

Announcement to ASX

28 April 2023

31 MARCH 2023 QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

HIGHLIGHTS

- Post quarter end, as announced on 19 April 2023, Pilot and Svante Technologies (Svante) entered into an MoU to target integration of Svante's market-leading solid sorbent-based post-combustion carbon capture technology with Pilot's Cliff Head CO₂ storage project. The objective is to accelerate the commercial deployment of emissions reduction solutions, targeting Australia's top greenhouse gas emitters.
- Post quarter end, as announced on 17 April 2023, Pilot received commitments for, and completed (except for Directors' contributions which are subject to shareholder approval) a placement to raise \$1.7 million via a placement to new and sophisticated, institutional and professional investors.
- A recent update of the Company's CCS Project and broader MWCEP, including its progress with engineering, regulatory approvals, the impact of the Safeguard Mechanism legislation, and potential partnering arrangements, was released to the ASX on 12 April 2023.
- As announced on 9 March 2023, Pilot's internal technical review has identified an extension of the onshore Perth Basin Kingia and High Cliff Sandstone gas play fairway in WA-481-P, including the identification of several large structures. WA-481-P is one the largest offshore exploration permits in Australia with 450 Bcf Prospective Gas Resource at the Leander Complex added to existing contingent oil (6 mmbbls) and gas (42bcf) resources. The Leander Complex gas prospect has potential to provide Pilot with sufficient gas to self-support over 10 years of blue ammonia production at Pilot's Mid West Clean Energy Project.
- During the quarter, the CHJV completed several load-outs of oil from its expanded storage tanks at the Arrowsmith Stabilisation Plant (ASP) facility onto its chartered tanker, the AB Paloma, at the Port of Geraldton.

Pilot Energy Limited (**ASX: PGY**) ("**Pilot**" or "**the Company**") is pleased to provide the following update on its operational and corporate activity for the quarter ended 31 March 2023 (and post quarter events to date).

OPERATIONS REPORT

Cliff Head Joint Venture

The Cliff Head Joint Venture is effectively held by the following group entities:

- Triangle Energy (Global) Limited (ASX: TEG) ("Triangle"): 78.75%
- Pilot Energy Limited: 21.25%***

a. Operations

The key operational statistics for the quarter for the CHJV (100% basis) are set out in the table below.

1 January - 31 March 2023	CHJV (100%)	Pilot (21.25%)
Production (bbls)	51,901	11,029
Average daily production (bopd)	577	123
Sales revenue (bbls)	51,137	10,867
Average oil price received \$ per bbl	107	107
Sales revenue (\$'000)	5,482	1,165
Oil Inventory (24,769 bbls) (\$'000)*	(19)	(4)
Routine operating costs (\$'000)	(2,956)	(628)
Operating Margin (\$'000)	2,507	533
Trucking, storage & handling (\$'000)	(3,340)	(710)
Routine Profit (\$'000)	- 833	- 177
Non-routine operating costs (\$'000)	(377)	(80)
Gross Loss (before tax, \$'000)	(1,210)	(257)

Notes:

* Quarterly figures represent a movement in the value of the cumulative barrels stored.

**Figures may differ immaterially to Triangles reported numbers due to the exchange rate applied to sales revenue (if applicable), methodology in valuing inventory and classification of non-routine costs.

*** Pilot (via its 100% subsidiary, Royal Energy) holds a 50% interest in Triangle Energy (Operations) Pty Ltd ("TEO") which itself holds a 42.5% direct interest in WA -31 L and the Cliff Head Oil Field project. In accordance with applicable accounting standards, Pilot accounts for this investment on an equity accounting basis.

b. Oil Sales

Cliff Head Operations

The CHJV completed two load-outs of oil from its expanded storage tanks at ASP facility onto its chartered tanker, the AB Paloma, at the Port of Geraldton during the quarter. The CHJV made an ASX announcement in this regard dated 6 February 2023.

Oil production from the Cliff Head oil field, operated by the CHJV continues to demonstrate

the Geraldton export route as a viable commercialisation pathway which enable oil production in the Perth Basin for both the Cliff Head Oil Field and other Perth Basin producers and will facilitate the CHJV to continue to progress plans for the re-purposing of the Cliff Head Facilities for future CO₂ storage operations.

CH-10 Workover

As previously advised the CH-10 well has been shut-in since September 2021. Workover of the CH-10 well commenced on 9 June 2022 and was suspended pending the delivery of long lead equipment. The service rig is scheduled to commence in May, and it is expected that the well will be brought back on stream in the next quarter. The rehabilitation of CH-10 is expected to add over 100 barrels of oil per day to the CHJV production.

WA 481 – P Exploration

During the quarter, the Company completed of an extensive review of the WA-481-P technical data set, including reprocessing of existing seismic survey data and legacy aeromagnetic datasets. Pilot holds a 100% operated interest in the 8,605km² permit located in shallow waters offshore Western Australia encompassing the Dunsborough oil fields, and Frankland gas field.

The offshore petroleum system within WA-481-P shares many attributes with the Dandaragan Trough, and is potentially a mirror of, and analogous to, the prolific onshore Perth Basin gas discoveries (e.g. Waitsia, Erregulla and Lockyer Deep).

Initial results of the technical data set review have focussed on the large Leander Complex gas prospect located 15km west of the Cliff Head oil platform and three oil prospects south of Cliff Head. Within the gas fairway, Pilot is also progressing a review of the gas resource potential of the Harrier and Hawk prospects. Pilot's internally assessed prospective resources include the Leander Complex gas resource of 450 Bcf and the Babbler, Brahminy and Cliff Head SW oil resources of 41 million barrels. These are in addition to the discovered Dunsborough contingent oil resource (2C) of 6 million barrels, and Frankland contingent gas resource (2C) of 42 Bcf gas¹ also within WA-481-P.

The resulting prospective gas resource estimate of 450 Bcf could provide Pilot with sufficient gas to self-supply over 10 years of blue ammonia production at the Mid West Clean Energy Project. Future production from WA 481P could leverage the proposed Cliff Head CCS operations infrastructure to lower the economic volumes required to support incremental oil and gas developments.

Pilot has advanced its farm-out process to secure a partner(s) for the upcoming WA-481-P seismic and future drilling campaigns.

¹ Refer to RISC January 2021 report attached to the Royal Energy acquisition Independent Experts Report

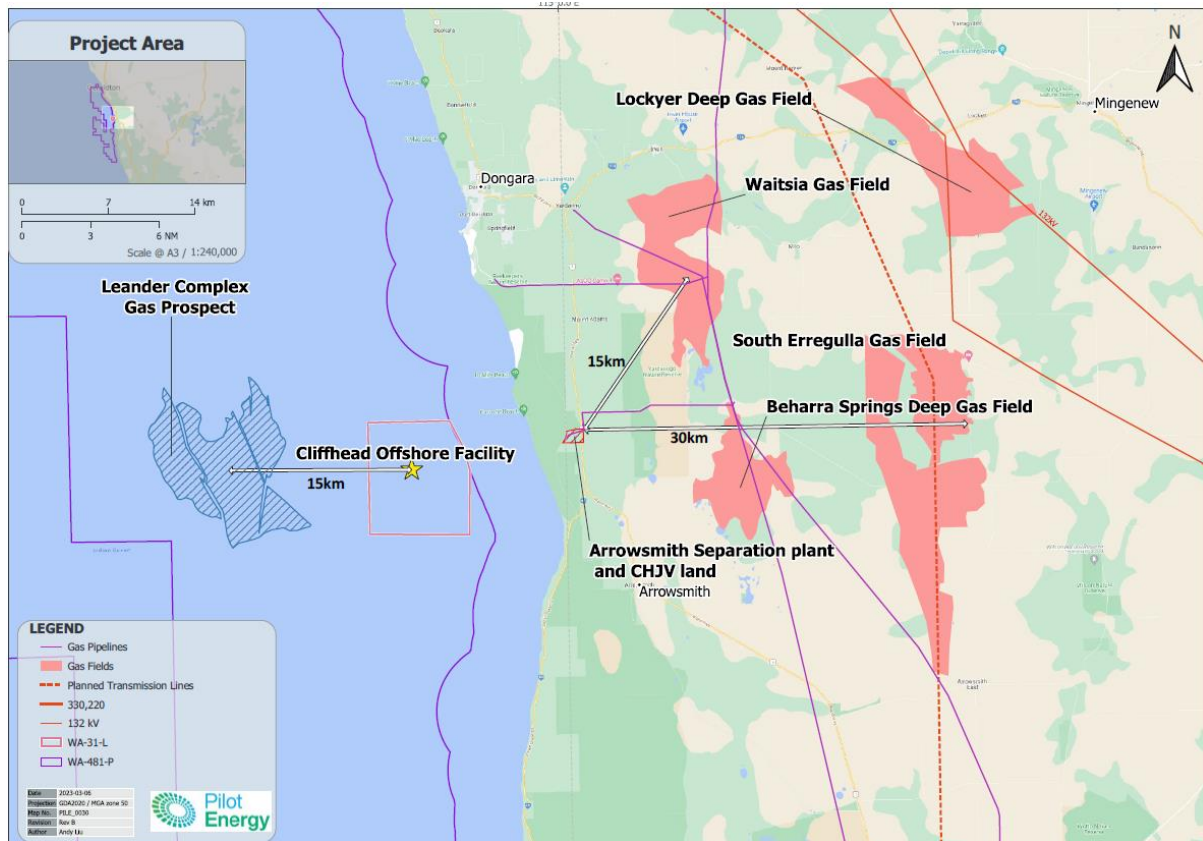


Figure 1: Overview of Mid West

The next steps for WA-481-P include:

- Continued technical assessment of the remaining gas prospects
- Progress stakeholder holder engagement and regulatory approval for 3D seismic survey
- Secure farm-in partner(s)

EP 416 & EP 480 Exploration

The principal activity across these tenements related to the proposed geochemical survey, with an objective to establish the presence, distribution, and composition of hydrocarbons across the Leschenault structural feature which straddles EP 416 and EP 480 via seeps and microseeps as well as determine the probable hydrocarbon i.e. document the presence of a working petroleum system. A survey layout was selected and the environmental planning progressed. This work took much longer than anticipated due to widespread land access issues with final survey locations proposed primarily on crown and reserve lands. Due to the additional time taking to finalise the survey location, Pilot engaged with the regulator regarding the completion of the outstanding year 1 (EP 416) and year 3 (EP 480) geochemical survey work commitment.

To provide additional time to complete the geochemical survey, Pilot applied to DMIRS for an eight month suspension (without extension) of the geochemical survey work program commitment to enable completion of the regulatory approvals process and acquire the survey in late 2022, after the wet season. Following engagement DMIRS provided formal notification that they would be refusing the extension application. On 14 April 2023, Pilot received the notices of intention to cancel EP 416 and EP480. Pilot is engaging with DMIRS and the WA Government regarding the future of these tenements in light of the WA Governments draft Petroleum Legislation Amendment Bill (B) 2023.

Mid West Clean Energy Project

During the quarter Pilot continued to progress the Mid West Clean Energy project (refer to the figure below) with the project team progressing the foundational elements of the Project, including obtaining key regulatory approvals (continued engagement with NOPTA, Commonwealth and WA governments including recent CCS related consultation submissions) and engineering for the Cliff Head Carbon Capture and Storage Project (progressing technology select studies and preparing for CCS FEED entry targeted for mid 2023 and a development cost update to include CO₂ injection via new wells and re-use existing wells for pressure management and monitoring). Significant progress has been made with respect to engagement with potential partners and offtakers as detailed below. Pilot initiated the MWCEP to leverage the existing operational asset base (comprising the Cliff Head offshore oil production facility and onshore Arrowsmith separation plant) into the production of clean energy. The Project includes a fully integrated carbon capture & storage operation through the conversion of the operating Cliff Head offshore oil field which will enable the production of blue hydrogen, green hydrogen, and ammonia.

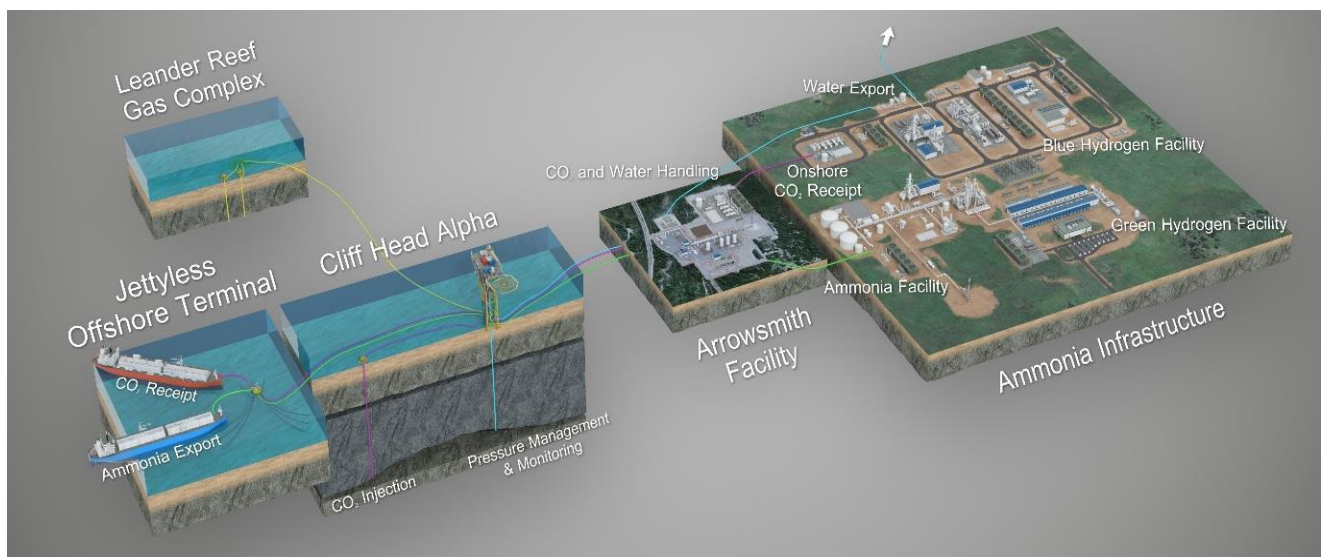


Figure 2. Pilot’s MWCEP overview schematic – includes potential gas supply from Leander Complex (subject to ongoing exploration and appraisal success)

The table below shows the status of the key activities currently in progress.

<p>1. MWCEP Engineering</p>	<ul style="list-style-type: none"> • Owner’s engineer (Genesis Energies) progressing technology select studies and preparing for CCS FEED entry targeted for mid 2023 • CO₂ and Ammonia shipping and terminal infrastructure options assessment complete and technology select study underway • Development cost update to include CO₂ injection via new wells and re-use existing wells for pressure management and monitoring • Blue Hydrogen pre-FEED workstream ~60% complete with key deliverables expected in early June 2023
<p>2. Regulatory approvals</p>	<ul style="list-style-type: none"> • The Nous Group² engaged to advise on optimal regulatory approval pathway for CCS and ammonia • Following the application to the Commonwealth offshore regulator NOPTA for the Declaration of Storage formation in November 2022, there continues to be active engagement with NOPTA in this regard • Continued engagement with WA State & Commonwealth governments including licensing arrangements to secure access rights for renewable energy investigations, consultation on WA draft CCS legislation and CO₂ related environmental approvals
<p>3. Project partnering & offtake</p>	<ul style="list-style-type: none"> • Formal 'Expressions of Interest' (EOI) process ongoing following extensive engagement and due diligence by several Australian and international parties to introduce strategic and financial partners and customers into the MWCEP. Interested parties include those with capacity to participate as a project partner, ammonia and or CO₂ storage offtake and to act as the project engineering, procurement, and construction contractor • EOI’s with select participants to progress into formal Development Agreement(s) over coming months

Table 1 MWCEP key activity status

“Safeguard Mechanism” reforms

Outside of the progress of the MWCEP activities, but fundamental to the potential of and

² <https://nousgroup.com/>

opportunities for, the Stage 1 CH CCS Project, are the recently legislated reforms to the “Safeguard Mechanism” which provide certainty for emissions intensive industries and the Safeguard Facilities² (specifically), as to the action they must take to reduce and/or abate emissions for Australia to meet its net zero targets. The reforms provide a clear business case and commercial incentive for these Safeguard Facilities and the industries with which they are associated, to accelerate investments to abate emissions.

If Safeguard Facilities elect to implement carbon capture and storage initiatives to reduce emissions, Pilot’s CH CCS Project can provide these facilities, and other emitters, carbon management contracts for the required permanent storage of CO₂ at the CH CCS Project.

Under a carbon management contract, the CH CCS Project will enable the capture and permanent underground storage of direct (i.e. Scope 1) emissions for Safeguard Facilities. This will be fundamental to enabling Pilot’s potential customers to implement emission reduction strategies to meet not just the greenhouse gas emission reduction obligations applicable to all Safeguard Facilities (commencing from 1 July 2023) to keep below the declining baseline imposed under the regulatory reforms (“**Safeguard Baseline**”) **but also** to capture and permanently store up to 100% of its emissions. Further, for each tonne of Scope 1 emissions abated by a Safeguard Facility in excess of the Safeguard Baseline, a Safeguard Mechanism Credit (**SMC**) will be generated, which that entity can sell to other Safeguard Facilities.

Generating and selling SMC’s is a significant revenue opportunity for the Safeguard Facilities and clearly demonstrates the value of assets like the CH CCS Project during the energy transition.

Feasibility studies

The SW CCS study is assessed the opportunity to provide carbon management services to the industrial precincts of WA South West region in addition to storing the CO₂ associated with a potential blue hydrogen project. The SW CCS Study has developed technical solutions to aggregate and manage the regions flue gas emissions which include:

- permanently storing a CO₂ or flue gas stream at the SW Hub CCS site; or
- transporting the CO₂ stream to the Mid West as part of Pilots project planned for that region.

The Company is working with potential partners to jointly pursue a carbon management solution that provides customers with the carbon capture, transportation and CO₂ storage solution. Subsequent to the end of the quarter, Pilot and Svante Technologies (Svante) entered into an MoU to target integration of Svante’s market-leading solid sorbent-based post-combustion carbon capture technology with Pilot’s Cliff Head CO₂ storage project. The objective is to accelerate the commercial deployment of emissions reduction solutions, targeting Australia’s top greenhouse gas emitters.

Under the MoU, Pilot and Svante will collaborate to evaluate and deploy full-service carbon

management solutions from the point of CO₂ capture, transportation, and permanent storage at Cliff Head. The parties will initially target the decarbonization of ~8-million tonnes per annum of CO₂ emissions from the Western Australian Kwinana Industrial Area as reported by the Kwinana Industries Council. The CHCCS project has the potential to provide a carbon management solution for 15 – 25% of the Kwinana Industries Council members reported scope 1 emissions.

CORPORATE ACTIVITIES

Cash on hand

Cash on hand at 31 March 2023, was \$0.441 million.

In addition to the cash on hand, it is noted that Pilot has a 50% interest in Triangle Energy (Operations) Pty Ltd (TEO), the operating company of the Cliff Head JV. As at reporting date, TEO had a cash balance of \$1.36 million (of which 50% is attributable to Pilot). Payment for oil sales for February 2023 delivery is expected to be received in June 2023 in the amount of ~US\$1.7 million (100% TEO).

It is noted that the Company has lodged a claim for the R&D Tax Incentive for the 2022 year end. The total claimed amount is ~\$2.5 million resulting in a refundable offset of \$1.1 million. At this time, it is anticipated that the funds will be received in circa June 2023.

Equity capital raise

Post quarter end, as per ASX announcement on 17 April 2023, the Company was approached by a small group of sophisticated and institutional investors and has received funds (by 24 April 2023) for a Placement of \$1.7 million before costs (excluding Directors' commitments which require approval at a shareholder meeting to be held in June 2023).

Under the terms of the Placement, the Company issued (the majority of the) 170,000,000 fully paid ordinary 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.

Share Capital

As at the date of this Report, the Company had the following capital structure:

- 972,427,631 shares on issue
- 190,197,550 outstanding (unlisted) options

Contingent and Prospective resources

(i) Oil & Gas

The Company refers to the 2022 Cliff Head Oil Field Reserves assessment as noted in the 2022 Annual Report. The Company notes that during the period 1 July 2022 through to 31 March 2023, 164,720 bbls (Pilot share 35,003 bbls) of oil have been produced.

Pilot has internally assessed the prospective gas and oil resources associated in WA-481-P which are in addition to the existing Dunsborough contingent oil resource (2C) of 6 million barrels and Frankland contingent gas resource (2C) of 42 Bcf gas³.

WA-481-P Prospective Resources

	Prospective Resource (Best)
Leander Complex (Gas)	450 Bcf
Cliff Head SW (Oil)	13 million bbls
Babbler (Oil)	19 million bbls
Brahminy (Oil)	9 million bbls

(ii) Carbon Capture and Storage

As reported in the Company's 2022 Annual Report, the CHJV technical teams, along with CO2Tech during 2022, have undertaken a full technical assessment of the CO2 storage potential across the WA 31-L tenement area. This work stream expanded key technical models to cover the entire WA 31-L and adjacent area (expanding into Pilot's 100% held WA 481-P exploration licence). Set out below are the results of the Resource Assessment.

Greater Cliff Head & WA 481P CCS Storage Contingent & Prospective Resources*

Contingent Storage Resource (million tonnes)	1C	2C	3C
WA 481P (Pilot share, 100% basis)	2.8	4.4	7.2
WA 31L (100 % basis)	7	9.7	13.4
Prospective Storage Resource (million tonnes)	1U	2U	3U
WA 481P (Pilot share, 100% basis)	46.2	80.4	144.2

*Based on Resource Assessment by CO2Tech, prepared in accordance with the SPE SRMS Guidelines for estimating CO₂ storage resources

³ Refer to RISC January 2021 report attached to the Royal Energy acquisition Independent Experts Report

Payments to Related Parties of the Entity and their Associates

The payments to related parties and their associates as disclosed in the Appendix 5B relate to consulting fees and directors' fees, paid to directors.

ASX Reporting

As agreed with the ASX, the Company will continue to provide the following additional information on the allocation of expenditure between its oil and gas activities and Mid West Wind and Solar expenditures.

Expenditure Category	Quarterly Expenditure 1 Jan – 31 March 2023 (\$'000)	Proportion of total expenditure
Oil & Gas Activities	2,519	99%
<ul style="list-style-type: none"> Cliff Head operations and capex* 	1,468	58%
<ul style="list-style-type: none"> Other exploration and evaluation expenditure 	1,051	41%
Mid-West Wind and Solar	25	1%
Total	2,544	100%

Notes:

*Pilot (via its 100% subsidiary, Royal Energy) holds a 50% interest in TEO which itself holds a 42.5% direct interest in WA -31 L and the Cliff Head Oil Field project. In accordance with applicable accounting standards, Pilot accounts for this investment on an equity accounting basis. As such Pilot's expenditures in the above table represent Pilot's proportionate share of operational/capex expenditure incurred by CHJV. The figures reported in the Appendix 5B sections 2.3, 3.5 & 3.6 reports only net cashflows to/from TEO.

ASX Reconciliation

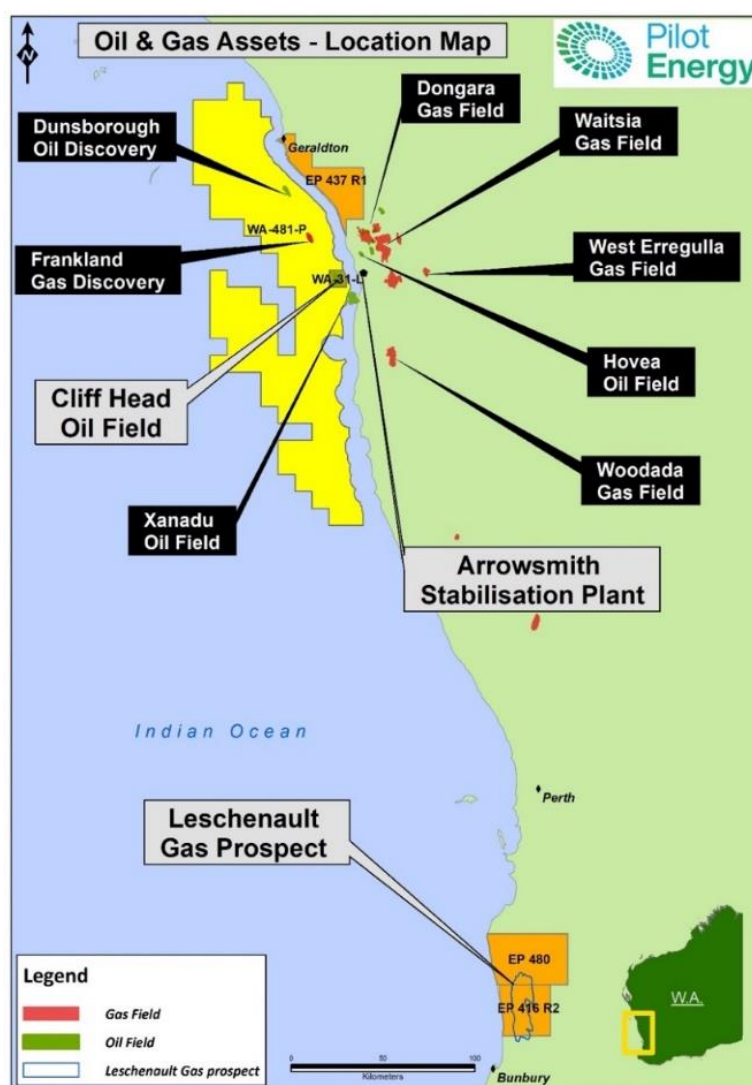
The Company continues to engage with the ASX in respect of this issue and the requirement to comply with Chapters 11, 1 and 2 of the Listing Rules. In October 2022, ASX agreed to a variation to the limitation it previously placed on expenditure by the Company relating to preliminary activities connected to renewable energy to allow for further expenditure on such activities of an additional \$1.5 million over the next 12 months before ASX would consider such activities to constitute a change in nature and scale of Pilot's activities in terms of Listing Rules Chapter 11.

ASX Listing Rule 5.3.3: Tenement Details

The following table summarises Pilot's interest in its Oil and Gas tenements which are also presented on the map below.

Tenement reference	Tenement Location	Interest at beginning of quarter	Interest at end of quarter
WA-31-L ⁽ⁱ⁾	Western Australia – Offshore Commonwealth Waters	21.25%	21.25%
WA-481-P	Western Australia – Offshore Commonwealth Waters	100%	100%
EP416	Western Australia – Onshore	100%	100%
EP480	Western Australia – Onshore	100%	100%

i) The Company holds a 50% interest in TEO which has a 42.5% direct interest in WA-31L. Subject to restructure as noted in previous ASX announcements.



Pilot Oil and Gas asset map

Competent Person Statement:

This announcement contains information on conventional petroleum resources and CO₂ Storage which is based on and fairly represents information and supporting documentation reviewed by Dr Xingjin Wang, a Petroleum Engineer with over 30 years' experience and a Master in Petroleum Engineering from the University of New South Wales and a PhD in applied Geology from the University of New South Wales. Dr Wang is an active member of the SPE and PESA and is qualified in accordance with ASX listing rule 5.1. He is a former Director of Pilot Energy Ltd and has consented to the inclusion of this information in the form and context to which it appears.

This announcement has been authorised for release to ASX by Bradley Lingo, Chairman and Tony Strasser, Managing Director on behalf of the Board of Directors of Pilot Energy Limited.

Enquiries

Cate Friedlander, Company Secretary, email: cfriedlander@pilotenergy.com.au

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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PILOT ENERGY LIMITED

ABN

86 115 229 984

Quarter ended ("current quarter")

31 Mar 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	151	209
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(511)	(830)
	(e) administration and corporate costs	(324)	(931)
1.3	Dividends received (See note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(4)	(4)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other		
1.9	Net cash from / (used in) operating activities	(688)	(1,556)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & feasibility expenditure (if capitalised)	(1,076)	(2,040)
	(e) investments	-	-
	(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 (12months) \$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 (Consortium receipts)	-	-
2.6	Net cash from / (used in) investing activities	(1,076)	(2,040)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	40	2,374
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	-	(15)
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 (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	40	2,359
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,502	2,015
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(688)	(1,556)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,076)	(2,040)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	40	2,359

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 (12months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	778	778

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	778	2,015
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)	778	2,015

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

455

-

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

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	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(688)
8.2 Capitalised exploration & feasibility expenditure (Item 2.1(d))	(1,076)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,764)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	778
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	778
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.44
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
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?	
Answer: Future net operating expenditures over the next two quarters are expected to reduce as the company has now finalised its current submissions with the regulator. Work is continuing regarding CH CCS FEED scope and cost estimates.	
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?	

Answer: Yes, the Company completed a capital raising in April with \$1.665 million (before costs) having been received.

In addition, it is noted that the Company has lodged a claim for the R&D Tax Incentive for the 2022 year end. The total claimed amount is ~\$2.5 million resulting in a refundable offset of \$1.1 million. At this time, it is anticipated that the funds will be received in circa June 2023.

Furthermore, the Company is in advanced discussions with strategic investor(s) to invest funds into company as well as its equity capital advisers regarding ongoing capital funding initiatives.

Also, as previously announced, the Company is in advanced discussions with potential partners to participate/farmin/invest in the Company's Mid West Clean Energy Projects.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, on the basis described above.

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: 28 April 2023.....

Authorised by: .By the Board.....
(Name of body or officer authorising release – see note 4)

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.