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**Announcement to ASX**

**12 August 2021**

**ASX: PGY**

**PILOT TO COMMENCE MID WEST WA WIND AND SOLAR  
PROJECT FEASIBILITY STUDY**

**Highlights**

- Contractual terms finalised with key consultants for commencement of Mid West Wind and Solar Hydrogen Feasibility Study
- Key consultants engaged to conduct the Feasibility Study include internationally recognised Genesis and Technip Energies, Lautec and Green Fuel Development

Pilot Energy Limited (“Pilot” or “The Company”) is pleased to announce that following shareholder approval of the \$8 million equity capital raise (at the Company’s General Meeting held on 4 August 2021) and reinstatement of trading in Pilot shares (refer ASX Announcement dated 11 August 2021), Pilot is now in a position to commence the Mid West Wind and Solar Preliminary Feasibility Study (“Feasibility Study”). The Feasibility Study is being undertaken in compliance with the ASX conditions previously disclosed and as set out in Annexure 1.

As a diversified energy company, Pilot plans to leverage its existing oil and gas assets together with established energy industry infrastructure to become a leading developer of competitive clean energy projects in Western Australia. The Feasibility Study is designed to assess the integration of offshore and onshore wind and solar projects with existing assets and infrastructure to deliver competitive clean energy. Selected development projects identified by the study will form the basis for future FEED studies, partnering and other corporate initiatives.

Pilot has engaged Genesis, a wholly owned Technip Energies company (“Genesis”), Lautec AU Pty Ltd (“Lautec”) and Green Fuel Development Pty Ltd (“GFD”) to assist with the Feasibility Study to be conducted over the Mid West project area (see Figure 1). A summary of the Feasibility Study (including description, cost, and timing) is set out in the table below.

Feasibility Study		Forecast total cash cost	Timing
<b>Renewables Study</b>			
1.	Mid West Wind & Solar	\$0.9m	Q3 FY21 – Q2 FY22

**Figure 1. Pilot’s Mid West and South West project overview in WA**

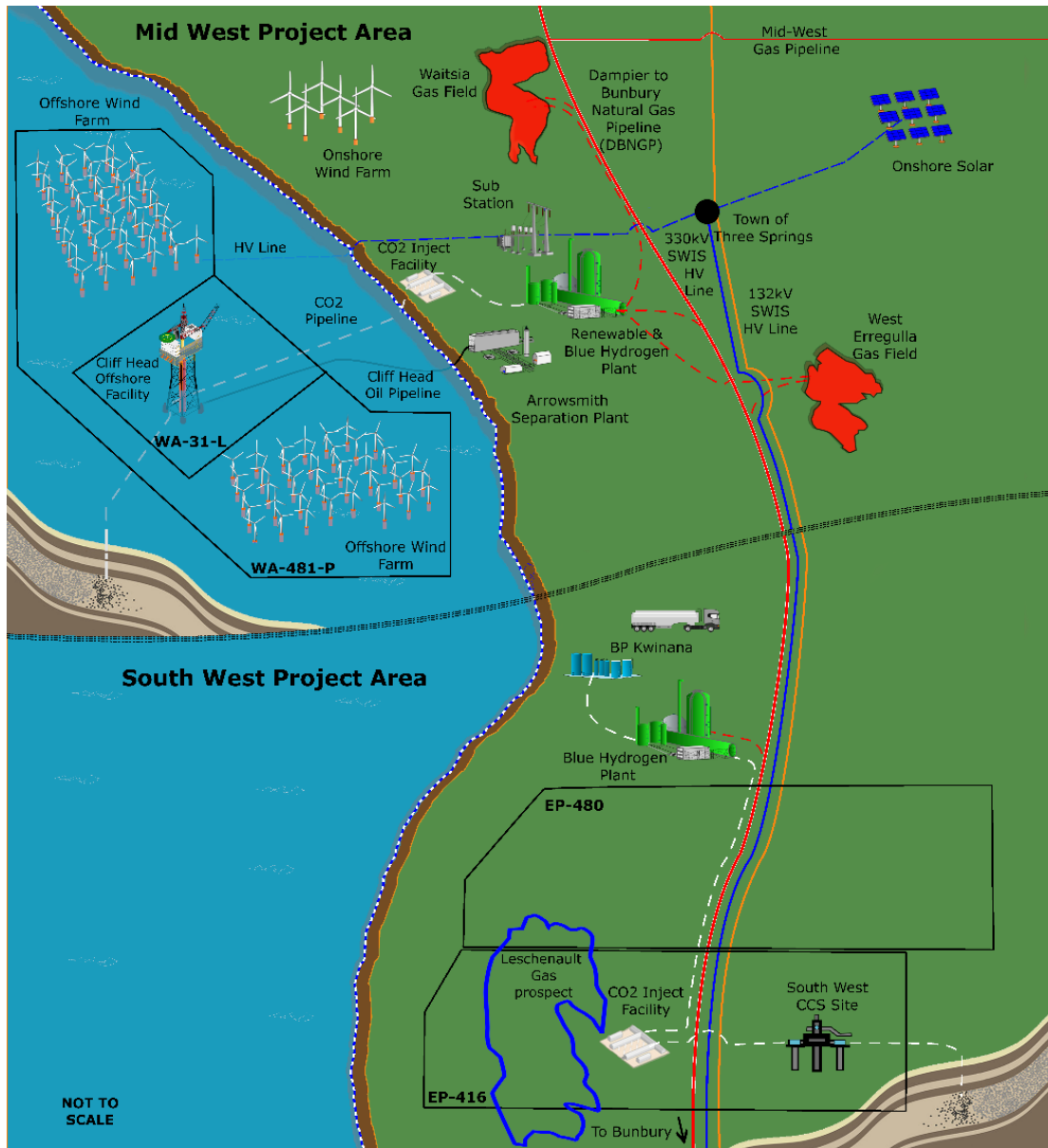
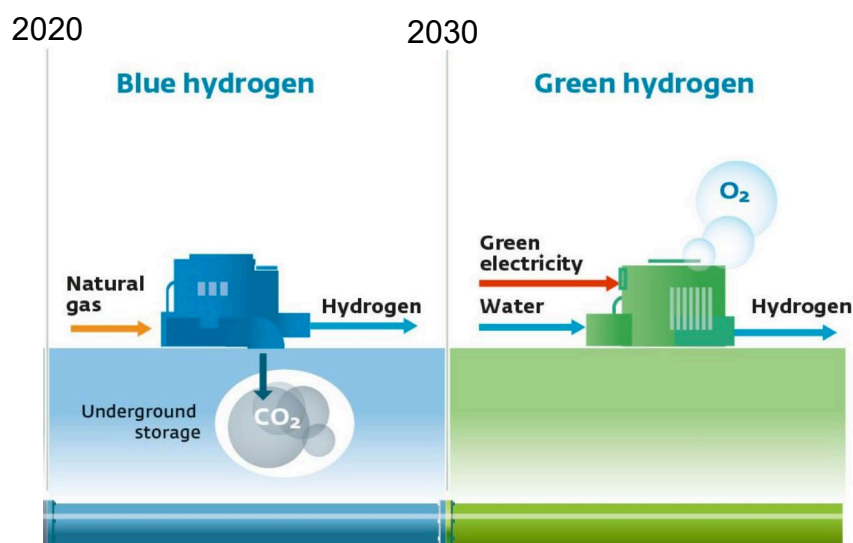


Figure 1. above depicts Pilot’s projects and facilities together with infrastructure that Pilot proposes to develop subject to the results of the feasibility studies. Pilot’s future projects anticipate leveraging it’s existing assets and resources to develop world-class clean energy projects across the Mid West and South West regions of Western Australia. The future infrastructure projects may include, as shown above, a CO<sub>2</sub> pipeline and injection facility, blue hydrogen plants, CCS sites, offshore and onshore

wind, solar, renewable hydrogen plant, substation, transmission lines and hydrogen pipelines.

Pilot's Executive Chairman, Brad Lingo noted that *"the Company is now well capitalised to support its business plans to become a leading energy developer and provider of clean energy projects in WA. The commencement of the feasibility studies is an important step in confirming the technical and commercial feasibility of the combined Mid West offshore wind and onshore wind and solar project development plans."*



Source: Gasunie - "Indications of Hydrogen"

## Overview of the Mid West Wind and Solar Feasibility Study

The Mid West region hosts world-class offshore and onshore renewable energy resources which overlap Pilots WA-481 P and Cliff Head oil field and the region's gas and electrical transmission infrastructure. The objective of this study is to assess the renewable energy resource potential across the Mid West region and commercialisation of the resources via the production and sale of hydrogen. Three leading international feasibility contractors have been engaged to assist with the study and further external assistance may be required to complete the study.

Pilot has engaged Genesis to project manage the feasibility study and prepare the overall study report in conjunction with the Company and the other feasibility consultants. In addition, Pilot is leveraging Technip Energies' significant hydrogen industry experience to complete an assessment of the renewable hydrogen production technologies and hydrogen markets.

Laotec, a specialist offshore wind farm development consultant, and GFD, a renewable energy infrastructure developer with specific experience identifying and developing projects in Western Australia, have been engaged to provide an assessment of the region's offshore and onshore renewable energy resources and project infrastructure requirements focusing on ports and electrical transmission aspects of the project. Laotec in conjunction with C2Wind ApS ("C2Wind"), will also assist the company with an offshore wind resource baseline survey that will commence in parallel with the feasibility study. The survey is expected to be conducted using a fixed LiDAR system.

The onshore solar study will incorporate an assessment of an existing utility scale solar development project progressed by the GFD team. In recognition of the existing intellectual property and land access arrangements and the future potential of the project (based on initial reviews), Pilot has secured an option to progress the development of this project.

Subject to completion of the Feasibility Study (and its results) and compliance with the Mid West Reporting Conditions (refer to Annexure 1), on the delivery of a development approval and land access arrangements for at least a 150MW solar development, Pilot has an option to continue with the project. Pilot has made no decision as to whether to proceed with the project and will only do so at the relevant time having regard to the results of the Feasibility Study and after consultation with the ASX in relation to the application of the ASX conditions in Annexure 1. If Pilot proceeds with the project, it has agreed to pay a project development initiation fee (\$325,000 cash plus issue up to 12,500,000 ordinary shares valued at 10 cents per share) and in the event the company proceeds to a final investment decision (FID) a further fee of 25,000,000 ordinary shares (valued at 10 cents per share) would be payable.

If Pilot elects not to proceed with the project, GFD can elect to have the relevant project intellectual property assigned to it and Pilot will have no further entitlement to pursue the project.

The ASX Mid West Reporting condition requires Pilot comply with all of the requirements of Chapters 1 and 2 of the Listing Rules if proceeding beyond the feasibility study stage of the Mid West Wind & Solar Project (or incurring expenditure in excess of the \$1.2 million in relation to the Mid West wind & solar project). The results of the Feasibility Study will support submissions to the ASX regarding the future nature and scale of the Pilot business and compliance with Chapters 1 and 2 of the Listing Rules.

The forecast cost of the study is \$0.9 million and the study will be conducted over a 6-month period. Key outcomes of the study will include detailed description and assessment of development projects, levelised cost of hydrogen and electricity.

## Feasibility Consultants – further information

Genesis, Technip Energies



Christophe Malaurie, Senior Vice President of Genesis, stated *“We are incredibly excited to work with Pilot on this promising energy transition project for the Mid West region. It demonstrates not only our commitment to a sustainable future, but is recognition of our ability to frame, assess and present the critical information to allow robust investment decision.”*

Genesis is a market-leading advisory company wholly owned by Technip Energies and focused on providing technical and advisory services to the global energy industry. Located in 18 global locations, Genesis’ highly experienced teams and sophisticated tools and processes, offer robust support to our clients, helping them to de-risk projects and maximise value in their investments. Genesis is committed to being trusted advisors while delivering low-carbon solutions for a sustainable future.

Genesis and Technip Energies are at the forefront of the energy transition which provides the ability to reach out to over 15,000 employees worldwide including global subject matter experts in key areas such as Hydrogen, Sustainable Chemistry, Decarbonisation and Carbon Free Energies. This will provide the feasibility study with the latest up-to-date understanding of technologies from across the globe and how they can be utilised for the Mid West Projects.

Technip Energies brings quality consultancy experience, with highly regarded expertise in both the energy and hydrogen fields. It has been responsible for over 270 hydrogen production plants worldwide, which now account for more than 35% of the world’s current hydrogen production, and has recently launched BlueH2 by T.EN™, a full suite of deeply-decarbonized and affordable solutions for hydrogen production able to reduce by up to a 99% the carbon footprint compared to the traditional hydrogen process.

<https://www.technipenergies.com/>

<https://www.genesisenergies.com/>

## Lautec

# LAUTEC

Lautec is a specialist offshore wind consultant supporting projects worldwide, from early development through to contracting and execution. Experts in PMO (planning, risk, interface, budget), GIS, quality & fabrication management, and related onshore infrastructure, their consultants ensure clients get projects successfully through development and execution. Lautec is registered and active in Australia with base in Melbourne for 2.5 years. Currently, Lautec is involved in the development and construction of more than 10GW of offshore wind projects in Europe, Asia, and the Americas notably Energy Hubs in Northern Europe including green hydrogen and Star of the South 2.2 GW offshore wind farm in Gippsland, Victoria.

<https://lautec.com/#>

## Green Fuel Development



GFD is a renewable energy infrastructure developer with offices in Australia, Switzerland, France and Spain. The GFD executive team has specialist expert engineering and commercial qualifications and capability in renewable energy. Since 2011 the team has designed and developed renewable energy projects, including large scale infrastructure and microgrids, through full approvals and construction in Australia and Europe.

Extensive experience developing large-scale solar in the Mid-West region of Western Australia makes GFD the ideal solar development partner for Pilot as it builds out its credible and ambitious Mid-West Development vision. GFD's global networks in green energy are ideally suited to deliver additional value to Pilot through access to commodity offtake, supply chain partners, technical expertise, new technologies, and insights into developing large-scale green infrastructure projects in the emerging green fuels economy.

<https://www.greenfueldevelopment.com/>

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 currently a junior oil and gas exploration and production company that is aggressively pursuing the diversification and transition to the development of integrated renewable energy, hydrogen and carbon management projects by leveraging its existing oil and gas tenements and infrastructure to cornerstone these developments.

Pilot holds a 21.25% interest in the Cliff Head Oil field, material working interests in WA-481-P and EP416/480 exploration permits, located offshore and onshore Western Australia, which form foundation assets for the potential development of clean energy projects in Western Australia.

## **Annexure 1 Feasibility Study Reporting Conditions**

1. The Company must continue to spend funds on its existing and proposed oil and gas projects.
2. The Company must disclose in each quarterly activities report until September 2022, the proportion of expenditure incurred in relation to exploration and evaluation on the oil and gas projects and the Mid West Wind and Solar Project.
3. The Company must disclose as separate line items in each quarterly activities report until September 2022, expenditure incurred in relation to exploration and evaluation on the oil and gas projects and the Mid West Wind and Solar Project.
4. Proceeding beyond the feasibility study stage of the Project (or incurring expenditure in excess of the budgeted feasibility expenditure in relation to the Project) constitutes a change in the nature and scale of the Company's activities in terms of Listing Rule 11.1 and as such the Company will be required to comply with all of the requirements of Chapters 1 and 2 of the Listing Rules before it proceeds beyond the feasibility study or incurs expenditures in excess of the budgeted feasibility expenditure on the Project.