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Announcement to ASX

1 September 2023

ASX: PGY

**AMENDMENT TO ANNOUNCEMENT TITLED  
“RETRACTION OF FORECAST FINANCIAL INFORMATION AND  
CLARIFICATION ON MID WEST CLEAN ENERGY PROJECT  
FEASIBILITY STUDIES”**

*Earlier today the Company released a version of this announcement with missing text. Set out below is a further version of this announcement amended to include the missing text in the second sentence of paragraph 4 on page 2.*

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Pilot Energy Limited (“Pilot” or “The Company”) refers to its announcement released on 28 March 2022 titled ‘PGY – Mid West Feasibility Study Update’ (“Announcement”) in relation to the Mid West region Feasibility Studies undertaken between August 2021 and March 2022 (“Feasibility Studies”).

Pilot continues to progress the Mid West Clean Energy Project, however, following discussions with ASIC, wishes to provide the market with further clarification in relation to the presentation of Feasibility Studies results and retract certain statements made in the Announcement.

**Retraction of revenue statement which relied on prospective resource estimates and restatement of Figure 1**

Pilot wishes to withdraw the statement provided in Figure 1 of the Announcement that the Cliff Head + Frankland & Southern Cluster scenario has **revenue potential of \$2.625m**. Pilot withdraws this revenue statement on the basis that the combined resource for Cliff Head + Frankland and the Southern Cluster CCS includes a component of best estimate prospective resources (56.2 million tonnes best estimate prospective resource), as set out in Table 1 and Figure 6 of the Announcement. Prospective resources have risk and uncertainty both as to their discovery and their commercial development and they therefore are unlikely to provide a reasonable basis for forecasting financial information. As a consequence of the retraction of this forecast

financial information, the Company advises that investors should not rely on the retracted forecast financial information for their investment decisions.

### **Clarifications to Feasibility Study Results Summary contained in Figure 1 of the Announcement**

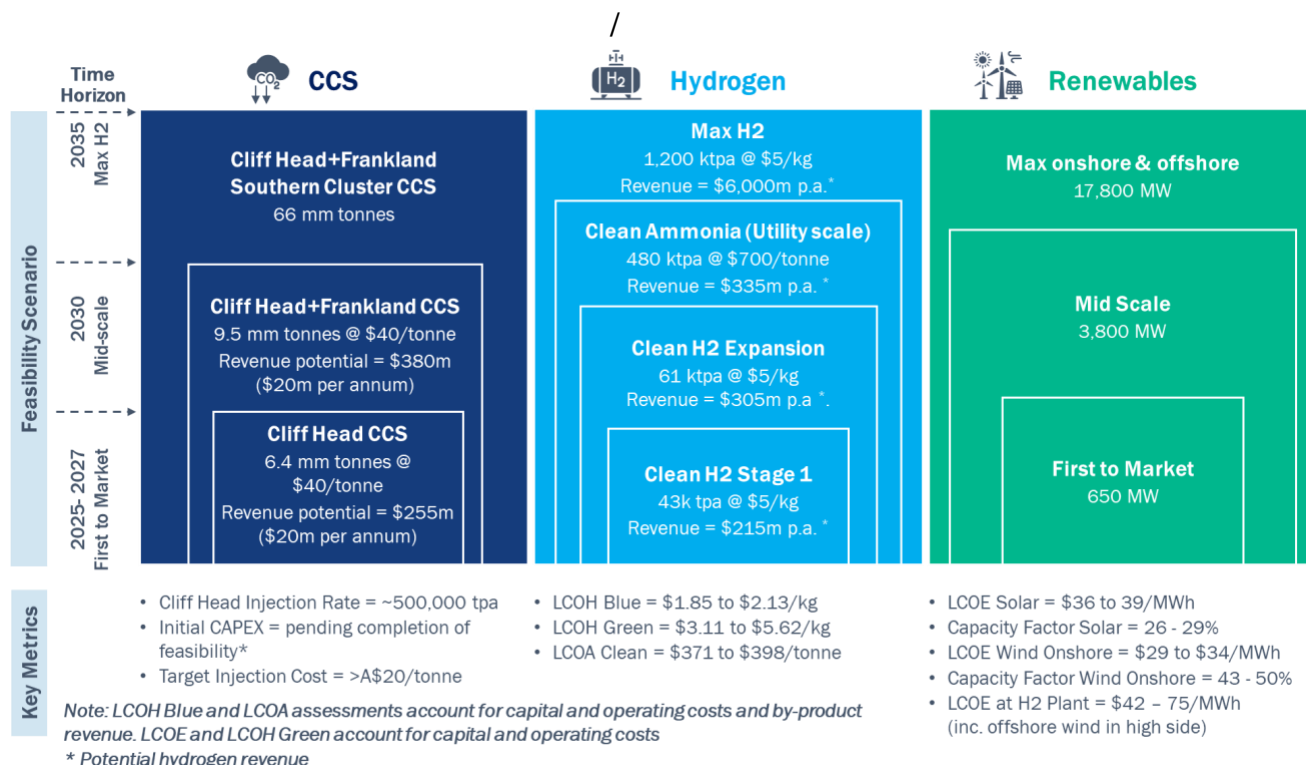
Figure 1 of the Announcement provided a high-level illustrative summary of the results of each of the Feasibility Studies undertaken. This included the results of the Feasibility Studies for each of the key components of clean energy projects, including Carbon Capture and Storage (“CCS”), Hydrogen and Renewables as against potential development commencement time horizons.

Figure 1 presented additional information for investors, including for example the revenue potential for the CCS and Hydrogen Projects on an aggregated basis and annual basis, as well as the cost base, on a levelized basis, of these clean energy project components.

Pilot wishes to clarify that the levelized cost of hydrogen and ammonia (“LCOH” and “LCOA”, respectively) as presented in Figure 1 included an assessment of the capital and operating costs and by-product revenues. While Figure 1 provided an illustrative summary of the results of the Feasibility Studies, the underlying foundation for the levelized cost information set out in Figure 1 was described on page 42 of the Announcement which describes the basis of the assessment undertaken by 8 Rivers. For example, as the CO<sub>2</sub> produced from blue hydrogen production is a by-product that can produce a revenue stream, the presentation of the LCOH blue and LCOA in Figure 1 included the CO<sub>2</sub> by-product as an offset of the Project’s costs (see “*Note*” at the bottom of Figure 1 below).

The restated Figure 1 presented below includes the revenue potential of CCS projects for the 2025 – 2027 (first to market low case) and 2030 (mid scale) on an annual basis, to provide investors with additional context. The annual revenue potential is based on the estimated injection rate as at March 2022 of 500,000 tpa, an ACCU forecast of \$40 per tonne and revenue generated from CO<sub>2</sub> by-product from blue hydrogen production. Restated Figure 1 also notes that the hydrogen estimates are of *potential* revenues.

In this regard, the Company has amended and restated Figure 1 of the Announcement as set out below.



## ENDS

This announcement has been authorised for release to ASX by the Board of Pilot Energy Limited.

### Enquiries

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### About Pilot:

Pilot is currently a junior oil and gas exploration and production company that is aggressively pursuing the diversification and transition to the development of carbon management services and integrated clean energy (hydrogen / ammonia) 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 and 100% interest in WA-481-P exploration permit both located offshore Western Australia, which form foundation assets for the potential development of clean energy projects in Western Australia.