



ABN 69 009 196 810
(Incorporated in Western Australia)

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16 March 2022

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

Dear Sir/Madam

RE: LODGEMENT OF INTERIM FINANCIAL REPORT AT 31 DECEMBER 2021

Please find attached the Interim Financial Report of Prominence Energy Ltd for the half-year ended 31 December 2021.

Yours faithfully
PROMINENCE ENERGY LTD

Anna MacKintosh
Company Secretary



INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Prominence Energy Ltd

West Perth, Western Australia 6005

ASX Code: PRM

ABN: 69 009 196 810

CONTENTS

Corporate Directory	2
Directors' Report	3
Directors' Declaration	10
Auditors' Independence Declaration	11
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	12
Condensed Consolidated Statement of Financial Position	13
Condensed Consolidated Statement of Changes in Equity	14
Condensed Consolidated Statement of Cash Flows	15
Notes to and Forming Part of the Condensed Consolidated Financial Statements	16
Independent Auditor's Review Report to the Members	26

CORPORATE DIRECTORY

Directors

Mr Ian McCubbing

B.Com (Hons), MBA (Ex), CA, GAICD
Non-Executive Director and Chairman

Mr Alexander Parks

GAICD, MEng
Chief Executive Officer and Managing Director

Mr Troy Hayden

B.Com , MBus (Banking)
Non-Executive Director

Company Secretary and CFO

Mrs Anna MacKintosh

BComm, CPA

Registered Office

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Corporate Manager

United States

Vistra San Francisco

100 Bush Street
San Francisco CA 94104
Telephone: +1 415 659 9236

Auditors

HLB Mann Judd (WA Partnership)

Level 4, 30 Stirling street
Perth, Western Australia 6000

Solicitors

Australia

GTP Legal

68 Aberdeen Street,
Northbridge, Western Australia 6003

United States

Mr Faisal A. Shah, PLLC

Attorney at Law

2100 West Loop South.
Suite 1601
Houston, TX 77027

Share Registry

Computershare Investor Services Pty Limited

Level 11, 172 St Georges Terrace
Perth, Western Australia 6000
Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033
Website: www.investorcentre.com/contact

Bankers

National Australia Bank Limited

District Commercial Branch
Unit 7, 51 Kewdale Road
Welshpool, Western Australia 6106

Home Exchange

Australian Stock Exchange Limited

Exchange Plaza
2 The Esplanade
Perth, Western Australia 6000

ASX Code: PRM

ABN: 69 009 196 810

DIRECTORS' REPORT

The Directors of Prominence Energy Ltd present their report on the Consolidated Entity consisting of Prominence Energy Ltd ("Prominence" or "Company" or "PRM") and the entities it controlled ("Consolidated Entity" or "Group") at the end of, or during, the half-year ended 31 December 2021.

DIRECTORS

The names of the Directors of the Company in office at any time during the financial period or since the end of the financial period are:

Mr I J McCubbing	Director – Chairman and Non-Executive
Mr A B Parks	Managing Director – Executive
Mr T Hayden	Director – Non Executive (appointed 16 July 2021)
Mr P Glovac	Director – Non-Executive (resigned 16 July 2021)

Unless otherwise stated each Director held their office from 1 July 2021 until the date of this report.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity during the period was oil and gas exploration. No significant change in the nature of this activity occurred during the financial period.

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the half-year to 31 December 2021.

CONSOLIDATED RESULTS

The consolidated net loss for the Consolidated Entity for the period under review was \$460,673 (2020: profit of \$897,719).

EVENTS OCCURRING AFTER REPORTING PERIOD

The following events occurred subsequent to the end of the period:

A Shareholders Meeting was held 19 January 2022 to acquire a 12.5% interest in Western Gas (519 P) Pty Ltd ("**WG519**") and all resolutions were by passed via a poll. As a result, Tranche 1 Placement options were issued on 24 January 2022 (83,333,333 PRMOB). While shareholder approval was obtained for Tranche 2 shares and options, as well as the acquisition of the Sasanof prospect and the securities pertaining to the acquisition (including Broker securities), there remains the condition that Western Gas Pty Ltd ("**Western Gas**") secures commitments for 100% of the funding to cover the costs of the Sasanof-1 well, to PRM's reasonable satisfaction. Western Gas recently advised the Company that it has secured commitments for 100% of the funding to cover the costs of the Sasanof-1 well. As such the Company is satisfied and will proceed to issue the tranche 2 securities, and finalise the settlement of the acquisition.

The Company has extended SL 21754 on the Bowsprit project until March 2023 to allow for drilling of the horizontal side track of Bowsprit-1. SL 21787 will not be renewed as this area is outside the exploration focus.

Other than as disclosed above, no event has occurred since 31 December 2021 that would materially affect the operations of the Consolidated Entity, the results of the Consolidated Entity, or the state of affairs of the Consolidated Entity not otherwise disclosed in the Consolidated Entity's financial statements.

DIRECTORS' REPORT

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The significant changes in the state of affairs of the Consolidated Entity during the financial period are set out in the review of operations below.

REVIEW OF OPERATIONS

The Prominence Board has focussed on the development of oil reserves in a neglected portion of the Gulf of Mexico. The Company's focus in the December 2021 half was the drilling of a vertical well on the Bowsprit project. In addition PRM entered into a binding term agreement with Western Gas (WA519P) Pty Ltd to acquire a 12.5% interest in the Sasanof Project.

OIL AND GAS EXPLORATION AND DEVELOPMENT

UNITED STATES OF AMERICA

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

PRM secured a 100% working Interest in the Bowsprit Project via the acquisition of Pinnacle Energy International (USA) I LLC ("**Pinnacle**") executed on 20 August effective 1 August 2021. The Company issued 20.5 million PRM shares to Pinnacle to complete the buy-out. Pinnacle is entitled to a Royalty of 5% (five percent) of gross production revenue (net revenue received after Tariffs and direct sale costs as per the calculation of State Royalty) ("Royalty"). PRM is entitled to collect the first US\$12 million¹ in gross revenue before any Royalty payment is made to Pinnacle. The 5% Royalty remains payable on the first US\$12million of revenue and is accrued and payable, only when the Leases produce at least US\$12 million in gross production revenue. Therefore, if the Leases do not produce \$12 million in gross revenue, no royalty is payable to Pinnacle. No provision has been made for this contingent liability, as it cannot be estimated reliably.

In October 2021, Prominence completed the drilling of a vertical well on the Bowsprit -1 Project and reported that the it did not find any commercial volumes of hydrocarbons in the vertical section. The shows encountered were assessed as residual hydrocarbons once logged. The well was suspended with the intent to re-enter the well and to drill a horizontal section into the proven oil bearing T1 formation after the northern hemisphere winter.

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 (T1). The 30ft thick oil sand was flowed successfully in 1960s from four wells and produced approximately 75,000 bbls of oil, which is only a few percent of the oil in place. Full field development was not practical with the well technology of the time.

The vertical portion of the Bowsprit-1 well was drilled to appraise a potential field extension to the north west of the proven oil field in the T2 sand as prospective upside for the project. Numerous oil and gas shows were encountered in the well, that were ultimately deemed to be residual hydrocarbons. The fault to the north-west of the well does not provide the seal hoped for, so no commercially producible hydrocarbons were found in the field extension area. The Bowsprit-1 well was suspended at the cased hole depth of approximately 3,000ft for potential future re-entry. The intention is to use the data gathered from the vertical well to plan for the intended drilling of the horizontal production section of the well into the previously produced Upper Miocene T1 reservoir to the south-east, after winter. During the suspension period, the data gathered will also be used for selection and permitting of an appropriate pipeline and tie-in negotiations. Based on the current data, a horizontal well drilled into the T1 reservoir is independently estimated to have 2P reserves of 330,000bbls which at current oil prices is commercially viable.

DIRECTORS' REPORT

RESERVES ATTRIBUTED TO BOWSPRIT-1

The field consists of a proven Upper Miocene Reservoir (T1) at a depth of approximately 7,400ft.

Reserves estimated by Netherland, Sewell & Associates, Inc. (NSAI) on the Bowsprit Project.¹

Resource Classification	Confidence Level	Net Reserves	CAPEX for Development	Net Cash Flow (NPV0)	NPV10	NPV10
		Mbbbls	US\$ million	US\$ Million	US\$ Million	A\$ million ²
Undeveloped Reserves (T1)	1P (90%)	nil	4.865			
	2P (50%)	330.7	4.865	8.0	6.3	8.4
	3P (10%)	643.5	4.865	19.2	14.0	18.6

Table 1 – Bowsprit Field Upper Miocene Reservoir T1 Reserves

See full Cautionary Statement and full resource definitions in the ASX release on 5 February 2020.

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 as at 31 December 2021

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	100%	73%	1,000	1000
Bowsprit SL21787	100%	73%	154	154
TOTAL	-	-	1,154	1,154

(Total acres as at 31 December 2021)

AUSTRALIA

SASANOF PROJECT

PRM announced in December 2021 that it had signed a binding term sheet to acquire a 12.5% interest in the Multi-TCF Sasanof Gas Prospect located in exploration Permit WA-519-P on the Northwest Shelf, Australia. To acquire the interest PRM will pay for 25% of the Sasanof-1 well cost and issue 90 million PRM shares and 30 million PRMOB options to Western Gas. PRM's participation is conditional on Western Gas securing funding for the full well cost.

The Sasanof prospect is located in exploration permit WA-519-P, in Commonwealth waters approximately 207km northwest of Onslow Western Australia. (Figure-1). The Sasanof Prospect is located up dip from the liquids rich, low CO₂ Mentor Gas and Condensate field and near to the giant gas fields of Scarborough and Io-Janz in the Carnarvon Basin. The Sasanof Prospect covers an area of up to 400 km² across three exploration permits and one retention lease, three of which, WA-519-P, WA-390-P & WA-70-R, are operated and owned by Western Gas.

ERC Equipoise Ltd ("**ERCE**") independently determined that Sasanof is an estimated 2U Prospective Resource of 7.2 Tcf of gas and 176 million bbls of condensate (P50 recoverable) and a 32% Chance of Success (CoS). The High Case 3U Prospective Resource estimate is 17.8TCF and 449 million bbls of condensate (P10 recoverable). (See PRM ASX Release 7 December 2021 for full details).

Resources Net to **WG519** and PRM are shown in the table below.

¹ See details below and ASX release of 5 February 2020 for reserves and resources estimate. Assumed US\$55/bbl and 0.75/\$ exchange rate at the time.

DIRECTORS' REPORT

Net PRM entitlement assuming PRM completes under terms disclosed and earns 12.5% interest								
Sasanof	Recoverable Gas (Bcf)				Recoverable Condensate (MMstb)			
	1U	2U	3U	Mean	1U	2U	3U	Mean
Net to WG519	600.5	4131.1	9253.1	5177	13.8	100.4	233.7	128.8
Net to PRM (12.5%)	75.1	516.4	1156.6	647.1	1.7	12.6	29.2	16.1

Estimated Chance of Success 32%

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.

PRM is acquiring a 12.5% shareholding interest in the WA-519-P licence holder, WG519. Western Gas is the major shareholder of WG519 and the Operator of the WA-519-P permit and announced on 25 November 2021 that a rig contract had been signed with Valaris for the MS-1 semi-submersible rig to drill the well Q2 2022. Global Oil and Gas Limited (**ASX:GLV**) is committed to funding 50% of the well for a 25% shareholding interest in WG519. GLV and PRM together are funding 75% of the total well cost of the Sasanof well. Western Gas are in discussions to fund the remaining 25% of the well cost. PRM's participation is conditional on Western Gas securing funding for the full well cost. Sasanof-1 will be a vertical well drilled to a depth of approximately 2,500m in 1,070m of water. Drilling costs are estimated to be in the range of US\$20-25 million (US\$5-6.25 million PRM share).

DRILLING PREPARATIONS

Western Gas has secured the Valaris MS-1 semi-submersible drill rig secured with drilling scheduled for Q2 2022 at an estimated cost of US\$20-25 million (US\$5-6.25 million PRM share).

Western Gas has secured Environmental Plan acceptance from NOPSEMA for the drilling and related activities of the Sasanof-1 exploration well.

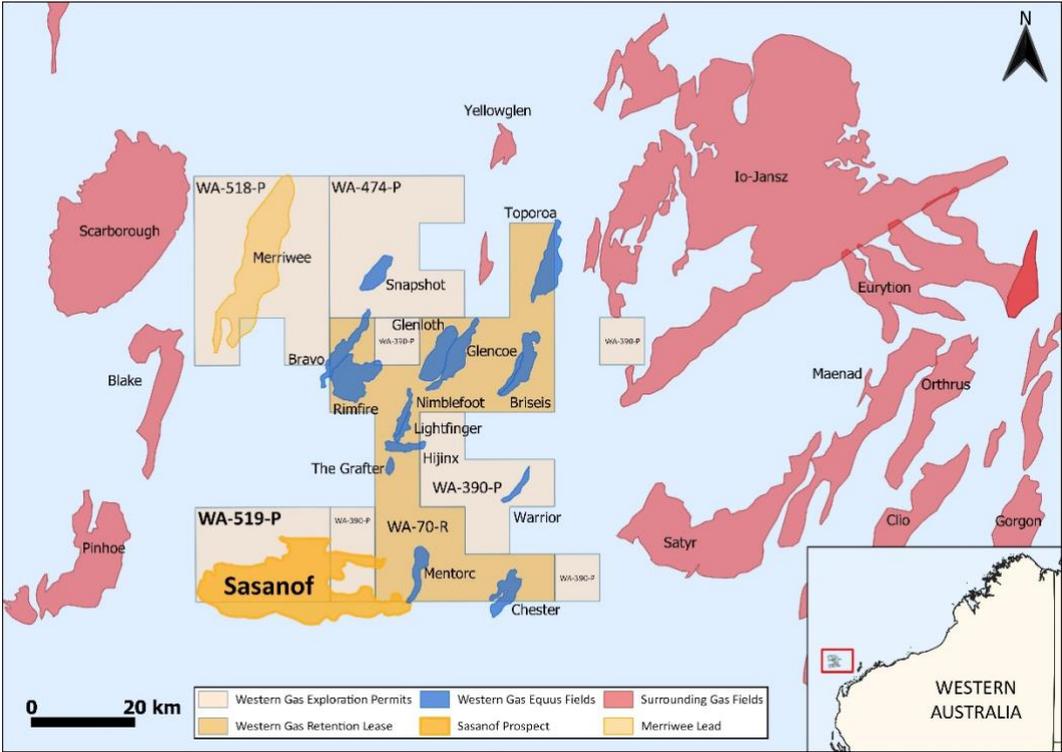


Figure 1 Regional location of Sasanof Prospect and surrounding gas fields.

DEAL TERMS

PRM will acquire a total of 12.5% of the shares in WG519 via an acquisition of shares from Western Gas and subscription for new shares in WG519 and consequentially a 12.5% beneficial interest in the WA-519-P licence.

In addition PRM, via contractual arrangements with Western Gas and its other subsidiaries which hold the adjacent permits, will also have an economic interest in 12.5% of the Sasanof Prospect that sit outside of WA-519-P, but within other Western Gas exploration permits.

Following completion, WA519 will have 4 Board members (2 from Western Gas, 1 from GLV, 1 from PRM). In the event Western Gas obtains funding for the final 25% of the well cost, the Board will be 5 including 1 from the other funding party. The Board will operate like a typical Oil and Gas Joint Venture voting on the basis of ownership %. In the event of a discovery at Sasanof-1, the parties may choose to take a direct working interest in the permit(s) and operate as an unincorporated Joint Venture based on a standard international AIPN³ Joint Operating Agreement.

CONSIDERATION

On Western Gas securing full funding of the well, PRM shareholder approval of the Capital Raise and associated resolutions, and the execution of a shareholders agreement and other agreements as required between the parties.

- PRM will issue Western Gas 30 million PRMOB options
- PRM will issue Western Gas 90 million PRM shares
- PRM will subscribe for US\$5.0 million in shares in WG519 (such amount being equal to 25% of the anticipated well cost of US\$20 million) and also loan to WG519, 25% of any over runs up to \$5 million when cash called. Thereafter, PRM will be required to contribute on a heads-up basis (12.5%).

Issue of the Options and Shares to Western Gas was subject to PRM shareholder approval at the EGM held 19 January 2022 which was successfully obtained. (Refer subsequent events). PRM will issue 30 million PRM shares to GTT Ventures Pty Ltd (ABN 36 601 029 636) (“GTT”) (or nominee) as deal facilitator.

DIRECTORS' REPORT

PRM CAPITAL RAISING

PRM has firm commitments to place 1.2 billion shares at a price of 1c per share with 1 PRMOB attaching option for every three shares subscribed for. The Placement will be made in two tranches with the second tranche (plus Directors Participation for \$50,000) subject to shareholder approval at the EGM and Western Gas having secured commitments for 100% of the funding to cover the costs of the Sasanof-1 well to PRM's reasonable satisfaction. Shareholder approval was obtained at the meeting held 19 January 2022. (Refer subsequent events). Tranche 1 was completed and 250 million shares were issued 15 December 2021, raising \$2.5 million before costs.

The primary use of funds is the drilling of the Sasanof-1 well with PRM's share of these costs expected to be approximately A\$6.5-8 million. The balance of the funds will be used for advancing the company's Bowsprit project toward development drilling, business development relating to new projects and working capital.

	No. of PRM shares	\$ before costs	No. of Options (PRMOB)
Tranche 1	250,000,000	\$2,500,000	83,333,333
Tranche 2	950,000,000	\$9,500,000	316,666,667
Directors	5,000,000	50,000	1,666,667
Total	1,205,000,000	\$12,050,000	401,666,667

Capital Raising Fees – 6% in capital raising fees, and the issue of total 30 million shares and 60 million PRMOB options to the brokers raising the funds for PRM. The raise is being executed through two brokers, Inyati Capital Pty Ltd (ABN 83 642 351 193) (“Inyati”) and GTT .

On completion of the transaction the PRM capital structure will be:

	PRM Shares	PRMOB Options / unlisted Options	% of post-Placement undiluted cap structure
Shares on issue pre-Placement	1,033,858,818	379,562,247	43.28%
Placement	1,200,000,000	400,000,000	50.23%
Sasanof deal PRM equity consideration	90,000,000	30,000,000	3.77%
Facilitator shares	30,000,000		1.26%
Broker Fees/options for Placement	30,000,000	60,000,000	1.26%
Director Participation in Placement	5,000,000	1,666,667	0.21%
Shares on issue post Completion	2,388,858,818	871,228,914	100.00%

FORWARD PLAN

The Company continues to actively review potential new projects to add to the portfolio, in particular in the green hydrogen sector.

CORPORATE

The Company held the AGM on 26 November 2021, seven resolutions were put to shareholders and all were passed via a poll.

DIRECTORS' REPORT

Shareholders at the AGM, approved the grant of 3 million Performance Rights to Director Troy Hayden (appointed 16 July 2021).

Alexander Parks, Managing Director, was issued 750,000 PRM shares on 15 December 2021. These share arose from the vesting and conversion of Performance Rights held by Mr Parks.

CASH MANAGEMENT

Prominence held net cash of \$2,722,427 at the end of December 2021.

ENVIRONMENTAL REGULATION

During the financial period, the Consolidated Entity was not aware of any material breach of any particular or significant Australian or US Federal or State regulation in respect to environmental management.

A review of the Consolidated Entity's operations during the half-year, determined that the Consolidated Entity did not exceed the energy consumption or carbon dioxide emission reporting thresholds set by The National Greenhouse and Energy Reporting Act 2007.

LIKELY DEVELOPMENTS

The review of operations of the Consolidated Entity provides an indication, in general terms of the likely developments and the expected results of future operations for the remainder of 2022.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 on page 11 forms part of the Directors' Report for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the Directors made pursuant to section 306(3) (a) of the *Corporations Act 2001*.

ON BEHALF OF THE DIRECTORS



Alexander Parks

Perth, Western Australia

Dated this 16th day of March 2022

DIRECTORS' DECLARATION

In the opinion of the Directors of Prominence Energy Ltd (the "Company"):

- a) the consolidated financial statements and notes that are set out on pages 8 to 20 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the half year ended 31 December 2021.
 3. The Directors draw attention to Note 1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with the resolution of the Directors:



Mr Alexander Parks
Managing Director
Perth, Western Australia
16 March 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Prominence Energy Ltd for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
16 March 2022



B G McVeigh
Partner

hlb.com.au

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	Note	Consolidated	
		31 December 2021 \$	31 December 2020 \$
Other income	13	-	39,078
Forgiveness of Directors fees and Winform loan	13	-	1,212,856
Administration expense		(188,499)	(181,038)
Employee benefits expense		(190,316)	(166,679)
Finance expense		(161,973)	23,262
Fair value of financial instruments through profit of loss		150,000	-
Occupancy expense		(9,726)	(9,442)
Share based payment expense	7	(60,159)	(20,318)
Profit/(Loss) before income tax expense		(460,673)	897,719
Income tax expense		-	-
Profit/(Loss) for the year after income tax		(460,673)	897,719
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign exchange translation reserve movement		(15,847)	120,179
Other comprehensive income/(loss) for the period, net income tax		(15,847)	120,179
Total profit/(loss) and other comprehensive income/(loss) for the period attributable to owners of Prominence Energy Ltd		(476,520)	1,017,898
Profit/(Loss) per share attributable to the members of Prominence Energy Ltd			
Basic Profit/(Loss) per share (cents)		(0.05)	0.27
Diluted Profit/(Loss) per share (cents)		(0.05)	0.27

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	Consolidated	
		31 December 2021 \$	30 June 2021 \$
Current assets			
Cash and cash equivalents		2,722,427	2,671,488
Other receivables		-	-
Total current assets		2,722,427	2,671,488
Non-current assets			
Exploration and evaluation expenditure	3	5,579,963	1,474,200
Total non-current assets		5,579,963	1,474,200
Total assets		8,302,390	4,145,688
Current liabilities			
Trade and other payables	4	796,744	1,212,650
Borrowings	5	1,883	4,332
Provisions		63,617	53,460
Total current liabilities		862,244	1,270,442
Total liabilities		862,244	1,270,442
Net assets		7,440,146	2,875,246
Equity			
Contributed equity	6	128,817,932	124,076,671
Share-based payment reserve		13,480,328	13,180,169
Foreign exchange translation reserve		17,949,247	17,965,094
Accumulated losses		(152,807,361)	(152,346,688)
Total Equity		7,440,146	2,875,246

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Attributable to equity holders of the Company				Total equity
	Contributed equity	Accumulated losses	Share-based payments reserve	Foreign exchange translation reserve	
2021	\$	\$	\$	\$	\$
Balance at the 1 July 2021	124,076,671	(152,346,688)	13,180,169	17,965,094	2,875,246
Total comprehensive loss for the year					
Loss for the year	-	(460,673)	-	-	(460,673)
Other comprehensive income:					
Exchange differences on translation of Foreign Entities	-	-	-	(15,847)	(15,847)
Total other comprehensive income/(loss)	-	-	-	(15,847)	(15,847)
Total comprehensive income/(loss)	-	(460,673)	-	(15,847)	(476,520)
Transactions with owners, in their capacity as owners:					
Share-based payment transactions	-	-	300,159	-	300,159
Contributions by and distributions to owners:					
Contributions of equity	5,212,000	-	-	-	5,212,000
Equity transaction costs	(470,739)	-	-	-	(470,739)
Total transactions with owners	4,741,261	-	300,159	-	5,041,420
Balance at the 31 December 2021	128,817,932	(152,807,361)	13,480,328	17,949,247	7,440,146
	Attributable to equity holders of the Company				
	Share capital	Accumulated losses	Share-based payments reserve	Foreign exchange translation reserve	Total equity
2020	\$	\$	\$	\$	\$
Balance at the 1 July 2020	120,483,368	(153,552,320)	12,995,472	17,868,930	(2,204,550)
Total comprehensive loss for the year					
Profit for the year	-	897,719	-	-	897,719
Other comprehensive income:					
Exchange differences on translation of Foreign Entities	-	-	-	120,179	120,179
Total other comprehensive income	-	-	-	120,179	120,179
Total comprehensive income	-	897,719	-	120,179	1,017,898
Transactions with owners, in their capacity as owners:					
Share-based payment transactions	-	-	149,816	-	149,816
Contributions by and distributions to owners:					
Contributions of equity	1,711,909	-	-	-	1,711,909
Equity transaction costs	(139,077)	-	-	-	(139,077)
Total transactions with owners	1,572,832	-	149,816	-	1,722,648
Balance at the 31 December 2020	122,056,200	(152,654,601)	13,145,288	17,989,109	535,996

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the Condensed Consolidated Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Note	Consolidated	
		31 December 2021 \$ Inflows (Outflows)	31 December 2020 \$ Inflows (Outflows)
Cash flows from operating activities			
Receipts from rental and other income		-	42,508
Payments to suppliers and employees		(385,837)	(536,600)
Interest received		-	-
Net cash flow (used in) operating activities		(385,837)	(494,092)
Cash flows from investing activities			
Payments for exploration costs		(3,895,844)	(112,704)
Net cash flow (used in) investing activities		(3,895,844)	(112,704)
Cash flows from financing activities			
Proceeds from issue of shares		3,818,870	1,338,261
Share issue costs		(236,250)	(14,517)
Proceeds from Loans		750,000	-
Repayment of Loans		-	(256,629)
Net cash inflow from financing activities		4,332,620	1,067,115
Net increase/ (decrease) in cash and cash equivalents held		50,939	460,319
Cash and cash equivalents at the beginning of the financial year		2,671,488	58,501
Effects of exchange rate changes on cash and cash equivalents		-	(802)
Cash and cash equivalents at the end of the financial half year		2,722,427	518,018

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the notes to the Condensed Consolidated Financial Statements.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

The financial report consists of consolidated financial statements for Prominence Energy Ltd and its subsidiaries (“Group” or “Consolidated Entity”).

These interim financial statements for the half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 “Interim Financial Reporting” and the Corporations Act 2001. The half-year financial statements do not include all of the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2020 and any public announcements made by Prominence during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The same accounting policies and methods of computation have generally been followed in these half-year financial statements as compared to the most recent financial statements except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2021

In the half-year ended 31 December 2021 the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group’s operations and effective for annual reporting periods beginning on or after 1 July 2021. The result of the review of these new and revised standards and interpretations found they did not have any effect on the financial position or Performance of the Group.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2021. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group’s business and, therefore, no change is necessary to the Group’s accounting policies.

Going Concern

The Group recorded a net loss of \$460,673 [2020: profit of \$897,719] and recorded operating cash outflows of \$385,838 (2020: \$494,092) for the half-year ended 31 December 2021. At 31 December 2021 the Group has net assets of \$7,440,146 (June 2021: net assets \$2,875,246). Cash balance as at 31 December 2021 is \$2,722,427. A significant portion of the total trade and other payables balance of \$251,362 is held in the US subsidiaries of Prominence Energy Ltd and are being fenced to the Subsidiaries in which they are recorded. A further amount of \$276,745 relates to funds (held in trust) received from shareholders in relation to Tranche 2 of a Placement that took place in December 2021 and represents unissued shares as at 31 December 2021. (Note 5).

The PRM Shareholders meeting held in January approved the 12.5% interest acquisition of the Sasanof Project and the associated capital raising. Tranche 2 has raised an additional \$9.5 million in funds before costs. A total of \$6.5 – 8 million has been allocated to the Sasanof Project with the remainder to fund new projects and working capital. The Board believes that the measure it has taken enables the Company to prepare the financial reports on a going concern basis.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

2. Segment Information

a Description of segments

The business is analysed in two geographical segments namely, Australia and the United States of America (USA). The principal activity in these locations is the exploration, development and production of oil and gas projects.

b Segment information provided to the Board

The following tables present, revenue, expenditure and certain asset information regarding geographical segments for the half-year ended 31 December 2021.

31 December 2021	Australia	USA	Unallocated	Consolidated
	\$	\$	\$	\$
Revenue - oil and gas sales	-	-	-	-
Other income	-	-	-	-
Total segment revenue	-	-	-	-
Segment result after income tax	460,673	-	-	460,673
Total segment assets	2,722,427	5,579,963	-	8,302,390
Segment liabilities	479,619	382,625	-	862,244
Segment amortisation and depreciation	-	-	-	-

31 December 2020	Australia	USA	Unallocated	Consolidated
	\$	\$	\$	\$
Revenue - oil and gas sales	-	-	-	-
Other income	1,251,934	-	-	1,251,934
Total segment revenue	1,251,934	-	-	1,251,934
Segment result after income tax	897,719	-	-	897,719
Total segment assets	528,629	1,251,447	-	1,780,076
Segment liabilities	234,429	1,009,651	-	1,244,080
Segment amortisation and depreciation	-	-	-	-

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

3. Exploration and Evaluation Expenditure

	Consolidated	
	31 December 2021 \$	30 June 2021 \$
Carried forward	1,474,200	1,150,351
Net expenses incurred in the period and capitalised	3,879,997	352,166
Pinnacle Energy International (USA) LLC acquisition	225,766	-
Foreign exchange movement	-	(28,317)
Net carrying value	5,579,963	1,474,200

a) Carrying value of capitalised expenditure

The carrying value of the Group's project was reviewed, and impairment recognised where the facts and circumstances identified the carrying amount to be greater than the recoverable amount. Exploration expenditure is carried forward in accordance with the accounting policy and comprises expenditure incurred on the acquisition and exploration of tenement interests for oil and gas.

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and sale of oil and gas or alternatively sale of the respective area of interest.

b) Asset Acquisition

The Company secured a further 50%, totalling 100% working Interest in the Bowsprit Project via the acquisition of Pinnacle Energy International (USA) I LLC ("**Pinnacle**") executed on 20 August effective 1 August 2021. The Company issued 20.5 million PRM shares to Pinnacle to complete the buy-out. Pinnacle is not considered a business under AASB 3 Business combination; the acquisition is accounted for as an acquisition of exploration assets. Pinnacle Energy is a single purpose company with no other assets or liabilities. The value of this acquisition has been included in Exploration and Evaluation capitalised expenditure. Pinnacle is entitled to a Royalty of 5% (five percent) of gross production revenue (net revenue received after Tariffs and direct sale costs as per the calculation of State Royalty) ("Royalty"). PRM is entitled to collect the first US\$12 million in gross revenue before any Royalty payment is made to Pinnacle. The 5% Royalty remains payable on the first US\$12million of revenue and is accrued and payable, only when the Leases producing at least US\$12 million in gross production revenue. Therefore, if the Leases do not produce \$12million in gross revenue, no royalty is payable to Pinnacle. No provision has been made for this contingent liability as it cannot be estimated reliably.

Consideration Paid

20,524,144 PRM shares valued at \$225,766

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

4. Trade and Other Payables – Current

	Consolidated	
	31 December 2021 \$	30 June 2021 \$
Trade and Other Payables (i)	268,637	281,805
Richland Bankruptcy (ii)	251,362	242,602
Unissued shares/options (iii)	276,745	688,243
Total Trade and Other Payables	796,744	1,212,650

Trade and other payables are normally settled within 30 days from receipt of invoice unless otherwise agreed.

A significant portion of the total trade and other payables balance of \$796,744 (30 June 2021: \$1,212,650), is held in the US subsidiaries of Prominence Energy Ltd and are ring fenced to the Subsidiaries in which they are recorded. Sun Delta Inc, in particular, holds \$251,362 of the total trade payables as detailed below. A further \$276,745 relates to unissued securities as at 31 December 2021.

(i) Trade and Other Payables

Trade and other Payables represent liabilities for goods and services provided to the Group prior to the end of the December 2021 half year which remain unpaid.

(ii) Richland Bankruptcy – Sun Delta Inc

Sun Delta Inc, a wholly owned subsidiary Company of Sun Resources NL, was previously involved in a dispute with the operator of the Beeler Oil Project, Richland Resources Corp. In 2013, Sun Delta Inc announced that Richland Resources Corp, a company operating in the United States of America was removed as operator by the non-operating working interest owners in the Beeler Oil Project. Richland Resources Corp. had failed to pay certain vendors and these vendors then filed liens against the entire Beeler Oil Project, including Sun Delta Inc's 16.67% non-operating working interest. Richland Resources Corp. subsequently filed for Bankruptcy. The Trustee obtained judgement against Sun Delta and Sun Delta Inc.'s liability to the Bankruptcy Trustee is US\$172,000 with no specified due date of payment. The Trustee has not taken action to recover the amount due. The Group has recognised a US\$172,000 (31 December 2021: US\$172,000) liability as part of trade and other payables.

Sun Delta Inc has no operating assets, cash or leases and has no capacity to make any payment. Any potential liability to the Prominence Group is limited to the subsidiary Sun Delta Inc.

(iii) Unissued securities

The Company conducted a capital raising in December 2021 completing tranche 1 in that month. Tranche 2 is to be finalised in the June 2022 half. Some funds relating to tranche 2 were received in December 2021 totalling \$164,245. In addition, broker fees and options in relation to the tranche 1 were accrued, although unissued

5. Borrowings

Current

	Consolidated	
	31 December 2020 \$	30 June 2021 \$
Credit Card facility	1,883	4,332
Current liability	1,883	4,332

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Convertible loans

Reconciliation of movement in convertible notes

Movement in convertible notes on issue

Balance at the beginning of the year	-	1,535,217
Issued during the year	750,000	-
Capitalised borrowing costs	-	17,781
Effective interest	150,000	-
Fair value movement through profit or loss of derivative	(150,000)	-
Forgiven amount	-	(1,019,872)
Converted amount (8 October and 17 November 2021 shares)	(761,378)	(341,253)
Converted amount – other settlement (cash and options)	-	(195,000)
Interest on convertible Note	11,378	3,127

Closing Balance Convertible Notes

Consolidated	
31 December 2021 \$	30 June 2021 \$
-	1,535,217
750,000	-
-	17,781
150,000	-
(150,000)	-
-	(1,019,872)
(761,378)	(341,253)
-	(195,000)
11,378	3,127
-	-

6. Contributed Equity

a) Contributed Capital

1,284,608,819 fully paid ordinary shares (June 2021: 753,572,233)

Consolidated	
31 December 2021 \$	30 June 2021 \$
128,817,932	124,076,671

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

b) Movements in shares on issue			
	Date	Number of Shares	Capital \$
31 December 2021			
Ordinary shares			
Opening balance (consolidated)	1 July 2021	753,572,233	124,076,671
Tranche 2 Placement	6 July 2021	152,485,553	1,524,856
Directors Shares	6 July 2021	20,000,000	200,000
Pinnacle settlement	26 August 2021	20,524,144	225,766
Convertible Note conversion (i)	8 October 2021	47,603,331	506,119
Convertible Note conversion (i)	17 November 2021	39,673,558	255,259
Tranche 1 Placement	15 December 2021	250,000,000	2,500,000
Conversion Performance Rights (ii)	15 December 2021	750,000	-
Issue costs of share capital			(470,739)
Closing balance		1,284,608,819	128,817,932
(i) See Note 5			
(ii) See Note 7			

	Date	Number of Shares	Capital \$
30 June 2021			
Ordinary shares			
Opening balance	1 July 2020	1,319,557,588	120,483,368
Consolidation 1 for 10 (i)	23 July 2020	(1,187,601,906)	-
Con Note conversion (ii)	29 July 2020	78,823,491	315,294
Share Placement	11 Aug 2020	30,000,000	150,000
Option Conversion	14 Sept 2020	12,000	1,200
Rights Issue/shortfall	9 Oct 2020	240,791,173	1,203,956
Con Note Conversion (ii)	12 Oct 2021	6,489,726	25,959
Fee for Services (iii)	12 Oct /22 Dec 2020	2,500,000	15,500
Share Placement	22 Jan 2021	114,285,714	800,000
Pinnacle extension shares (iv)	4 June 2021	1,200,000	18,000
Tranche 1 Placement	4 June 2021	147,514,447	1,475,144
Issue costs of share capital		-	(411,750)
Closing balance		753,572,233	124,076,671

i) Consolidation of shares approved by shareholders on 10 July 2020

	No. of shares
Issued share as at 1 July 2020	1,319,557,588
Consolidation 23 July 2020	(1,187,601,906)
Issued share post consolidation	131,955,682

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

- (ii) Conversion of Con Note.
- (iii) Issue of share in lieu of fees for service
- (iv) issue of shares to Pinnacle Energy Pte Ltd in consideration of extension of MOU

7. Share-based Payments

(a) Performance Rights old series

The Company has on issue 2,250,000 performance rights (on a consolidated basis) to Mr. Alexander Parks on the following terms:

Number of rights issued	: 2,250,000
Grant Date	: 30 November 2017
Expiry/Exercise date	: 30 November 2022
Exercise price	: Nil
Rights life	: 5 years
Value at grant date	: \$0.03 (consolidated basis)

One performance right can be converted into one ordinary share.

The total fair value of the performance rights was calculated to be \$67,750 at grant date (\$0.03 per right, on a consolidated basis) which is the spot share price at grant date. This share based expense will be apportioned over the estimated period to achieve the various milestones.

The performance rights will vest on achieving the following milestones in the Bowsprit Oil Project:

- Tranche A – successful farming out of the first well
- Tranche C – achieving 60 days of commercial production within 75 days

The Company has assessed the probability of achieving these milestones by the exercise date and the date when they will be achieved as follows:

- Tranche A – Achieved 750,000
- Tranche B – Lapsed 750,000
- Tranche C – Achievable 1,500,000

Tranche A milestone was achieved during the December 2021 half and as a result Mr Park was issued 750,000 PRM shares.

The Company has recognised share based payments of \$2,760 for Class A (now fully amortised) and \$5,519 for Class C:

Tranche A	\$2,760
Tranche C	<u>\$5,519</u>

(b) Performance rights new series

The Company has on issue a total of 18 million Performance rights granted to the Directors of the company, Mr Ian McCubbing, Mr Alexander Parks and Mr Troy Hayden and the Company Secretary Anna MacKintosh. Previous Director Patric Glovac was issued 3 million Performance Rights in the previous period, but these were cancelled on his resignation.

Recipient	Position	Total Plan Performance Rights
Ian McCubbing (or Nominee)	Chairman since 2017	5 million Plan Performance Rights comprising: <ul style="list-style-type: none"> • 2.5 million Class A Plan Performance Rights • 2.5 million Class B Plan Performance Rights
Alexander Parks (or Nominee)	Managing Director Since 2017	8 million Plan Performance Rights comprising: <ul style="list-style-type: none"> • 4 million Class A Plan Performance Rights • 4 million Class B Plan Performance Rights

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Troy Hayden (or Nominee)	Non-executive Board Member since July 2021	3 million Plan Performance Rights comprising: <ul style="list-style-type: none"> • 1.5 million Class A Plan Performance Rights • 1.5 million Class B Plan Performance Rights
Anna MacKintosh (or nominee)	Company Secretary since October 2020	1 million Plan Performance Rights comprising: <ul style="list-style-type: none"> • 0.5 million Class A Plan Performance Rights • 0.5 million Class B Plan Performance Rights

The Plan Performance Rights were granted in two classes (Class A and Class B) with the vesting conditions and expiry dates set out in the table below. Each Plan Performance Right that vests will convert into one fully paid ordinary Share. Any of the Plan Performance Rights that have not vested three years after date of issue will lapse.

Tranche	Vesting Condition	Expiry Date
Class A	10-day VWAP of Shares is equal to or greater than \$0.025	3 years from date of grant
Class B	10-day VWAP of Shares is equal to or greater than \$0.035	3 years from date of grant

The Company at the time of issue, engaged an expert to determine a value for the Performance Rights using the *Barrier1* valuation model developed by Hoadley Trading & Investment Tools, which uses a trinomial lattice calculation. Inputs to determine the valuation are as follows:

Item	Class A	Class B
Valuation date	23/03/2021	23/03/2021
Spot price	\$0.012	\$0.012
Exercise price	Nil	Nil
Barrier Price	\$0.025	\$0.035
Expiry date	23/03/2024 or 3 years from grant	23/03/2024 or 3 years from grant
Expected future volatility	100%	100%
Risk free rate	0.08%	0.08%
Dividend yield	Nil	Nil

The company has recognised share based payments of \$21,880 during the period:

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Class A	\$11,510
Class B	\$10,370
Total	<u>\$21,880</u>

(c) Issue of Options to Convertible Note Holders

The Company granted 7.5 million listed options (PRMOB) to the Convertible Note participants during the December 2021 half. These were issued 1 September 2021 and valued at \$0.04 per option for a total of \$30,000 reflecting the closing price 31 August 2021.

8. Contingent Liabilities

The Company has entered into the following royalty agreement with Pinnacle Energy Internation (USA) Inc: Pinnacle is entitled to a Royalty of 5% (five percent) of gross production revenue (net revenue received after Tariffs and direct sale costs as per the calculation of State Royalty) ("Royalty"). PRM is entitled to collect the first US\$12 million in gross revenue before any Royalty payment is made to Pinnacle. The 5% Royalty remains payable on the first US\$12million of revenue and is accrued and payable, only when the Leases produce at least US\$12 million in gross production revenue. Therefore, if the Leases do not produce \$12 million in gross revenue, no royalty is payable to Pinnacle.

Similarly the State Royalty of 21% of gross production revenue is a contingent liability however no liability if production is not achieved.

No liability has been recognised for these royalties as the commercial viability of the Bowsprit production has not yet been confirmed and is dependent upon multiple factors including but not limited to restatement of reserves, funding requirements and permitting.

There are no other contingent liabilities or assets as at 31 December 2021.

9. Capital and Leasing Commitments

There have been no changes to capital and leasing commitments since the last annual reporting date.

10. Related Parties Transactions

During the period the following related party transaction occurred:

Other than share based payment transactions disclosed in Note 7a and b for Performance Rights granted to Directors, transactions with related parties are consistent with those disclosed in 30 June 2021 Annual Report.

Convertible Notes

Patric Glovac a previous Director via GTT Global Opportunities Pty Ltd loaned the Company \$100,000 via a convertible Note facility agreement. The agreement was settled in October 2021 via the issue of 9,530,057 at a deemed price of \$0.01063 for a total value of \$101,324. This included the interest component of \$1,324 which was repaid in shares.

11. Events Subsequent to Reporting Date

The following events occurred subsequent to the end of the period:

A Shareholders Meeting was held 19 January 2022 and all resolutions were by passed via a poll. As a result, Tranche 1 Placement options were issued on 24 January 2022 (83,333,333 PRMOB). While shareholder approval was obtained for Tranche 2 shares and options, as well as the acquisition of the Sasanof prospect and the securities pertaining to the acquisition (including Broker securities), there remains the condition that Western Gas secures commitments for 100% of the funding to cover the costs of the Sasanof-1 well, to PRM's reasonable satisfaction. Western Gas recently advised the Company that it has secured commitments for 100% of the funding to cover the costs of the Sasanof-1 well. As such the Company is satisfied and will proceed to issue the tranche 2 securities, and finalise the settlement of the acquisition.

NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2021

The Company has extended SL 21754 on the Bowsprit project until March 2023 to allow for drilling of the horizontal side track of Bowsprit-1. SL 21787 will not be renewed as this area is outside the exploration focus.

12. Financial Instruments

This note provides information about how the Group determines fair value of various financial assets and financial liabilities.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).

All carrying values approximate their fair values.

The Group holds the following financial instruments:

	31 December 2021	30 June 2021
	\$	\$
Financial Assets		
Cash and cash equivalents	2,722,427	2,671,488
Other receivables	-	-
	2,722,427	2,671,488
Financial Liabilities		
Trade and other payables (at amortised cost)	519,999	524,407
Borrowings	1,883	4,332
Provisions	63,617	53,460
Unissued shares/options	276,745	688,243
Total Payables	862,244	1,270,442

13. Other Income

	31 December 2021	31 December 2020
	\$	\$
Other Income	-	-
Job Keeper and ATO Cash boost stimulus	-	39,078
Forgiveness Winform loan	-	1,019,872
Forgiveness of Directors fees and salaries	-	192,984
	-	1,251,934

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Prominence Energy Ltd

Report on the Condensed Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Prominence Energy Ltd ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Prominence Energy Ltd does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

hlb.com.au

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
16 March 2022



B G McVeigh
Partner