabilities</b>		<u>453,315</u>	<u>408,776</u>
<b>Net assets</b>		<u>13,008,439</u>	<u>15,020,061</u>
<b>Equity</b>			
Issued capital	13	35,505,381	35,505,381
Reserves	14	84,222	595,689
Accumulated losses		(22,581,164)	(21,081,009)
<b>Total equity</b>		<u>13,008,439</u>	<u>15,020,061</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Stonehorse Energy Ltd**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2024**

<b>Consolidated</b>	<b>Issued capital</b> <b>\$</b>	<b>Reserves</b> <b>\$</b>	<b>Accumulated losses</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 July 2023	35,505,381	556,126	(22,365,961)	13,695,546
Loss after income tax expense for the half-year	-	-	(676,404)	(676,404)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(676,404)	(676,404)
Balance at 31 December 2023	<u>35,505,381</u>	<u>556,126</u>	<u>(23,042,365)</u>	<u>13,019,142</u>
	<b>Issued capital</b> <b>\$</b>	<b>Reserves</b> <b>\$</b>	<b>Accumulated losses</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 July 2024	35,505,381	595,689	(21,081,009)	15,020,061
Loss after income tax expense for the half-year	-	-	(2,143,034)	(2,143,034)
Other comprehensive income for the half-year, net of tax	-	129,694	-	129,694
Total comprehensive income for the half-year	-	129,694	(2,143,034)	(2,013,340)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 15)	-	1,718	-	1,718
Reclass from reserve to retained earnings	-	(642,879)	642,879	-
Balance at 31 December 2024	<u>35,505,381</u>	<u>84,222</u>	<u>(22,581,164)</u>	<u>13,008,439</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Stonehorse Energy Ltd**  
**Statement of cash flows**  
**For the half-year ended 31 December 2024**

	<b>Consolidated</b>	
	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	1,679,980	1,132,775
Payments to suppliers and employees	(1,524,983)	(1,244,417)
Interest received	46,286	71,828
	<hr/>	<hr/>
Net cash from/(used in) operating activities	201,283	(39,814)
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation assets	-	(1,685,361)
Payments for producing assets	(2,320)	(3,658,520)
	<hr/>	<hr/>
Net cash used in investing activities	(2,320)	(5,343,881)
	<hr/>	<hr/>
Net cash from financing activities	-	-
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	198,963	(5,383,695)
Cash and cash equivalents at the beginning of the financial half-year	6,240,175	10,710,865
Effects of exchange rate changes on cash and cash equivalents	58,319	82,425
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial half-year	<u>6,497,457</u>	<u>5,409,595</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**1. General information**

The financial statements cover Stonehorse Energy Ltd as a Group consisting of Stonehorse Energy Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Stonehorse Energy Ltd's functional and presentation currency.

Stonehorse Energy Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 4, 182 Claisebrook Road, Perth WA 6000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2025.

**2. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

**New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Going concern**

The half-year financial report has 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.

The Company has a solid history of obtaining support from investors, including in very difficult financial markets. The directors are of the opinion that the Group is a going concern.

**3. Operating segments**

*Identification of reportable operating 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. It is managed primarily on the basis of its oil and gas interests in the USA, Canada and its corporate activities in Australia. 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.

*Types of reportable segments*

Oil and gas exploration: Segment assets, including acquisition cost related to the projects in the USA/Canada are reported on in this segment.

**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**3. Operating segments (continued)**

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.

<b>31 December 2024</b>	<b>Corporate</b>	<b>USA</b>	<b>Canada</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revenue from gas and oil sales	-	518,357	768,863	1,287,220
Other income	42,791	3,495	-	46,286
<b>Total Revenue</b>	<b>42,791</b>	<b>521,852</b>	<b>768,863</b>	<b>1,333,506</b>
Segment result before interest, tax, depreciation, amortisation and impairment	(434,795)	245,846	(4,963)	(193,912)
Depreciation and Amortisation	-	(850,533)	(950,090)	(1,800,623)
Fair value loss on financial assets	(148,500)	-	-	(148,500)
<b>Profit/(loss) before tax</b>	<b>(583,295)</b>	<b>(604,687)</b>	<b>(955,053)</b>	<b>(2,143,035)</b>
Income Tax	-	-	-	-
<b>Net Profit/(loss) after tax</b>	<b>(583,295)</b>	<b>(604,687)</b>	<b>(955,053)</b>	<b>(2,143,035)</b>
<b>Segment Assets</b>	<b>5,945,035</b>	<b>2,146,592</b>	<b>5,370,127</b>	<b>13,461,754</b>
<b>Segment Liabilities</b>	<b>(392,213)</b>	<b>-</b>	<b>(61,102)</b>	<b>(453,315)</b>
<b>31 December 2023</b>	<b>Corporate</b>	<b>USA</b>	<b>Canada</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revenue from gas and oil sales	-	659,027	589,654	1,248,681
Other income	114,855	1,874	-	116,729
<b>Total Revenue</b>	<b>114,855</b>	<b>660,901</b>	<b>589,654</b>	<b>1,365,410</b>
Segment result before interest, tax, depreciation, amortisation and impairment	(577,188)	234,815	465,088	122,715
Depreciation and Amortisation	-	(627,463)	(36,656)	(664,119)
Fair value loss on financial assets	(135,000)	-	-	(135,000)
<b>Profit/(loss) before tax</b>	<b>(712,188)</b>	<b>(392,648)</b>	<b>428,432</b>	<b>(676,404)</b>
Income Tax	-	-	-	-
<b>Net Profit/(loss) after tax</b>	<b>(712,188)</b>	<b>(392,648)</b>	<b>428,432</b>	<b>(676,404)</b>
<b>Segment Assets</b>	<b>6,905,964</b>	<b>2,889,206</b>	<b>5,423,131</b>	<b>15,218,301</b>
<b>Segment Liabilities</b>	<b>2,199,161</b>	<b>-</b>	<b>-</b>	<b>2,199,161</b>

**4. Revenue**

	<b>Consolidated</b>	
	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Oil and gas sales	1,287,220	1,248,681

**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**5. Other income**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Interest income	46,286	73,699

**6. Earnings per share**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>31</b>
	<b>December</b>	<b>December</b>
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax	(2,143,034)	(676,404)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	684,460,287	684,460,287
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.31)	(0.10)
Diluted earnings per share	(0.31)	(0.10)

**7. Cash and cash equivalents**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash on hand	4,753,623	5,863,013
Cash on deposit	1,120,825	-
Trust account	623,009	377,162
	<u>6,497,457</u>	<u>6,240,175</u>

**8. Trade and other receivables**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	329,784	722,373
BAS receivable	7,484	7,655
	<u>337,268</u>	<u>730,028</u>

**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**9. Financial assets at fair value through profit or loss**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Ordinary shares - designated at fair value through profit or loss	391,500	540,000
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening fair value	540,000	585,000
Revaluation decrements	(148,500)	(45,000)
Closing fair value	391,500	540,000

Stonehorse currently holds 900,000 Brookside Energy Limited (BRK) shares. The fair value of these fully paid ordinary shares at 31 December 2024 was based on ASX quoted market value. These shares are classified as Level 1 financial assets. These shares are a financial asset through profit and loss.

**10. Producing assets**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Producing assets	5,538,335	7,243,009
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial half-year are set out below:		
Opening balance	7,243,009	3,886,026
Add: Acquisition of new assets	95,949	5,051,783
Less: Impairment provision / Expenditure written off	-	(110,674)
Less: Amortisation	(1,800,623)	(1,584,126)
Closing balance	5,538,335	7,243,009

**11. Exploration and evaluation**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Exploration and evaluation assets	650,157	650,157



**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**12. Trade and other payables**

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	104,099	42,568
Accruals	21,378	36,500
Other payables	34,449	43,814
	<u>159,926</u>	<u>122,882</u>

**13. Issued capital**

	<b>Consolidated</b>			
	<b>31</b>	<b>30</b>	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	684,460,287	684,460,287	35,505,381	35,505,381

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**14. Reserves**

	<b>Consolidated</b>	
	<b>31</b>	<b>30</b>
	<b>December</b>	<b>June</b>
	<b>2024</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Foreign currency reserve	82,504	(47,190)
Share-based payments reserve	1,718	642,879
	<u>84,222</u>	<u>595,689</u>

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**14. Reserves (continued)**

*Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

<b>Consolidated</b>	<b>Share-based payment reserve \$</b>	<b>Foreign currency translation reserve \$</b>	<b>Total \$</b>
Balance at 1 July 2024	642,879	(47,190)	595,689
Foreign currency translation	-	129,694	129,694
Reclass to retained earnings	(642,879)	-	(642,879)
vesting of performance rights	1,718	-	1,718
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2024	1,718	82,504	84,222
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**15. Share-based payments**

	<b>Consolidated</b>	
	<b>31 December 2024 \$</b>	<b>30 June 2024 \$</b>
Balance at beginning of period	642,879	556,126
Performance rights issued to directors	1,718	86,753
Reversal of expired options and performance rights	(642,879)	-
	<hr/>	<hr/>
	1,718	642,879
	<hr/> <hr/>	<hr/> <hr/>

	<b>Consolidated</b>	
	<b>31 December 2024 Number</b>	<b>30 June 2024 Number</b>
Outstanding at the beginning of the financial half-year	12,000,000	12,000,000
Granted	17,000,000	-
Lapsed	(12,000,000)	-
	<hr/>	<hr/>
Outstanding at the end of the financial half-year	17,000,000	12,000,000
	<hr/> <hr/>	<hr/> <hr/>

Performance rights granted during the year have been valued using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model. The number of securities granted and valuation inputs are outlined below.

**Stonehorse Energy Ltd**  
**Notes to the financial statements**  
**31 December 2024**

**15. Share-based payments (continued)**

	<b>Performance rights issued No.</b>	<b>Grant date</b>	<b>Expiry date</b>	<b>Share price at grant date</b>	<b>Exercise price</b>	<b>Expected volatility %</b>	<b>Risk-free rate %</b>	<b>Fair value at grant date</b>
Director performance rights - class A (i)	5,666,666	29/11/2024	27/12/2027	\$0.007	\$0.00	90.00%	3.84%	\$0.00482
Director performance rights - class B (ii)	5,666,666	29/11/2024	27/12/2027	\$0.007	\$0.00	90.00%	3.84%	\$0.00332
Director performance rights - class C (iii)	5,666,666	29/11/2024	27/12/2027	\$0.007	\$0.00	90.00%	3.84%	\$0.00250

(i) Vest upon the Company achieving and maintaining a 20-day VWAP of \$0.02 or more

(ii) Vest upon the Company achieving and maintaining a 20-day VWAP of \$0.04 or more

(iii) Vest upon the Company achieving and maintaining a 20-day VWAP of \$0.06 or more

**16. Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**17. Contingent liabilities**

The Group has no contingent liabilities (30 June 2024: nil).

**18. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

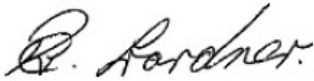
**Stonehorse Energy Ltd**  
**Directors' declaration**  
**31 December 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Robert Gardner  
Chairman

14 March 2025

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF STONEHORSE ENERGY LIMITED**

### **Report on the Half-Year Financial Report**

#### **Conclusion**

We have reviewed the accompanying half-year financial report of Stonehorse Energy Limited (the company) and its controlled entities (the consolidated entity or group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the 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, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

#### **Basis for Conclusion**

We conducted our review in accordance with Auditing Standards on Review Engagements *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### **Responsibility of the Directors 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 (including Australian Accounting Interpretations) 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.

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF STONEHORSE ENERGY LIMITED (CONTINUED)**

**Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 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.



NEIL PACE  
PARTNER



MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 14<sup>th</sup> day of March 2025.



**ASX:SHE**  
**STONEHORSEENERGY.COM**