

17 April 2023

Announcement to ASX

ASX: PGY

## Equity Capital Raise

### Highlights

- **Pilot Energy ('Pilot' or 'the Company')** was approached by a small group of sophisticated and institutional investors and has received commitments for a placement of \$1.7 million (before costs).
- **Key new investors have come in as a cornerstone to this raise, which is expected to bring significant financing and strategic support to the Company.**
- **Together with other funding initiatives in progress, this raise will assist in progressing Pilot's projects, including the Carbon Capture & Storage (CCS) FEED and pre-FEED preparatory work for the broader Mid West Clean Energy Project (MWCEP). In addition, it will also assist with general working capital for corporate overheads.**

### Overview

Pilot is pleased to announce that it has been approached by a group of investors to commit \$1.7 million (before costs) in a placement to sophisticated, institutional and professional investors (**Placement**). Strong investor interest was shown in the placement along with support for the Company's strategic focus on developing the Mid West Clean Energy Project (including the Cliff Head CCS Project) in Western Australia.

### Placement Terms

Under the terms of the Placement, the Company will issue 170,000,000 fully paid ordinary shares (**Shares**) to sophisticated and professional investors at an issue price of \$0.01 per Share to raise \$1.7 million (before costs).

As part of the Placement, the Company will issue one new unlisted option (**Placement Options**) for every two new Shares issued to investors, resulting in a total of 85 million new unlisted Placement Options being issued. The Placement Options will be unlisted, will expire on 30 April 2026 and have an exercise price of \$0.02. The Placement Options are subject to approval from Pilot's shareholders at a General Meeting of the Company (**GM**), which will be held in June 2023, on a date yet to be advised.

The Company notes that the Directors and management have elected to participate in the Placement. The issue of these Shares will also be subject to shareholder approval at the GM of the Company.

The issue price of \$0.01 per Share represents a 17% discount to the last closing price of \$0.12 per Share and a 22% discount to the 5-day VWAP.

Whairo Capital Pty Ltd was the Lead Manager for the Placement. Under the terms of its engagement, the Lead Manager will be paid a management fee of 2% and a placement fee of 4% of the total funds raised under the Placement. Pilot will also issue twenty-five million (25,000,000) options (on the same terms as the Placement Options) to the Lead Manager, subject to shareholder approval at the GM of the Company.

The key dates for the issue under the Placement are as set out in the table below.

Event	Date*
<ul style="list-style-type: none"> <li>Company announces placement details</li> <li>Appendix 3B</li> <li>ASX lifts trading halt (10.00 am)</li> </ul>	17 April 2023
<b>Placement Shares</b> <ul style="list-style-type: none"> <li>Settlement Date (DvP)</li> <li>Allotment Date</li> <li>Appendix 2A</li> <li>Lodge cleansing statement</li> </ul>	21 April 2023 24 April 2023 24 April 2023 24 April 2023
<b>Placement Options and Broker Options</b> To be issued subject to shareholder approval at GM	June 2023

\*This timetable is indicative and subject to variation.

As noted above, this capital raise, together with other funding initiatives in progress, will provide funding towards activities associated with Pilot's projects - the Carbon Capture & Storage (CCS) FEED, pre-FEED preparatory work for the broader Mid West Clean Energy Project in Western Australia, as well as general working capital for corporate overheads.

A recent update of the Company's CCS Project and broader MWCEP, including its progress with potential partnering arrangements, was released to the ASX on 12 April 2023.

**END**

This announcement has been authorised for release to ASX by the Chairman, Brad Lingo and Managing Director, Tony Strasser.

#### Enquiries

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**About Pilot:** Pilot is a junior oil and gas exploration and production company that is pursuing the diversification and transition to the development of carbon management projects, production of hydrogen and clean ammonia (blue, green, and teal) for export to emerging APAC Clean Energy markets and integrated renewable energy. Pilot intends to leverage its existing oil and gas operations and infrastructure to cornerstone these developments. Pilot is proposing to develop Australia's first offshore CCS Project through the conversion of the Cliff Head Oil field and associated infrastructure from oil production to CCS as part of the Mid West Clean Energy Project.

Pilot holds a 21.25% interest in the Cliff Head Oil field and Cliff Head Infrastructure, and a 100% working interest in WA-481-P and EP416/480 exploration permits, located offshore and onshore Western Australia.