

Announcement to ASX

28 January 2022

DECEMBER 2021 QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

HIGHLIGHTS

- APA Group, Warrego Energy and Pilot Energy form a Consortium to jointly undertake and fund the Mid West Blue Hydrogen and CCS Feasibility Study. The Consortium will participate in and jointly fund the Feasibility Study with a focus on the Blue Hydrogen technology, regional CCS potential, hydrogen markets, project infrastructure and commercialisation.
- Pilot commenced the South West Carbon Management and Blue Hydrogen Feasibility Study. The study will explore the opportunity to capture and store the South West Western Australian regions CO₂ and Flue gas emissions generated in the Kwinana Industrial Precinct, in addition to the potential development of a Blue Hydrogen project.
- Farm-in Agreement with AET to fund the drilling of one exploration well in Exploration Permit EP 416 or EP 480 to test the natural gas potential of the Leschenault Gas Prospect was finalised.
- CHJV completed a lifting on 26th October 2021, of 107,000 bbls of Cliff Head crude under the Offtake Agreement with BP Singapore, with the CHJV receiving A\$11.3 million in November 2021.

Pilot Energy Limited (ASX: PGY) ("Pilot" or "the Company") is pleased to provide the following update on its operational and corporate activity for the quarter ended 31 December 2021 (and post quarter events to date).

OPERATIONS REPORT

Cliff Head Joint Venture

The Cliff Head Joint Venture is effectively held by the following group entities:

- Triangle Energy (Global) Limited (ASX: TEG) ("Triangle"): 78.75%
- Pilot Energy Limited: 21.25%***

The key operational statistics for the quarter for the CHJV (100% basis) are set out in the table below.

| 1 October – 31 December 2021 | CHJV (100%) | PILOT (21.25%) |
|--|--------------------|-----------------------|
| Production (bbls) | 62,069 | 13,190 |
| Average daily production (bopd) | 675 | 143 |
| Sales (bbls) | 117,949 | 25,064 |
| Average oil price received (A\$ per bbl) | 106 | 106 |
| | | |
| Sales revenue (\$'000) | 12,489 | 2,654 |
| Oil Inventory (63,162 bbls) (\$'000)* | (2,118) | (597) |
| Routine operating costs (\$'000) | (2,570) | (546) |
| Operating Margin (\$'000) | 7,107 | 1,510 |
| Trucking, storage & handling (\$'000) | (873) | (186) |
| Routine Profit (\$'000) | 6,234 | 1,325 |
| Non-routine operating costs (\$'000) | (1,047) | (222) |
| Gross Profit (before tax, \$'000) | 5,187 | 1,102 |

Notes:

*Crude oil delivered and stored at BP Kwinana recorded as inventory until bill of lading. Quarterly figures represent a movement in a value of the cumulative barrels stored.

**Figures may differ immaterially to Triangles reported numbers due to the exchange rate applied to sales revenue (if applicable), methodology in valuing inventory and classification of non-routine costs.

*** Pilot (via its 100% subsidiary, Royal Energy) holds a 50% interest in Triangle Energy (Operations) Pty Ltd ("TEO") which itself holds a 42.5% direct interest in WA -31 L and the Cliff Head Oil Field project. In accordance with applicable accounting standards, Pilot accounts for this investment on an equity accounting basis.

The Cliff Head Joint Venture ("CHJV") continued to produce and deliver crude oil to BP Refinery (Kwinana) Pty Ltd ("BP Kwinana") during the December 2021 quarter. Crude oil delivered to BP Kwinana is recorded as oil inventory until sold. Operating costs continue to be in line with budget estimates.

As announced to the market on 27 October 2021, the CHJV completed a lifting on 26th October 2021, of 107,000 bbls of Cliff Head crude under the Offtake Agreement with BP Singapore, with the CHJV receiving approximately A\$11.3 million in November 2021. For a further 10,900 bbls of Cliff Head crude delivered and sold, in April 2021, under the amendment to the previous Crude Oil Supply Agreement with BP Australia (announced by TEG on 1 March 2021), the CHJV also received A\$1.2 million during the quarter.

As announced by the CHJV on 29 November 2021, BP Kwinana have indicated to the CHJV that they do not intend to extend the term of the Storage Agreement past 22 April 2022. As the term of the Offtake Agreement is aligned with the term of the Storage Agreement, this will also terminate as at the same date, after the next crude oil lifting by BP Singapore scheduled for April 2022.

The CHJV continues to investigate alternate storage and offtake strategies both domestically and internationally. Through the Mid West Feasibility studies, Pilot is separately assessing opportunities to leverage the existing Cliff Head infrastructure into transitional energy projects which may involve carbon capture and storage and offshore wind.

WA 481 – P Exploration

During the quarter, feasibility reviews for 3D/2D seismic acquisition to satisfy the 3D/2D seismic acquisition commitment (Year 1 to 3 period of the current term 350 km² 3D, 200 km 2D) was completed. As part of this evaluation, various seismic program designs were investigated from technical, operational, and cost perspectives. Further analysis of the feasibility study results will lead to selection of an appropriated design with extensive 3D/2D acquisition planning to follow. Seismic acquisition is anticipated in 2023.

Note that wherever possible, Pilot will seek to align geophysical survey activities for future renewable energy projects in parallel with oil and gas related surveys, thereby leveraging operational programs for technical and financial benefit across assets.

EP 416 & EP 480 Exploration

During the quarter Pilot and Advanced Energy Transition Pty Ltd (“AET”) formalised arrangements with the entry into a binding farm in agreement under which AET earns the farm in interest in either a future gas production (50%) or CCS licence (20%). AET is continuing to work with potential investors and is progressing the well engineering work stream. In parallel Pilot has commenced a review of the required regulatory approvals (for example environmental approvals) and is developing a stakeholder engagement plan.

In addition, Pilot is reprocessing of approximately 310 line kms (25 lines) of legacy 2D seismic (Velseis Processing, Brisbane) across the permits utilizing a PSDM workflow. This work is designed to reduce structural and stratigraphic risk by providing more coherent fault delineation and overall improved reflection information. The reprocessing represents part of work commitments for Year 1 in EP 416 and Year 3 in EP 480 and is anticipated to be completed by early February 2022, with data interpretation to follow.

AI inversion of approximately 60 km of 2D line data to be chosen from the reprocessed dataset discussed above will also be undertaken by Velseis. Key objectives of this work are to establish reservoir and seal distribution across the area of coverage and forms part of work commitments for Year 1 in EP 416 and Year 3 in EP 480. The inversion processing is anticipated to be completed by March 2022, with data interpretation to follow.

Planning continued for a baseline geochemical survey across the Leschenault structural feature which straddles EP 416 and EP 480 and represents Year 1 and Year 3 work commitments for these permits respectively. The stakeholder approvals process progressed with survey applications for both permits lodged with the Regulator.

The principal objective of the geochemical survey is to establish the presence, distribution, and composition of hydrocarbons across the Leschenault structural feature via seeps and microseeps and determine the probable hydrocarbon i.e. document the presence of a working petroleum system.

Hydrogen and Renewables Feasibility studies

On 12 August 2021, Pilot announced arrangements with key contractors to commence the Mid West Blue Hydrogen and Renewables feasibility studies. During the quarter, APA Group (ASX: APA) (“APA”), Warrego Energy Limited (ASX: WGO) (“Warrego”) and Pilot (through its subsidiary, Pilot Energy (CH CCS) Pty Ltd) (together the “Consortium”) formed a consortium to undertake and jointly fund Pilot’s Mid West Blue Hydrogen and CCS Feasibility Study.

Blue Hydrogen projects require expertise and collaboration from across the energy industry. Pilot has established the Consortium, which represents the key components of a Blue Hydrogen project:

- APA Group – Infrastructure
- Pilot Energy – Carbon Management
- Warrego Energy – Natural gas supply

The Consortium will participate in and jointly fund the Feasibility Study with a focus on the Blue Hydrogen technology, regional CCS potential, hydrogen markets, project infrastructure and commercialisation. Pilot will undertake a standalone assessment of the Cliff Head project’s CCS potential to provide the Feasibility Study with the necessary assumptions regarding the potential CO₂ injection rate and CO₂ storage capacity.

Pilot is undertaking four studies focused on the Mid West and South West regions of Western Australia. The following table provides an overview of the studies and forecast timing as previously advised.

| Feasibility Study | | Forecast total cash cost | Timing |
|---------------------------------|---|--------------------------|---------|
| Blue Hydrogen Studies | | | |
| 1. | Mid West Blue Hydrogen & CCS | \$0.3m* | Q2 CY22 |
| 2. | 8 Rivers Blue Hydrogen and CO ₂ technology study | \$0.9m | Q1 CY22 |
| 3. | South West Blue Hydrogen & CCS | \$0.6m | Q2 CY22 |
| Renewables Study | | | |
| 1. | Mid West Wind & Solar | \$0.9m | Q1 CY22 |
| Total forecast cash cost | | \$2.7m | |

Note: * Represents Pilot’s share of the forecast cost

During the quarter, Pilot engaged CO₂Tech to broaden the CCS experience available to undertake the assessment of the Mid West and South West CCS opportunities. CO₂Tech is the commercial arm of CO₂CRC, a world leader in carbon capture, utilisation, and storage (CCUS) research. CO₂CRC own and operate the Otway International Test Centre in Nirranda South, South-West Victoria, Australia.

The consultants for the Mid West Wind & Solar delivered draft reports on the renewable energy resources, electrical transmission requirements and the production of green hydrogen. The early results of the study continue to support pre-study expectations that the region's renewable energy resource is sufficient to support large scale onshore and offshore projects. The consultants are progressing the assessment of a number of development strategies to commercialise the identified renewable energy resources.

The Mid West Blue Hydrogen study consultants have progressed assessments of the Cliff Head CCS capacity and the production of Blue hydrogen. To date the CCS assessment has indicated the Cliff Head area can support ~550,000 tpa CO₂ injection and ~ 6.5 million tpa (P50 estimate) of CO₂ storage, pending further analysis of water production required to facilitate CO₂ injection.

The Blue Hydrogen and CO₂ technology study is being conducted by 8 Rivers Capital ("8 Rivers") who developed two powerful technologies that will aid in the global transition to clean energy: the Allam-Fetvedt Cycle for power generation (NET Power) and 8RH2 for hydrogen production. During the quarter 8 Rivers progressed the assessment of two alternative configurations for the hydrogen production facility which also include an option to integrate the production of green hydrogen.

One of the key inputs for the Allam – Fetvedt cycle is pure oxygen which can be supplied from an air separation unit or via water-based electrolysis. The introduction of electrolysis enables Pilot to produce both pure oxygen and renewable hydrogen with the oxygen supplied to the blue hydrogen production facility and green hydrogen available for sale. The 8 Rivers study is assuming the following facility configurations for the production of blue hydrogen:

- Utility scale (prior to integration of renewable energy/electrolysis)
 - 84,000 tpa blue hydrogen
 - 1.5 million tpa super critical CO₂

- Industrial scale (prior to integration of renewable energy/electrolysis)
 - 42,000 tpa blue hydrogen
 - 360,000 tpa super critical CO₂

The South West Carbon Management feasibility study commenced during the quarter and the CO₂Tech engagement will also include an assessment of the CCS potential of the SW hub project. The CO₂Tech scope is expected to commence during January 2022. To ensure each of the aspects of the study are conducted in parallel, the study timetable has been extended and is expected to complete during Q2 CY22.

During the quarter, an initial assessment was completed on the SW region's flue gas composition and potential volume of annual emissions (on a CO₂ equivalent basis) which could be captured and stored at the SW hub project. Over ~18 million tonnes of CO₂e per annum of emissions have been identified. Previous studies on the SW Hub project indicated an annual injection capacity of 800,000 tonnes of CO₂ per annum.

Figure 1. Pilot's Mid-West and South West project overview in WA

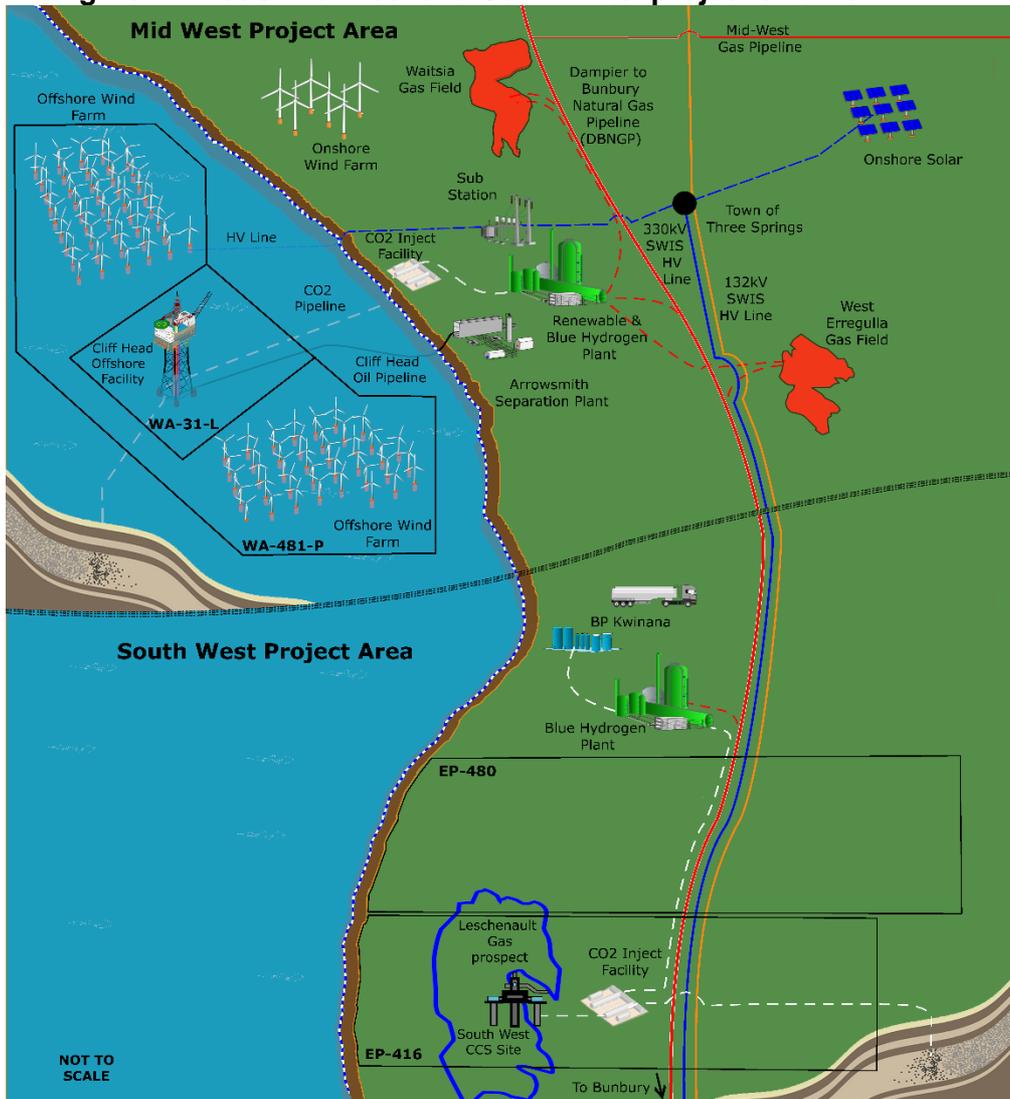


Figure 1. above depicts Pilot's projects and facilities together with infrastructure that Pilot proposes to develop subject to the results of the feasibility studies. Pilot's future projects anticipate leveraging its existing assets and resources to develop world class clean energy projects across the Mid West and South West regions of Western Australia. The future infrastructure projects may include, as shown above, a CO2 pipeline and injection facility, blue hydrogen plants, CCS sites, offshore and onshore wind, solar, renewable hydrogen plant, substation, transmission lines and hydrogen pipelines.

CORPORATE ACTIVITIES

Share Capital

During the December 2021 quarter the following options were issued:

- on 11 November 2021: 13,333,334 options issued to 8 Rivers Capital LLC expiring on 2 November 2024 with an exercise price of \$0.08.

At 31 December 2021, as noted in the 2021 Annual Report, the Company had the following capital structure:

- 501,601,701 shares on issue
- 77,999,971 outstanding (unlisted) options

Post 31 December 2021, and at the date of this Quarterly Report, the following shares have been issued:

- 454,545 ordinary shares pursuant to an exercise of \$0.033 options issued on 21 January 2022; and
- a total of 2,334,066 ordinary shares issued on 21 January 2022 to consultants to the Company who have provided services to Pilot between January - December 2021 and have elected to all or take part of their fees rendered in shares in lieu of cash payment of fees.

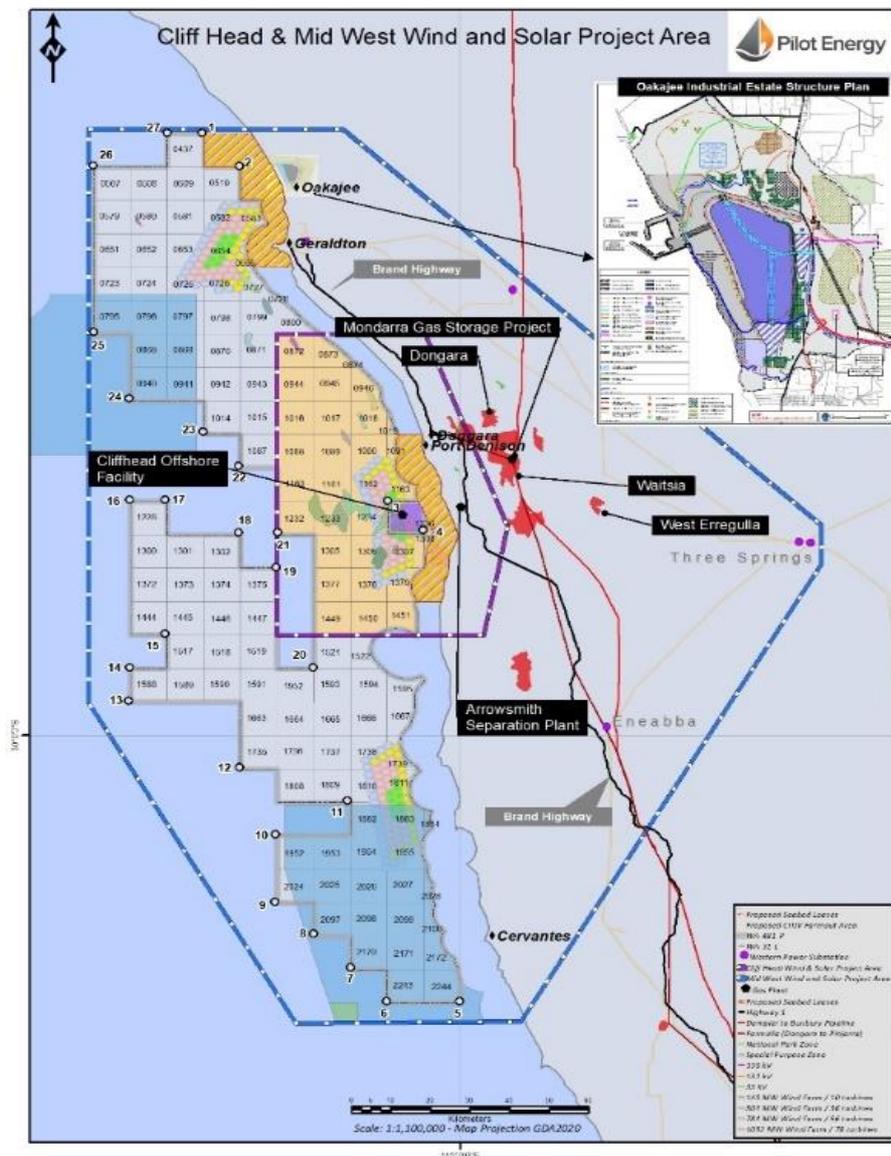
WA-481-P Transaction

On 9 November 2020 Pilot announced that it had entered into an agreement with Triangle Energy (Global) Limited (ASX:TEG) (Triangle) to, amongst other things, sell a 78.75% interest in, and operatorship of, the offshore Perth Basin exploration permit WA- 481-P. As previously disclosed, the sale and transfer of interest to Triangle is conditional on receipt of regulatory approval.

On 4 January 2022, Pilot received notice from the National Offshore Petroleum Titles Administrator (NOPTA) that, based on the information that it had received to date, NOPTA is proposing to refuse to approve the transfer to Triangle. In this letter, NOPTA invited Pilot and Triangle to make further submissions by 4 February 2022, which should be taken into account when NOPTA makes its final decision as to whether to approve or refuse the transfer application.

Subsequent to receipt of the NOPTA letter, Triangle representatives have met with representatives from NOPTA and have sought and obtained an extension to 4 March 2022 to provide such submissions. Triangle is in the process of preparing these submissions and has ongoing engagement with NOPTA. At this time, the regulatory approval process remains incomplete.

PGY has recently confirmed in writing to NOPTA its commitment to, and intentions and proposals with regards to, the satisfaction of the work commitments associated with WA-481-P. These proposals were the subject of Pilot's announcement to the market on 24 December 2021.



Contingent and Prospective resources

The Company confirms, and as per the 2021 Annual Report, that there are no changes to the WA 31-L and WA 481-P Contingent Resource information which was previously presented to the market in the Company's ASX Announcement "Resources Update" dated 23 April 2021. The Cliff Head Oil field Contingent Resources have not been re-assessed since the estimate dated 31 March 2021. However, the Company notes that during the period 1 April 2021 through to 30 September 2021 126,916 bbls (Pilot share 26,970 bbls) of oil have been produced.

The Company confirms that there are no changes to the Contingent Resource estimates set out in 2021 Annual Report based on (1) the Cliff Head independent resources report prepared by RISC Advisory Pty Ltd (RISC) dated 16 April 2021 and (2) an Independent Technical Specialist Report prepared by RISC dated 28 January 2021 relating to the Company's Australian exploration assets.

Payments to Related Parties of the Entity and their Associates

The payments to related parties and their associates as disclosed in the Appendix 5B relate to consulting fees and directors' fees, paid to directors.

Feasibility Study Reporting

During the Mid-West Wind and Solar renewables feasibility period (through to September 2022), the Company is required by the ASX to provide the following additional information on the allocation of expenditure between its oil and gas activities and Mid West Wind and Solar feasibility activities.

| Expenditure Category | Quarterly Expenditure (\$'000) | Proportion of total expenditure |
|---|--------------------------------|---------------------------------|
| Oil & Gas Activities | 1,211 | 87% |
| <ul style="list-style-type: none"> Cliff Head operations and capex* | 761 | 55% |
| <ul style="list-style-type: none"> Other exploration and feasibility expenditure | 450 | 32% |
| Mid-West Wind and Solar | 178 | 13% |
| Total | 1,389 | 100% |

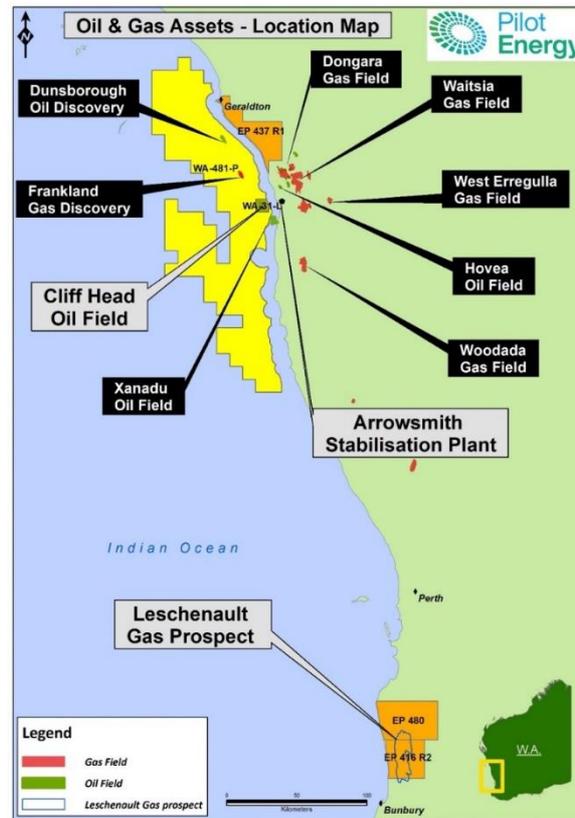
Notes:

*Pilot (via its 100% subsidiary, Royal Energy) holds a 50% interest in TEO which itself holds a 42.5% direct interest in WA -31 L and the Cliff Head Oil Field project. In accordance with applicable accounting standards, Pilot accounts for this investment on an equity accounting basis. As such Pilot's expenditures in the above table represent Pilot's proportionate share of operational/capex expenditure incurred by CHJV. The figures reported in the Appendix 5B sections 2.3, 3.5 & 3.6 reports only net cashflows to/from TEO.

ASX Listing Rule 5.3.3: Tenement Details

The following table summarises Pilot's interest in its Oil and Gas tenements which are also presented on the map below.

| Tenement reference | Tenement Location | Interest at beginning of quarter | Interest at end of quarter |
|---|--|----------------------------------|----------------------------|
| WA-31-L ⁱ | Western Australia – Offshore Commonwealth Waters | 21.25% | 21.25% |
| WA-481-P ⁱⁱ | Western Australia – Offshore Commonwealth Waters | 100% | 100% |
| EP416 | Western Australia – Onshore | 100% | 100% |
| EP480 | Western Australia – Onshore | 100% | 100% |
| EP437 | Western Australia – Onshore | 13.058% | 13.058% |
| i) The Company holds a 50% interest in TEO which has a 42.5% direct interest in WA-31L. | | | |
| ii) Subject to the completion of the sale of an interest to Triangle, the Company will hold a 21.25% non-operated interest. | | | |



Pilot Oil and Gas asset map

Competent Person Statement:

This announcement contains information on conventional petroleum resources which is based on and fairly represents information and supporting documentation reviewed by Dr Xingjin Wang, a Petroleum Engineer with over 30 years' experience and a Master in Petroleum Engineering from the University of New South Wales and a PhD in applied Geology from the University of New South Wales. Dr Wang is an active member of the SPE and PESA and is qualified in accordance with ASX listing rule 5.1. He is a former Director of Pilot Energy Ltd and has consented to the inclusion of this information in the form and context to which it appears. This announcement has been authorised for release to ASX by Bradley Lingo and Tony Strasser on behalf of the Board of Directors of Pilot Energy Limited.

Enquiries

Cate Friedlander, Company Secretary, email: cfriedlander@pilotenergy.com.au

About Pilot: Pilot is currently a junior oil and gas exploration and production company that is aggressively pursuing the diversification and transition to the development of integrated renewable energy, hydrogen, and carbon management projects by leveraging its existing oil and gas tenements and infrastructure to cornerstone these developments. Pilot holds a 21.25% interest in the Cliff Head Oil field, material working interests in WA-481-P and EP416/480 exploration permits, located offshore and onshore Western Australia, which form foundation assets for the potential development of clean energy projects in Western Australia.

Annexure 1 Feasibility Study Reporting Conditions

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

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PILOT ENERGY LIMITED

ABN

86 115 229 984

Quarter ended ("current quarter")

31 Dec 2021

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 257 | 257 |
| 1.2 Payments for | | |
| (a) exploration & evaluation (if expensed) | - | - |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (330) | (330) |
| (e) administration and corporate costs | (335) | (335) |
| 1.3 Dividends received (See note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other | | |
| 1.9 Net cash from / (used in) operating activities | (408) | (408) |

| | | |
|--|-------|-------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | - | - |
| (d) exploration & feasibility expenditure (if capitalised) | (628) | (628) |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | 571 | 571 |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other | - | - |
| 2.6 | Net cash from / (used in) investing activities | (57) | (57) |

| | | | |
|-------------|---|-------------|-------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (14) | (14) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | (14) | (14) |

| | | | |
|-----------|--|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 5,455 | 5,455 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (408) | (408) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (57) | (57) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (14) | (14) |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 4,976 | 4,976 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 4,976 | 4,976 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 4,976 | 4,976 |

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

303

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | - |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (Item 1.9) | (408) |
| 8.2 Capitalised exploration & feasibility expenditure (Item 2.1(d)) | (628) |
| 8.3 Total relevant outgoings (Item 8.1 + Item 8.2) | (1,036) |
| 8.4 Cash and cash equivalents at quarter end (Item 4.6) | 4,976 |
| 8.5 Unused finance facilities available at quarter end (Item 7.5) | - |
| 8.6 Total available funding (Item 8.4 + Item 8.5) | 4,976 |
| 8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3) | 4.8 |
| 8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: | |
| 2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: | |
| 3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| Answer: | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28 January 2022.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.