

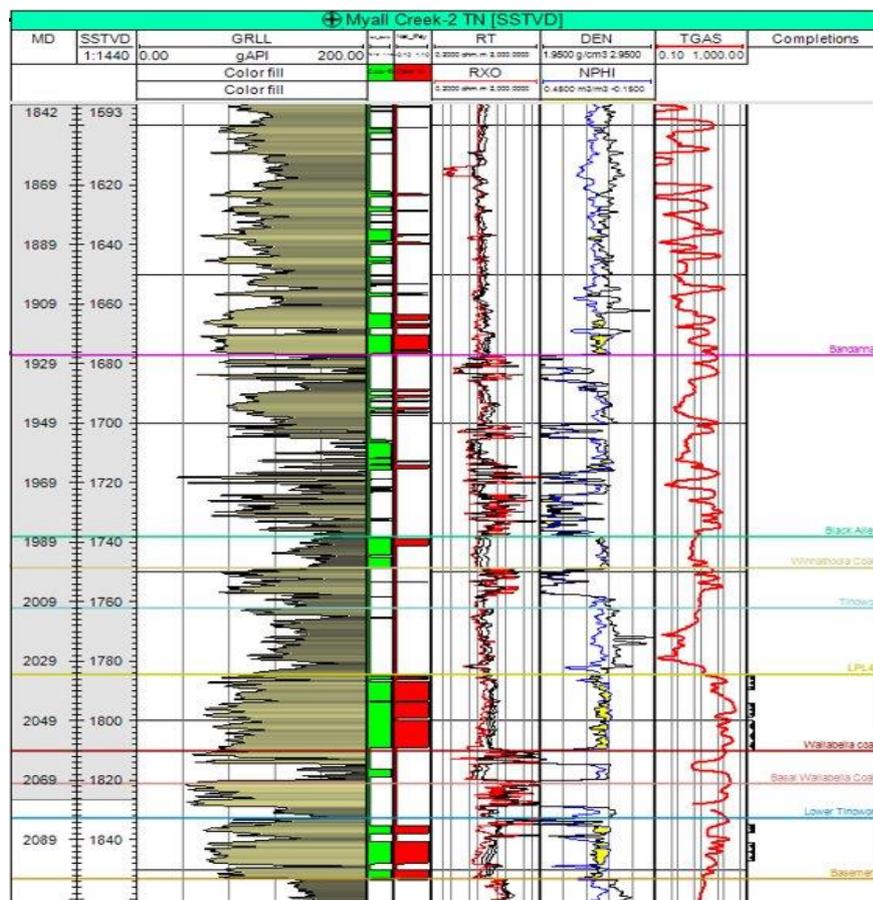
Operational Update

MYALL CREEK #2 WELL, SURAT BASIN, QLD.

Perth, Western Australia – 1st April 2022 – Stonehorse Energy Limited (ASX: SHE) is pleased to provide shareholders and investors with an update on the Myall Creek #2 well operational progress.

HIGHLIGHTS

- Interpretation of data from the Myall Creek #2 well has confirmed the Tinowon C is a fracture stimulation candidate. This next phase of activity is scheduled to commence and complete in June 2022.
- Additional reservoirs intersected in the Myall Creek #2 well including the Upper Rewan and Bandana Sandstones also appear to be gas saturated.
- Work is continuing on the feasibility of accessing these zones for future potential stimulation.



Myall Creek-2 Reservoir log Jan 2022.



On 19 January 2022, Stonehorse Energy announced that the Myall Creek #2 well had been successfully perforated and re-completed the Tinowon C formation.

The Tinowon C was the primary target of the work programme and initial analysis of the logging data confirmed that the zone was hydrocarbon bearing and over pressured.

Subsequent data collection using a Down-Hole-Shut-In-Tool to capture the bottom hole build up pressure has confirmed that the Tinowon C formation is a viable fracture stimulation candidate.

It is currently planned for the proposed well stimulation operations to commence and complete in June 2022.

The Myall Creek-2 programme also assessed the potential of other reservoirs intersected in the Myall Creek region. Of particular interest are the Upper Rewan and Bandana Sandstones that also appear to be gas saturated.

Work is continuing on the feasibility of accessing these zones for future potential stimulation.

Commenting on progress, Stonehorse's Executive Director David Deloub said;

"Given the recent adverse weather events in the region, we are pleased with the operational performance and progress of Myall Creek to date. We are looking forward to the next stage of this project being stimulation design and completion, which we expect to deliver the modelled production outcomes".



Myall Creek Compression Facility 2022



About Stonehorse Energy

Stonehorse Energy Limited (ASX:SHE) is an Australian based E&P company. The overall objective of the Company 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.

This announcement is approved by the Board of Directors.

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