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30 April 2020

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

Dear Sir/Madam

RE: QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2020

Please find the Quarterly Activities Report for the period ending 31 March 2020 for Prominence Energy NL (ASX: PRM).

Yours faithfully
PROMINENCE ENERGY NL

Jo-Ann Long
Company Secretary

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 March 2020

HIGHLIGHTS

- Just prior to the Coronavirus related lockdowns, stock market and oil price declines in late February/early March PRM was close to execution of a farm-in arrangement for Bowsprit, execution of that agreement is potentially still possible once market conditions stabilise.
- PRM confirms we are also in active discussions with other potential farm-in partners.
- The forecast good reservoir quality and well deliverability indicates Bowsprit has a very competitive breakeven oil price and remains commercially viable under most production scenario's modelled.
- Reserves attributed to Bowsprit-1 by Netherland Sewell and Associates, Inc.
- Whilst details are not yet available, the Department of Resources in the State of Louisiana have indicated that Lease relief measures will be made available to those projects affected.

Bowsprit Oil Project ("Bowsprit") (Lease No. 21754 & 21787) - PRM 100% working interest¹.

The Bowsprit leases are located approximately 70km southeast of New Orleans in approximately 3m of water. Bowsprit is assessed to contain an undeveloped conventional Miocene aged oil sand at a depth of approximately 7,400ft (2,255m) that is located above a deeper, 9,500ft gas field that was developed in 1960s by Shell. Consequently, the Bowsprit field contains 14 vertical well penetrations and has demonstrated producible oil from an upper Miocene sand. The 30ft thick oil sand was flowed successfully in 1960s from four wells and produced approximately 75,000 bbls of oil, but full field development was not practical with the vertical well technology of the time (~100bopd declining to 40 bopd / well).

3D Seismic acquired over the area in late 1990s, and since reprocessed and made available as multiclient data in around 2005, shows up-dip potential in an underlying Middle Miocene Sand (T2 on the map and cross-section, see Figure 1 & 2) and an additional potential gas accumulation a few hundred feet deeper (T3).

PRM plans to drill a vertical pilot hole to evaluate the T2 and T3 reservoirs and then pull back and deviate the well to place a horizontal well between former production wells in the proven (flowed) Upper Miocene Sand (T1). The field will be rapidly placed on production either by low cost tie-back to a near-by facility for early cashflow and/or, if the T2 reservoir (prospective resources) are present and the accumulation is sizable, via a dedicated new unmanned production facility with additional development drilling.

Reserves Attributed to Bowsprit-1

Following extensive new work performed by the Company, permitting approval granted for the Bowsprit-1 well and anticipated imminent funding and drilling of the well², the Bowsprit project has now been reclassified from Contingent Resources to Reserves. A Reserves Report from Netherland, Sewell & Associates, Inc. (NSAI) on the Bowsprit Project was released on 5th February 2020.

The field consists of a proven Upper Miocene Reservoir (T1) at a depth of approximately 7,400ft TDSS overlying a secondary "Prospective" target Middle Miocene Reservoir (T2).

Resource Classification	Confidence Level	Net Reserves	CAPEX for Development	Net Cash Flow (NPV0)	NPV10	NPV10
		Mbbls	US\$ million	US\$ Million	US\$ Million	A\$ million ³
Undeveloped Reserves	1P (90%)	nil	4.865			
	2P (50%)	330.7	4.865	8.0	6.3	9.4
	3P (10%)	643.5	4.865	19.2	14.0	20.9

Table 1 – Bowsprit Field Upper Miocene Reservoir T1 Reserves

¹ Subject to completion of buyout

² Subject to finalisation of a farm out deal / financing

³ 0.67 USD per AUD

Resource Classification	Confidence Level	Prospective Net Resources Mbbls	GCOS%
Prospective Resources	1U Low Case	890	NSAI estimate the Geological chance of finding and producing commercially significant hydrocarbons from the T2 reservoir as 25%. The Principal risk is whether the fault to the north-west of the field is sealing.
	2U Best Case	1,821	
	3U High Case	4,102	

Table 2 – Bowsprit Field Middle Miocene Reservoir (T2) Prospective Resources

Cautionary Statement – Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. 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 potentially moveable hydrocarbons.

See the ASX Release of 5 February 2020 for full report and cautionary statement. These reserve estimates were prepared with the prevailing oil price at the time of ~US\$55/bbl for WTI.

Farm-Out Progress

Subject to completion of the Pinnacle buyout, PRM now has a 100% working interest and is Operator of the Leases. PRM is seeking a new partner(s) to join the project. Several companies have executed Confidentiality Agreements, with access to an online Data room, and presentations given by PRM. Just prior to the Coronavirus related lockdowns, stock market and oil price declines in late February/early March PRM was close to execution of a farm-in arrangement for Bowsprit, execution of that agreement is potentially still possible once market conditions stabilise

Field Potential

PRM has determined that following confirmation of the resources with the appraisal well, the Bowsprit structure can be developed with horizontal wells and could potentially be produced through either a tie-back (1-2 wells) or via a simple unmanned production platform (if T2 contains oil).

PRM has conducted 3D modelling of the Bowsprit Field in order to select an optimum first well location. A primary well location has been selected and permitting of the well is complete. The objectives of the first well are:

1. Prove the field reserves by
 - (i) Test/Prove the Prospective Resources in the “undrilled” portion of the field with the vertical pilot well and
 - (ii) Prove the well delivery and Reserves are commercial, by flow testing of a horizontal well in the Proven Produced Area.
2. Perform data gathering of seismic velocity data and rock attributes for quantitative seismic interpretation, and
3. Determine detailed reservoir parameters and oil properties for full field development planning and implementation.

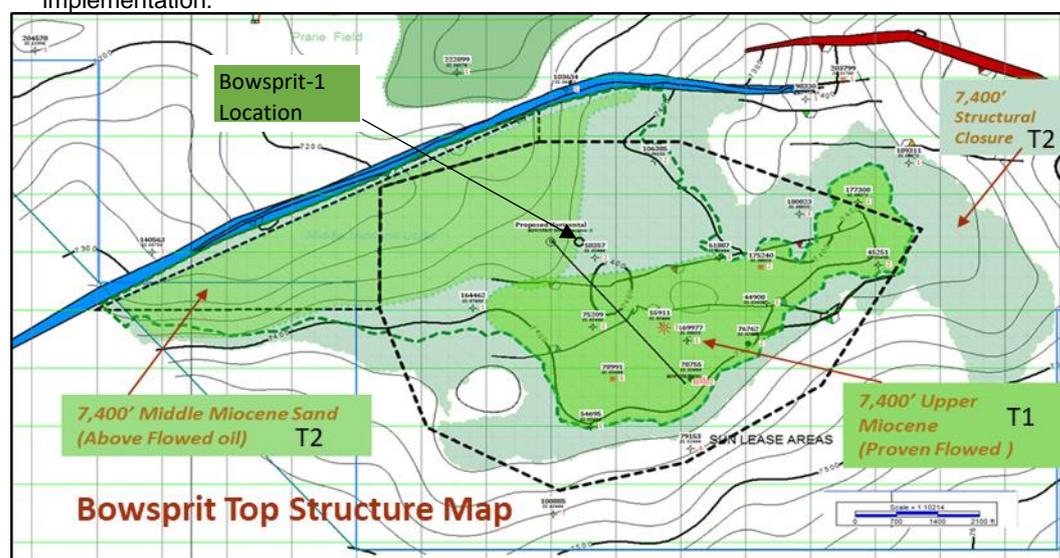


Figure 1- Bowsprit Field segments and approximate well path

T1 = Upper Miocene Sand that produced oil in the 1960's.

T2 = Undrilled Middle Miocene Sand that has up-dip structural closure against a fault above the depth of known oil in the Upper Miocene sand.

Subject to funding/farm out, the plan is for a vertical pilot hole to be drilled in the centre of the field (T2) to maximise data gathered and then a horizontal section will be drilled towards the south-east area (T1) of the field, across the crest of the four-way dip structure where the crestal sand previously produced approximately 75,000 bbls of oil.

It is the company's intention to flow test the horizontal well for a short period to prove a commercial flow rate. Assuming the results are satisfactory, the well will be suspended as a future producer and subsequently tied back to a nearby production facility.

Bowsprit -1 Well Path Schematic

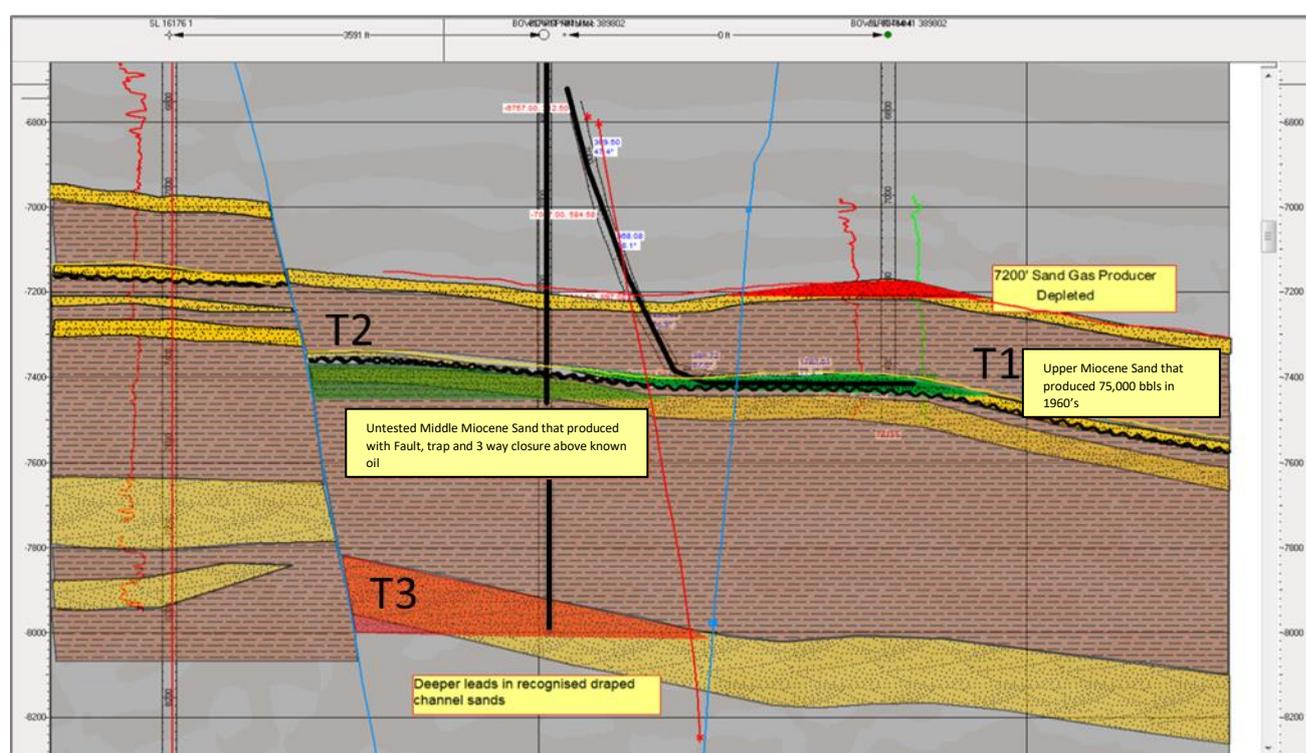


Figure 2 - Vertical pilot hole and provisional horizontal well path

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.

Oil 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	50%	39.5%	1,000	500
Bowsprit SL21787	50%	39.5%	154	77
TOTAL	-	-	1,154	577

(Total acres as at 31 March 2020)

On 29 July 2019 – PRM announced a buyout of co-lessee to move to 100% Working interest and 74% net revenue interest in both leases and thus increase the Company to 1154 net acres. This deal is not yet completed. The deadline for completion has been extended with Pinnacle.

OIL AND GAS PRODUCTION

There was no oil production for the March 2020 Quarter.

CORPORATE

The Company held an EGM on 30 January 2020, to ratify and approve the issue of shares associated with the convertible note of A\$250,000 announced in December 2019. All of the resolutions passed.

Due to the Covid-19 disruptions the Completion date for the Pinnacle buy out has been extended to 30 July 2020 by mutual agreement.

Response to Coronavirus Disruptions

During the Coronavirus period the Company has taken measures to minimise expenditure. The Non-executive Directors are not drawing salaries, and other cost saving measures have been implemented to minimise outgoings. The Managing Director will only draw 50% of salary, and CFO has also agreed to a reduction in fees, with the balance of salaries deferred until a farm-out is achieved. The deferred salaries will be either paid in cash or shares or a combination (subject to Shareholder approval) if/when a successful farm out of the Company's Bowsprit project is achieved.

PRM held cash of \$9,000 at the end of the March 2020 Quarter.

Cash expenditure is forecast to be in the order of \$100,000 for the July quarter. The Company's two major Shareholders have provided letters stating it is their intention to support the company to remain a going concern in the interim, until the Company can raise funds in an orderly market or execute a farm-out.

Notes Pertaining to Quarterly Cashflow report.

Item 2.1(d) Capitalised Exploration and evaluation costs of \$58,000 are comprised of Lease Rental payments and payments to consultant and agents related to reserves audit and farm-out activities.

Item 6.1: The aggregate amount of payments to related parties and their associates of \$50,000, is comprised of remuneration to the Managing Director and fees paid to company's corporate advisor GTT Ventures (where Patrick Glovac is Director). No Non-Executive Director fees were paid during the quarter.

BY ORDER OF THE BOARD



Jo-Ann Long,
Company Secretary

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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.

