

June 3, 2026

Stonehorse to Participate in Four New Wells at Drumheller

KEY HIGHLIGHTS:

Stonehorse Canada Corporation has agreed to participate in 4 new Drumheller development wells.

The decision follows the successful phase 1, 4-well Drumheller development program that is currently on production as planned.

This phase two, 4-well development program is with the same partner as the previous Drumheller wells. Stonehorse will invest approximately \$8.0mm CAD on these 4 wells.

In keeping with its strategy to balance its production portfolio, Stonehorse is also pleased to announce it has divested 26.25% working interest in land and production near Sundre, Alberta, for C\$3.05m cash. Proceeds will be used for general corporate purposes.

Following the sale of this natural gas property, Stonehorse's production will be weighted strongly to oil and liquids. The phase two Drumheller program will continue to build on this strategy.

Stonehorse Energy Limited (ASX; SHE, the "Company") is pleased to announce that the Company has agreed with the operator of Drumheller wells #1 to #4, to participate in the drilling of phase 2, 4-well programme in the Drumheller Area near Calgary, Alberta.

The proposed wells are in an area of light oil production with high liquids ratio, similar to what was observed in wells #1 to #4. The new wells are targeting the same Ellerslie Reservoir, which currently exceeds 40,000 boe/d (77% liquids) and has grown at a compounded annual growth rate of 18% since 2017.

Spudding of well #5 is set to commence imminently in the Ellerslie reservoir. Drilling is on an existing well pad with facilities connected to flow the well to production and sales soon after completion operations.

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Directors

Rob Gardner, Executive Chairman

Michael McFadyen, Non-Executive Director

Rick Lu, Non-Executive Director

Nicholas Ong, Non-Executive Director and Company Secretary

Issued Capital (ASX: SHE)

684.4m Ordinary Shares

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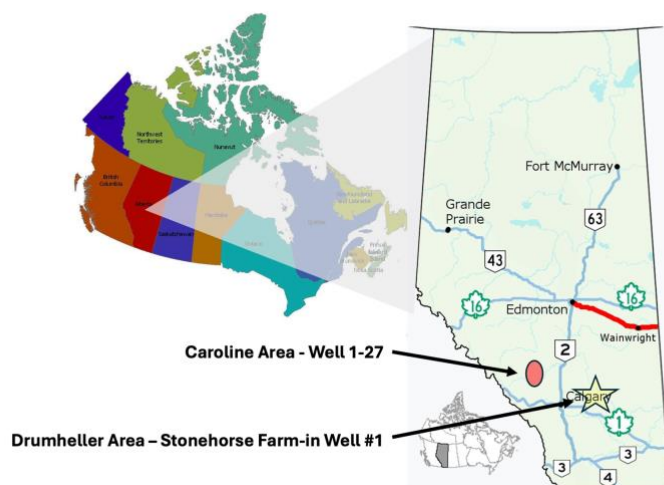
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 SCAN ME



Stonehorse New Well Farm-in



Stonehorse Executive Chairman, Mr Robert Gardner said, “We are extremely pleased with the results from the first four Drumheller wells. Stonehorse will continue to participate in further opportunity to partner with a strong operator for high impact and quick payback wells in Western Canada.”

This announcement is approved for release by the Company Secretary.

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For further information:

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About Stonehorse Energy

Stonehorse Energy Limited (ASX:SHE) is an Australian based E&P company with a focus on onshore oil and gas in Canada and the United States. 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.



Forward-Looking Statements and Other Disclaimers

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