STONEHORSE ENERGY

BUILDING A PORTFOLIO OF HIGH-QUALITY OIL AND GAS ASSETS

November 2023

ASX: **SHE**
www.stonehorseenergy.com

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INTRODUCING STONEHORSE

ASX listed company that takes direct investments in energy production assets.

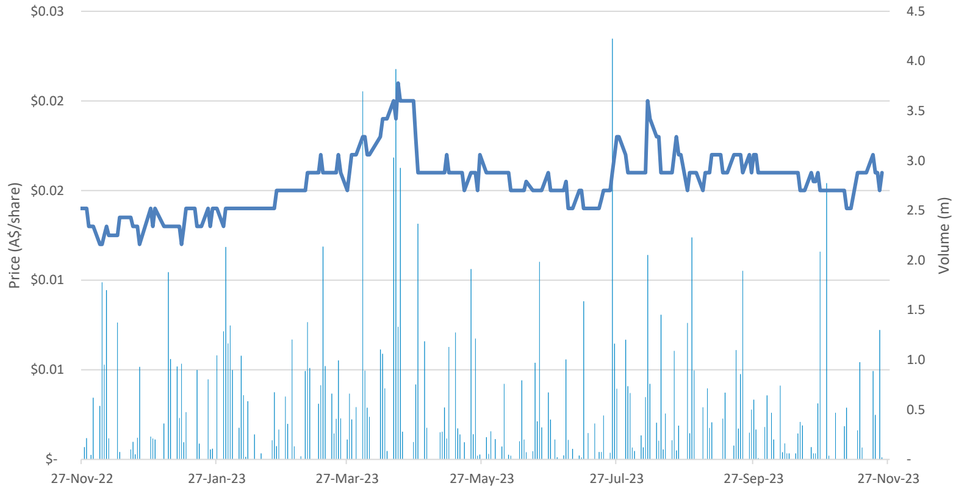
Shareholders are looking for cash accretive investments that deliver a strong return.

Fiscally conservative with no debt and low operating and corporate overheads.

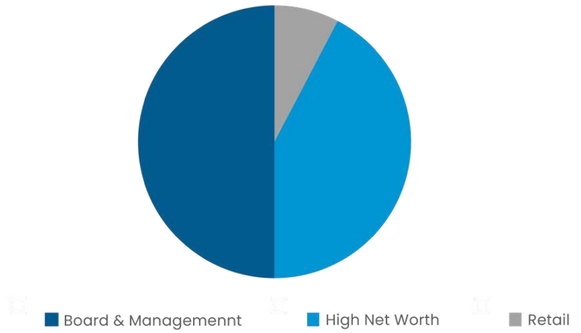
Focus investments on geopolitically stable regions with strong production history, reliable infrastructure and terminal commodity markets. Partner with highly experienced local technical teams and asset operators.

COMPANY OVERVIEW

SHARE PRICE PERORMANCE



SHAREHOLDERS



CAPITAL STRUCTURE

SHE
ASX CODE

$8.3M
CASH & EQUIVALENTS
(30 Sept 2023)

$10.3M
MARKET CAP
$0.015 (27 November 2023)

684.4M
SHARES ON ISSUE

283.8M
UNLISTED OPTIONS
(0.025-$0.04 EXERCISE)

$2.0M
ENTERPRISE VALUE

THE STONEHORSE TEAM

STONEHORSE ENERGY LIMITED



DAVID DELOUB – MANAGING DIRECTOR

David has over 30 years of experience in the finance and corporate sectors and holds a degree in economics and post graduate qualifications in banking and finance. Mr Deloub was a director of Patersons Capital Partners, a boutique advisory firm focusing on strategic and financial advice to ASX listed small cap companies. He has considerable corporate finance, business development, management and operational experience in Australia, the United States and Africa.

ROB GARDNER – EXECUTIVE CHAIRMAN

Rob is a Perth based business entrepreneur, with over 28 years' experience in the mining industry. Mr Gardner has developed a number of projects that are now major assets of ASX listed companies and has extensive experience in the China region. Mr Gardner is also a major shareholder in the Company.



JAY STEPHENSON – NON-EXEC DIRECTOR

- Jay has been involved in business development for over 30 years, including approximately 26 years as Director, Chief Executive Officer, and Company Secretary of various listed and unlisted entities in resources, investments, IT, manufacturing, wine, hotels and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, and business restructuring.

STONEHORSE CANADA CORPORATION



MICHAEL K. MCFADYEN – TECHNICAL DIRECTOR

Mike has over 33 years of diverse Oil and Gas industry experience including 21 years of global offshore and 12 years of North American onshore and E&P operations. Mike served as EVP Offshore for Murphy Oil Corporation. He joined Murphy in 2002 as Drilling Manager in KL, Malaysia and in 2008 took on the role of President back in Canada. Mike was subsequently promoted to EVP EXPRO in 2011 and was responsible for management of all of Murphy's North American Onshore operations.



BILL MATHESON – COMMERCIAL DIRECTOR

Bill has worked in the Oil and Gas industry since 1989, holding a range of executive roles over that period. He has successfully founded and developed several companies through to eventual monetisation. Since 2017, he has been the co-founder and director of Salt-X Amine Solutions Inc., established to deliver a proven value solution for amine processing in the Canadian oil sector. From 2017-2021, Bill was the Governor of the Canadian Energy Executive Association.



ALANA S. MANNING – LAND MANAGEMENT

Highly driven Land Professional with more than 19 years of accomplishments in Minerals, Contracts, Negotiations, A&D within the Oil and Gas industry across British Columbia, Alberta and Saskatchewan. Particularly strong in delivering land's role in supporting rigorous multi-lateral horizontal well drilling programs in both Alberta and Saskatchewan; from new drill wells to final reclamation.

CURRENT ASSET PORTFOLIO

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



STRATEGY EXECUTION

Production not exploration - identify projects in known hydrocarbon provinces with strong production history, transportation and processing infrastructure.

Target low risk opportunities with short time to drill & completion, investment payback and annuity style long-term cashflows.

Build and leverage a locally-based, experienced technical and commercial team, whilst also partnering with highly experienced producers & operators.

Adopt a portfolio approach to generate cashflows that can be reinvested into new projects with high probability of success.

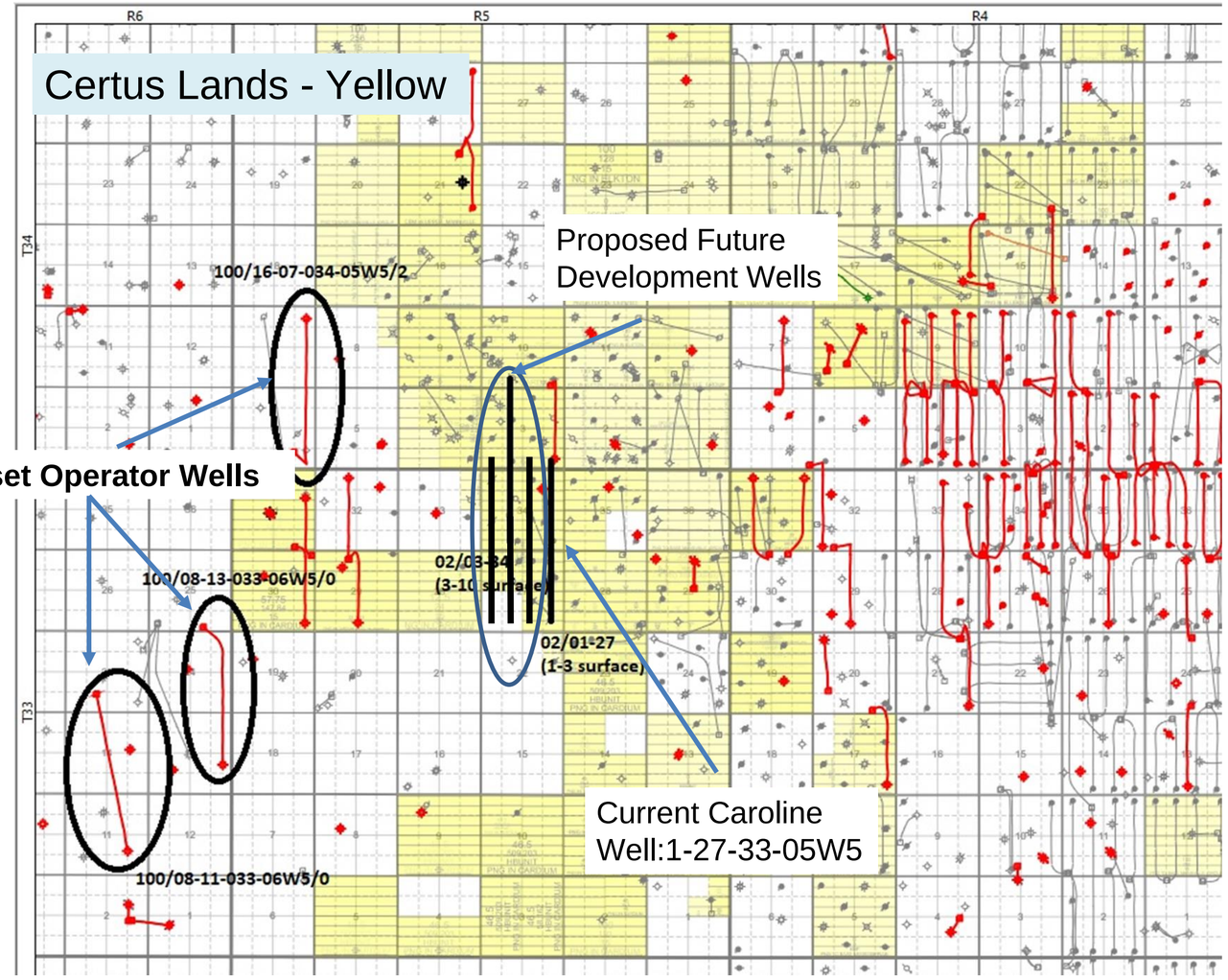
CANADIAN PROJECT DEVELOPMENT

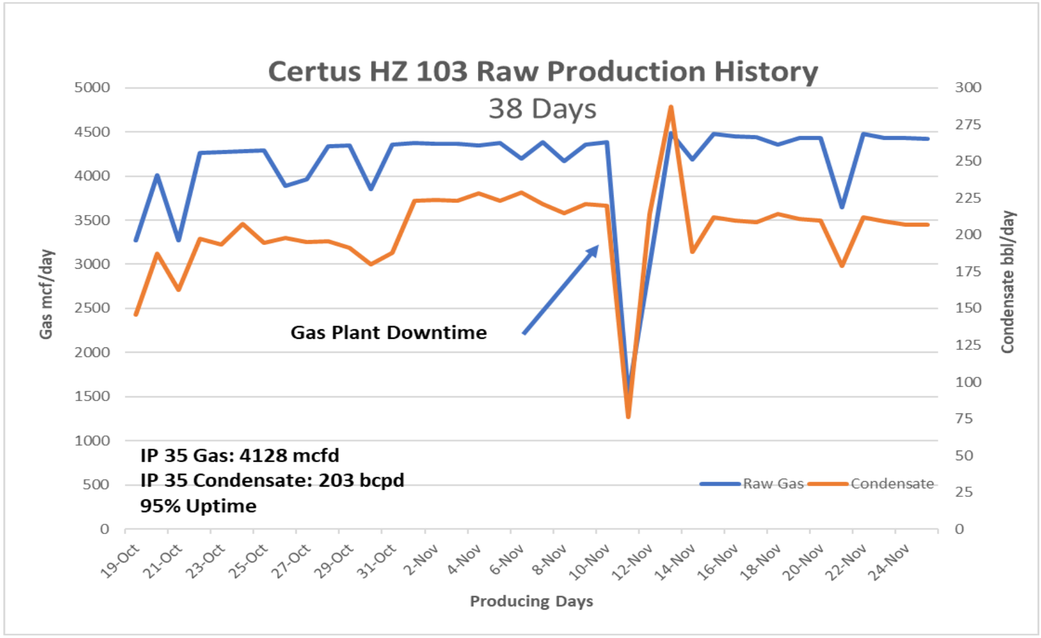


Certus (Caroline) Well	
Working Interest:	**35.00%**
Net Revenue Interest:	**26.25%**
Capital Cost (CAD)	**$9,300,000**
IP21 BOE	**+25,000**
Net sales production (BOE per day).	**1,235**
SHE 26.25% net share (BOE per day)	**325**
Operator	**Certus Oil & Gas**
Well Type:	**2 mile lateral well with multi-stage fac completion**

Gryphon (Wapiti) well	
Working Interest:	**25.00%**
Net Revenue Interest:	**18.75%**
Capital Cost (CAD)	**$5,500,000**
	Negotiated 1 well commitment to earn 3 sections
Infrastructure	**Key take away capacity available**
Development potential	**6 prospective high graded sections**
Operator	**Gryphon Petroleum**
Well Type	**1 mile lateral well with multi-stage fac completion**

CANADIAN PROJECT DEVELOPMENT - CERTUS





Total Cost of Caroline well to DC&T $9.3 MM CAD

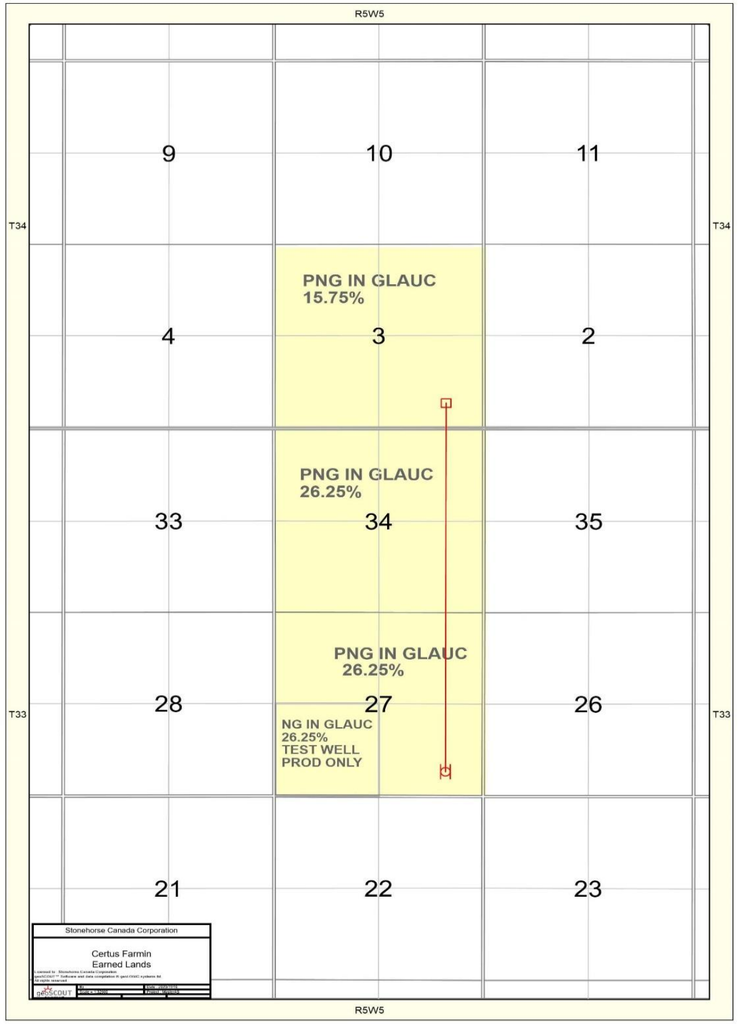
Caroline Well 100% Capital Investment for 75% Working interest

- SHE at 35% for 26.25% Net revenue interest: $3.26 MM CAD

Proposed 2-3 additional wells 100% Capital for 100% Working Interest

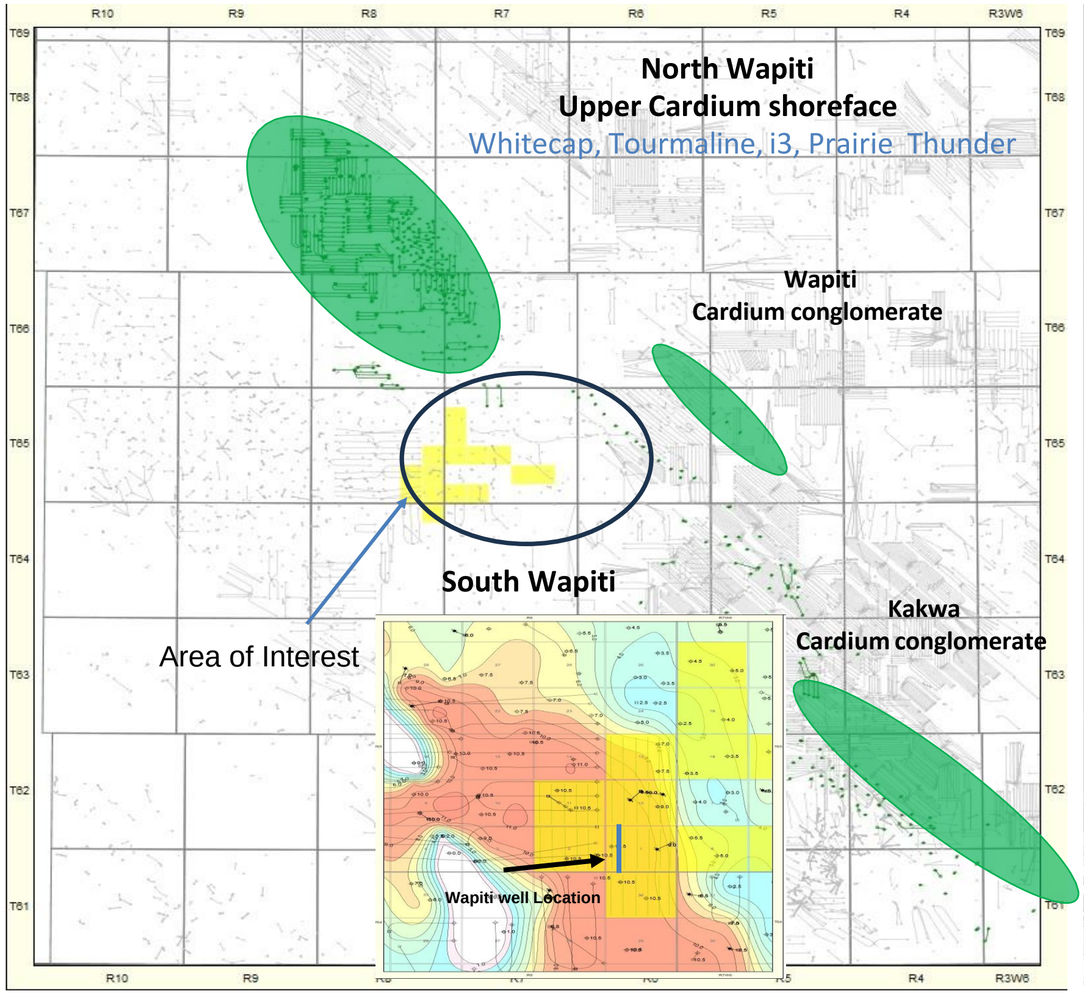
- **Earned 3 sections of land for future development**
- SHE at 26.25% for 26.25% WI
- $2.1 MM CAD/well

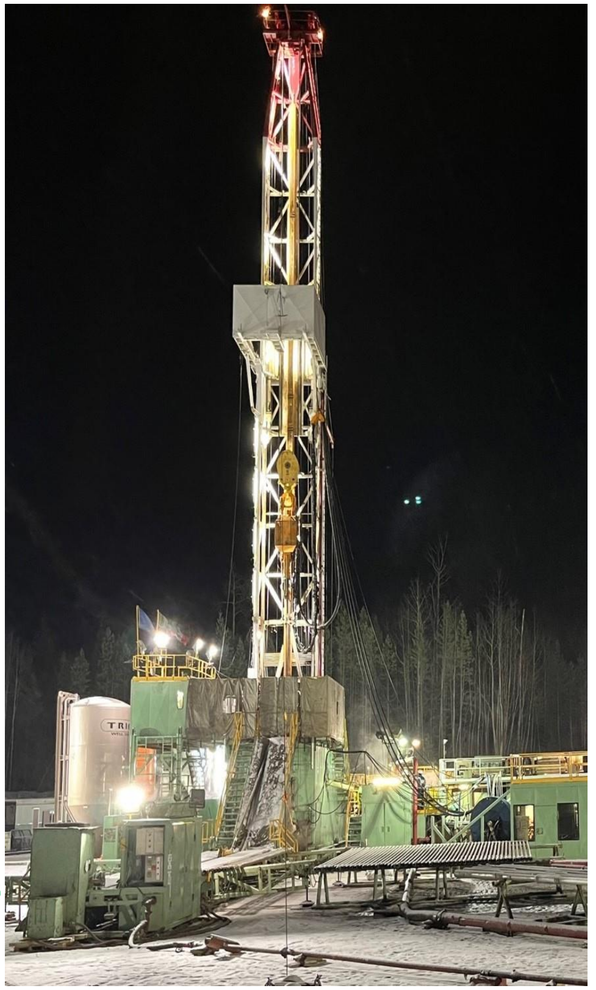
CANADIAN PROJECT DEVELOPMENT – Earned interest in acreage



- Land and working interest earned through participation in the Certus Caroline Well.
- Negotiated to earn a net working interest on all 3 sections of land.
- Based on production performance of the current well there could be another 2-3 development wells.
- Due diligence has been done on the well locations, production battery, gathering system and the deep cut gas plant.
- In discussions for additional take-a-way capacity for gas in the area.
- Opportunity to significantly increase SHE net production with Caroline well and future development wells.
- Offset Taqa well has made 1.75 Bcf (292 MBOE) in 16 months.
- The execution of this opportunity opens the door to significant growth opportunities in western Canada.

CANADIAN PROJECT DEVELOPMENT - GRYPHON





- Cardium Light Oil Area – 41 Deg API
- Major E&P operations in the area
- Infrastructure with take-away capacity for gas processing
- 1 Mile lateral well with multi-stage frac completion
- 6 Prospective High Graded sections available.
- Type curve recovery 240 mboe/well 1.4 -1.5 mmboe/section

- **Wapiti 16-02-65-08 well drilling operations completed:**
  - Spudded well October 22nd
  - Reached Total Depth (TD) of 3280 m on November 4, 2023
  - Production casing successfully run and cemented
  - 29 open hole frack sleeves installed across the lateral section
  - Completion operations underway
  - First Oil Target – Early December 2023

GROWTH STRATEGY



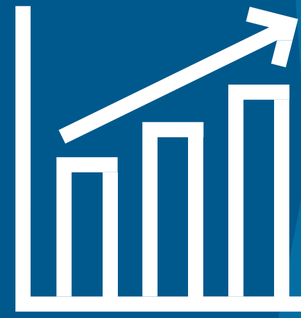
Invest in producing and low-risk “drill ready” oil & gas wells in locations with collection and transport infrastructure



Take non-operated working interests meeting risk and return hurdles



Retain exposure to commodity prices with sales unhedged into the terminal spot market



Cash accretive and non-dilutive, with re-investment of production revenues into additional working interests

BUSINESS CASE FOR OIL AND GAS INVESTMENT

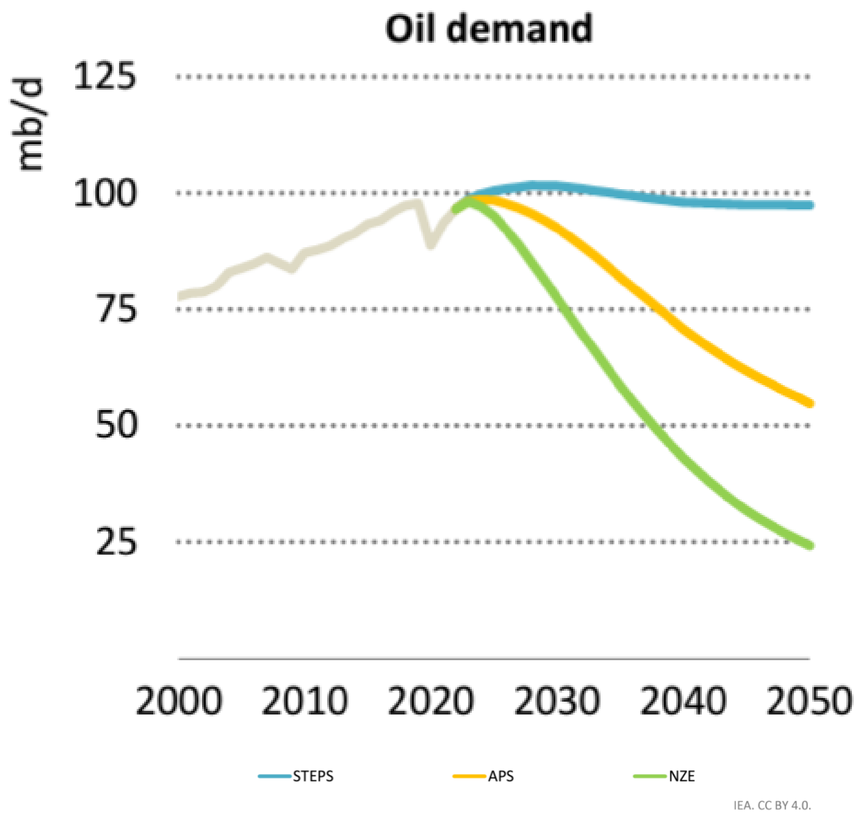
Hydrocarbons will continue to be a significant and critical part of the global energy equation. The transition to alternate energy will take significantly longer than originally anticipated.

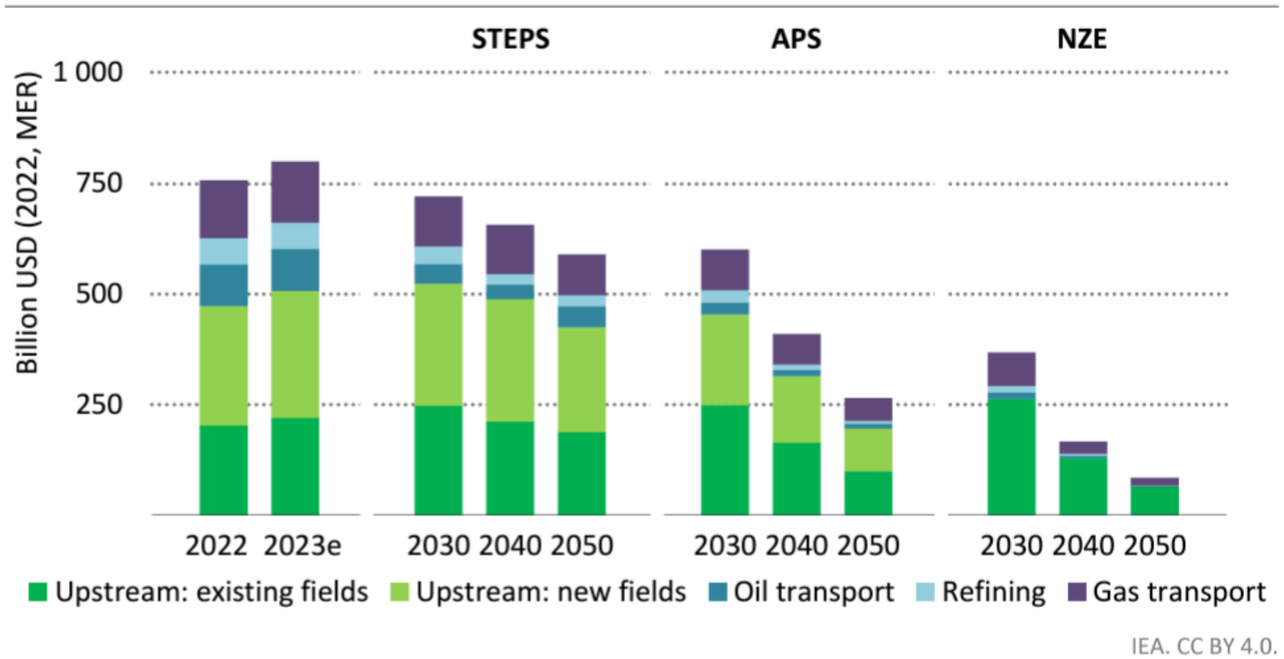
Targeted investment in geographically diverse de-risked projects delivers attractive returns, short-term “investment payback" periods and long-term annuity style revenue streams.

Recent and continuing geo-political instability and supply constraints forecasted to support current historically high oil and gas prices.

Portfolio approach to taking 20%-50% direct working interests in geographically and geologically diverse oil and gas wells further de-risks the portfolio.

OIL & GAS: TO REMAIN A SIGNIFICANT SOURCE OF ENERGY IN 2050





Under the Base Case (STEPS) model, oil demand will still be 98MMbbl/day in 2050, requiring US$600 Billion investment per year.

Even under the Net Zero model, demand will be 24MMbbl/day, with around US$100 Billion annual investment.

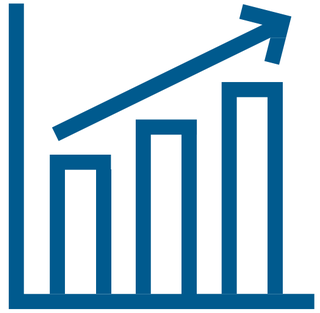
INVESTMENT CASE FOR STONEHORSE ENERGY?



Leverage to direct investment in operating wells providing exposure to oil and gas price.



Experienced technical team and investment partners. De-risked with focus on new-drill production not exploration.



Maximising returns through re-investment of production into quality projects and focus on cost management.

STONEHORSE ENERGY

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