

**6 November 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 in Australia and has received commitments for a placement of securities in the Company. In addition to the participation of non-related investors, Pilot Directors have also elected to participate in the capital raise resulting in a total value of commitments for a placement to \$2.4 million (before costs).
- Key new investors have come in, to cornerstone this raising and will bring significant financing capability support to the Company.
- This capital raise, together with other funding initiatives in progress, will provide funding towards the Mid West Clean Energy Project in Western Australia, (including the integrated project pre-FEED study) as well as general working capital for corporate overheads.

### **Overview**

Pilot is pleased to announce that it has been approached by a group of investors to commit \$2.4 million (before costs) in a placement to sophisticated, institutional and professional investors and Directors (**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 in Western Australia.

### **Placement Terms**

Under the terms of the Placement, the Company will issue 121.2 million fully paid ordinary shares (**Shares**) to sophisticated and professional investors and Directors at an issue price of \$0.02 per Share to raise \$2.424 million (before costs).

As part of the Placement, the Company will issue one new unlisted option (**Placement Options**) for every four new Shares issued to investors, resulting in a total of 30.3 million new unlisted Placement Options being issued. The Placement Options will be unlisted, will expire on 25 August 2025 and have an exercise price of \$0.033. The issue of the Placement Options is subject to approval from Pilot's shareholders at a General Meeting of the Company, which will be the Annual General Meeting (**AGM**) scheduled to be held in February 2023, on a date yet to be advised.

The Company notes that the Directors of the Company have elected to participate in the capital raise. The issue of Placement Shares to Directors will be subject to shareholder approval at the AGM of the Company.

The issue price of \$0.02 per Share represents a 4.8% discount to the last closing price of \$0.21 per Share and a 25% 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 total placement fee of 6% of the total funds raised under the Placement. Pilot will also issue six million (6,000,000) options to the Lead Manager, (**Broker Options**), which will be unlisted, will expire on 1 November 2026 and have an exercise price of \$0.05.

The Placement Options and the Broker Options are subject to approval from Pilot's shareholders at the AGM.

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>Trading Halt request and Placement process commences</li> </ul>	3 November 2023
<ul style="list-style-type: none"> <li>Final bids required and allocations determined</li> </ul>	4 November 2023
<ul style="list-style-type: none"> <li>Distribution of placement allocation and confirmation letters sent and acceptance forms due (5pm)</li> </ul>	4 November 2023
<ul style="list-style-type: none"> <li>Company announces Placement details (premarket)</li> <li>Appendix 3B</li> <li>ASX lifts trading halt (10.00 am)</li> </ul>	6 November 2023
<b>Placement Shares</b> <ul style="list-style-type: none"> <li>Settlement Date (DvP)</li> <li>Allotment Date</li> <li>Appendix 2A &amp; 3G</li> <li>Lodge cleansing statement</li> </ul>	13 November 2023
<b>Placement Options and Broker Options</b> To be issued subject to shareholder approval at AGM	February 2024

\*This timetable is indicative and subject to variation.

As noted, this capital raise will assist with funding for the Company's Mid West Clean Energy Project, with immediate focus on the following:

- Progressing the integrated project pre-FEED study;
- Project regulatory approvals;
- Further introduction of additional MWCEP equity and offtake partners;
- General working capital for corporate / professional overheads.

A recent update of the progress on the MWCEP, including its entry into an MOU for a partnering arrangement with a significant Korean entity, was released to the ASX on 31 October 2023.

**ENDS**

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

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**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 for export to emerging APAC Clean Energy markets. 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 (increases to 100% on completion of the acquisition of Triangle Energy (Global) Pty Limited's interest), and a 100% working interest in exploration permit WA-481-P, located offshore Western Australia.