

Announcement to ASX
ASX: PGY

1 May 2025

Cliff Head Operations Update

- NOPSEMA confirms that Cliff Head JV has successfully satisfied and completed key activities under General Directive 1947 securing wells, facilities and pipelines
- ROV survey of Cliff Head A Platform undertaken and major cleaning removing marine growth build-up completed
- External and internal inspection and integrity surveys completed confirming continuing integrity of Cliff Head offshore/onshore
- Pilot progresses development of carbon storage repurposing programme for Cliff Head utilizing all existing facilities as part of potential future carbon storage project
- Operational focus on near-term opportunities to right-size operations and capture new revenue streams through use of Arrowsmith Plant as liquids terminal

Pilot Energy Limited (**ASX:PGY**) (**Pilot** or **Company**) is pleased to provide an update on ongoing maintenance and operational activities at the Cliff Head Oil Field. These activities are focused on maintaining regulatory compliance in preparation for potential future decommissioning, as well as progressing the transition of the Cliff Head Facilities into a proposed future carbon injection and permanent storage operation.

NOPSEMA General Direction 1947

As previously outlined in the Company's Annual Financial Report for the year ended 30 September 2024, the Cliff Head Oil Joint Venture received a General Direction Notice 1947 from the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) on 8 July 2024, outlining specific activities required to be undertaken by the Cliff Head Oil Field JV parties following the cessation of production from the Cliff Head Oil Field. A copy of the General Direction Notice is publicly available on the NOPSEMA website at [General Direction - 1947.pdf](#).

Under the previously announced transaction with Triangle Energy Group (Global) Ltd (ASX:TEG) (refer ASX:PGY dated 23 July 2024), Pilot has been solely funding 100% of the ongoing operational costs of the Cliff Head Oil Field operations and the implementation of the NOPSEMA-directed activities since 1 August 2024.

Under the Company's management, the Cliff Head operations team has been focused on executing key workstreams to meet the obligations of the General Direction, ensuring appropriate steps are taken after cessation of petroleum production to reduce risks in the

workforce and environment, as part of the transition to a Non-Production Phase (NPP) status.

Status of Compliance Activities

Under the General Direction 1947, five key activities were mandated. Pilot is pleased to report:

- **Directions 1, 2 & 5a** – Activities to secure the wells, facilities and pipelines post-production have been completed. NOPSEMA has formally confirmed these Directions are closed.
- **Directions 3, 4 & 5b** – Activities related to ongoing risk management and environmental protection remain ongoing and are incorporated into Pilot's FY26 operational plans.

Regular status updates and reporting to NOPSEMA are being maintained, with annual safety inspections by NOPSEMA and DEMIRS completed between December 2024 and March 2025.

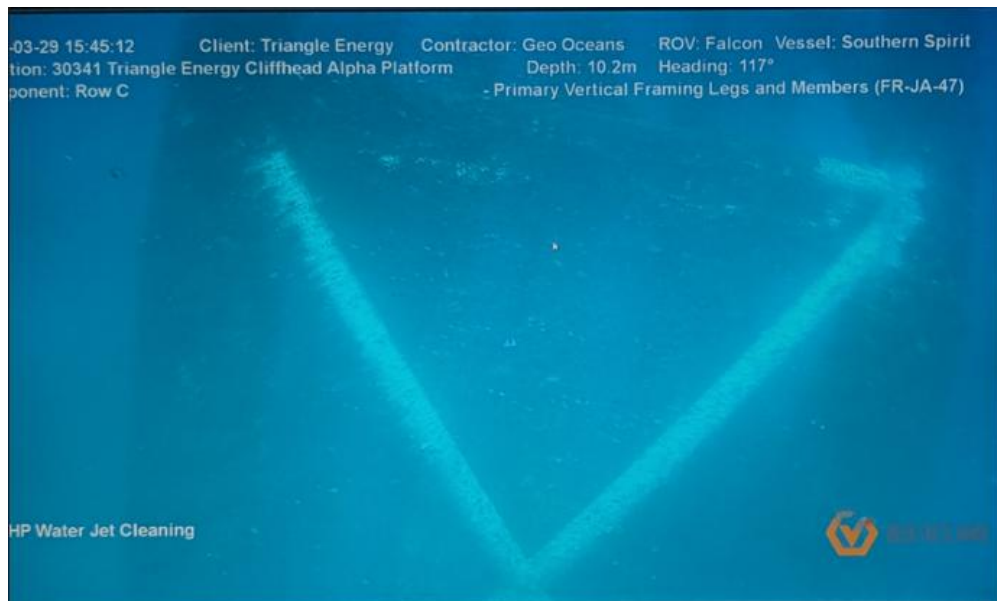
All planned activities are in line with the operating work programme and budget which is designed to appropriately manage the facilities and meet the intent of the Directions. The most recent work is described below.

ROV Survey & Marine Growth Removal

Between 26 March and 6 April 2025, Pilot successfully completed a marine growth removal campaign at the Cliff Head Wellhead Platform (installed in 2005, located 10km offshore in 18m water depth). A Remotely Operated Vehicle (ROV) was used to remove excess marine growth via high-pressure water jets. The ROV also performed structural inspections and cathodic protection (CP) measurements, with no significant issues identified. Additional CP measurements were also taken along the subsea pipelines which confirmed ongoing asset integrity.



ROV being deployed off operations support vessel at Cliff Head Wellhead Platform



Underwater photo of structure following being cleaned of marine growth

Pipeline Integrity Management

As part of the original development, two 250mm diameter pipelines were installed from the onshore Arrowsmith Stabilisation Plant (3km inland) to the Cliff Head Well Head Platform. Although the asset is in a Non-Production Phase and the pipelines have been flushed free of hydrocarbons, the pipelines must be maintained in accordance with the General Direction until they are re-purposed or removed.

A key element of transitioning the current operation into the CO₂ injection and permanent storage operation is the ability to re-purpose the existing offshore pipelines for both CO₂ injection and storage facility pressure management. To ensure the ongoing integrity, these pipelines are periodically internally and externally inspected as part of the ongoing management of the Cliff Head facilities. Three methodologies have all been recently run which provides baseline data for the current NPP and support the re-purposing of the Cliff Head facilities into a Carbon Storage Facility.

Smart Ball

The Smart Ball is an acoustic device launched into the pipelines listening for indications of leaks. The Smart Ball is a relatively low-cost pipeline inspection technique that has been regularly used for many years on both Cliff Head pipelines. It is one of several verifications to ensure the pipelines remain in good condition. The most recent run was completed on 20 March and analysis of the acoustic data shows no leaks, as expected.

In-line inspection

The two pipelines are periodically scanned from inside the pipe using an In-Line Inspection tool, also referred to as an "Intelligent" PIG (Pipeline Integrity Gauge). This device utilizes sensors to detect variations in the magnetic field caused by the strong magnets within the tool

and the internal wall of the pipelines. These variations translate to provide a clear picture of any internal corrosion anomalies. The runs were completed smoothly on 26 and 27 March and the data has been taken for interpretation and analysis.



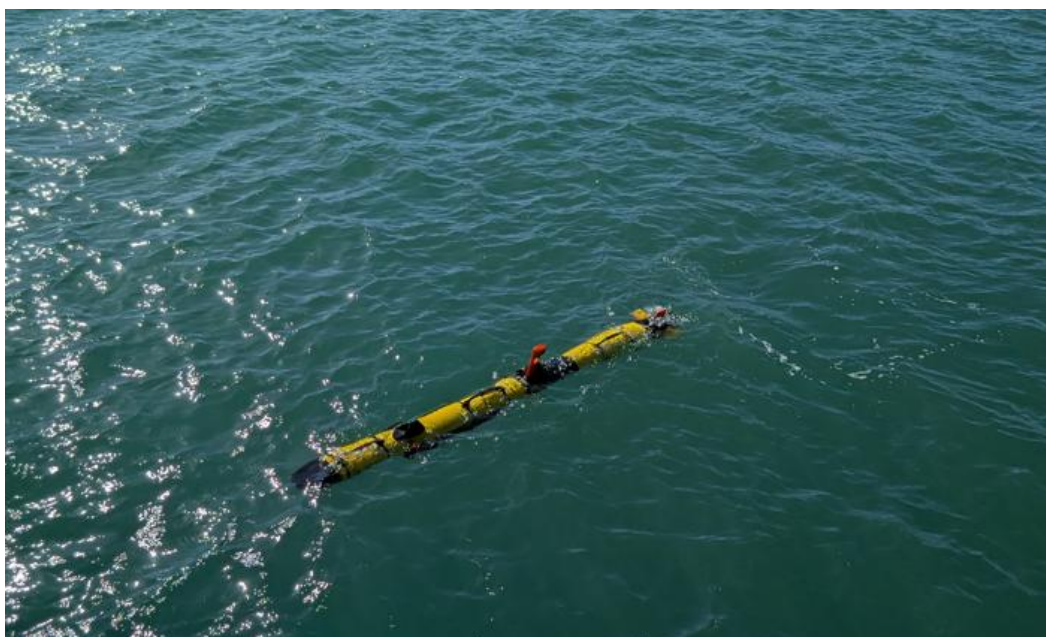
Photo of the Intelligent PIG that was run inside Cliff Head Oil Production and Water Injection Pipelines

AUV survey

In a first for the Cliff Head Oil Field, an Autonomous Underwater Vehicle (AUV) was used to efficiently and safely visually scan the entire length of the two offshore pipelines from 7 to 10 April. Use of the AUV versus ROV allowed even further efficiencies, reducing the time in field from 7 to 4 days and associated costs for the survey.



AUV being deployed from operation vessel



AUV in the water

Operational Summary

As demonstrated by the ongoing operations management of the asset integrity at Cliff Head by the team, the Company is meeting the obligations as a good operator, including the requirements of General Direction 1947. In addition to these activities, the Company is also executing these activities to ensure the integrity of these assets and that they remain well placed for re-purposing as integral components of the proposed future carbon storage operation.

Repurposing and Right-sizing Operational Focus

As the Company executes the on-going facility regulatory requirements for the Non-Production Phase as required by General Direction 1947 and planning for the potential repurposing of the facilities and operations into a carbon storage operation, the Company is also working to ensure that all existing activities are right-sized for the current state of operations as well as exploring multiple opportunities to generate new revenues through the use the existing onshore facilities to support adjacent operations of other oil & gas production projects under development.

The Company is exploring with a number of parties the potential to utilize the existing Arrowsmith Plant as an oil and condensate liquids storage and export terminal. The Company is also exploring the ability to use existing equipment, gas supply arrangements and liquids storage to supply much-needed firming power into the local power transmission grid.

MWCEP Cliff Head Carbon Storage Project – Cliff Head Facility Re-purpose

Pilot is progressing the re-purposing of the Cliff Head Oil Field infrastructure into a Carbon Storage Facility under the Mid West Clean Energy Project (MWCEP). The oil facilities that will be re-purposed for the Carbon Storage operations include:

- The CHA offshore wellhead structure
- 3 to 4 of the production wells on CHA
- Production and Injection Pipelines

- Onshore Production related equipment
- All four Tanks
- Existing CHOWS Well as a disposal well
- Existing Loadout facilities
- Power Generation & Waste-Heat Recovery
- Control Room, Switchgear, Warehouse and Storeroom
- Utility Systems – Heat Medium, Chemical Injection, Utility & Instrument Air
- Firewater and Safety Systems

Some of the utility systems will require expansion, for example the power.

Figure 1 below provides a clear but simplified drawing demonstrating that a vast majority of the existing Cliff Head facilities will be re-purposed and become integral parts of the Carbon Storage Facility and only a very limited number of facilities in the current operation would be de-commissioned as part of transitioning into the Carbon Storage Facility.

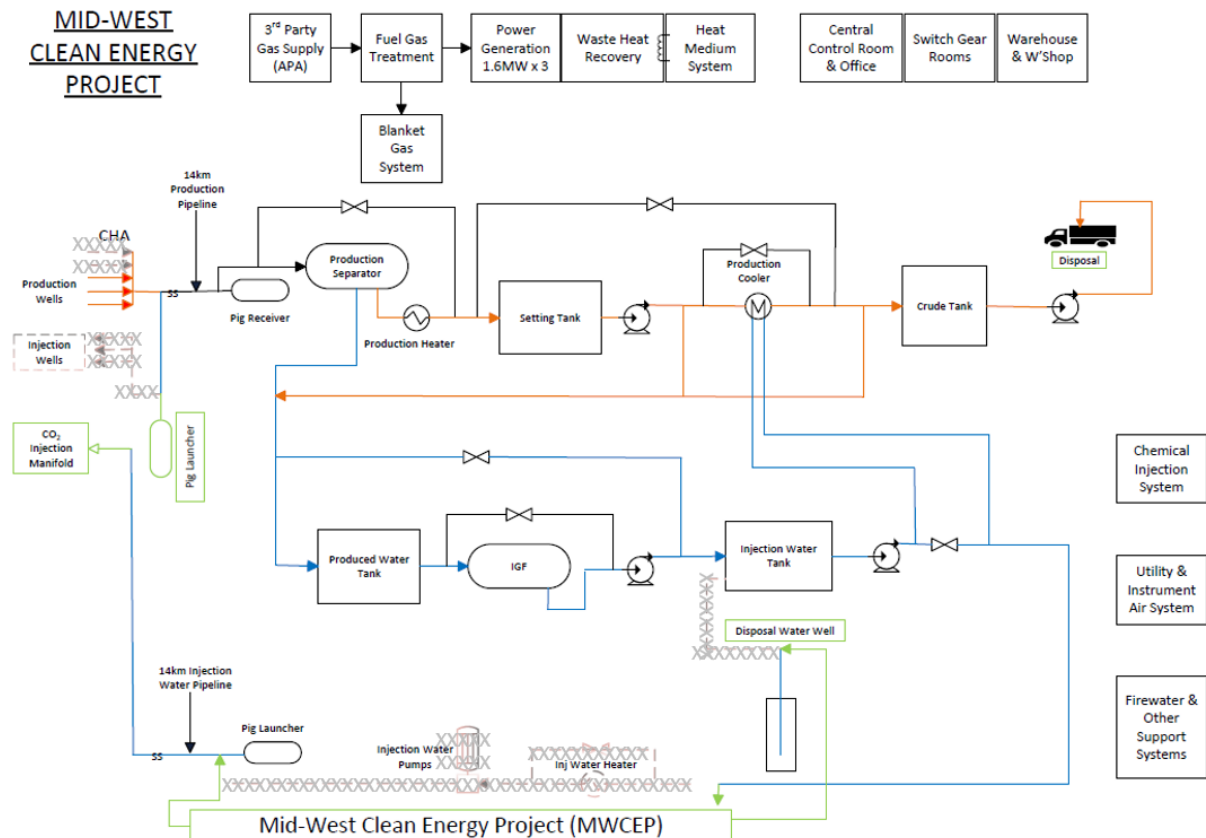


Figure 1

Cross-hatches show the equipment that will not be used as part of the Carbon Storage operations.



Blacked out section shows equipment that will not be used as part of the Carbon Storage operations

ENDS

This announcement has been authorised for release to ASX by the Managing Director, Brad Lingo on behalf of the Board of Directors.

Enquiries

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About Pilot: Pilot is a junior oil and gas exploration and production company that is pursuing the diversification and transition to the development of carbon management projects, production of hydrogen and clean ammonia for export to emerging APAC Clean Energy markets. Pilot intends to leverage its existing oil and gas operations and infrastructure to cornerstone these developments. Pilot is proposing to develop Australia's first offshore CO2 Storage Project through the conversion of the Cliff Head Oil field and associated infrastructure from oil production to CO2 Storage as part of the Mid West Clean Energy Project.