



# Presentation to Good Oil Conference

## 3 September 2015

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Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery (GCoS) and a risk of development (chance of a commercial development). Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

# Corporate Snapshot



## Capital Structure (ASX: PGY)

Shares on Issue	1,585,476,834
Market Cap (@ 0.1 cents)	A\$1.6 mm
Listed Options	108,164,528

## Share Register (at 2/9/15)

No. of shareholders	1,574
Top 20 shareholders	47.4%
Board shareholding	16%

## Financial Position (at 2/9/15)

Net Cash	~A\$950,000
Debt	Nil*

\* ACES debt associated with Alaskan project was paid down on 25/08/15

# Board & Management



- New team brought in over past 18 months
- Strong technical and commercial capability
- Experienced in new ventures and asset divestment
- A lean organisation; no staff
- All four directors are invested heavily in company

**Gavin Harper**  
Non-Executive Chairman  
39 yrs experience  
*Sino Gas & Energy*  
*Chevron*

**Conrad Todd**  
Non-Executive Director  
34 yrs experience  
*Occidental*  
*Cooper Energy*

**Iain Smith**  
Managing Director  
26 yrs experience  
*Premier Oil*  
*Woodside Energy*  
*Neon Energy*

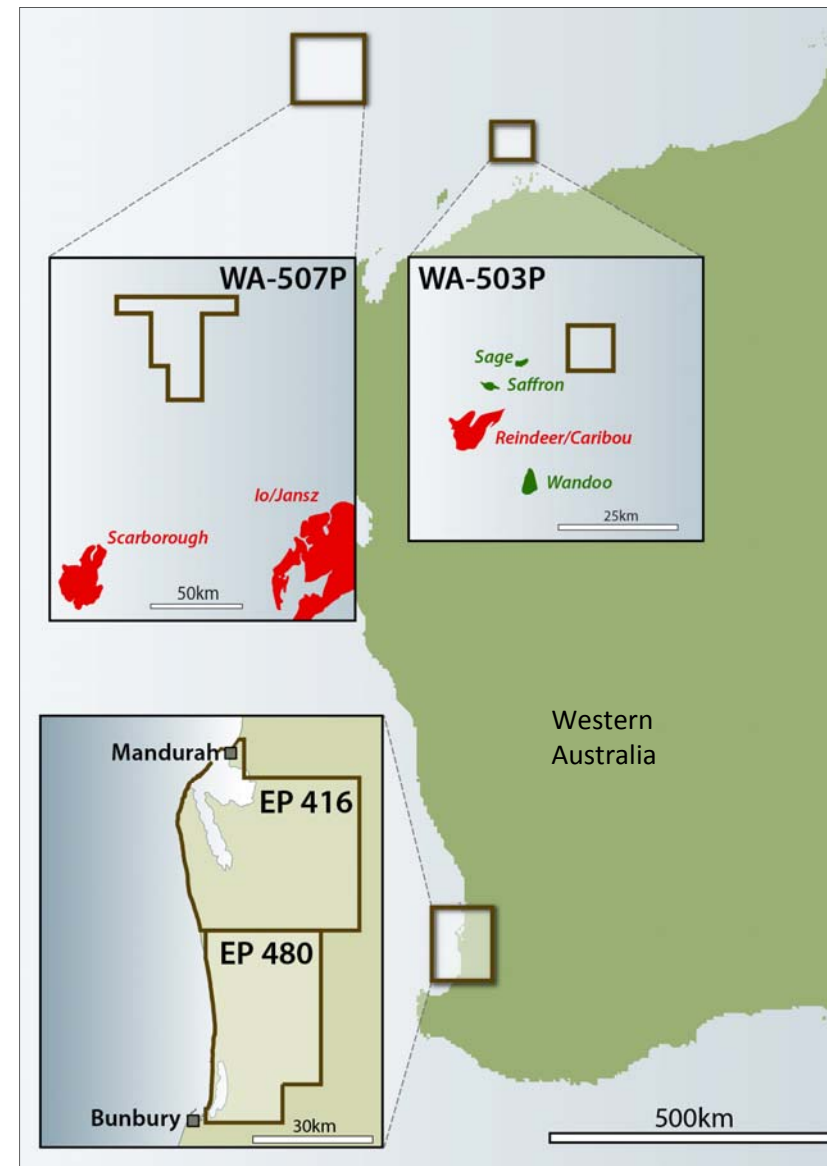
**Rory McGoldrick**  
Non-Executive Director  
15 yrs experience  
*Legal practice*  
*Various directorships*

- Create a leading junior E&P company, by developing a balanced portfolio of quality E&P assets
- Focus on exploration of conventional resources
- Countercyclical investment philosophy – position for industry recovery
- Operator on new projects, to control schedule and costs
- Maintain strong commercial discipline
  - Low project entry costs with manageable commitments
  - Add value through low cost “desktop” studies
  - Fund seismic & drilling costs via farmout to industry partners
  - Allow sufficient time to bring in farmin partners
- Leverage government R&D incentives where possible
- Minimise corporate costs

# Asset Portfolio



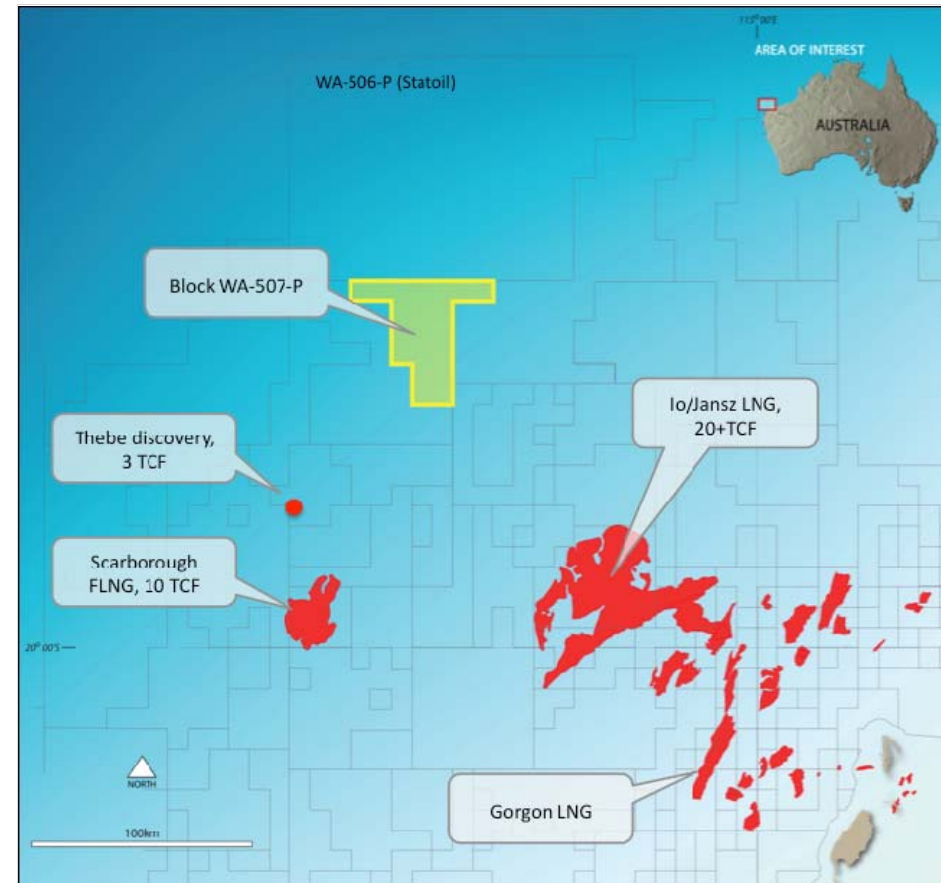
- New ventures program initiated 12 months ago has rapidly resulted in three new projects
- Opportunistic acquisition of WA-507-P and WA-503-P
- Recently announced farmin to EP416/480
- Balanced portfolio in proven petroleum systems
- Consistent low entry cost with manageable commitments
- Material working interests provide scope to farm down
- Scope to receive 45% govt R&D rebates



# WA-507-P: Company-making Exploration



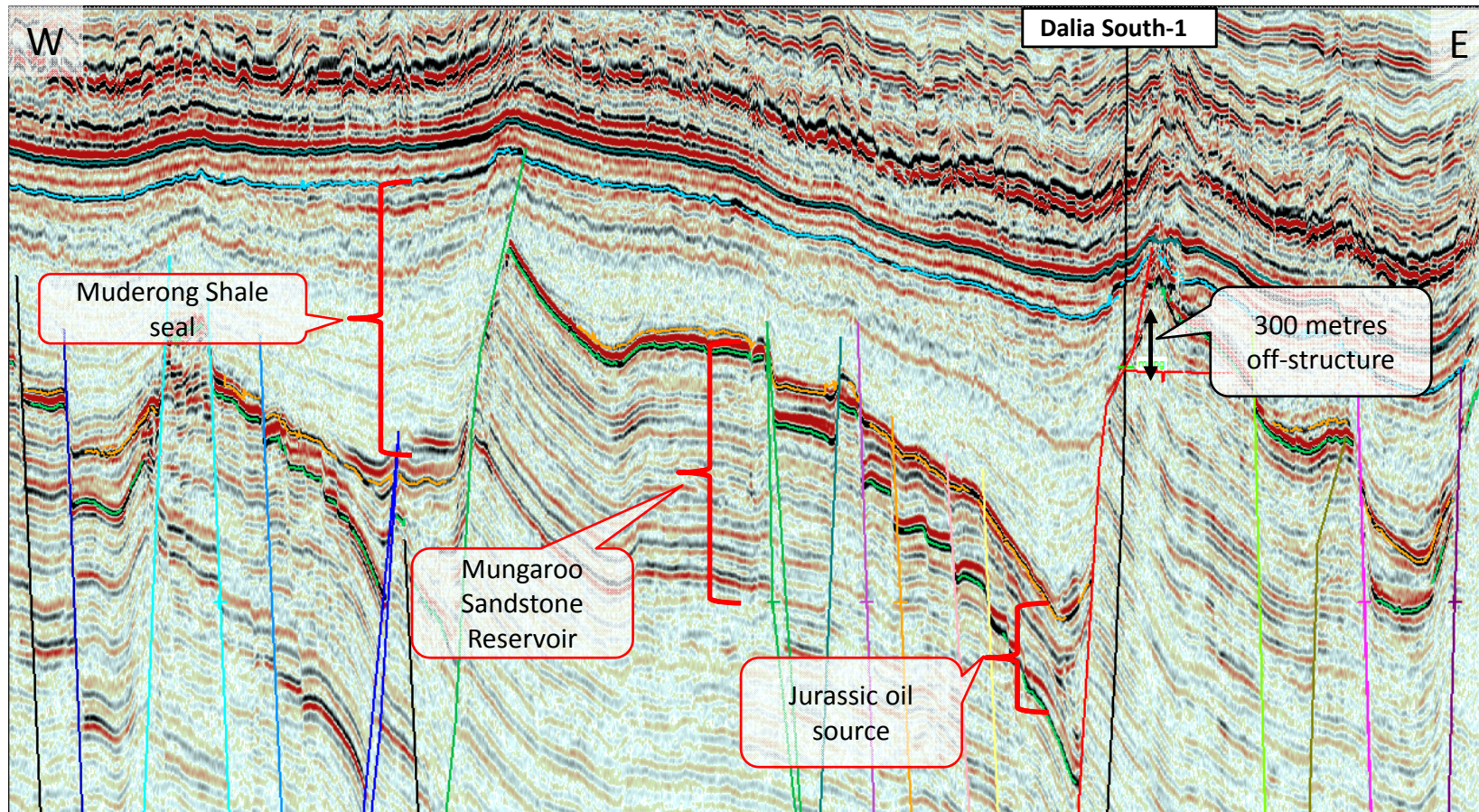
- 80% working interest (Operator)
- Large block within Northern Carnarvon Basin gas province
- Emerging oil play being pursued by industry
- Pilot has licensed existing 3D seismic data on favourable terms
- Three large prospects identified
- Excellent potential for gas development via FLNG or tie-back to existing infrastructure
- Statoil, Eni and others investing heavily in exploration of adjacent blocks



# WA-507-P: Oil & Gas Play



Well defined, very large prospects



Seismic images shown with permission of TGS



# WA-507-P: Prospective Resources



- Independent prospective **gas** resource estimate by Gaffney Cline & Associates
- Confirms significant gas potential within three distinct leads
- On-block potential of 10 Tcf gas (Best Case)\*
- Individual prospect potential up to 9.6 Tcf within block (High Case)
- Company commissioning an independent assessment of prospective **oil** resources, for the three leads

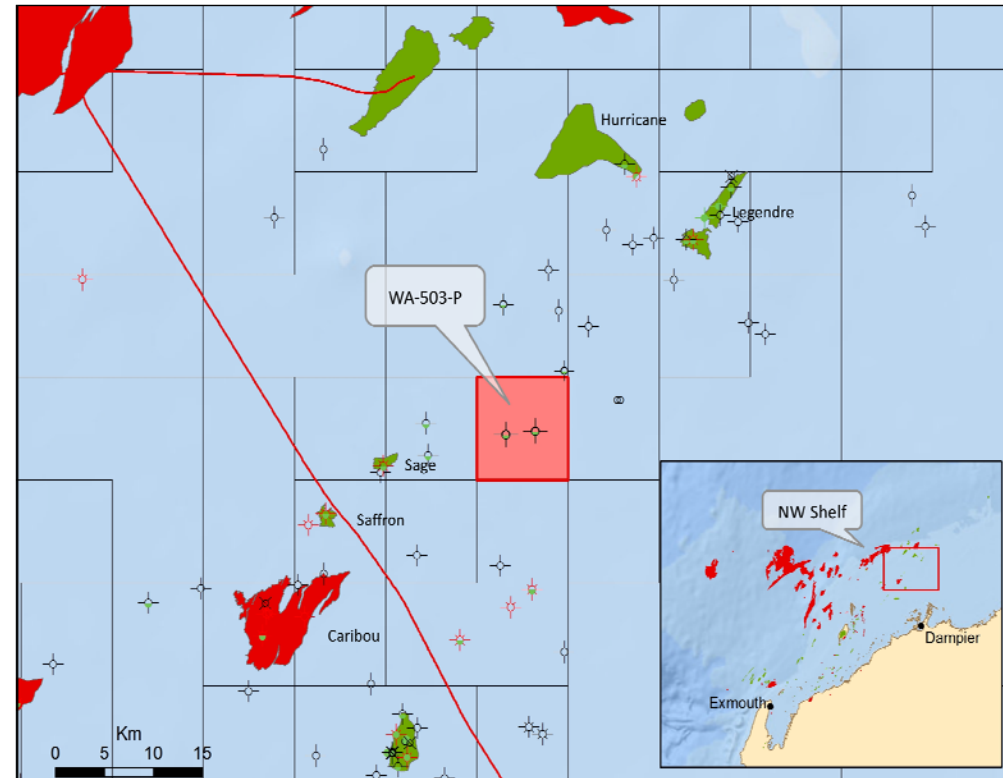
Lead	Low (Bscf)	Best (Bscf)	High (Bscf)
<i>Dalia Updip</i>	1,644	4,734	9,639
<i>Beta</i>	1,010	2,436	5,674
<i>Gamma</i>	1,376	2,877	5,786

\*Based upon Best Case estimates of each lead arithmetically summed by Pilot Energy

# WA-503-P



- 80% working interest (Operator)
- Transitional Work Program variation recently approved by NOPTA
- 3D seismic commitment now required by May 2017
- Shallow water, along trend from multiple oil discoveries
- Three prospects identified



- Individual prospective oil resources in range 10 mmbbls to 40 mmbbls (best case)
- Finalising interpretation prior to independent prospective resource assessment

# Perth Basin



- Farming in to EGO's EP416 & EP480
- Earning 60% interest, as Operator
- Low cost entry to exciting play
- Local gas demand & infrastructure
- Underexplored
- Same geological formations exist as in the north Perth Basin
- Large prospect identified on seismic
- Best case prospective resources estimated at 270 Bcf gas, in Leseur and Sue reservoirs
- Empire currently interpreting recent airborne geophysical survey data



# Alaska Situation

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- Legacy asset of 30% interest in Western Block, North Slope Alaska
- Current Board regards the Alaska farmin of 2013 as ambitious in terms of schedule and work program
- Farmin agreement and Joint Operating Agreement with Operator Royale Energy provided Pilot with no control over expenditure
- Postponement of drilling has led to disagreement on way forward, resulting in litigation
- US\$6.7 million ACES facility debt recently paid off
- Pilot and Royale continue to work towards achieving a commercial settlement in order to resolve the dispute
- Pilot remains hopeful that an agreement will be reached with Royale, which will allow both companies to extract value

# In Summary

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- Revitalised and experienced Board with track record of creating value
- Successful new ventures program has created an exciting project portfolio
- Significant prospective resources being independently assessed
- No value presently being recognised for assets
- Board are significantly invested in the company
- Delivering against strategy
- Low commitments
- Maintaining commercial discipline and keeping control, as Operator

## Thank You

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