



ABN 69 009 196 810
(Incorporated in Western Australia)

Level 2, 30 Richardson Street
West Perth, WA 6005
PO Box 1786, West Perth WA 6872
T+61 8 9321 9886 F +61 8 9321 8161

26 August 2021

ASX Limited
Company Announcements
Level 4, 20 Bridge Street
SYDNEY NSW 2000

PRM SECURES FURTHER FUNDING AHEAD OF BOWSPRIT-1 DRILLING

HIGHLIGHTS:

- PRM has Secured Convertible Note Loans for a total of A\$750,000 to fund discovery evaluation costs and contingent drilling costs of Bowsprit-1.
- The Convertible Note is repayable on 31 January 2022 or converts to PRM Shares at a 20% discount to the 10 day VWAP on the conversion date.

Bowsprit Oil Drilling

- Bowsprit is a former producing field, and a vertical well is to be drilled to appraise the project upside in the Middle Miocene (T2) reservoir.
- If this (T2) reservoir is proven to contain oil, the 2U/3U Prospective (recoverable) Resources are independently estimated as 1.8 – 4.1MMbbls¹.
- A further five potential reservoir sands are anticipated to be encountered by the well (See Figure 1).
- The drilling contractor has notified PRM that Rig should mobilise to Bowsprit-1 in the coming week.

Commenting on the news Mr Parks, Managing Director of Prominence Energy said *“These additional funds will be potentially used to fund sampling and evaluation of the formation fluids in the event of success, contingencies and for working capital.”*

Convertible Note Terms

The Company will raise \$750,000 by way of an unsecured convertible note. The note will be repayable on 31 January 2022 if not exercised prior and the price of the Conversion will be a 20% discount to the VWAP of the 10 trading days immediately preceding receipt of notice of conversion. The coupon rate is 10%pa payable at maturity. The Company intends to issue up 7.5m listed PRMOB options with an exercise price of \$0.02 and expiry 1 September 2023, on a basis of 10 options for every \$1 loaned via the convertible note. The Convertible Note has been taken up by existing PRM shareholders Fastlane Australia Pty Ltd (\$250,000 and via the Company’s corporate advisor GTT Ventures (\$500,000 with five existing shareholders who are unrelated parties).

¹ See details below and ASX release of 5 February 2020 for reserves and resources estimate.



Authorised by the Board of Prominence Energy Limited

Yours faithfully

A handwritten signature in black ink that reads 'Anna MacKintosh'. The signature is written in a cursive style with a large initial 'A'.

Anna MacKintosh
Company Secretary

For further information please contact Prominence Energy at:

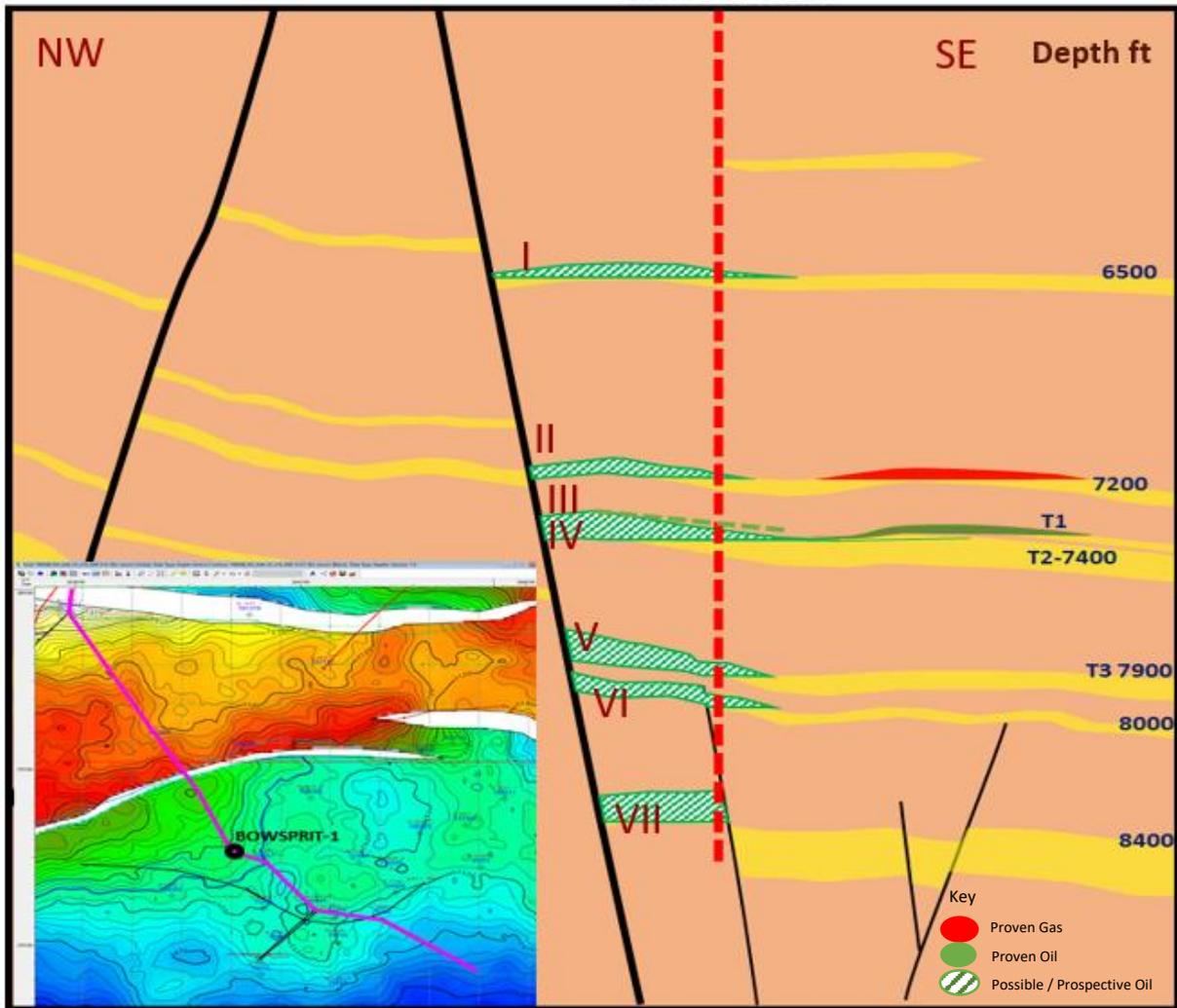
Web: www.prominenceenergy.com.au

Phone: +61 8 9321 9886

Email: admin@prominenceenergy.com.au

Figure-1

BOWSPRIT-1 WELL PATH – SECONDARY TARGETS



Six, (possibly seven) prospective reservoir sands to be tested by the Bowsprit-1 Well

T1 (III)= Proven Oil (probably pinches out before Bowsprit-1 well)

T2 (IV) = Primary target (Sand IV) sits up dip from T1 against the fault closure.

It is quite plausible that T1 and T2 are in communication in geological time and are a single accumulation of oil. Bowsprit-1 is drilling higher on the T2 structure than the known oil depth in T1.

Sands I, IV, V, VI and VII all have a realistic chance of success for containing hydrocarbons and a commercial volume. Sand II is interpreted to have a lower probability of containing hydrocarbons, and Sand III is expected to have pinched out and not be present in this location, but either sand II or III could still contain commercial volumes in a success scenario.