



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 - LEASES GRANTED FOR TWO HIGH-POTENTIAL BLOCKS IN GULF OF MEXICO

Prominence Energy Ltd (“PRM”) is pleased to announce the award of two adjacent exploration blocks in the USA Outer Continental Shelf (OCS). Leases OCS-G-37341 and OCS-G-37342, following a period of extensive due diligence

Highlights

- PRM has been awarded 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 (~46km²).
- The leases have an initial five-year exploration term, there is no minimum work program and the blocks can be held by production for 25 years.
- 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, the sand is steeply dipping and the gas column could be up to 850m from the crest to structural closure.
- 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 CCUS, 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 secured the Big Apple Prospect blocks with 5-year leases. The Big Apple prospect is potentially very material in size and the AVO work indicates prospectivity for gas. PRM holds the leases with a 100% working interest. The forward plan is to perform a detailed technical workup of the prospect and then consider seeking a farm-in partner to participate in and fund the drilling of an exploration well.”*

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 in the steeply dipping sand could be up to 850m from crest to structural closure. 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 approximately 250ft water depth, the prospect can be drilled using a jack-up rig.

Forward Plan

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.

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.

Lease and Bid Details

PRM placed a bid via newly formed wholly-owned subsidiary PRM Energy Texas LLC (PRM Texas). The Bid Bonus offered by PRM was 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 now the leaseholder for the Brazos Area, South Addition Blocks A87 & A90, Lease Numbers OCS-G 27241, and OCS-G 37342 respectively. The Leases commence on 1 July 2023 with an initial 5-year term. There is no minimum work program. The leases have annual rent payments of US\$57,600 each. The leases can be dropped at any time and can be held by production for 25 years.

Area	Block / Lease	Bid Bonus Paid	Working Interest	PRM Net Revenue Interest NRI (%)	Term	Area Acres
Brazos Area, South Addition	A 87 / OCS-G37341	US\$145,000	100%	80.25	5 Years	5,760
Brazos Area, South Addition	A 90 / OCS-G37341	US\$145,000	100%	80.25	5 Years	5,760

Summary of Participation Agreement.

PRM was brought the prospect by a consulting 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 as a 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 that makes a discovery.
3. A gross royalty of 1% of production from the blocks if they are developed.

PRM Portfolio

Energy sustainability dictates that we must consider the impact of carbon and GHG emissions and alternate energy sources that will allow the company to grow in the medium to long term compatible with social expectations. Gas in particular, is considered a key transition fuel, but in combination with CCUS is also a long-term energy solution.

Whilst Big Apple is matured to drillable status, PRM continues to review additional projects across a broad spectrum of types and locations. PRM looks for potential projects that relate to our core business expertise in geology, drilling and energy technology, including CCUS, Hydrogen, Helium and near-term conventional oil and gas farm-in drilling opportunities.

Authorized by the Board of Prominence Energy Limited

Yours faithfully

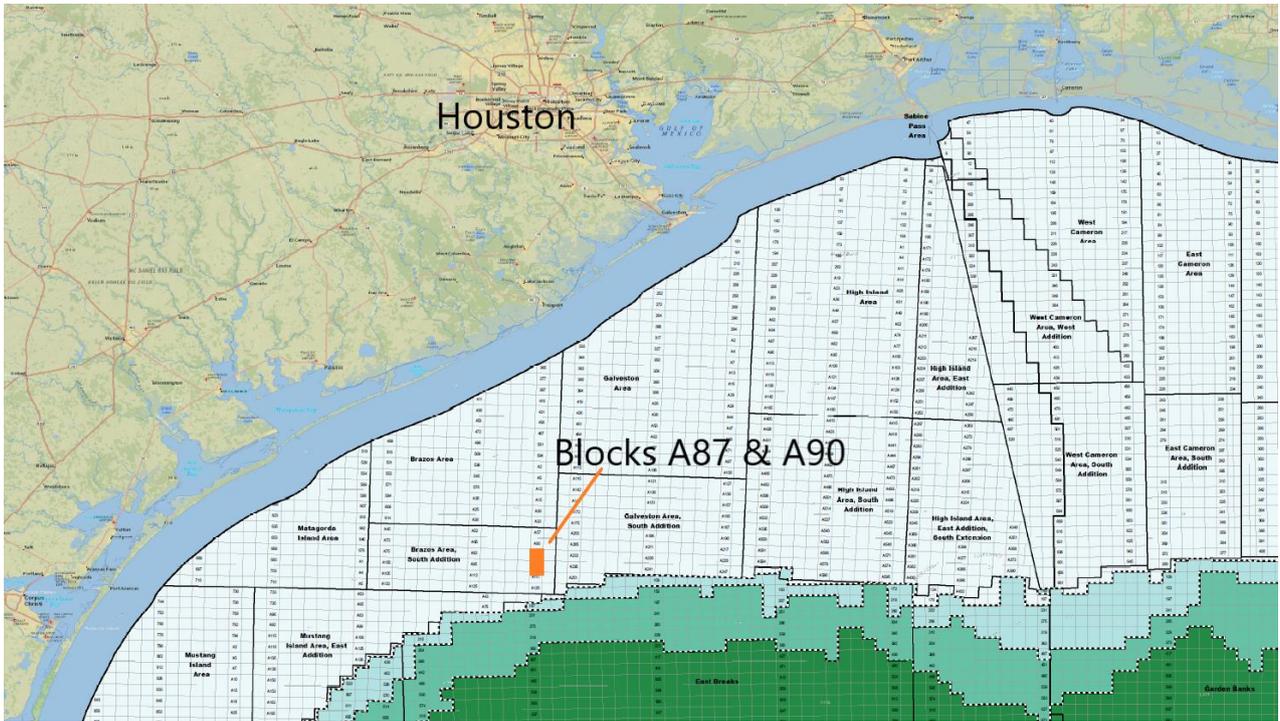
Alexander Parks
Managing Director

For further information please contact Prominence Energy at:

Web: www.prominenceenergy.com.au

Phone: +61 8 9321 9886

Email: Corporate@ProminenceEnergy.com.au



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