

Quarterly Activities Report for the period ended 30 June 2024

Highlights

- **Big Apple Project Advancement:** Continued progress on the Big Apple work-up, including significant seismic analysis and preparation for potential farm-out opportunities.
- **Successful Capital Raise:** Completed a \$1.55M capital raise in May 2024, providing strategic funding to advance key projects.
- **Encouraging Results from Umine:** Umine, 20% owned by PRM, reported promising initial sampling results from the Djideli site in Kazakhstan and has submitted an initial permit application for Uranium recovery during remediation project.

Prominence Energy (**ASX: PRM**) is pleased to report on its activities for the quarter ended 30 June 2024.

Managing Director Alex Parks said: “The completion of the Umine transaction and advancements of the Big Apple Prospect reflect our commitment to strategic growth. Our successful \$1.55M capital raise is an important step forward, enabling us to advance the Big Apple Prospect evaluation and explore new venture opportunities. This effort is complemented by our entry into the Umine partnership, positioning us to capitalise on the strong uranium market and unlock near-term production opportunities. We are well-positioned to capitalise on these developments, driving value for our shareholders and stakeholders.”

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. The crest of the structure and area where an exploration well would be drilled are clearly in block A87. Consequently, PRM has relinquished block A90 to save on outgoings and annual rental payments. PRM is Operator of the lease and holds the A87 block with a Net Revenue Interest (NRI) of 80.25%¹.

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

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

* *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.*



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.

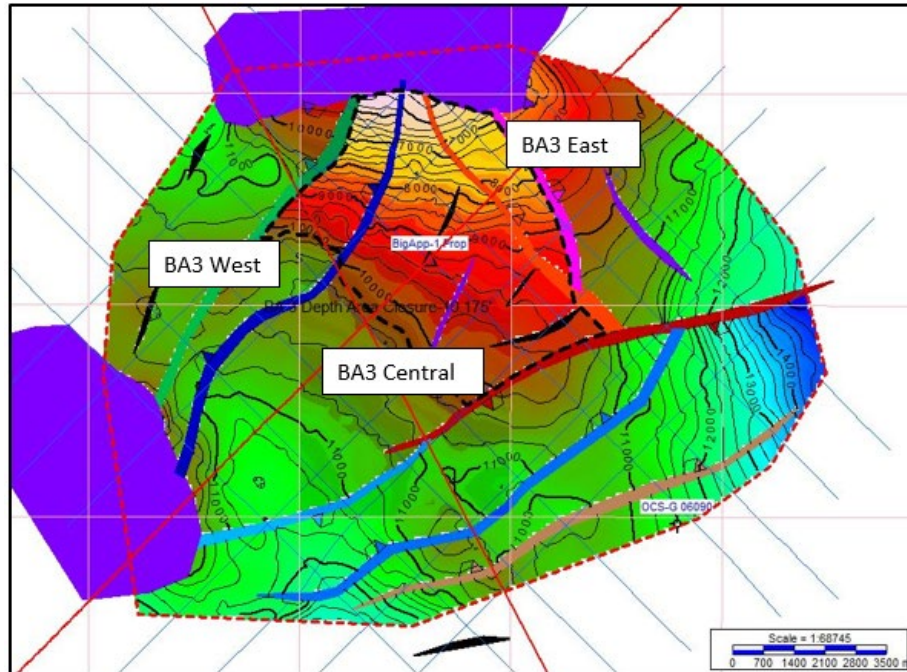


Figure 1: Big Apple BA3 Structure Map with approximately 7,400 acres of 'most likely' closure across three prospective fault blocks.

During the prior quarter, PRM has purchased field data for three of the key 2D lines crossing the structure to conduct some trial reprocessing of the data to evaluate the value of reprocessing a full 2D data set over the prospect.

The Henry Hub gas price is currently at a depressed price of about US\$2.20/Mscf due in part to an abnormally mild winter in the USA. With three new LNG facilities due to come online in the next 12 – 18 months, that will add over 5bcf/day of demand to the US market. PRM does not expect the gas price to remain this low. Whilst PRM is making Big Apple ready for farm-out, a better deal is considered more likely once gas prices improve.

Umine Investment

As announced on 6 March 2024, PRM acquired a 20% equity interest in Umine LLP (Umine) for an investment of US\$200,000 (~A\$300,000). Umine is a private company incorporated in Kazakhstan. Umine intends to secure and execute the "Djideli deposit, decontamination and remediation project" (Djideli) in Kazakhstan.

PRM sees Umine as another passive energy related project investment, that is carbon-friendly to balance PRM's fossil fuel-based core business. Umine intends to conduct uranium production from the dumps of low-grade material in a decontamination and remediation process over a period of multiple years.

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

Project Summary

Kazakhstan is a leading destination for the mining of Uranium. In addition to current operating mine sites, at sites located all over Kazakhstan, there are abandoned uranium mines and processing plants, that were closed before or at the break-up of the Former Soviet Union (FSU).

The sites have dumps of material containing uranium that was mined but contained uranium at concentrations below the (then) processing plant's threshold capability of approximately 1,000ppm. Mined material of less than 1,000ppm was mostly impracticable to process and was typically dumped adjacent to the plant. These sites have been identified as areas to rehabilitate.

Umine believes there is an opportunity to execute the decontamination and remediation of the sites and simultaneously collect, process and sell the Uranium. This makes it distinct from a traditional mining project. The Djideli project would be the first remediation project of its kind in Kazakhstan. However, the heap leaching and ion-exchange technologies are industrially proven and have been used, in particular, by Areva (now Orano) to treat waste from uranium open pit mines in France and Niger.

Surface sampling of the rock piles and dumps was undertaken during the quarter with encouraging results. See the PRM ASX release dated 8 May 2024 "*Uranium Sampling up to 5,269ppm Exceeds Expectations - Umine*".

Next Steps

Umine has planned a strategic roadmap for the development of a new plant facility on the Djideli site in Kazakhstan. The company has garnered crucial support from local state authorities and has submitted a Permit application to the Kazakh Ministry of Industry (MOI), followed by detailed engineering plans. An environmental report has been produced and submitted to MOI to support the application. A series of meetings have been held between Umine and MOI. It is anticipated a permit could theoretically be in place in CYQ3-2024.

Systematic Sampling via drilling of the rock piles and Mineral Resource assessment and reporting of Uranium contained in the low-grade material dumps will be conducted at Djideli. Subject to confirming an Ore Reserve and Feasibility Study concluding commercial viability, it is expected to take ~6 to 12 months to construct the processing facilities necessary for the project. Umine intends to target mine and processing facilities within a 250km radius from the Djideli site as potential purchasers of the intermediate uranium product produced from operations. Discussions with local operators are only preliminary and will progress as the project is implemented.

A final investment decision by Umine is subject to sampling and Mineral Resource evaluation concluding there are adequate Mineral Resources in the low-grade material dumps to commercially justify progressing the project and the ability to secure further funding to construct the necessary decontamination and remediation operations underpinned by the assessed resources.

This project is considered to be commercial and socially responsible, and the Djideli pilot plant will result in the decontamination of a former mine site, whilst producing uranium, that will be used in the generation of carbon-free nuclear electricity.



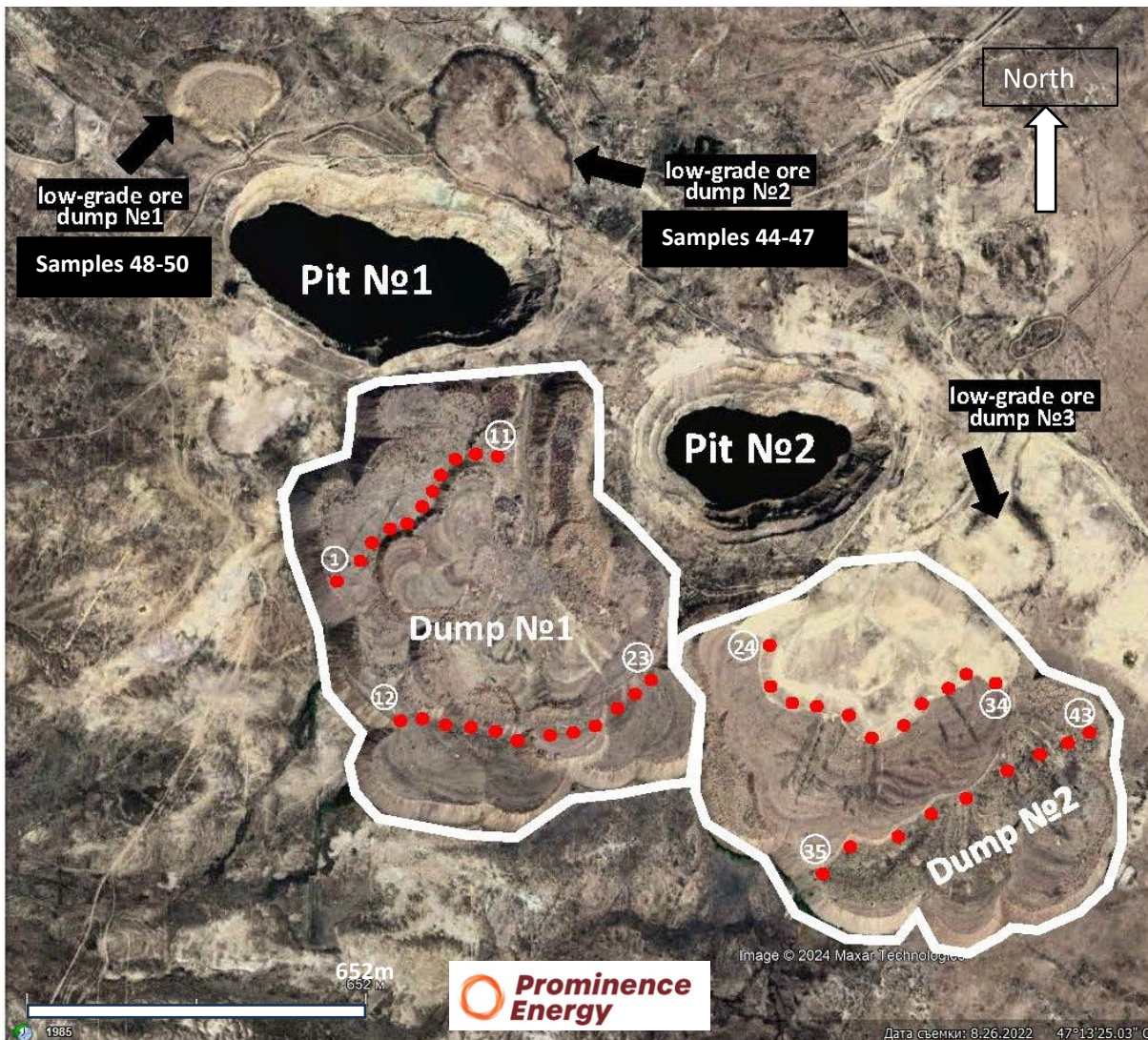


Figure 2 – Satellite image of Djideli site showing the material on site to be remediated and surface sample locations (Source: Google Maps/Umine)

Bowsprit Oil Project, Louisiana USA

PRM announced on 12 April 2024, that it had decided to relinquish the Bowsprit Project Lease. The Bowsprit-1 well will be abandoned and the site remediated over the coming 12 months seeking to utilise abandonment equipment operating in the area, with the wellhead and protection cage sold as second-hand equipment.

Indirect Interests

PRM owns 12.5% of Western Gas 519 Pty Ltd which holds 100% of WA-519-P located offshore Western Australia. The WA-519-P permit extension is still pending a decision by the government.

The Company has a modest investment in Ecostorage Solutions Pty Ltd (ECOSSAUS). 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, as well as scalable, sustainable, and cost-effective green hydrogen production and storage solutions. ECOSSAUS recently completed a capital raise of approximately \$300,000 in new working capital. This has diluted PRM to a holding of approximately 10.4% (from 10.9%).

CORPORATE

Share Placement

On 6 March 2024, PRM announced firm commitments to raise A\$1,550,000, via a share placement of 155 million shares at a price of \$0.01 per share with one free-attaching unlisted option (Option) for every two shares subscribed. The Options are exercisable at \$0.03 and expiring 14 March 2025.

The placement was finalised on 16 May 2024 upon completion of Tranche 2 of the placement, following shareholder approval obtained at the General Meeting on 10 May 2024. Additionally, PRM issued 10 million broker options on the same terms as the free-attaching placement options.

The primary use of proceeds is to fund further technical studies and ongoing farmout activities for Big Apple, as well as on new ventures, and the Umine uranium opportunity.

Cashflow Report

Item 6.1: The aggregate amount of payments to related parties and their associates during the June quarter was \$73,000 in salaries.

During the June quarter, the Company incurred administrative and corporate costs of \$244,000 which is inclusive of annual insurance costs, legal expenses, registry fees, compliance listing fees and corporate administration costs.

Exploration and evaluation expenditure of \$167,000 incurred during the quarter relates to technical exploration consultants, project due diligence and project investment in Umine.

MD/ CEO Remuneration

Following a review by the Remuneration Committee, the Board advises that the MD/ CEO remuneration package has been updated with regard to cash-based remuneration effective immediately. The updated remuneration is in line with comparable roles and industry standards. In accordance with ASX Listing Rule 3.16.4, the new terms of the MD/ CEO remuneration package remain consistent with an increase in cash-based remuneration from \$260,000 (exclusive of superannuation) to \$270,000 (exclusive of superannuation) effective immediately.

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.

ASX Listing Rules Compliance Statement

In preparing the Quarterly Activities report for the period ended 30 June 2024 and subsequent period, the Company has relied on the following ASX announcements.

| | | |
|------------------|---------------|--|
| ASX Announcement | 9 May 2024 | PRM Investor Presentation May 2024 |
| ASX Announcement | 8 May 2024 | Uranium Sampling up to 5,269ppm Exceeds Expectations - Umine |
| ASX Announcement | 12 April 2024 | Bowsprit Relinquishment |
| ASX Announcement | 6 March 2024 | Capital Raise for Umine Uranium Investment & Big Apple Gas |

This report contains information extracted from reports cited herein. These are available to view on the website www.prominenceenergy.com.au. In relying on the above ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Activities Report for this period ended 30 June 2024 and subsequent to the end of the quarter.



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 June 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|----------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | (10) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (73) | (281) |
| (e) administration and corporate costs | (173) | (619) |
| 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 Richland settlement | - | 275 |
| 1.8 Other (provide details if material) | 2 | (38) |
| 1.9 Net cash from / (used in) operating activities | (244) | (673) |

| | | |
|--|-------|-------|
| 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 | (167) | (697) |
| (e) investments | - | (300) |
| (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 (12 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 | (167) | (997) |

| | | | |
|-------------|---|------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 1,072 | 2,200 |
| 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 | (90) | (140) |
| 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 | 982 | 2,060 |

| | | | |
|-----------|--|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 766 | 748 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (244) | (673) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (167) | (997) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 982 | 2,060 |

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 (12 months) \$A'000 |
|---|---|------------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | - | (1) |
| 4.6 | Cash and cash equivalents at end of period | 1,137 | 1,137 |

| 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 | 1,137 | 566 |
| 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) | 1,137 | 566 |

| 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 | 73 |
| 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 | 4 |
| 7.3 Other (please specify*) | 151 | - |
| 7.4 Total financing facilities | 211 | 4 |
| 7.5 Unused financing facilities available at quarter end | | 207 |
| 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 Locked 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) | (247) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (167) |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (414) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 1,137 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | 207 |
| 8.6 Total available funding (item 8.4 + item 8.5) | 1,344 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 3.25 |
| <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? | |
| N/A | |
| 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? | |
| N/A | |
| 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? | |
| N/A | |
| <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: 29 July 2024



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.