



Presentation to AGM  
Project Update  
24 February 2016

# The Past 12 Months

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- Added three new assets to portfolio
- Change of name to Pilot Energy Ltd, to reflect new direction
- Bolstered Board with appointment of Rory McGoldrick
- Appointed full time Managing Director
- Exited Alaska with US\$500,000 settlement to Pilot
- Paid off Alaskan ACES debt; now debt free
- Relocated to low cost, serviced office premises in Perth
- Significantly reduced corporate overheads
- Completed underwritten Rights Issue
- Personal investment by directors exceeds > \$300,000
- Confirmed very significant prospective resources in WA-507-P
- Gained transitional work program variation on WA-503-P
- Completed Falcon aero-geophysical survey over EP416/480 (Empire Oil & Gas)
- Successfully deferred project costs
- Commenced farmout process on offshore permits

# Project Portfolio

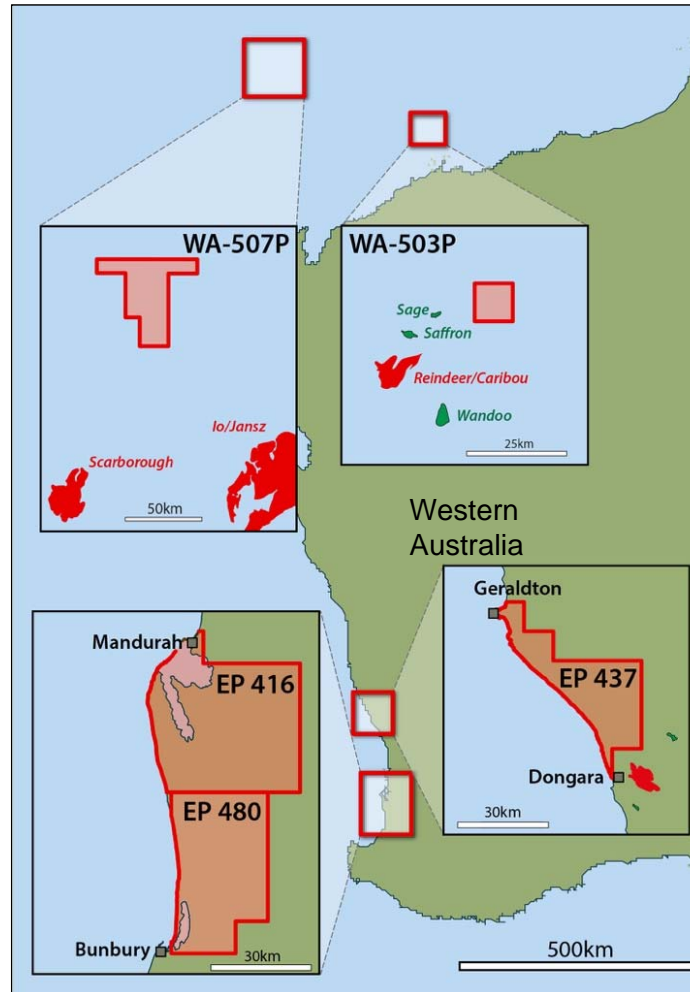


## WA-507-P

- Excellent address
- Very significant prospective oil & gas resources
- Increasing industry interest in oil play
- Seismic costs deferred
- Farmout process underway

## EP416/480

- Significant prospective gas resources
- Gravity survey confirms prospectivity
- Forward work program to bring Leschenault prospect to drillable status
- Farmout process pending



Diverse portfolio with three potential company-making projects

## WA-503-P

- Independent assessment of prospective oil resources nearing completion
- Three prospects on established oil trend
- Low cost 3D seismic survey planned for 2016
- Farmout process underway

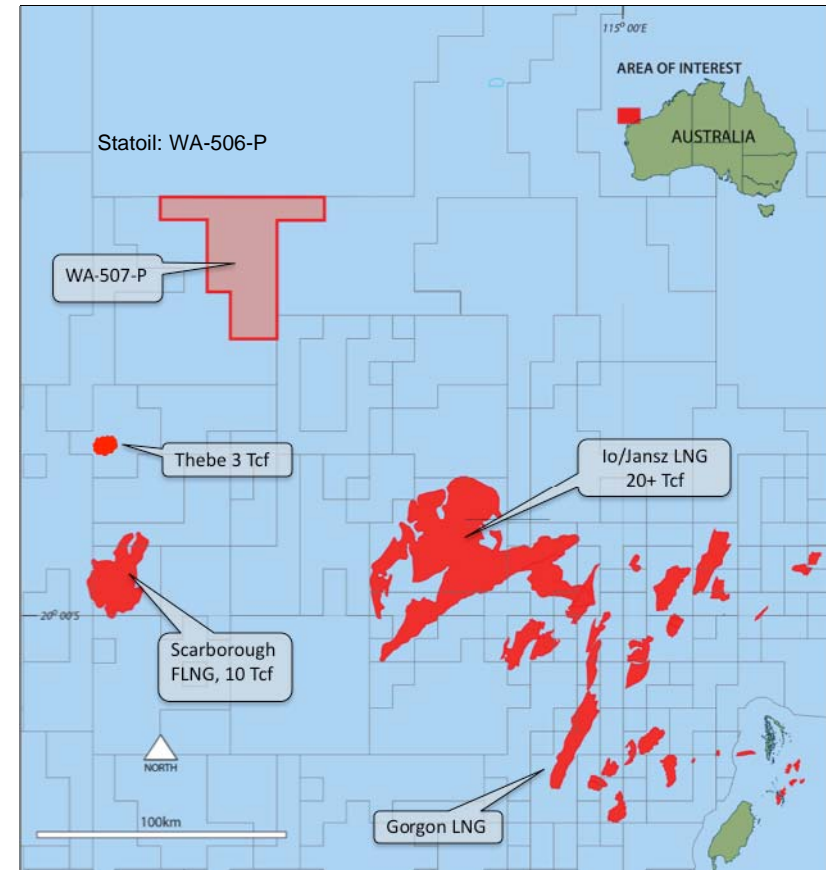
## EP437

- Low cost, onshore oil/gas exploration
- 2016 work commitments fulfilled
- Joint Venture evaluating drilling opportunities
- Foothold in north Perth Basin

# WA-507-P



- On trend with major gas discoveries
- Three very large & robust prospects identified on existing 3D seismic data
- Prospective resources independently assessed by Gaffney Cline & Associates (GCA)
- Up to 20 Tcf gas or 3.6 Billion Bbls oil
- Primary term work commitment fulfilled by licensing existing 3D seismic data
- Negotiated extended payment terms for seismic license fee with TGS Nopec
- Statoil's contingent well required to be drilled by late 2018
- Pilot Energy drill or drop decision by late 2019 – provides important optionality
- Emerging oil play and adjacent open acreage attracting considerable industry interest
- Early stage farmout discussions underway

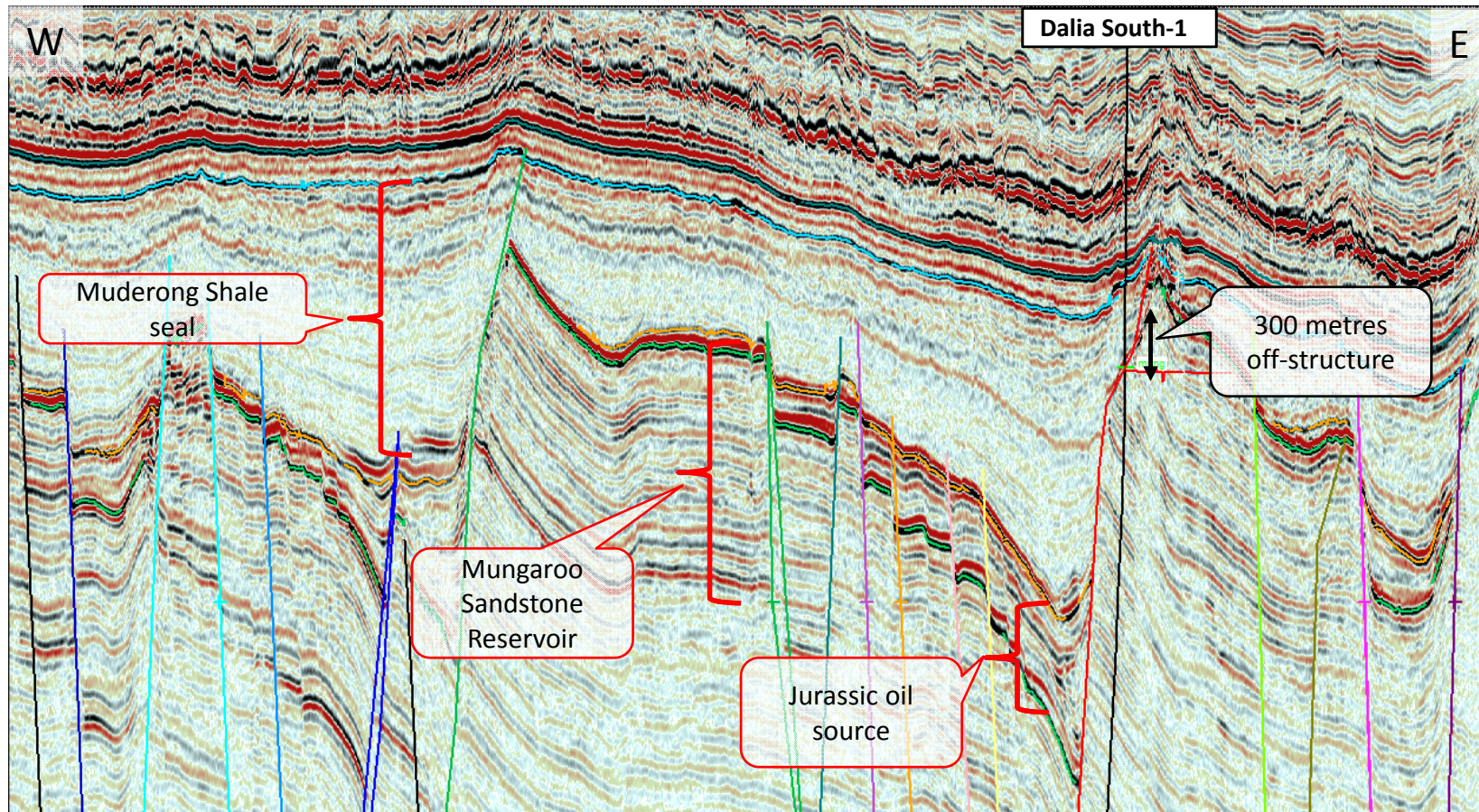


Very high impact deep water  
oil & gas exploration  
PGY 80% and Operator

# WA-507-P: Oil & Gas Play



Well defined, very large structural prospects

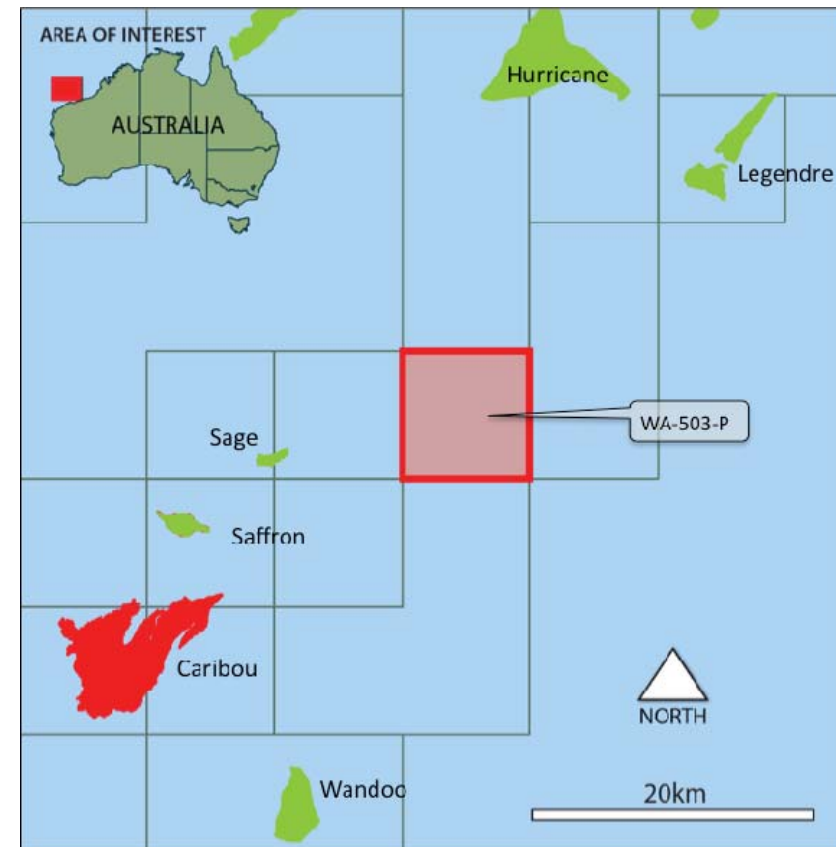


Seismic images shown with permission of TGS

# WA-503-P



- Prospective for oil, located on Legendre oil trend
- Three prospects identified on existing 3D seismic data
- Nearby wells confirm working oil system on-block
- GCA assessment of prospective resources expected to be completed shortly
- Primary term work commitment to acquire 80 km<sup>2</sup> new broadband 3D seismic data
- Low cost seismic contract in place with CGG
- Awaiting confirmation of vessel availability for acquisition in 2016
- No firm drilling commitment
- Farmout process commenced

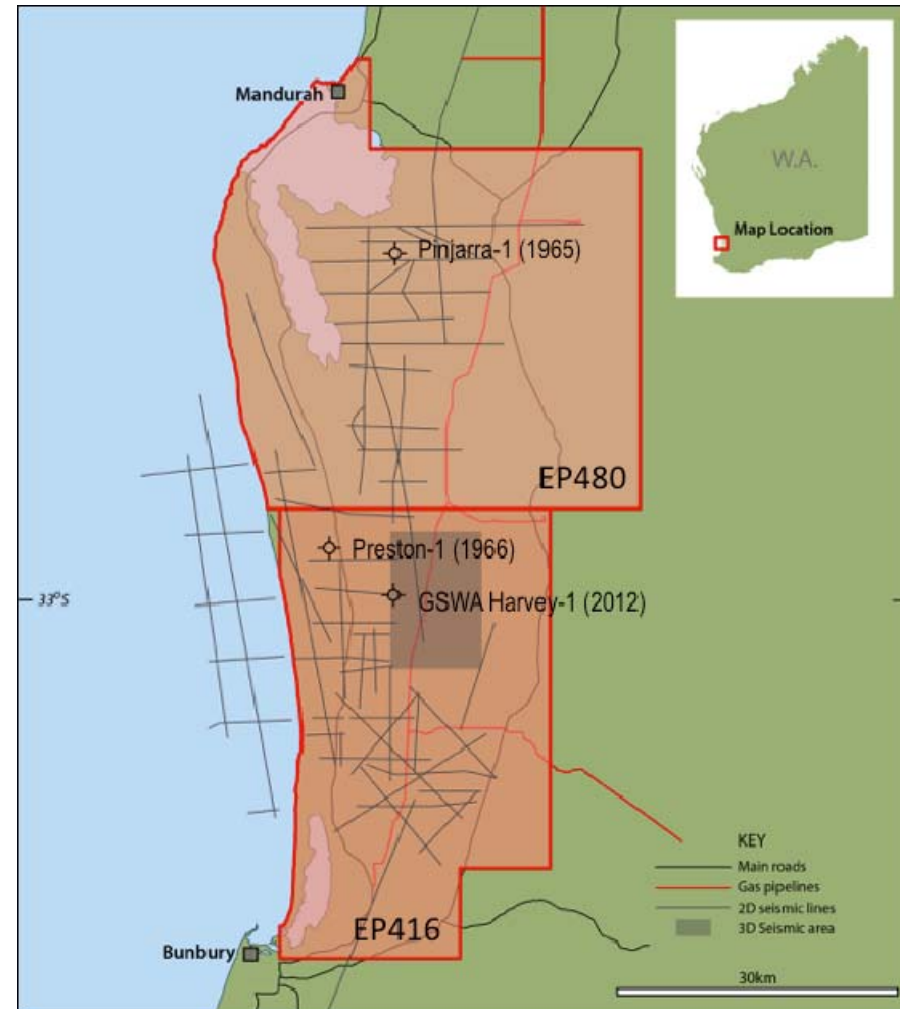


High impact shallow water oil  
exploration  
PGY 80% & Operator

# EP416 & EP480



- Transfer of title and operatorship to Pilot Energy recently approved by DMP
- Permits located in southern Perth Basin
- Large Leschenault gas prospect present on existing 2D seismic
- Up to 200km<sup>2</sup> structural closure
- Nearby wells confirm presence of source, reservoir and sealing formations
- Up to 600 Bcf gas
- Preliminary interpretation of airborne geophysical survey complete
- JV considering future work program to progress prospect to drillable status, prior to initiating farmout process

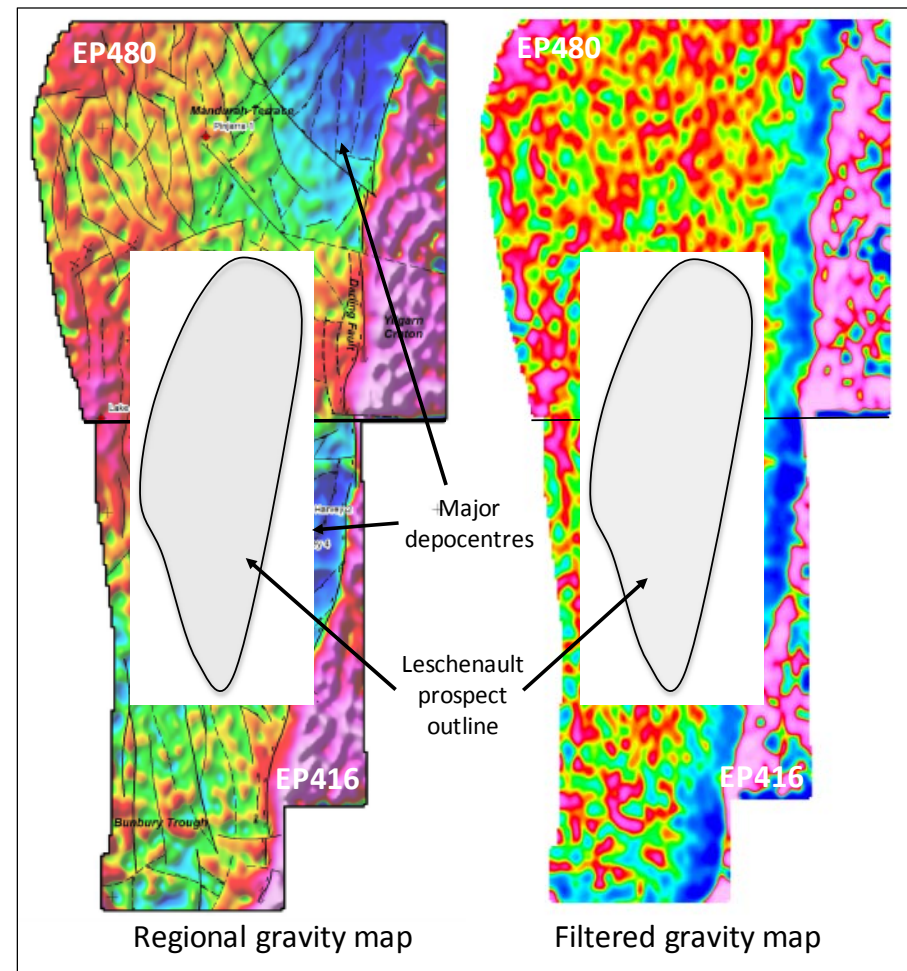


High impact low cost onshore gas exploration  
PGY 60% & Operator

# EP416 & EP480 Falcon Survey



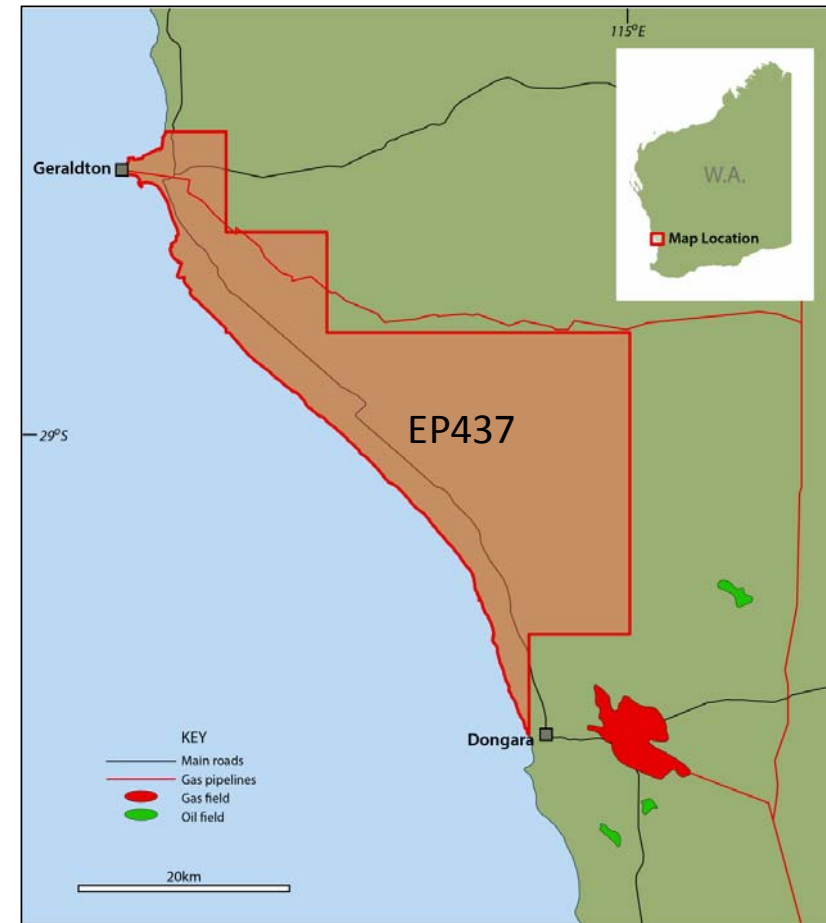
- *Falcon* Airborne Gravity Gradiometry survey acquired by Empire Oil & Gas in mid 2015
- Regional data confirms presence of major depocentres to NE and SE of Leschenault prospect
- Depocentres thought to be “source kitchens” for gas
- Leschenault prospect situated updip of depocentres on flank of regional gravity “high”
- Localised gravity data supports seismic interpretation of prospect structure
- Magnetic data provides high resolution faulting dataset, for incorporation in to seismic interpretation





# EP437

- Acquired ~13% interest in November 2015
- DMP approval of title transfer pending
- Located in northern Perth Basin, on trend with multiple oil & gas discoveries
- Prospective for both oil & gas
- Three prospects identified, all updip from Dunnart-1 & 2 wells
- Proximity to infrastructure enables even small discoveries to be monetised
- Commitments for 2016 permit year already fulfilled
- JV incorporating data from Dunnart-2 well test
- JV considering future drilling targets



Low cost onshore oil &  
gas exploration  
PGY 13.058%

# Portfolio Prospective Resources



Permit	Oil/Gas	Low Case	Best Case	High Case
WA-507-P	Oil	604 MMBbl	1,581 MMBbl	3,600 MMBbl
WA-507-P	Gas	4,030 Bscf	10,047 Bscf	21,099 Bscf
WA-503-P	Oil	25 MMBbl	68 MMBbl	180 MMBbl
EP416/480	Gas	90 Bcf	270 Bcf	600 Bcf
EP437	In progress			

Notes:

1. All quoted prospective resources are gross (100%) on-block
2. For WA-507-P the quoted prospective resources are the arithmetic sum of the three leads identified by Pilot Energy and individually assessed by GCA. The leads are prospective for oil or gas, or a combination of oil and gas. Refer to Company ASX announcements of 25 February 2015 and 20 October 2015.
3. For WA-503-P the quoted prospective resources are the arithmetic sum of the three leads identified by Pilot Energy, and are the current internal estimates of Pilot Energy. The prospective resources are being assessed by GCA and results will be released to the ASX shortly.
4. For EP416/480 the quoted prospective resources are the arithmetic sum of the two reservoirs within the Leschenault lead, and are an internal estimate by Pilot Energy. Refer to Company ASX announcement of 2 September 2015.
5. For EP437, Pilot Energy has not yet completed the necessary work to provide a valid internal estimate of the permit's prospective resources, having only recently acquired its interest in the permit.

# Summary

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- Asset portfolio provides exposure to three potential company-making projects
- Diversity in asset base – onshore & offshore, oil & gas
- Presently focused on conventional reservoirs only
- Low work commitments
- Operatorship provides important degree of control
- Moving towards independently verified prospective resources for all assets, as basis for farming out
- Successfully deferring project costs, where appropriate
- Pilot Energy very well positioned for industry recovery

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