

Pilot Energy Limited

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26 February 2025

Reference: 106431

Listings Compliance Perth
c.c. Mr S. Dorland

By email

To: ASX Compliance

Pilot Energy Limited ("PGY"): ASX Aware Letter

Pilot refers to your letter dated 21 February 2025.

In response to ASX's request that PGY respond to a series of questions relating to PGY's announcement released on ASX MAP on 21 February 2025 (**Announcement**), PGY responds as follows.

1. Does PGY consider the Joint Feasibility Study Agreement, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

No, the Company does not consider the Joint Feasibility Study Agreement the subject of the Announcement (**Study**), or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities.

Given PGY is currently in suspension through until 5 March 2025, PGY does not believe the information could have an impact on the price/value of its securities.

In addition, and notwithstanding the suspension of PGY, the Study has previously been announced (see ASX:PGY Quarterly Activities Reports and Appendices 5B released to the market on 31 October 2024 (pg 9) (**September Quarterly**) and 31 January 2025 (pg 4) (**December Quarterly**)) and the Announcement was by way of corporate update in relation to the scope and progress of the Study. See the statement to this effect in the first line of the Announcement.

2. If the answer to any part of question 1 is "no", please advise the basis for that view.

See the response to Question 1 above.

3. What date did PGY's board commit to proceeding with the joint feasibility study referred to in the Announcement?

The PGY Board committed to proceeding with the Study in September 2024. The Study was then announced in the PGY Quarterly Activities Report released to the market on 31 October 2024.

4. What date did the joint feasibility study referred to in the Announcement commence?

The Study commenced in February 2025.

Following agreement between South 32 and PGY to proceed with the Study (as announced in the December Quarterly and noted above), PGY: (i) engaged with Chiyoda Engineering over several months to agree a proposal in respect of the Study; and then (ii) entered into an engineering services agreement and engagement with KNCC* to facilitate KNCC's participation in the Study. Work under these arrangements, in relation to the Study, commenced in February 2025.

** Regarding PGY's relationship with KNCC see earlier announcement on ASX: PGY dated 15 June 2023.*

5. When did PGY first become aware of the information referred to in Paragraph A above?

PGY was first aware of the information referred to in paragraph A of the ASX letter at different times and the Company has made announcements about these various matters in previous announcements on ASX: PGY (see the September and December 2024 Quarterly Activities Reports) in accordance with Listing Rule 3.1.

6. If PGY first became aware of the information referred to in Paragraph A before the date of the Announcement, did PGY make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe PGY was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps PGY took to ensure that the information was released promptly and without delay.

As noted above, PGY has previously announced the information detailed in paragraph A of the ASX letter in the September and December 2024 Quarterly Activities reports.

7. Please provide a summary of the material terms of the joint feasibility study agreement. In responding to this query, please specifically address the below matters:

- 7.1 whether the agreement is binding;

The arrangements are non-binding, confidential and subject to results of the Study.

- 7.2 how costs are shared between PGY and South32 in conducting the joint feasibility study;

As noted in the Announcement, PGY is accessing funds from the Carbon Capture technologies program grant to fund the Study (see announcement on ASX: PGY dated 23

July 2024).

- 7.3 any termination rights / events;

The arrangement has a 1 year term and early termination is subject to mutual agreement depending on the progress and outcomes of the works comprising the Study.

- 7.4 any other material information relevant to assessing the impact of the agreement on the price or value of PGY's securities.

Given that forward arrangements between the parties to the Study upon its completion are subject to agreement, PGY does not believe there is any other material information relevant to assessing the impact of the Study on the price or value of PGY's securities. In this regard, PGY refers ASX to the following statement set out in the Announcement:

"The study is expected to complete in Q3 CY 2025 and, subject to the results, may form the basis for further commercial and technical engagement on decarbonisation options for Worsley Alumina."

8. Please confirm that PGY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it is complying with the Listing Rules and, in particular, with Listing 3.1.

9. Please confirm that PGY's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of PGY with delegated authority from the board to respond to ASX on disclosure matters.

PGY confirms that its responses to the questions above have been authorised and approved by the Board.

Regards

Cate Friedlander

Cate Friedlander
Company Secretary



21 February 2025

Reference: 106431

Ms Cate Friedlander
Company Secretary
Pilot Energy Limited

By email

Dear Ms Friedlander

Pilot Energy Limited ('PGY'): ASX Aware Letter

ASX refers to the following:

- A. PGY's announcement titled "Carbon Supply Chain Feasibility Study" (the 'Announcement') released on the ASX Market Announcements Platform at 10:07 AM (AWST) today, 21 February 2025 disclosing the following:
- 1.1 *"Pilot and South32 Worsley Alumina Pty Ltd (South32) have agreed to undertake a joint feasibility study of the carbon supply chain required to assist with capturing and storing up to approximately 700,000 tonnes per annum of carbon dioxide associated with the Worsley Alumina operations."*
 - 1.2 *"The Feasibility Study commenced in Q1 CY2025..."*
 - 1.3 *"The study is expected to complete in Q3 CY2025 and, subject to results, may form a potential basis for further commercial and technical engagement on decarbonisation options for Worsley Alumina."*
- (Joint Feasibility Study Agreement')
- B. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- C. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:
- "an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."*
- D. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"
- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.
- "3.1A** *Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
- 3.1A.1** *One or more of the following 5 situations applies:*
- *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

F. The concept of "confidentiality" detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule."

G. Section 4.15 of ASX Guidance Note 8 *Continuous Disclosure: Listing Rule 3.1-3.1B* ('GN8'), which states:

"Wherever possible, an announcement under Listing Rule 3.1 should contain sufficient detail for investors or their professional advisers to understand its ramifications and to assess its impact on the price or value of the entity's securities."

Request for information

Having regard to the above, ASX asks PGY to respond separately to each of the following questions:

1. Does PGY consider the Joint Feasibility Study Agreement, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to any part of question 1 is "no", please advise the basis for that view.
3. What date did PGY's board commit to proceeding with the joint feasibility study referred to in the Announcement?
4. What date did the joint feasibility study referred to in the Announcement commence?
5. When did PGY first become aware of the information referred to in Paragraph A above?
6. If PGY first became aware of the information referred to in Paragraph A before the date of the Announcement, did PGY make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe PGY was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps PGY took to ensure that the information was released promptly and without delay.
7. Please provide a summary of the material terms of the joint feasibility study agreement. In responding to this query, please specifically address the below matters:
 - 7.1 whether the agreement is binding;
 - 7.2 how costs are shared between PGY and South32 in conducting the joint feasibility study;
 - 7.3 any termination rights / events; and
 - 7.4 any other material information relevant to assessing the impact of the agreement on the price or value of PGY's securities;

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8. Please confirm that PGY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 9. Please confirm that PGY's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of PGY with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2:00 PM AWST Wednesday, 26 February 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PGY's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require PGY to request a trading halt immediately if trading in PGY's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PGY's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to PGY's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that PGY's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Kind regards

ASX Compliance