

16 November 2023

**Announcement to ASX**

**ASX:PGY**

**Key Commonwealth legislation passed enabling offshore CO<sub>2</sub> storage: De-risking the development of underground offshore storage projects**

**Highlights**

- Commonwealth Parliament has passed amendments to the Environment Protection (Sea Dumping) Act 1981 required to facilitate injection and transportation of CO<sub>2</sub> in Australian waters.
- Amendments confirm the regulatory pathway for the Mid West Clean Energy Project (MWCEP) to provide industrial emitters with a near-term CO<sub>2</sub> management service to permanently remove emissions during the energy transition.

Pilot Energy Limited ('Pilot' or 'the Company') provides the following update on the MWCEP regulatory approval process following the Commonwealth Parliament recently passing amendments to the Environment Protection (Sea Dumping) Act 1981<sup>1,2</sup>.

Australia became a party to the London Protocol<sup>3</sup> in 2000 which aims to protect and preserve the marine environment and take practical steps to prevent pollution of the sea. The capture and permanent storage of CO<sub>2</sub> in deep subsurface formations below the sea is permitted under the London Protocol following amendments to the protocol in 2009 and 2013. The recent amendments to Australia's Environment Protection (Sea Dumping) Act 1981 ensure Australia can comply with its London Protocol obligations and issue a Sea Dumping permit to enable the offshore capture, transportation, and storage of CO<sub>2</sub> in Australian waters.

These latest amendments provide Pilot with a clear regulatory pathway to provide material carbon management services to industrial emitters, particularly those in hard to abate sectors, thereby reducing the amount of CO<sub>2</sub> emissions being released into the atmosphere.

The Cliff Head CO<sub>2</sub> Storage Project (CH CCS) is located in Australian Commonwealth waters and requires Sea Dumping permits to facilitate the transfer and permanent storage of CO<sub>2</sub> within the proposed CH CCS project some ~1500m below the sea floor.

The capture and permanent storage of CO<sub>2</sub> can play a critical role by providing a means to deliver direct, measurable emissions reduction as emission intensive industries transition to the use of carbon-free fuels and energy sources.

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<sup>1</sup> [https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=r7052](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r7052)

<sup>2</sup> <https://www.dcceew.gov.au/environment/marine/sea-dumping#:~:text=Australia%20became%20a%20Party%20to,Parties%20to%20the%20London%20Protocol.>

<sup>3</sup> <https://www.imo.org/en/OurWork/Environment/Pages/London-Convention-Protocol.aspx>

The MWCEP requires regulatory approval across environmental, development and operational aspects of the project. The project's application to Declare a Greenhouse Gas Storage formation and subsequent Greenhouse Gas Injection Licence application are administered under the Offshore Petroleum and Greenhouse Gas storage act 2006.

Brad Lingo, Chairman of Pilot noted that *“the passing of this legislation continues to de-risk the development and delivery of the MWCEP which, through its proposed CO<sub>2</sub> Storage and clean ammonia production, can provide a meaningful reduction of global emissions. We congratulate the Parliament for passing this important legislation and look forward to continuing to play an active role in the development of Australia’s burgeoning CO<sub>2</sub> storage industry.”*

## 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.