

Quarterly Activities Report for the period ended 30 September 2023

Highlights

- Netherland, Sewell & Associates, Inc. (NSAI) provided an Independent Assessment of the Unrisked Prospective Resources* for Prominence Energy's 100% held Big Apple Gas Prospect
- PRM's Big Apple Prospect in the Gulf of Mexico has Total Unrisked Mean Net Prospective Resources of 1.37 Tcf of Gas and Total Risked Mean Net Prospective Resources of 426 Bcf
- PRM continues to progress well planning and cost estimation at Big Apple with the farm-out process to commence in early 2024
- A\$650,000 share placement completed to advance PRM's existing projects including Big Apple farm-out activities
- PRM Directors/mangement will invest \$50,000 as part of the placement, subject to Shareholder approval
- PRM had just over A\$1 million in cash holdings at 30 September 2023

Prominence Energy (ASX: PRM) is pleased to report on its activities for the quarter ended 30 September 2023.

Managing Director Alex Parks said: "Prominence Energy made significant progress with its Big Apple prospect during the quarter, which included an Independently Assessed Mean Net Prospective Resources of over 1.36Tcf. The Company continued work towards Big Apple's first exploration well and cost estimation. The recent capital raising will also help to advance the Company's existing projects, including the Big Apple farm-out process. The Company is on target for its goal to start the farm-out process in early 2024."

BIG APPLE PROJECT

The **Big Apple prospect straddles the boundary of two blocks A87 & A90 in the Brazos Area**, South Addition (see map below). The Blocks are located approximately 200km south of Houston in approximately 75m (250ft) of water, together they cover an area of 11,520 acres (~46km²). PRM is Operator of the leases and holds the blocks with a Net Revenue Interest (NRI) of 80.25%¹.

¹ Federal Royalty of 18.75% and 1% Royalty to the Prospect Finder.

PRM was awarded the two Big Apple Leases commencing 1 July 2023. PRM calculated internal prospective Gas Initially In Place (GIIP) estimates based on typical reservoir parameters for the area.

PRM's provisional interpretation of the seismic confirmed the presence of a **closed structure with a most likely area of approximately 7,370 acres (29.8 km²)**. The main sand is interpreted to be approximately 43m thick in the main area of the field, thinning to the north/northeast and thickening to the southwest. A second shallower sand also with a Class II AVO anomaly is interpreted to be approximately 15m thick and cover an area of 3,690 acres (14.9 km²)².

The mapping and volumetric calculations were provided to Netherland, Sewell & Associates Inc, (NSAI) for validation/audit.

PRM announced on 31 August 2023, that NSAI **had produced probabilistic estimates of the Prospective Gas Resources** for the two sands (BA3 & BA4) that make up the Big Apple prospect. The Prospective Resources have been estimated for each sand separately for three fault blocks, West, Central and East. **The geological chance of success has been estimated as 32% for the main sand (BA3) Central and Western blocks**, 28% for the Eastern fault block of the main sand and 30% for all three of the shallower secondary sand BA4 blocks. For the full NSAI report see PRM's ASX announcement dated 31 August 2023.

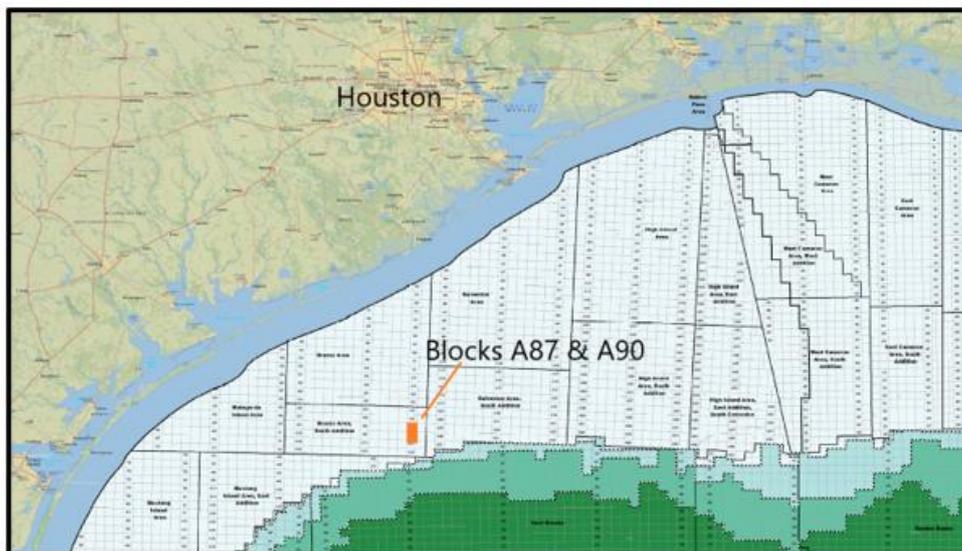


Figure 1: Big Apple Location Map – Brazos Area, South Addition Blocks A87 & A90 approximately 200km South of Houston

* *Cautionary note: Prospective resources are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of moveable hydrocarbons.*

² See PRM's ASX Announcement dated 23 August 2023 'PRM Maps Big Apple Seismic Data Gulf of Mexico'

The Total NSAI Big Apple Unrisked Net Mean Prospective Resources is 1.37Tcf of Gas and Total Net Mean Risked Prospective Resources of 426 Bcf. See Tables below for full details.

Table 1 - NSAI Estimate of Prospective Gas Initially in Place - Big Apple

Prospect Block	Undiscovered Original In-Place Volumes Gas (Bcf)		
	Low Estimate	Best Estimate	High Estimate
Main Sand	1U	2U	3U
BA3 Central	603.2	1,347.9	2,619.5
BA3 East	137.8	281	454.9
BA3 West	169.6	349.9	586.9
Secondary Sand	1U	2U	3U
BA4 Central	75	175.5	380.7
BA4 East	58.8	116.8	182.1
BA4 West	56	114.4	189.4

Table 2 - NSAI Estimate of Net Prospective Resources - Big Apple

Prospect Block	Unrisked Estimated Ultimate Recovery Net to PRM (80.25% NRI)					
	Gas (Bcf)			Condensate (MMbbls)		
	Low Estimate	Best Estimate	High Estimate	Low Estimate	Best Estimate	High Estimate
Main Sand	1U	2U	3U	1U	2U	3U
BA3 Central	300.6	691.3	1396.3	1.4	4.7	13.1
BA3 East	68.3	143.8	245.2	0.3	1.0	2.4
BA3 West	84.1	179.2	315.4	0.4	1.2	3.1
Secondary Sand	1U	2U	3U	1U	2U	3U
BA4 Central	37.4	90.2	201.4	0.2	0.6	1.8
BA4 East	29.1	59.4	98.3	0.1	0.4	1.0
BA4 West	27.7	58.5	101.9	0.1	0.4	1.0

Note: Totals of unrisked prospective resources beyond the prospect level are not reflective of volumes that can be expected to be recovered and are therefore not shown. Because of the geologic risk associated with each prospect, meaningful totals beyond this level can be defined only by summing risked prospective resources.

Table 3 - Big Apple Risked Prospective Resources Net to PRM (NRI 80.25%)

Prospect	Gas (Bcf)		
	Unrisked Mean Estimate	Chance of Success	Risked Mean Estimate
Main Sand	NSAI – Mean (Bcf)	NSAI – Pg (%)	Mean (Bcf)
BA3 Central	789.5	32%	252.6
BA3 East	151.7	28%	42.5
BA3 West	191.9	32%	61.4
Total BA3	1,133.0		356.5
Secondary Sand			
BA4 Central	108.9	30%	32.7
BA4 East	62.1	30%	18.6
BA4 West	62.4	30%	18.7
Total BA4	233.4		70.03
Total Both Sands	1,366.5	30%	426.5

The Big Apple Prospect leases were granted with a 5-year term. PRM intends to secure a farm-out partner to drill an exploration well to determine whether the two sands contain moveable hydrocarbons before the leases expire or as soon as a partner and funding can practically be secured. Before seeking a farm-in partner PRM will seek to gather further data on wells and fields in the area to produce analogues for comparison.

PRM is currently conducting well planning and costing and other desktop studies to enhance the understanding of the prospect and its potential. The plan is to have this done before the end of the year ready to launch a farm-out process in early 2024 and ahead of the NAPE Conference held in Houston in February.

If the initial exploration drilling is successful, and sand quality is reasonable, a commercial development should be viable based on the range of prospective resources. The field is located in approximately 75m water depth and the nearest gas pipeline that could be connected to as a potential export route is located approximately 15 miles to the northeast of the A87 block.

Gas prices in the USA are currently at approximately US\$3.00 per thousand standard cubic feet of gas (Mscf). 1.37 Tcf is 1,370,000,000 Mscf.

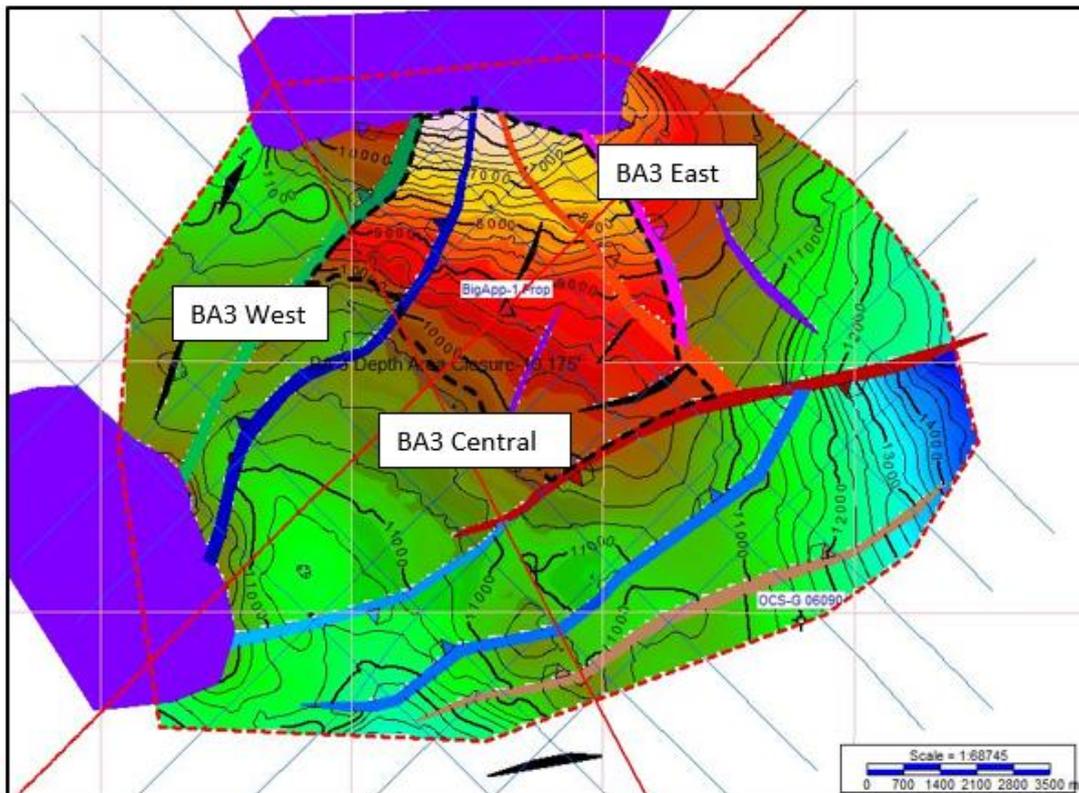


Figure 2: Big Apple BA3 Structure Map with approximately 7,400 acres of ‘most likely’ closure across three prospective fault blocks. Upside closure is over 12,000 acres

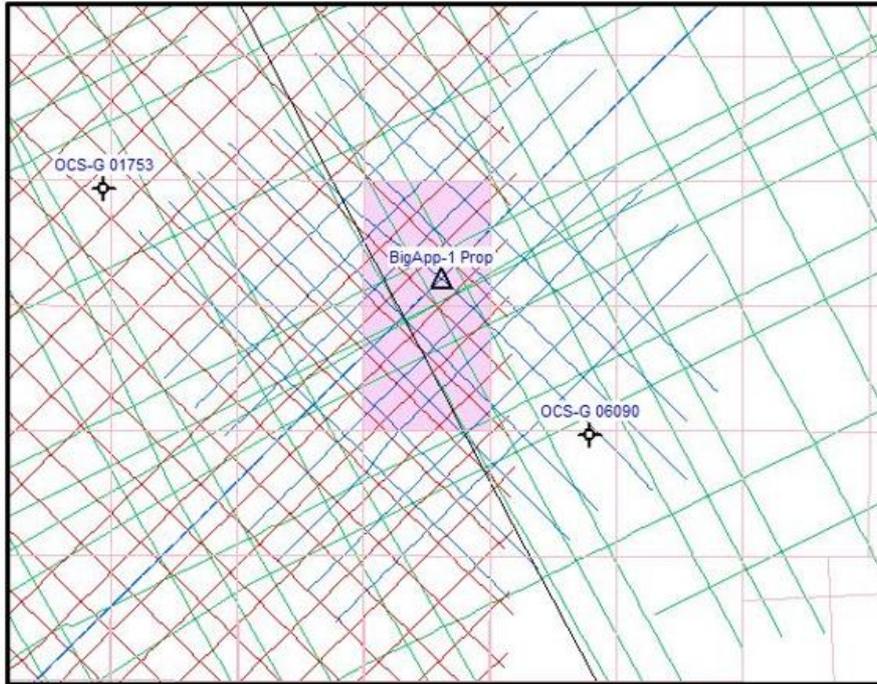


Figure 3: Prominence Energy Big Apple Blocks and Seismic Data Interpreted

Bowsprit Oil Project, Louisiana USA

PRM is in active discussions with potential farm-in partners. The London based farm-out agent appointed by PRM, continues to introduce prospective farminees.

Bowsprit contains proven oil reserves in the T1 Upper Miocene Sand. The development is planned to be via a side-tracking of the suspended vertical well and tie-back to a nearby platform. In the current oil price environment, payout would be expected in approximately 3 months from first production, and would then provide material ongoing cash flow to PRM.

PRM drilled the vertical, exploration Bowsprit-1 well in October 2021 to test an undrilled part of the field. Unfortunately, the potential field extension did not contain oil. The vertical well was suspended at a depth of 3,000ft deep for future re-entry and side-tracking.

As announced on 21 July 2022 the Bowsprit field has 1P reserves³.

Resource Classification	Confidence Level	Net Reserves to PRM		Net Cash Flow (NPV0)	NPV10	NPV10
		Oil Mbbls	Gas MMSCF	US\$ Million	US\$ Million	A\$ Million
Undeveloped Reserves T1	1P (90%)	106.9	81.3	2.93	2.34	3.39
	2P (50%)	330.7	254.7	18.33	15.35	22.25
	3P (10%)	643.5	502.9	38.57	29.47	42.71

Table 2: Bowsprit Field Upper Miocene Reservoir T1 Reserves @US\$85.82/bbl (0.69AUD/USD)

³ ASX announcement 21/07/2022 'Bowsprit Reserves Update'

Land Status (net acres of mineral leases)

Below is a table showing PRM's net acres of oil and gas mineral leases in the project area.

Project Area	PRM's Working Interest (%WI)	PRM's Net Revenue Interest (%NRI)	Project area Gross Acres (1ha = 2.471ac)	PRM's Net Acres (1ha = 2.471ac)
Bowsprit SL21754	100%	73%	635	635
Brazos Area, South Addition OCS-G37341	100%	80.25%	5,760	5,760
Brazos Area, South Addition OCS-G37342	100%	80.25%	5,760	5,760
TOTAL	-	-	12,155	12,155

(Total acres as at 30 September 2023)

Indirect Interests

PRM owns 12.5% of Western Gas 519 Pty Ltd which holds 100% of WA-519-P located offshore Western Australia. The Company has a modest investment in Ecostorage Solutions Pty Ltd (ECOSSAUS) (10.9%). ECOSSAUS landholding comprises tenement applications/holdings of approximately 11,800km² located in Northern Territory, South Australia and Queensland believed to be prospective for the solution mining of salt and the potential subsequent use of resultant salt caverns for storage purposes.

CORPORATE

Share Placement

On 7 September 2023, PRM announced firm commitments to raise A\$650,000, via a share placement of 32.5 million shares at a price of \$0.02 per share with one free attaching unlisted option (Option) for every share subscribed. Tranche 1 settled on 8 September 2023.

The Options are exercisable at \$0.03 expiring 14 March 2025. The placement was made using the Company's 25% placement capacity, with the attaching options and the second tranche of Directors/CFO participation for \$50,000, subject to shareholder approval at the Company's forthcoming general meeting.

The primary use of proceeds will be funding further technical studies on new ventures and the Company's existing assets, in particular preparation for the farm-out of Big Apple and to ensure the Company has adequate working capital.

Expiry of options

On 15 August 2023, the Board of PRM advised that it had 45,594,779 quoted options exercisable at \$0.40 due for expiry on 1 September 2023 (PRMOB Options). Each PRMOB option entitled the holder to receive on exercise of the option, one fully paid ordinary share in the Company. Official quotation of the options ceased on 28 August 2023.

Share registry change of address

PRM advised that as of 18 September 2023, the Perth office of Computershare Investor Services Pty Limited had changed. Telephone numbers and the postal address have not changed. The new address is Level 17, 221 St Georges Terrace, Perth WA 6000.

AGM date

The company's AGM will be held at: 12:00pm (Perth time) on Thursday, 23 November 2023 at the Company's offices, Level 2, 30 Richardson Street, West Perth, Western Australia. Shareholders are encouraged to vote on line at <http://www.investorvote.com.au/> or by returning the proxy form sent to them by post or fax.

Cashflow Report

Item 6.1: The aggregate amount of payments to related parties and their associates during the September 2023 quarter was \$62k in salaries.

BY ORDER OF THE BOARD

Sonu Cheema

Company Secretary

Telephone: +61 (08) 9321 9886

Email: Corporate@ProminenceEnergy.com.au

This report is lodged on the Company's website, www.ProminenceEnergy.com.au.

Forward-looking Statements

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Prominence's views and assumptions with respect to future events as at the date of the Announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth due to various factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological technical and drilling results; predicted production and reserves estimates; operational delays or an unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favourable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Prominence, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this Announcement sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PROMINENCE ENERGY LTD

ABN

69 009 196 810

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(10)	(10)
(b) development	-	-
(c) production	-	-
(d) staff costs	(62)	(62)
(e) administration and corporate costs	(135)	(135)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(9)	(9)
1.9 Net cash from / (used in) operating activities	(216)	(216)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(133)	(133)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(133)	(133)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	605	605
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (issue costs)	-	-
3.10	Net cash from / (used in) financing activities	605	605
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	748	748
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(216)	(216)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(133)	(133)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	605	605

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	4	4
4.6	Cash and cash equivalents at end of period	1,008	1,008

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,008	748
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,008	748

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	62
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	60	2
7.3 Other (please specify*)	154	-
7.4 Total financing facilities	214	2
7.5 Unused financing facilities available at quarter end		212
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Company Credit Card via NAB *BOEM Bond (100k USD)		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(216)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(133)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(348)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,008
8.5 Unused finance facilities available at quarter end (item 7.5)	212
8.6 Total available funding (item 8.4 + item 8.5)	1,220
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: - NA	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: - NA	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: - NA	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2023



Authorised by:
(Alexander Parks – Chief Executive Officer and Managing Director)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.