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29 January 2021

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

Dear Sir/Madam

**RE: QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 DECEMBER
2020**

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

Yours faithfully
PROMINENCE ENERGY NL

Anna Mackintosh
Company Secretary

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 December 2020

HIGHLIGHTS

- In October the Company finalised the Rights Issue raising \$1.2 million
- PRM is now debt free.
- Farm-out discussions regarding the drilling of Bowsprit-1 are ongoing
- The Company is reviewing potential new assets

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).

PRM plans to drill a vertical pilot hole to evaluate the prospective 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. 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 Lower Miocene reservoir (prospective resources) are present and the accumulation is sizable, via a dedicated new unmanned production facility with additional development drilling.

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. The Company and its agents are now re-engaging with interested parties (activity was curtailed due to COVID 19) and pending the US election result.

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 December 2020)

In July 2019, PRM announced a buyout of the co-lessee to move to 100% Working interest and 74% net revenue interest in both leases and thus increase the Company’s net interest to 1154 net acres. This deal is not yet completed. During the December 2020 quarter, the deadline for completion was extended with Pinnacle to March 2021.

OIL AND GAS PRODUCTION

There was no oil production for the December 2020 Quarter.

¹ Subject to completion of buyout

CORPORATE

During the December quarter the following activities occurred:

The 30 June 2020 Annual Financial report was released.

The Rights Issue closed in October 2020, and the shortfall was successfully placed. A total of 240,791,173 shares were issued to raise \$1,203,956 before costs. The Rights offer allowed for one free attaching option for every 2 shares allotted, exercisable at \$0.02 each on or before September 2023. The Rights Issue entitlement applications for 158,922,395 shares represented a 66% take up of entitlements, with shareholders applying for the remaining shortfall.

Part of the funds raised were used to repay loans and settle a convertible note with Winform Nominees. PRM is now debt free.

AGM was held on the 27th November and all resolutions were passed by way of a Poll.

Subsequent to the Quarter

Prominence Energy announced on the 15th January 2021 that it had agreed to place 114,285,714 shares at an issue price of \$0.007 per share to raise \$800,000 before costs.

The placement was made to a combination of existing major shareholders and new sophisticated investors using the Company's placement capacity under listing rule 7.1 and 7.1A.

Forward Plan

Whilst seeking to progress the farm-out and drilling of Bowsprit, the Company is also actively reviewing potential new projects to add to the portfolio.

Notes Pertaining to Quarterly Cashflow report.

Item 2.1(d) Capitalised Exploration and evaluation costs were \$33,993 for the quarter. –This includes two payments to Pinnacle totalling USD17,000 (AUD 23,239) to extend the current agreement to purchase the other 50% of the Bowsprit Project to the 12 March 2021 and some permitting related costs.

Item 6.1: The aggregate amount of payments to related parties and their associates during the December 2020 quarter was \$121,142. This includes accrued fees paid relating to previous periods.

Item 6.2: Payment to GTT Ventures Pty Ltd for Corporate advisory fees of \$8,800 . P Glovac is a Director and shareholder of GTT.

BY ORDER OF THE BOARD

Anna Mackintosh,

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.