



Announcement Summary

Entity name

PILOT ENERGY LIMITED

Announcement Type

New announcement

Date of this announcement

13/12/2022

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
PGY	ORDINARY FULLY PAID	31,250,000

Proposed +issue date

13/2/2023

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

PILOT ENERGY LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

86115229984

1.3 ASX issuer code

PGY

1.4 The announcement is

New announcement

1.5 Date of this announcement

13/12/2022

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis? Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	10/2/2023	<input checked="" type="checkbox"/> Estimated	

Comments

Pursuant to a Support Agreement between the Company and 8 Rivers Capital, LLC (8 Rivers) dated 14 November 2022, the Company will issue fully paid ordinary Shares to 8 Rivers or its nominee in consideration for project development services provided by 8 Rivers in connection with the Cliff Head CCS Project. Shareholder approval for the proposed issue will be sought at the Company's 2023 AGM under Listing Rule 7.1.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

 No

Details of +securities proposed to be issued

ASX +security code and description

PGY : ORDINARY FULLY PAID

Number of +securities proposed to be issued

31,250,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?



No

Please describe the consideration being provided for the +securities

No consideration is being provided for the shares as the issue of shares will be made in lieu of cash fees (valued at \$250k) for services rendered by 8 Rivers under the Support Agreement.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

250,000.000000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

13/2/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

10/2/2023

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?



No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The purpose of the issue will be to satisfy the Company's obligations under the Support Agreement dated 14 November 2022. Accordingly, the Company will issue shares in lieu of cash fees for services rendered by 8 Rivers.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

As previously announced by the Company on 28 March 2022 and 7 June 2022, the Company engaged 8 Rivers to undertake a feasibility assessment in respect of the production of blue hydrogen and ammonia for its Mid West Clean Energy Project (MWCEP). Pursuant to a Support Agreement between Pilot and 8 Rivers for production and development support entered into on 14 November 2022, 8 Rivers has agreed to provide project development services to the Company in connection with the Cliff Head CCS Project in consideration for which Pilot will issue fully paid, ordinary Shares in Pilot to 8 Rivers (or its nominee). The approximate maximum number of Shares as set out in this 3B (which will be set out in the Notice of AGM) will be calculated on the basis of the 30-day VWAP of the market price on the issue date to a total value of \$250,000.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)