

# Stonehorse Energy Debuts on ASX

## Building a Portfolio of High-Quality Oil & Gas Production Assets

**Perth, Western Australia – August 16, 2019** - Stonehorse Energy Limited (**ASX: SHE**) (**Stonehorse** or the **Company**) is pleased to announce the quotation of its securities on the Australian Securities Exchange (**ASX**) effective 10am EST today.

Today's debut on the ASX is the culmination of several key corporate actions designed to position the Company as an on-shore United States focussed business with a low-risk direct investment strategy. Stonehorse comes to market with two existing producing oil and gas assets and access to a significant pipeline of high-quality opportunities in the world-class Anadarko Basin in Oklahoma.

### Highlights

- Early success with the Company's first two wells drilled, completed and turned to sales and now delivering seasoned production and cashflow.
- Step-in Agreement with Brookside Energy Limited (**ASX: BRK**) (**Step-in Agreement**) delivers significant pipeline of very high-quality development opportunities in the world-class Anadarko Basin.
- Direct investment business model gives shareholders low-cost, low-risk opportunity to build a portfolio of producing oil and gas assets in a premier location under the guidance of a first-class United States based operating team (Black Mesa Production, LLC).
- Public offer successfully closed, raising \$4,656,727 (before costs), strengthens balance sheet and provides capital to be deployed expeditiously into new oil and gas development opportunities.
- Offer strongly supported by a mix of institutional, high net-worth and retail investors with the Top Twenty shareholders holding 88.7%.

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Commenting on the announcement, Stonehorse Executive Director, David Deloub said:

*"Coming from a solid starting position including; revenue producing assets, a low cost base, a balance sheet unencumbered with debt and a pipeline of investment opportunities that will deliver results in the near term, we believe that an investment in Stonehorse warrants serious consideration for those wanting significantly de-risked oil and gas exposure.*

*We are particularly excited about the opportunities that are emerging from Brookside's SWISH area in the SCOOP Play. There is currently a lot of activity in this area with several rigs operating and generating significant success, so the opportunity to invest in this operated project could deliver material upside for Stonehorse".*



## **Background**

The overall objective of the Company is to implement its strategy of adopting a flexible approach to building a portfolio of high quality well bore assets with working interest percentages reflecting risk appetite and capital availability underpinned by the Step-in Agreement with Brookside Energy Limited.

The Step-in Agreement has already successfully delivered the Company an interest in two producing wells, the Sutton2H-52 well in Hansford County, Texas (Stonehorse 25% Working Interest) and the Burgess 28-1 well in Ellis County, Oklahoma (Stonehorse 96.8% Working Interest). Both of these wells have been successfully drilled, completed for production and turned to sales and they are now delivering seasoned production and cashflow to Stonehorse.

In addition to these two wells, the Step-in Agreement provides the Company with access to a pipeline of well bore opportunities in the Anadarko Basin, including the potential to participate in non-operated wells in the core of the STACK Play and higher-impact wells in the emerging and highly sought after Sycamore-Woodford trend in the SCOOP Play.

The Company looks forward to providing an update on the forward program shortly, as it works with the Brookside and Black Mesa teams to finalise plans for the balance of 2019.

## **Corporate**

Stonehorse is pleased to advise that it has recommenced trading at market open this morning, following its re-compliance with Chapters 1 and 2 of the ASX Listing Rules. This followed the successful acquisition of Lone Star Energy Limited by the Company on 9 August, 2019.

The Company has also recently changed its name from Nickelore Limited to Stonehorse Energy Limited.

The Company has now issued the following securities;

- 232,836,367 Shares under the Public Offer;
- 105,500,000 Shares under the Vendor Offer;
- 52,750,000 Options (exercisable at \$0.025 each on or before 9 August 2021) under the Vendor Offer.
- 11,000,000 Shares upon conversion of convertible loans in the Company on 9 August 2019.

The Company successfully raised \$4,656,727 (before costs) under the Public Offer, from a mix of institutional, high net worth and retail investors, with the Top Twenty shareholders holding 88.7%.

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## **Forward-Looking Statements and Other Disclaimers**

This announcement may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of Stonehorse Energy Limited (“Stonehorse Energy” or “the Company”). These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Stonehorse Energy does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

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