



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

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

## **PRM PREFERRED BIDDER FOR TWO HIGH POTENTIAL LEASE BLOCKS IN GULF OF MEXICO**

Prominence Energy Ltd ("PRM") is pleased to provide the following news. The Company is the "High Bidder" on two blocks in the USA Outer Continental Shelf (OCS) Federal Bid Round 259. The bid is subject to OCS bid adequacy review under BOEM rules which is normally concluded within 90 days.

### **Highlights**

- Following a period of extensive due diligence, PRM submitted bids for two adjacent lease blocks located on the OCS off Texas in approximately 75m (250ft) of water. Together they cover an area of 11,520 acres (~46km<sup>2</sup>).
- PRM bid on the basis of mapping and AVO analysis of seismic in the blocks, which identified a high potential and sizeable gas prospect. The AVO analysis shows two sands with Class III AVO anomalies (a strong indication of a gas filled sand).
- The main sand is interpreted to be a Middle Miocene Corsair delta sand up to 46m thick, with an area of between 4,000 to 7,500 acres as mapped and the gas column could be up to 850m from crest to gas water contact.
- The leasing costs will be covered from existing cash reserves.
- PRM intends to purchase the remaining seismic over the prospect and perform detailed mapping work on the prospect and **then have the Prospective Resources assessment independently reviewed by a reserves auditor.**
- PRM continues to review additional projects across a broad spectrum of types and locations, including Hydrogen, Helium and conventional oil and gas opportunities.

*Commenting on the News Alex Parks Managing Director of PRM said "PRM is very pleased to have apparently secured the Big Apple Prospect blocks. The Big Apple gas prospect is potentially very material in size and prospectivity for PRM and held with a 100% working interest. The forward plan is to perform a detailed work up of the prospect and then consider seeking a farm-in partner to participate in and fund the drilling of an exploration well. There is a growing LNG export industry from the USA that is likely to support gas prices in the medium term. If drilling of Big Apple is successful, the field is potentially sizeable enough to provide material gas supply to US based LNG liquification plants"*

## Bid Details

PRM placed a bid via newly formed wholly owned subsidiary PRM Energy Texas LLC (PRM Texas). PRM Texas was successfully prequalified with the Bureau of Ocean Energy Management (BOEM) in order to participate in the lease sale. The Bid Bonus offered by PRM is marginally above the minimum acceptable bid and the federal royalty rate is fixed for all blocks in this sale at 18.75%. PRM Texas is the High Bidder on the Brazos Area, South Addition Blocks A87 & A90. These two blocks were the only ones bid on by the Company at the Gulf of Mexico Outer Continental Shelf (OCS) Lease Sale 259 held in New Orleans on 29th March 2023. An Apparent High Bid is subject to OCS bid adequacy review and under Bureau of Ocean Management (BOEM) rules, may be rejected if deemed inadequate. The BOEM review can take up to 90 days.

Area	Block	Bid Bonus Offered	Working Interest	PRM Net Revenue Interest NRI (%)
Brazos Area, South Addition	A 87	US\$145,000	100%	80.25
Brazos Area, South Addition	A 90	US\$145,000	100%	80.25

## Bid Commercial Rational

The AVO (quantitative seismic analysis) performed by PRM indicates a high probability of a gas filled sand being present and the areal extent and thickness of the prospect as mapped is sizeable. PRM believes gas will be used as a transition fuel for decades to come. The USA is increasingly investing in liquefaction plants to produce and export LNG and is scheduled to add at least three major facilities that are forecast to be in operation over the next five years. This bodes well for US gas prices in the medium term and makes a substantial gas prospect like Big Apple potentially very valuable if a discovery is made.

## Prospectivity

The main prospect in the blocks has been named Big Apple. PRM has mapped and performed AVO analysis on seismic in the blocks and identified a sizeable gas prospect with an area of between 4,000 to 7,500 acres. The AVO analysis shows two sands with Class III AVO anomalies (a strong indication of a gas filled sand). Big Apple is a middle Miocene Corsair delta sand deposited between two salt diapirs. The sands are bounded by Upper and Lower Miocene shale prone facies which are likely to provide a good seal.

The main sand is at a depth of approximately 2,600m (8,500ft) interpreted to be up to 46m thick, and as mapped the gas column could be up to 850m from crest to gas water contact. A secondary sand with a similar Class III AVO anomaly above the main sand is interpreted to be 15-20m thick. The AVO response implies a porosity of 17-25%. Located in 250ft water depth, the prospect can be drilled using a jack-up rig.

## Forward Plan

The blocks once formally awarded will have 5 years Leases. PRM intends to purchase the remaining speculative seismic over the prospect and perform detailed mapping work on the prospect and then have the Prospective Resources assessment independently reviewed by a reserves Auditor.

PRM will consider seeking a farm-in partner to participate in the project on a promoted basis and move to drilling of the project as soon as practical.

## Summary of Participation Agreement.

PRM was brought the prospect by a retired geologist who had worked the Gulf of Mexico (GoM) for an extensive part of his career with major oil companies.

PRM has agreed the geologist will be paid the following compensation in finder fee on certain milestones:

1. A\$50,000 of cash or PRM shares (subject to shareholder approval) on award of the leases.
2. A\$100,000 of cash or PRM shares (subject to shareholder approval) on drilling a well.
3. A gross royalty of 1% of production from the blocks if developed.

PRM continues to review additional projects across a broad spectrum of types and locations, including Hydrogen, Helium and conventional oil and gas opportunities.

Authorized by the Board of Prominence Energy Limited

Yours faithfully

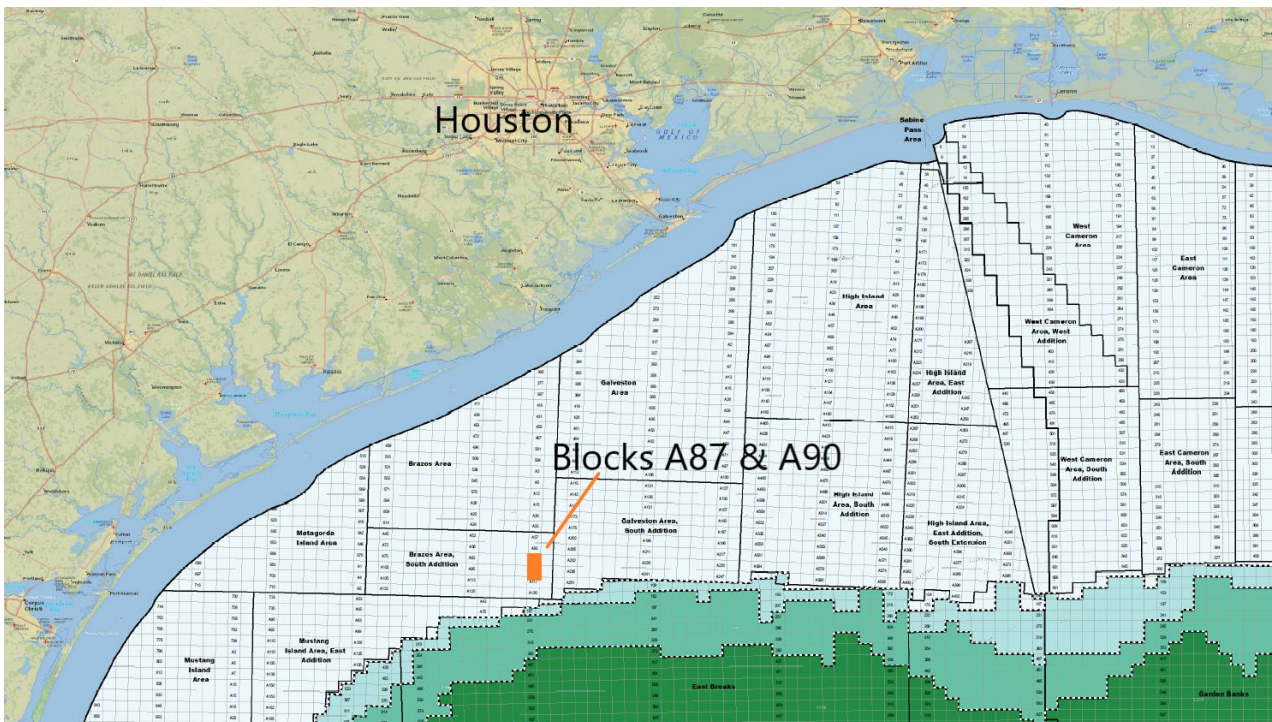
Alexander Parks  
Managing Director

For further information please contact Prominence Energy at:

Web: [www.prominenceenergy.com.au](http://www.prominenceenergy.com.au)

Phone: +61 8 9321 9886

Email: [Corporate@ProminenceEnergy.com.au](mailto:Corporate@ProminenceEnergy.com.au)



Big Apple Location Map –Brazos Area, South Addition Blocks A87 &A90 approximately 200km South of Houston