



PILOT ENERGY LIMITED
ABN 86 115 229 984

**NOTICE OF ANNUAL GENERAL MEETING,
EXPLANATORY MEMORANDUM
AND
PROXY FORM**

Date of Meeting: Tuesday 6th February 2024

Time of Meeting: 9.00am (AEDT)

Place of Meeting: the offices of A.D. Danieli
at Level 1, 261 George St, Sydney, NSW, 2000

PILOT ENERGY LIMITED
ABN 86 115 229 984

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Pilot Energy Limited ("**Company**") will be held at 9.00am (AEDT) on Tuesday 6th February 2024 at the offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000.

In order to determine voting entitlements, the register of Shareholders will be closed at 7:00pm (AEDT) on Sunday 4th February 2024.

An Explanatory Memorandum containing information in relation to each of the Resolutions to be put to the Meeting accompanies this Notice.

AGENDA

ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

TO RECEIVE AND CONSIDER the annual financial report for the Company for the financial year ended 30 September 2023 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

RESOLUTION 1: ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report contained within the Company's annual financial report for the financial year ended 30 September 2023."

Note 1: The vote on this resolution is advisory only and does not bind the Directors of the Company.

Note 2: If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all the Company's Directors (other than the Managing Director) must stand for re-election.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 1 by, or on behalf of:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) an associate or Closely Related Party of a member of the Key Management Personnel.

However, this does not apply to a vote cast on Resolution 1 by:

- (c) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (d) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 2: RE - ELECTION OF DIRECTOR – MR DANIEL CHEN

To consider, and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That in accordance with Rule 3.6 of the Constitution, ASX Listing Rule 14.5 (pursuant to which an election of a director must occur at each annual general meeting of the Company) and for all other purposes, Mr Daniel Chen retires as a director of the Company with effect on and from the close of this Meeting and being eligible and available, is hereby re-elected as a director.”

RESOLUTION 3: APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 3 by, or on behalf of, any person who, if the Resolution is passed, is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Important note: The proposed recipients of any Equity Securities under the 10% Placement Capacity are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

RESOLUTION 4: RATIFICATION OF PRIOR ISSUES OF SHARES TO CONSULTANTS IN LIEU OF PART OR FULL PAYMENT OF FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and all other purposes, Shareholders ratify the issue of a total of 31,285,773 fully paid Shares on 6 July 2023 under Listing Rule 7.1 to the consultants of the Company detailed in the Explanatory Memorandum."

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 4 by:

- a person who participated in the issue being approved by the Resolution; and
- any associate of those recipients.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 5: RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

To consider and, if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 119,600,000 Placement Shares under Listing Rule 7.1 at \$0.02 per Share, on 14 November 2023 on the terms and conditions set out in the Explanatory Memorandum."

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of these resolutions by:

- a person who is participated in the issue being approved by the Resolution; and
- any associate of those recipients.

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 6: APPROVAL OF FUTURE ISSUE OF ATTACHING PLACEMENT OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the future issue of up to 29,900,000 attaching, unlisted Placement Options attaching to the Placement Shares on a 4:1 basis, exercisable before the Option Expiry Date, on the terms and conditions set out in the Explanatory Memorandum.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 6 by:

- a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 7: APPROVAL OF FUTURE ISSUE OF PLACEMENT SHARES AND ATTACHING OPTIONS TO MR TONY STRASSER – MANAGING DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the future issue of 500,000 Placement Shares at \$0.02 each, together with 125,000 attaching Placement Options, to Mr Tony Strasser (and or his nominee), on the terms and conditions set out in the Explanatory Memorandum.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 7 by:

- Mr. Strasser (or his nominee) or any associate of Mr. Strasser (or his nominee) and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a Shareholder); and
- any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 8: APPROVAL OF FUTURE ISSUE OF PLACEMENT SHARES AND ATTACHING PLACEMENT OPTIONS TO MR. DANIEL CHEN – NON-EXECUTIVE DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an

ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the future issue of 600,000 Placement Shares at \$0.02 each together with 150,000 attaching Placement Options, to Mr Daniel Chen (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 8 by:

- Mr. Chen (or his nominee) or any associate of Mr. Chen (or his nominee) and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a Shareholder); and
- any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the relevant Resolution as the Chair decides; or
- a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 9: APPROVAL OF FUTURE ISSUE OF PLACEMENT SHARES AND ATTACHING PLACEMENT OPTIONS TO MR. BRUCE GORDON – NON- EXECUTIVE DIRECTOR

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Placement Shares at \$0.02 each together with 125,000 attaching Placement Options, to Mr. Bruce Gordon (or his nominee), on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

In accordance with Listing Rule 10.11 the Company will disregard any votes cast in favour of this Resolution 9 by:

- Mr. Gordon (or his nominee) or any associate of Mr. Gordon (or his nominee) and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a Shareholder);
- and those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of this resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 10: APPROVAL OF FUTURE ISSUE OF BROKER OPTIONS TO WHAIRO CAPITAL PTY LTD.

To consider and if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to issue 6,000,000 unlisted Options with an exercise price of \$0.05 to Whairo Capital Pty Ltd (or its nominee), on the terms and conditions more fully described in the Explanatory Memorandum.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 10.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 10 by:

- (a) Whairo Capital Pty Ltd (or its nominee), and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of this Resolution 10 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 10 in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 11 – APPROVAL FOR FUTURE ISSUE OF UNLISTED OPTIONS TO MIRO CAPITAL PTY LTD

To consider, and if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to issue 10,000,000 unlisted options over the issued capital of the Company to Miro Capital Pty Ltd (or its nominee) on terms and conditions set out in the Explanatory Memorandum.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 11.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 11 by:

- (a) Miro Capital Pty Ltd (or its nominee), and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of this Resolution 11 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 11, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 12–APPROVAL FOR FUTURE ISSUE OF UNLISTED OPTIONS TO NEW ENERGY PARTNERS PTY LTD

To consider, and if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and all other purposes, approval is given for the Company to issue 10,000,000 unlisted options over the issued capital of the Company to New Energy Partners Pty Ltd (or its nominee) on terms and conditions set out in the Explanatory Memorandum.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 12.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 12 by:

- (a) New Energy Partners Pty Ltd (or its nominee), and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of this Resolution 12 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 12, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 13 – APPROVAL FOR FUTURE ISSUE OF CONVERTIBLE NOTES AND CONSEQUENTIAL ISSUE OF SHARES

To consider, and if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 6 convertible notes to Discovery Investments Pty Ltd (as lead of a sophisticated investor syndicate) and five members of the sophisticated investor syndicate, with a total face value of \$3,500,000, convertible into Shares at a conversion price of \$0.030 per Share, on the terms and conditions specified in the Explanatory Memorandum.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 13.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 13 by:

- Discovery Investments Pty Ltd (or its nominee), and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company);
- each other recipient of the convertible notes (or their respective nominees) and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of Resolution 13 by:

- a person as proxy or attorney for a person who is entitled to vote on Resolution 13, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and

- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 14 – APPROVAL TO MODIFY THE TERMS OF \$0.033 OPTIONS

To consider, and if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 6.23.4 and for all other purposes the amendments of the terms of the \$0.033 Options, as described in the Explanatory Memorandum, be approved.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 14.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 14 by:

- (a) any holder of a \$0.033 Option and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of this Resolution 14 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 14 in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

By Order of the Board

Cate Friedlander
Company Secretary

Dated: 5 January 2024

ENTITLEMENT TO ATTEND AND VOTE

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Annual General Meeting.

The Company’s Directors have determined that all Shares of the Company that are quoted on ASX at 7:00pm (AEDT) on Sunday, 4th February 2024 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a member of the Company; and
- (c) a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member’s votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

CORPORATE REPRESENTATIVE

A Shareholder that is a corporation may appoint an individual to act as its corporate representative to vote at the Meeting in accordance with section 250D of the Corporations Act. Any corporation wishing to appoint an individual to act as its representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company and/or Share Registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. A ‘Certificate of Appointment of Corporate Representative’ is enclosed if required.

QUESTIONS AND ENQUIRIES

Shareholders will have the opportunity to ask questions during the Meeting. However, to provide for an efficient Meeting, we request that any questions from Shareholders are submitted to the Company Secretary by no later than 11:00am (AEDT) on Friday 2 February 2024 by email to cfriedlander@pilotenergy.com.au or by post to C/- Boardroom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000.

Questions should relate to matters that are relevant to the business of the Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum. The Chair of the Meeting will seek to address as many Shareholder questions as reasonably practicable. However, there may not be sufficient time to answer all questions at the Meeting. Please note that individual responses may not be sent to Shareholders.

PILOT ENERGY LIMITED
ABN 86 115 229 984

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Meeting.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 September 2023, together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

A copy of the Company's 2023 Annual Report is available on the Company's ASX platform (**ASX: PGY**) and on the website www.pilotenergy.com.au. Alternatively, a hard copy will be made available upon request.

At the Annual General Meeting, Shareholders will have the opportunity to ask the Company's auditor, MNSA Pty Ltd, questions in relation to the conduct of the audit, the Auditor's Report, the Company's accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit, may be submitted no later than five business days before the meeting date to the Company Secretary.

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for a financial year.

The Chair of the Meeting must allow a reasonable opportunity for its Shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting.

Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (Spill Resolution) if, at two consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (Spill Meeting) within 90 days of the second annual general meeting.

All of the directors of the Company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the Company.

Proxy restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

(a) ***If you appoint a member of the Key Management Personnel (other than the Chair) as your proxy***

If you elect to appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, ***you must direct the proxy how they are to vote***. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

(b) ***If you appoint the Chair as your proxy***

If you elect to appoint the Chair where he/she is also a member of the Key Management Personnel whose remunerations details are included in the Remuneration Report, or a Closely Related Party of such a member, ***you must direct the Chair how they are to vote***. Undirected proxies granted to these persons will be voted in favour of all Resolutions.

(c) ***If you appoint any other person as your proxy***

You ***do not*** need to direct your proxy how to vote, and you ***do not*** need to tick any further acknowledgement on the Proxy Form. Undirected proxies granted to these persons will be voted at their discretion.

RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR DANIEL CHEN

General

ASX Listing Rule 14.5 requires that an entity listed on ASX must hold an election of directors at each AGM. This rule applies even where no director is required to stand for re-election at an annual general meeting under ASX Listing Rule 14.4 (i.e. a director must not hold office (without re-election) for more than three years). If no director is retiring or is due to be appointed then at least one of the existing directors must be selected to stand for re-election. As each of Mr. Bruce Gordon and Mr. Brad Lingo have retired at the last two Annual General Meetings consecutively and Mr. Tony Strasser, as Managing Director, is exempted from this requirement, Mr. Daniel Chen has agreed to retire from office and seek re-election.

Mr. Daniel Chen is eligible and has offered himself for re-election.

About Mr. Daniel Chen

Mr. Daniel Chen was appointed as a non-executive Director of the Company on 16 September 2020. Mr Chen has over 17 years of business, project management and leadership experience, predominantly with Fortune Top 200 companies in port, maritime and logistics industries. He has led several global implementation projects in Asia, Europe and Oceania throughout his career thus far. Highlights include development of the world's first fully automated container terminal, regional procurement responsibilities for an annual spend of USD 200 million, and working with multiple global supply chain providers to reengineer existing processes to improve operational efficiency.

Director Independence

Having regard to the ASX Corporate Governance Principles, the Board considers Mr. Daniel Chen to be an independent Director.

Directors' Recommendation

The Directors, with Mr. Chen abstaining, unanimously recommends that Shareholders vote in favour of Resolution 2.

RESOLUTION 3: APPROVAL OF 10% PLACEMENT CAPACITY

General

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**). The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 3 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity. An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$29 million.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (**ASX Code: PGY**).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of Shares issued in the previous 12 months on the conversion of convertible securities under Listing Rule 7.2 exception 9;
 - (iii) plus the number of Shares issued in the previous 12 months under an agreement to issue Shares within Listing Rule 7.2 exception 16;
 - (iv) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (v) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4; and
 - (vi) less the number of Shares cancelled in the previous 12 months;
- B is 10%; and
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that has not been subsequently approved by the holders of Ordinary Securities under Listing Rule 7.4.

Technical information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date above, the date on which the Equity Securities are issued.

(b) Date of issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next Annual General Meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below. The table below shows the dilution of existing Shareholders calculated on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		\$0.0125	\$0.025	\$0.0500
		(50% decrease in Issue Price)	(Issue Price)	(100% increase in Issue Price)
1,162,907,606 (Current Variable A)	10% Voting Dilution	116,290,760 Shares	116,290,760 Shares	116,290,760 Shares
	Funds Raised	\$1,453,635	\$2,907,269	\$5,814,538
1,744,361,409 (50% increase in current Variable A)	10% Voting Dilution	174,436,140 Shares	174,436,140 Shares	174,436,140 Shares
	Funds Raised	\$2,180,452	\$4,360,904	\$8,721,807
2,325,815,212 (100% increase in current Variable A)	10% Voting Dilution	232,581,521 Shares	232,581,521 Shares	232,581,521 Shares
	Funds Raised	\$2,907,269	\$5,814,538	\$11,629,076

* The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1 or deemed Shareholder approval under an exception set out in Listing Rule 7.2.

The table above uses the following assumptions.

- (a) The current shares on issue are the Shares on issue as at 21st December 2023.
- (b) No options are exercised and converted into Shares before the date of issue of the Equity Securities.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. That is why the voting dilution is shown in each example as 10%.
- (d) The issue price set out above is the closing price of the Shares on the ASX on 21st December 2022.
- (e) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (f) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with

approval under ASX Listing Rule 7.1. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

- (g) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (h) Shareholders should note that there is a risk that:
 - (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
 - (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

Under Listing Rule 7.1A, the Company may only issue Equity Securities under the 10% Placement Capacity for cash consideration. The purpose of any issue would be set out for Shareholders at the time of such an issue. However, in general terms, the Company could issue Equity Securities under the 10% Placement Capacity to raise cash for general working capital and/or for the acquisition of new assets and investments.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 upon issue of any Equity Securities.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company obtained Shareholder approval under Listing Rule 7.1A on 10 February 2023.

Since that date, the Company has issued the following Shares under the Listing Rule 7.1A 10% Placement Capacity.

Date of issue	Total issue (no. shares)	Total raised (\$)	Shares issued under L.R 7.1	Shares issued under L.R 7.1A	Price of Shares (\$)	Recipient of Shares issued under L.R 7.1A	Use of funds raised
24 April 2023	166,500,000	1,665,000.00	110,561,937	55,938,063	0.01	All L.R 7.1A Shares were allocated across the subscribers (sophisticated and institutional investors identified by the broker, Whairo Capital Pty Ltd) on a pro rata basis.	Funds raised have been/will be used to fund Pilot's activities associated with Pilot's projects – CCS FEED, pre-FEED, preparatory work for the broader MidWest Clean Energy Project in Western Australia and working capital and overheads.

Total shares issued under Listing Rule 7.1A in the relevant period: 55,938,063 representing 6.17% of the total number of equity securities on issue as at 6 February 2023.

(g) Effect if Resolution not passed

If Resolution 3 is not passed, the Company will be limited to the 15% placement capacity under Listing Rule 7.1.

(h) Voting Exclusion

As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution 3.

Directors' Recommendation

The Board of Directors recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4: RATIFICATION OF PRIOR ISSUE OF SHARES TO CONSULTANTS IN LIEU OF PAYMENT OF FEES

General

The Company engages several consultants who provide ongoing corporate development and technical services in relation to the conduct of the business of Pilot and development of its projects. Each of these consultants is engaged by the Company under terms and conditions contained in formal engagement letters (**Engagement Terms**).

In each case, under the Engagement Terms, the Consultants may elect to receive (all of, or such portion as the Consultant nominates) the Consultant's consideration for the provision of services under the Engagement Terms in Shares in the Company, in lieu of cash payment (**Consultant Shares**).

The Consultants specified in Schedule 2 have elected to take Contractor Shares in lieu of cash payment in the manner specified in Schedule 2 and on 6 July 2023, the Company allotted and issued a total of 31,285,773 Consultant Shares to the Consultants specified in Schedule 2 without Shareholders approval, using the Company's Listing Rule 7.1 placement capacity.

The price of the Consultant's Shares (for each Consultant) is determined in accordance with the respective Engagement Terms for each Consultant and is set out in Schedule 2A to this Explanatory Memorandum.

A summary of Listing Rule 7.1 is set out in relation to Resolution 5 below. The Company now seeks the subsequent approval of Shareholders for this issue of Consultant Shares pursuant to Listing Rule 7.4.

Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, this Resolution 4 seeks the approval of Shareholders to subsequently approve and ratify the issue of Consultant Shares for the purposes of Listing Rule 7.4.

If this Resolution 4 is passed, the issue of the Consultant Shares will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the date of issue of the Consultant Shares.

If this Resolution 4 is not passed, the issue of the Consultant Shares will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the issue of the date of issue of the Consultant Shares.

Information required by Listing Rule 7.5

The following additional information is provided pursuant to the requirements of Listing Rule 7.5:

- (a) The Consultant Shares were issued and allotted in the number and to the Consultants specified in Schedule 2.
- (b) The total number of Consultant Shares issued on 6 July 2023 was 31,285,773 Shares issued to the consultants specified in Schedule 2A.
- (c) The Consultant Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) The purpose of the issue of the Consultant Shares was to satisfy the Company's obligations under the Engagement terms for each Consultant specified in Schedule 2. Accordingly, no funds were raised from the issue of the Consultant Shares as the issue was made in lieu of cash fees for services rendered.
- (e) The Consultant Shares were issued to the Consultants under the Engagement Terms. The Engagement Terms for each Consultant are considered by Pilot to be standard terms.
- (f) The Consultant Shares were not issued under or to fund a reverse takeover.
- (g) A voting exclusion statement for Resolution 4 is included in the Notice of Meeting preceding this Explanatory Memorandum.

Directors' Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 4.

RESOLUTION 5 : RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

Purpose of the Placement and Use of Funds

The successful capital raising provides, together with other funding initiatives in progress, funding for the Company to progress the Mid West Clean Energy Project in Western Australia and general working capital for corporate overheads.

These steps will include the following activities:

- Permitting & obtaining Project regulatory approvals – including engaging with regulators to secure the necessary regulatory approvals;
- Commercial Offtake – Engaging with prospective parties for commercial CCS off-take and secure material foundation customers for the Cliff Head CO2 Storage Project;
- EPCM Contractor – Commence engagement with potential EPC contractors and select and document arrangements with preferred EPCM Contractor;
- Pre-FEED – Progressing the integrated Project Front-End Engineering & Design (**FEED**) and costings for CCS and Blue Hydrogen; and
- Capital – Engage with debt and equity providers to finance the CCS and Blue Hydrogen Projects.

The Capital Raising

The capital raising comprises:

- a placement to sophisticated, professional and institutional investors of 121,200,000 new Shares at an issue price of \$0.02 per Share (**Placement Shares**) to raise \$2,400,000 (before costs) (**Placement**). Of this total Placement, the Company is seeking to ratify the issue of 119,600,000 Placement Shares under this Resolution 5. The 1,600,000 Placement Shares which have been placed with Pilot directors are subject to Shareholder approval (see Resolutions 7,8 and 9); and
- the issue of 30,300,000 free, attaching new unlisted Options, being one Option for every four Placement Shares issued to investors in the Placement, exercisable at \$0.03 on or before 25 August 2025 (the **Option Expiry Date**) on the terms and conditions set out in Schedule 1 (**Placement Options**),

(together, the Placement and Placement Options are referred to as the **Capital Raising**).

The allotment and issue of the Placement Options is subject to Shareholder approval and will be issued within 1 month of the Meeting, assuming Shareholder approval will have been obtained.

The Company appointed Whairo Capital Pty Ltd (**Whairo**) to act as Lead Manager in respect of the Capital Raising, under the terms and conditions set out in an engagement dated 2 November 2023. 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 Capital Raising. Additionally, the Company will issue 8,000,000 Options to Whairo exercisable at \$0.05 on or before 1 November 2026, and otherwise on the same terms and conditions as the Placement Options which are set out in Schedule 1, subject to Shareholder approval being obtained at this Meeting (see Resolution 10).

The Capital Raising will be completed by the issue of Placement Shares to Messrs. Strasser, Gordon and Chen (Pilot Directors) (see Resolutions 7,8 and 9) and the Placement Options and Broker Options within 1 month following the completion of this meeting, assuming that Resolutions 6,7,8, 9 and 10 are approved by Shareholders.

Pro forma capital structure

The table below shows the capital structure of the Company at the date of this Notice and upon completion of the Capital Raising and issue of the Placement Options, Director Shares, Director Placement Options and Broker Options, assuming Resolutions 6,7,8,9 and 10 to be considered at this Meeting, are passed.

Capital Structure	Existing	Issued following AGM	Completion
Existing Shares	1,162,907,606		
Director Placement Shares		1,600,000	
Pro forma Shares on issue			1,164,507,606
Existing Options on issue* ¹	281,793,703		
Placement Options		29,900,000	
Director Placement Options		400,000	
Broker Options		6,000,000	
Pro forma Options on issue			318,093,703
Existing Convertible Notes	5		
Discovery Sophisticated Investment Syndicate Convertible Notes* ²		6	
Pro forma Convertible Notes on issue			11

*¹ Unlisted Options on issue with expiry dates between 18 December 2022 and 4 November 2025, with exercise prices varying between \$0.033 and \$0.10.

*² Convertible Notes the subject of Resolution 13.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Placement Shares under Listing Rules 7.1.

Listing Rule 7.1

Resolution 5 proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 119,600,000 Placement Shares, which were issued on 14 November 2023 (**Placement Issue Date**).

All of the Placement Shares were issued under Listing Rule 7.1.

Broadly speaking, ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The issue of the Placement Shares did not fit within any of the exceptions (to Listing Rule 7.1) and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit under Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the Issue Date.

Listing Rule 7.4

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in a general meeting subsequently approves the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By approving this issue, the Placement Shares will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, allowing the Company to issue a higher number of securities without prior Shareholder approval over the 12-month period following the issue of the Placement Shares.

Accordingly, as it wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1, the Company now seeks the subsequent approval and ratification of the issue of the Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution 5 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Placement Issue Date.

If this Resolution 5 is not passed, the issue of the Placement Shares will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Placement Issue Date and will significantly reduce the Company's remaining placement capacity under Listing Rule 7.1.

Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to sophisticated and institutional investors selected by Whairo.
- (b) The Company issued 119,600,000 Placement Shares.
- (c) The Placement Shares issued were all fully paid and ranked equally in all respects with all existing ordinary shares in the capital of the Company.
- (d) The Placement Shares were issued on 14 November 2023.
- (e) Each of the Placement Shares were issued at an issue price of \$0.02 per Placement Share, which raised a total of \$2,400,000 (before costs) inclusive of the Placement Shares to be issued to directors subject to Shareholder approval of Resolutions 7,8 and 9.
- (f) The purpose of this issue and the intended use of the funds raised is to support and provide funding enabling the Company to progress the MidWest Clean Energy Project in Western Australia and general working capital for corporate overheads.
- (g) The Placement Shares were not issued pursuant to any agreement.
- (h) A voting exclusion statement for Resolution 5 is included in the Notice of Meeting preceding this Explanatory Memorandum.

Director's Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 5.

RESOLUTION 6: APPROVAL OF FUTURE ISSUE OF ATTACHING PLACEMENT OPTIONS

General

Resolution 6 seeks Shareholder approval for the issue of 29,900,000 new, unlisted Placement Options, being options exercisable at \$0.033 per option on or before the Option Expiry Date attaching to the Placement Shares to unrelated parties on a 4:1 basis, as set out in general information for Resolution 5 above (**Placement Options**).

The Company seeks the prior approval of Shareholders for the issue of the free, attaching Placement Options, as such an issue would otherwise exceed the Company's Listing Rule 7.1 capacity.

An explanation of Listing Rule 7.1 is set out in relation to Resolution 5 above. The proposed issue of the free, attaching Placement Options does not fall within any of the exceptions to Listing Rule 7.1 and such an issue would otherwise exceed the Company's Listing Rule 7.1 capacity. The issue of the free, attaching Placement Options therefore requires the approval of Shareholders under Listing Rule 7.1.

Subject to Shareholders approving this Resolution 6, the Company will be able to proceed to issue the 29,900,000 Placement Options. In addition, the free, attaching Placement Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rules 7.1.

If this Resolution 6 is not passed, the Company may be able to proceed with the issue of the free-attaching Placement Options if capacity becomes available with the passage of time under Listing Rule 7.1 without the need to obtain shareholder approval.

Information required by Listing Rule 7.3

The following additional information is provided pursuant to the requirements of Listing Rule 7.3:

- (a) The free, attaching Placement Options will be issued to the non-related participants in the Capital Raising (see Resolution 5 above).
- (b) The maximum number of attaching Placement Options to be issued is 29,900,000.
- (c) The terms and conditions of the free, attaching Placement Options are set out in Schedule 1.
- (d) The attaching Placement Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by ASX) and it is intended that the issue of the free, attaching Placement Options will occur on the same date.
- (e) The attaching Placement Options will be issued for nil consideration as they are free attaching to the Shares issued under the Placement on a 4 for 1 basis.
- (f) The purpose of the issue of the attaching Placement Options is to encourage participation in the Placement and provide a potential increase in funds to the Company (should the free, attaching Placement Options be exercised).
- (g) The attaching Placement Options are not being issued pursuant to any agreement.
- (h) The attaching Placement Options are not being issued under or to fund a reverse takeover.
- (i) A voting exclusion statement for Resolution 6 is included in the Notice of Meeting preceding this Explanatory Memorandum.

Directors' Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 6.

RESOLUTION 7: APPROVAL OF FUTURE ISSUE OF PLACEMENT SHARES AND ATTACHED PLACEMENT OPTIONS TO RELATED PARTY - MR. TONY STRASSER (MANAGING DIRECTOR)

General

Mr. Tony Strasser has subscribed for, and subject to obtaining Shareholder approval, the Company has agreed to issue 500,000 Placement Shares to Mr. Tony Strasser (or his nominee) on the terms and conditions set out below.

Mr. Tony Strasser is an Executive Director of the Company who joined the Board on 31 May 2021, following the completion of the Royal Energy Limited transaction.

Resolution 7 seeks the necessary Shareholder approval in accordance with Listing Rule 10.11 for the issue of these Placement Shares to Mr. Tony Strasser.

Mr. Strasser has subscribed for, and subject to Shareholder approval, Mr. Strasser (or his nominee) will be issued 500,000 Placement Shares at an issue price of \$0.02 each, together with 125,000 attaching Placement Options.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) 10.11.1 - a related party;
- (b) 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders.

The issue of Placement Shares together with the attaching Placement Options to Mr. Strasser (or his nominee) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Specific information required by Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to this Resolution 7:

- (a) the Placement Shares subscribed for by Mr. Tony Strasser together with the attaching Placement Options will be issued to Mr. Tony Strasser (or his nominee) who falls within the category set out in Listing Rule 10.11.1 as Mr. Strasser is a related party of the Company by virtue of being a Director;
- (b) the number of Placement Shares to be issued is a total of 500,000, at an issue price of \$0.02 per Share. The number of attaching Placement Options to be issued is 125,000;
- (c) the Placement Shares will be issued to Mr. Strasser (or his nominee) as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the terms and conditions of the attaching Placement Options are set out in Schedule 1;

- (e) the Placement Shares and attaching Placement Options will be issued to Mr. Strasser (or his nominee) no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Company intends to use the proceeds from the issue of the Placement Shares as set out in respect of Resolution 5 of this Explanatory Memorandum;
- (g) a voting exclusion statement is included in the Notice of Meeting for this Resolution preceding this Explanatory Memorandum.

If Resolution 7 is passed, the Company will be able to proceed to issue to Mr. Strasser (or his nominee) the 500,000 Placement Shares for which he has subscribed and the attaching Placement Options. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to proceed to issue to Mr. Strasser (and/or his nominee) the 500,000 Placement Shares for which Mr. Strasser has subscribed or the 125,000 attaching Placement Options.

Directors' Recommendation

The Board of Directors (excluding Mr. Strasser) recommend that the Shareholders vote in favour of Resolution 7.

RESOLUTION 8: APPROVAL OF FUTURE ISSUE OF PLACEMENT SHARES AND ATTACHING PLACEMENT OPTIONS TO RELATED PARTY - MR. DANIEL CHEN (NON-EXECUTIVE DIRECTOR)

General

Mr. Daniel Chen has subscribed for and, subject to obtaining Shareholder approval, the Company has agreed to issue 600,000 Placement Shares to Mr. Daniel Chen (or his nominee) on the terms and conditions set out below.

Mr. Daniel Chen is a non-Executive Director of the Company who joined the Board on 15 September 2020.

Resolution 8 seeks the necessary Shareholder approval in accordance with Listing Rule 10.11 for the issue of these Placement Shares to Mr. Daniel Chen.

Mr. Chen has subscribed for, and subject to Shareholder approval, Mr. Chen (and/or his nominee) will be issued 600,000 Placement Shares at an issue price of \$0.02 each, together with 150,000 attaching Placement Options.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) 10.11.1 - a related party;
- (b) 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders.

The issue of Placement Shares together with the free, attaching Placement Options to Mr. Chen (or his nominee) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing

Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution 8:

- (a) the Placement Shares subscribed for by Mr. Daniel Chen together with the free, attaching Placement Options will be issued to Mr. Daniel Chen (or his nominee) who falls within the category set out in Listing Rule 10.11.1 as Mr. Chen is a related party of the Company by virtue of being a Director;
- (b) the number of Placement Shares to be issued is a total of 600,000, at an issue price of \$0.02 per Share. The number of free, attaching Placement Options to be issued is 150,000;
- (c) the Placement Shares will be issued to Mr. Chen as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the terms and conditions of the attaching Placement Options are set out in Schedule 1;
- (e) the Placement Shares and attaching Placement Options will be issued to Mr. Chen (or his nominee) no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Company intends to use the proceeds from the issue of the Placement Shares as set out in respect of Resolution 5 of this Explanatory Memorandum;
- (g) a voting exclusion statement is included in the Notice of Meeting for this Resolution.

If Resolution 8 is passed, the Company will be able to proceed to issue to Mr. Chen (or his nominee) the 600,000 Placement Shares for which he has subscribed and the 150,000 attaching Placement Options. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed to issue to Mr. Chen (or his nominee) the 600,000 Placement Shares for which Mr. Chen has subscribed or the 150,000 attaching Placement Options.

Directors' Recommendation

The Board of Directors (excluding Mr. Chen) recommend that the Shareholders vote in favour of Resolution 8

RESOLUTION 9: APPROVAL OF ISSUE OF PLACEMENT SHARES AND ATTACHING PLACEMENT OPTIONS TO RELATED PARTY - BRUCE GORDON (NON-EXECUTIVE DIRECTOR)

General

Mr. Bruce Gordon has subscribed for, and the Company has agreed to issue, subject to obtaining Shareholder approval, 500,000 Placement Shares and 125,000 attaching Placement Options (issued on a 1:4 basis) to Mr. Bruce Gordon (or his nominee) on the terms and conditions set out below.

Mr. Gordon is a non-Executive Director of the Company who joined the Board on 31 May 2021, following the completion of the Royal Energy Limited transaction.

Resolution 9 seeks the necessary Shareholder approval in accordance with Listing Rule 10.11 for the issue of these Placement Shares to Mr. Bruce Gordon.

Mr. Bruce Gordon has subscribed for, and subject to Shareholder approval, Mr. Gordon (or his nominee) will be issued 500,000 Placement Shares at \$0.02 each and 125,000 attaching Placement Options.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) 10.11.1 - a related party;
- (b) 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders.

The issue of Placement Shares and Placement Options to Mr. Gordon (or his nominee) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Specific information required by Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to this Resolution 9:

- (a) the Placement Shares subscribed for by Mr. Bruce Gordon will be issued to Mr. Bruce Gordon (or his nominee) who falls within the category set out in Listing Rule 10.11.1 as Mr. Gordon is a related party of the Company by virtue of being a Director;
- (b) the number of Placement Shares to be issued is a total of 500,000 at an issue price of \$0.02 per Share together with 125,000 attaching Placement Options;
- (c) the Placement Shares will be issued to Mr. Gordon as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (d) the terms and conditions of the attaching Placement Options are set out in Schedule 1;
- (e) the Placement Shares and Placement Options will be issued to Mr. Gordon (or his nominee) no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the Company intends to use the proceeds from the issue of the Placement Shares as set out in respect of Resolution 5 of the Explanatory Memorandum;
- (g) a voting exclusion statement is included in the Notice for this resolution.

If Resolution 9 is passed, the Company will be able to proceed to issue to Mr. Gordon (or his nominee) the 500,000 Placement Shares and 125,000 Placement Options for which he has subscribed. In addition, the issue will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed to issue to Mr. Gordon (or his nominee) the 500,000 Placement Shares and 125,000 Placement Options for which Mr. Gordon has subscribed.

Directors' Recommendation

The Board of Directors (excluding Mr. Gordon) recommend that the Shareholders vote in favour of Resolution 9.

RESOLUTION 10: APPROVAL OF FUTURE ISSUE OF BROKER OPTIONS TO WHAIRO CAPITAL PTY LTD

General

The Company appointed Whairo Capital Pty Ltd (**Whairo**) to act as Lead Manager of the Placement, under the terms and conditions set out in an engagement dated 2 November 2023 (**Lead Manager Mandate**).

In consideration for the provision of services by Whairo, the Company has agreed to allot and issue to Whairo (or its nominee) 6,000,000 Broker Options in respect of Shares in the issued capital of the Company to provide long term support to the Company, with an exercise price of \$0.05 each, expiring on 1 November 2026, and otherwise on the terms and conditions set out in Schedule 1 (**Broker Options**).

The Directors determined that the exercise price of the Broker Options would be consistent with the Placement Options. The Company seeks to issue the Broker Options with prior Shareholder approval, as such an issue would otherwise exceed the Company's ASX Listing Rule 7.1 capacity.

ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out in the Explanatory Memorandum on Resolution 5 above. The proposed issue of the Broker Options does not fall within any of the exceptions to ASX Listing Rule 7.1 and such an issue would otherwise exceed the Company's ASX Listing Rule 7.1 and 7.1A capacity. It therefore requires the approval of Shareholders under ASX Listing Rule 7.1.

If Resolution 10 is passed, the Company will be able to proceed to issue the Broker Options. In addition, the Broker Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to proceed with the Broker Options. The Company may in the future be able to proceed with the issue of the Broker Options to Whairo as capacity becomes available with the passage of time under ASX Listing Rule 7.1 or 7.1A, without the need to obtain shareholder approval.

Information required by Listing Rule 7.3

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.3:

- (a) The Broker Options will be issued and allotted to Whairo or its nominee.
- (b) The maximum number of Broker Options to be issued is 6,000,000.
- (c) The terms and conditions of the Broker Options are the same as the terms and conditions of the Placement Options which are set out in Schedule 1 except the exercise price is \$0.05 and the expiry date is 1 November 2026.
- (d) The Broker Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by ASX) and it is intended that the issue of the Broker Options will occur on the same date.
- (e) The Broker Options will be issued at nil issue price. The Company will not receive any other consideration for the issue of the Broker Options (other than in respect of any funds received on exercise of the Broker Options).
- (f) The purpose of this issue of the Broker Options is to satisfy the Company's obligations under the Lead Manager Mandate.
- (g) The Broker Options are being issued to Whairo or its nominee under the Lead Manager Mandate. The Company is also to pay Whairo a total placement fee of 6% of the total amount raised under the Placement. The terms of the engagement with Whairo is considered by Pilot to be on market standard terms.
- (h) The Broker Options are not being issued under or to fund a reverse takeover.
- (i) A voting exclusion statement for Resolution 10 is included in the Notice of Meeting preceding this Explanatory Memorandum.

Director's Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 10.

RESOLUTION 11: APPROVAL OF FUTURE ISSUE OF OPTIONS TO MIRO CAPITAL PTY LTD (MIRO)

Background

Pilot has entered into a CCS Project financial advisory services agreement with Miro dated 30 June 2023 (**Miro Engagement**). Under the terms of the Miro Engagement, Pilot has agreed to issue options over the issued capital in the Company to Miro as part payment for services rendered by Miro upon certain defined milestones being met, including the execution by Pilot and a counterparty(ies) of announceable Memorandums of Understanding providing for carbon capture and storage services via Pilot's assets or for offtake arrangements (each, a **MOU**).

Following the announcement on ASX on 31st October 2023 of the Samsung Memorandum of Understanding, 10,000,000 unlisted options in respect of the issued capital of the Company became due and issuable by the Company to Miro (**Miro Options**).

The Company considers this form of payment will provide long term support to the Company by Miro. The Miro Options have a term of 36 months from their date of issue and the exercise price is \$0.0405. All other terms applicable to the Miro Options are as set out in Schedule 1.

The Company seeks to issue the Miro Options in accordance with the Miro Engagement, with prior Shareholder approval, as such an issue would otherwise exceed the Company's ASX Listing Rule 7.1 capacity.

ASX Listing Rule 7.1

Listing Rule 7.1 prohibits a listed company from issuing, or agreeing to issue, Equity Securities (which includes shares) that exceed 15% of the total number of fully paid ordinary securities on issue in any 12-month period, unless approval is obtained from the holders of the company's ordinary securities. If Shareholders approve Resolution 11, the issue of the 10,000,000 Miro Options in accordance with the Miro Engagement and on the terms set out in this Explanatory Memorandum, will be excluded from the calculations of the 15% limit under ASX Listing Rule 7.1.

Listing Rule 7.3

In accordance with Listing Rule 7.3, the following details are provided in relation to this Resolution 11.

- a) The Miro Options will be issued to Miro Capital Pty Ltd (or its nominee).
- b) The maximum number of Miro Options to be issued is 10,000,000.
- c) The terms and conditions of the Miro Options are the same as the terms and conditions of the Placement Options which are set out in Schedule 1 except the exercise price and the expiry date which, as described above, are \$0.0405 and 36 months from the date of issue, respectively.
- d) The Miro Options will be issued no later than 3 months after the date of this Annual General Meeting (or such later date to the extent permitted by ASX).
- e) The Miro Options will be issued at nil issue prices. The Company will not receive any other consideration for the issue of the Miro Options other than in respect of funds received on the exercise of the Miro Options.
- f) The purpose of the issue of the Miro Options is to satisfy the Company's obligations under the Miro Engagement.
- g) As described in paragraph (e) above and in the "Background" section above, the Company is issuing the Miro Options by way of part payment in kind for services rendered to the Company by Miro pursuant to the Miro Engagement.

- h) The Miro Options are not being issued under, or to fund, a reverse takeover.
- i) A voting exclusion statement applies to this Resolution 11 and is set out in the Notice of Meeting preceding this Explanatory Memorandum.

Effect if Resolution is Passed

If this Resolution 11 is passed, the issue of the Miro Options will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12 months' period following the date of issue.

If this Resolution 11 is not passed, the Company may choose to issue the Miro Options using its share issue capacity under Listing Rule 7.1. and the issue of the Miro Options will then be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 months' period following the date of issue.

Directors' Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 11.

RESOLUTION 12: APPROVAL OF FUTURE ISSUE OF OPTIONS TO NEW ELECTRIC PARTNERS PTY LTD (NEP)

Background

Pilot has entered into a CCS Project financial advisory services agreement with NEP dated 4 July 2023 (**NEP Engagement**). Under the terms of the NEP Engagement, Pilot has agreed to issue options over the issued capital in the Company to NEP as part payment for services rendered by NEP upon certain defined milestones being met, including the execution by Pilot and a counterparty(ies) of announceable Memorandums of Understanding providing for carbon capture and storage services via Pilot's assets or for offtake arrangements (each, a **MOU**).

Following the announcement on ASX on 31st October 2023 of the Samsung Memorandum of Understanding, 10,000,000 unlisted options in respect of the issued capital of the Company became due and issuable by the Company to NEP (**NEP Options**).

The Company considers this form of payment will provide long term support to the Company by NEP. The NEP Options have a term of 36 months from their date of issue and the exercise price is \$0.0405. All other terms applicable to the NEP Options are as set out in Schedule 1.

The Company seeks to issue the NEP Options in accordance with the NEP Engagement, with prior Shareholder approval, as such an issue would otherwise exceed the Company's ASX Listing Rule 7.1 capacity.

ASX Listing Rule 7.1

Listing Rule 7.1 prohibits a listed company from issuing, or agreeing to issue, Equity Securities (which includes shares) that exceed 15% of the total number of fully paid ordinary securities on issue in any 12-month period, unless approval is obtained from the holders of the company's ordinary securities. If Shareholders approve Resolution 11, the issue of the 10,000,000 Miro Options in accordance with the Miro Engagement and on the terms set out in this Explanatory Memorandum, will be excluded from the calculations of the 15% limit under ASX Listing Rule 7.1.

Listing Rule 7.3

In accordance with Listing Rule 7.3, the following details are provided in relation to this Resolution 11.

- a) The NEP Options will be issued to New Electric Partners Pty Ltd (or its nominee).
- b) The maximum number of NEP Options to be issued is 10,000,000.

- c) The terms and conditions of the NEP Options are the same as the terms and conditions of the Placement Options which are set out in Schedule 1 except the exercise price and the expiry date which, as described above, are \$0.0405 and 36 months from the date of issue respectively.
- d) The NEP Options will be issued no later than 3 months after the date of this Annual General Meeting (or such later date to the extent permitted by ASX).
- e) The NEP Options will be issued at nil issue prices. The Company will not receive any other consideration for the issue of the NEP Options other than in respect of funds received on the exercise of the Miro Options.
- f) The purpose of the issue of the NEP Options is to satisfy the Company's obligations under the NEP Engagement.
- g) As described in paragraph (e) above and in the "Background" section above, the Company is issuing the NEP Options by way of part payment in kind for services rendered to the Company by Miro pursuant to the NEP Engagement.
- h) The NEP Options are not being issued under, or to fund, a reverse takeover.
- i) A voting exclusion statement applies to this Resolution 12 and is set out in the Notice of Meeting preceding this Explanatory Memorandum.

Effect if Resolution is Passed

If this Resolution 12 is passed, the issue of the NEP Options will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12 months' period following the date of issue.

If this Resolution 12 is not passed, the Company may choose to issue the NEP Options using its share issue capacity under Listing Rule 7.1. and the issue of the NEP Options will then be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 months' period following the date of issue.

Directors' Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 12.

RESOLUTION 13: APPROVAL OF FUTURE ISSUE OF CONVERTIBLE NOTES AND CONSEQUENTIAL ISSUE OF SHARES

Background

As announced on the ASX on 15th December 2023, the Company has entered into convertible note agreements with Discovery Investments Pty Ltd (as lead of a syndicate of sophisticated investors (**Investor Syndicate**)) and five members of the Investor Syndicate to issue convertible notes with a total face value of \$3,500,000 (**Convertible Note**).

ASX Listing Rule 7.1

As noted in the summary of the operation of Listing Rule 7.1 set out in Resolution 5 above, subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary Securities it had on issue at the start of the period.

The issue of the Convertible Note does not fit within any of these exceptions and, as it has not yet been approved by shareholders, it exceeds the 15% placement capacity in Listing Rule 7.1 currently available to the Company and so requires the approval of Shareholders.

Information required by Listing Rule 7.3

In accordance with Listing Rule 7.3, the following details are provided in relation to this Resolution 13.

- a) Five (5) convertible notes (each a **Convertible Note A**) with a total face value of \$1,000,000, will be issued to members of the Investor Syndicate within seven (7) days of the completion of this meeting. The holders of the Convertible Notes A will pay to the Company the face value of each such Convertible Note A (totalling \$1,000,000) within seven business days of entering into the convertible note agreements, in advance of the issue of the Convertible Note A certificates.
- b) One (1) convertible note (**Convertible Note B**) with a face value of \$2,500,000 will be issued to the Investor Syndicate led by Discovery, on completion of this Annual General Meeting. Discovery has advised the Company that it may novate portions of the Convertible Note B to members of the Investor Syndicate prior to the issuance of the Convertible Note B certificate. In the event of such novation, each member of the Investor Syndicate will meet the requirements of the sophisticated investor test and is not a related party of the Company.
- c) The material terms and conditions of the Convertible Notes A and B are set out below in item f) below. Upon conversion of the Convertible Notes A and B into Shares, those Shares will rank equally with existing fully paid ordinary Shares.
- d) The Convertible Notes A and B will be issued no later than 3 months after the date of this Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- e) The Convertible Notes A and B will be issued for a total value of \$3,500,000.
- f) The Convertible Notes A and B will be issued pursuant to the convertible note agreements, the terms of which are summarised as follows:

- **Term:** 24 months from the date on which the Convertible Notes are issued.
- **Total Investment Amount:** \$3,500,000 000 invested as follows:
 - (a) \$1,000,000 (in total) to be paid to the Company by the investors subscribing for the Convertible Notes A, within 7 Business Days of the execution date of the convertible note agreements; and
 - (b) \$2,500,000 to be paid to the Company by Discovery (or its nominees) in consideration of the issue of Convertible Note B, within 7 days of the Condition being satisfied.

If shareholders do not approve the issue of the Convertible Notes A and B, the Company will, within seven (7) days following the close of this Annual General Meeting, automatically issue certificates in respect of Convertible Notes A and B for a total value of \$3,500,000 to the applicable noteholders out of the capacity available under Listing Rule 7.1.

- **Interest:** 12% compounded quarterly; payable quarterly. Interest in respect of the amounts paid to the Company in respect of each Convertible Note A will be calculated from the date on which those amounts are paid to the Company and will be paid in cash. On and from the issue of the Convertible Notes A and B certificates following the close of this Annual General Meeting interest on the total face value of the Convertible Notes A and B will be payable in cash for the first two quarters and then, for the remainder of the Term, in either cash or shares at the election of each noteholder.
- **Condition:** subject to shareholders approving the issue of the Convertible Notes (i.e. the subject of this Resolution 13).
- **Conversion:** The Convertible Notes are not convertible until the expiry of the five (5) month period commencing on the date of issue of the Convertible Notes (being not more than 7 days following this annual general meeting). Following the expiry of this period, the Convertible Notes A and B are convertible into Shares at the election of each noteholder at any time during the Term. The Company has 30 days to process that conversion. The number of Shares which the Company must issue upon the conversion of the Convertible Notes A and B is equal to the aggregate face value of the Convertible Notes A and B, divided by the conversion price of \$0.03. Therefore, the maximum number of Shares that will be issued on conversion will be 105,000,000.

- **Redemption:** The Company must redeem the Convertible Notes that have not been redeemed or converted on the earlier of the end of the term or on the date of an event of default.
 - **Events of default:** failure to pay amounts under the convertible note agreements, breach of the convertible note agreements and the occurrence of an insolvency event.
 - **Transferability:** other than any novation of the Convertible Notes from Discovery to members of the sophisticated investor syndicate, the Convertible Notes A and B are not transferable and do not entitle the holder to any voting rights.
- f) The purpose of the issue of the Convertible Notes A and B is to raise funds which will be applied by the Company for the funding of activities associated with the Mid West Clean Energy Project (MWCEP), working capital for the Company and any other opportunities relating to the MWCEP as they may arise.
- g) The Convertible Notes A and B are not being issued under, or to fund, a reverse takeover.
- h) A voting exclusion statement for this Resolution 13 is included in the Notice of Meeting preceding this Explanatory Memorandum.

If Resolution 13 is passed, the issue of the Convertible Notes A and B and consequential issue of Shares on conversion of the Convertible Notes A and B will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12 months' period following the date of issue of the Convertible Notes A and B.

If Resolution 13 is not passed, the issue of the Convertible Notes A and B will proceed out of the capacity available to the Company under Listing Rule 7.1 following the close of this Annual General Meeting, however this will have the effect of reducing the Company's 15% capacity under Listing Rule 7.1 over the 12-month period following the issue of the Convertible Note.

Directors' Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 13.

RESOLUTION 14: APPROVAL TO MODIFY TERMS OF \$0.033 OPTIONS

Background

The Company currently has 124,658,326 options on issue with an exercise price of \$0.033 (**\$0.033 Options**). The 49,999,992 \$0.033 Options were issued in respect of the issued capital in the Company on 26 August 2022 to 8 Rivers Capital LLC following shareholder approval at the general meeting held on 19 August 2022 and on 15 February 2023 pursuant to the November 2022 capital raise undertaken by the Company pursuant to which the Company issued 66,658,334 \$0.033 Options (on a 1 for 2 Shares subscribed for basis) and 8,000,000 \$0.033 Options to Whairo Capital Pty Ltd in part payment for the lead manager services provided in respect of the placement.

Since issuing the \$0.033 Options the Company has received a number of queries from holders as to whether the Company would be prepared to obtain quotation on ASX of the \$0.033 Options to provide liquidity to an otherwise illiquid security.

The Company has no objection to applying for quotation of the \$0.033 Options on ASX. However, it will be necessary to amend the terms of the \$0.033 Options by deleting clause (h) of the terms, which provides that: "*(h) The Company will not seek quotation of the Options and the Options will remain unlisted.*"

If this Resolution 14 is passed, the Directors have determined to obtain ASX quotation of the \$0.033 Options.

Listing Rule 6.23

ASX Listing Rule 6.23.4 only permits a change to the terms of an option, that is not prohibited under listing rule 6.23.3, where approved by its Shareholders. The proposed amendment to the terms of the \$0.033 Options does not constitute a change prohibited under Listing Rule 6.23.3. Consequently, Resolution 14 seeks Shareholder approval for the amendment to the terms of the \$0.033 Options to permit quotation on ASX.

If Resolution 14 is passed, Pilot will seek quotation of the \$0.033 Options on the ASX. The quotation of the \$0.033 Options will allow for these options to be freely traded.

If Shareholder approval is not given for the amendment the subject of this Resolution 14, the \$0.033 Options will not be quoted and will remain untradeable.

GLOSSARY

10% Placement Capacity has the meaning given in Resolution 3 of the Explanatory Memorandum.

AEDT means Australian Eastern Daylight Time (Sydney, Australia).

Annual General Meeting or Meeting means the meeting convened by this Notice.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

Broker Options has the meaning set out in Resolution 10 of the Explanatory Memorandum.

Cliff Head CO2 Storage Project means the Cliff Head carbon storage project conducted by Pilot within the area of production licence WA-31-L, offshore Western Australia.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Pilot Energy Limited ABN 86 115 229 984.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001 (Cth)*

Directors means the current directors of the Company, namely Mr. Bradley Lingo (Executive Chair), Mr. Tony Strasser (Managing Director), Mr. Daniel Chen (Non-Executive Director) and Mr. Bruce Gordon (Non-Executive Director).

Director Options means the Options proposed to be granted to each of the Directors in the number and the manner proposed in this Notice of Meeting, on and subject to the terms and conditions set out in Schedule 1 to the Explanatory Memorandum.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of Annual General Meeting including the Explanatory Memorandum and the Proxy Form.

Options means unlisted options over issued Shares in the capital of the Company.

Placement has the meaning set out in Resolution 5 of the Explanatory Memorandum.

Placement Options means the attaching Options to the Placement Shares issued on a 4:1 basis.

Placement Shares means the Shares in the Company issued pursuant to the Placement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share or **Ordinary Share** means a fully paid ordinary share in the issued capital of the Company.

Shareholder means a holder of a Share.

\$0.033 Options means the 124,658,326 remaining options that were issued in respect of the issued capital in the Company on 25 August 2022 and 15 February 2023 with an exercise price of \$0.033 and an expiry date of 25 August 2025, with the ASX Code PGYQAQ.

VWAP means the volume weighted average price for a specified period of time.

Instructions for Completing 'Appointment of Proxy' Form

1. **Appointing a Proxy:** A member with two or more votes entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If a shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company. A proxy may be an individual or a body corporate. If a body corporate is appointed, the Proxy Form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
2. **Proxy vote if appointment specifies way to vote:** Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands;
 - (c) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
 - (d) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).
3. **Transfer of non-chair proxy to chair in certain circumstances:** Section 250BC of the Corporations Act provides that, if:
 - (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's shareholders;
 - (b) the appointed proxy is not the chair of the meeting;
 - (c) at the meeting, a poll is duly demanded on the resolution; and
 - (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.
4. **Attending the Meeting:** Completion of a Proxy Form will not prevent individual members from attending the AGM in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the AGM in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the AGM.
5. **Voting in person:**
 - (a) A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the attached proxy form to the Meeting to assist in registering your attendance and number of votes. Please arrive 15 minutes prior to

the start of the Meeting to facilitate this registration process.

- (b) A Shareholder that is a corporation may appoint an individual to act as its representative to vote at the Meeting in accordance with Section 250D of the Corporations Act. The appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the Certificate is enclosed with this Notice of Meeting

6. **Return of Proxy Form:** To vote by proxy, please complete and sign the enclosed Proxy Form and return the Proxy Form (and any Power of Attorney under which it is signed):

- (a) By mail to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001, Australia.

- (b) By fax to +61 2 9290 9655.

You may also lodge the Proxy Form online: <https://www.votingonline.com.au/pilotagm2024>

SCHEDULE 1
FREE ATTACHING PLACEMENT OPTIONS AND WHAIRO OPTIONS - TERMS AND CONDITIONS

NOTE: *These terms and conditions apply equally to Placement Options, Whairo Options, Miro Options and NEP Options (unless otherwise stated). A reference to Options in this Schedule, should therefore be read as a reference to Placement Options, Whairo Options, Miro Options and NEP Options.*

- (a) **Entitlement:** Each Option entitles the holder to subscribe for one Share upon exercise of the Option and each Option is immediately exercisable.
- (b) **Exercise Price:** Subject to paragraph (a), the amount payable upon exercise of each Option will be \$0.033 (**Exercise Price**).
- (c) **Expiry Date:** Each Option will expire at 5:00pm (EST) on 25 August 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise:** The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) **Quotation of Options:** The Company will not seek quotation of the Options and the will remain unlisted.
- (i) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

- (j) **Reconstruction of capital:** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **Change in exercise price:** A Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

**SCHEDULE 2
CONSULTANT SHARES - ISSUED**

A. Shares issued on 7 July 2023

CONSULTANT	NO. SHARES	Price (\$)
Miro Capital Pty Ltd	3,486,575	0.017
Geovision Exploration Services Pty Ltd	6,918,217	0.013
Watson No. 1 Pty Ltd	4,573,247	0.016
Ross Gregory (New Electric Partners Pty Ltd)	2,924,787	0.017
Catherine Friedlander	1,638,951	0.013
Michael Lonergan	8,346,852	0.012
Jacobsen Renewables Pty Ltd ATF Jacobsen Renewables Trust	499,664	0.016
Energise Renewables Pty Ltd ATF Energise Renewables Trust	2,897,380	0.012
Total	31,238,773	



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:00am (AEDT) on Sunday 4 February 2024.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/pilotagm2024>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore **9:00am (AEDT) on Sunday, 4 February 2024.** Any Proxy Form received after that time will not be valid for the scheduled meeting

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/pilotagm2024>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Pilot Energy Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (Chair)** (mark box)

OR if you are **NOT** appointing the Chair as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair as my/our proxy at the **Annual General Meeting** of the Company to be held at the **offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000, on Tuesday, 6 February 2024 at 9:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair as my/our proxy or the Chair becomes my/our proxy by default and I/we have not specified the way the proxy is to vote, I/we expressly authorise the Chair to exercise my/our proxy in respect of Resolutions 1 and 7 – 9 even though these Resolutions are connected with the remuneration of a member of the Company's key management personnel.

The Chair will vote all undirected proxies in favour of all Items of business (including Resolutions 1 & 7 - 9). If you wish to appoint the Chair as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8	Approval of Future issue of Placement Shares and Options to Mr Daniel Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Re-Election of Director – Mr Daniel Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Approval of Future issue of Placement Shares and Options to Mr Bruce Gordon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Approval of Future issue of Options to Whairo Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4	Ratification of Prior Issues of Shares to Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11	Approval of Future issue of Options to Miro Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5	Ratification of Prior Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 12	Approval of Future issue of Options to New Energy Partners Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Approval of Future issue of Placement options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 13	Approval of Future issue of Convertible Notes and Consequential Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 7	Approval of Future issue of Placement Shares and Options to Mr Tony Strasser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 14	Approval to Modify Terms of \$0.033 Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2024