



**PILOT ENERGY LIMITED**

**ACN 115 229 984**

**NOTICE OF GENERAL MEETING,  
EXPLANATORY MEMORANDUM  
AND  
PROXY FORM**

**Date of Meeting:** 19 September 2024

**Time of Meeting:** 11.00am (AEST)

**Place of Meeting:** the offices of A.D. Danieli at  
Level 1, 261 George St, Sydney, NSW, 2000

**PILOT ENERGY LIMITED**

**ACN 115 229 984**

**NOTICE OF GENERAL MEETING**

Notice is hereby given that the General Meeting of Shareholders of Pilot Energy Limited ("**Company**") will be held at 11.00am (AEST) on Thursday, 19 September 2024 at the offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000.

In order to determine voting entitlements, the register of Shareholders will be closed at 7:00pm (AEST) on 17 September 2024.

An Explanatory Memorandum containing information in relation to each of the Resolutions to be put to the Meeting accompanies this Notice.

**AGENDA**

**ORDINARY BUSINESS**

**RESOLUTION 1: RATIFICATION OF PRIOR ISSUES OF SHARES TO CONSULTANTS IN LIEU OF PART OR FULL PAYMENT OF FEES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the prior issue of a total of 14,741,380 fully paid Shares on 7 February 2024 to the consultants of the Company, on the terms and conditions set out in the Explanatory Memorandum."*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 1.

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 1 by:

- the Consultants who are described in Schedule 1.A of the Explanatory Memorandum; and
- any associate of those recipients.

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 2 – APPROVAL OF FUTURE ISSUE OF SHARES TO CONSULTANTS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of Listing Rule 7.1 and all other purposes, Shareholders approve the future issue of a total of 14,333,358 fully paid Shares to the consultants of the Company, on the terms and conditions set out in the Explanatory Memorandum.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 2.

### **Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 2 by:

- any of the consultants described in the Schedule 1.B of the Explanatory Memorandum or any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **RESOLUTIONS 3A & 3B: RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES**

To consider and, if thought fit, pass, with or without amendment, the following resolutions as **ordinary resolutions**:

#### **Resolution 3A – Issue under Listing Rule 7.1A**

*“That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 116,700,761 Shares at \$0.022 per Share, on 24 June 2024, on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Resolution 3B – Issue under Listing Rule 7.1**

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 65,117,421 Shares at \$0.022 per Share, on 24 June 2024, on the terms and conditions set out in the Explanatory Memorandum.”*

See the Explanatory Memorandum accompanying this Notice for further information about these Resolutions 3A and 3B.

#### **Voting Exclusion Statement:**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of these Resolutions 3A and 3B by:

- a person who is participated in the issue of Placement Shares being approved by the applicable resolution; and
- any associate of those recipients.

However, this does not apply to a vote cast in favour of the resolutions by:

- a person as proxy or attorney for a person who is entitled to vote on the resolutions, in accordance with directions given to the proxy or attorney to vote on the resolutions in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolutions, in accordance with a direction given to the Chair to vote on the resolutions as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolutions; and

- the holder votes on the resolutions in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 4: RATIFICATION OF PRIOR ISSUE OF ATTACHING PLACEMENT OPTIONS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the issue on 24 June 2024 of 45,454,545 attaching, listed Placement Options attaching to the Placement Shares on a 1:4 basis, exercisable at \$0.033 before 25 August 2025, on the terms and conditions set out in the Explanatory Memorandum.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 4.

#### **Voting Exclusion Statement:**

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this resolution by:

- a person who participated in the issue of Placement Shares for which approval is sought under this resolution; and
- any associate of those recipients.

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **RESOLUTION 5: RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS**

To consider and, if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the issue of 10,000,000 listed Broker Options with an exercise price of \$0.033 to Whairo Capital Pty Ltd (or its nominee), on the terms and conditions set out in the Explanatory Memorandum (**Broker Options**).”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 5.

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this resolution by:

- Whairo Capital Pty Ltd (or its nominees) or any other person who participated in the issue for which approval is sought by this resolution; and
- any associate of those recipients.

However, this does not apply to a vote cast in favour of this resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this resolution in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**RESOLUTION 6 – APPROVAL OF FUTURE ISSUE OF SHARES TO GREEN FUEL DEVELOPMENT PTY LTD**

To consider and, if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 7.1 and all other purposes, Shareholder approve the future issue of 12,500,000 Shares at the closing price of the Shares on the day immediately prior to the issue date to Green Fuel Development Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Memorandum (GFD Shares).”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 6.

**Voting Exclusion Statement:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 6 by:

- Green Fuel Development Pty Ltd (or its nominee), and any other person who will receive a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- any associate of those recipients or person who will receive a material benefit as a result of the proposed issue of the securities.

However, this does not apply to a vote cast in favour of this resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SECURITY SHARES**

To consider and, if thought fit, pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior issue of 32,561,791 Shares to Dolphin Corporate Investments Pty Limited (**Security Shares**), on the terms and conditions set out in the Explanatory Statement.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 7.

### **Voting Exclusion Statement**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 7 by:

- Dolphin Corporate Investments Pty Limited (**DCI**) (or its nominees) and any other person who participated in the issue of Security Shares; or
- an associate of those persons.

However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **SPECIAL RESOLUTION**

### **RESOLUTION 8 – APPROVAL OF FINANCIAL ASSISTANCE TO BE PROVIDED BY TRIANGLE (PERTH BASIN) PTY LTD**

To consider and, if thought fit, pass, with or without amendment, the following resolution as a **special resolution** under section 260B(2) of the Corporations Act 2001 (Cth) (**Financial Assistance Resolution**):

*“That for the purposes of section 260B(2) of the Corporations Act 2001 (Cth), approval is given for the financial assistance to be provided by Triangle (Perth Basin) Pty Ltd ACN 612 964 164 (TPB) in connection with the acquisition of all of the Shares in TPB by Royal Energy Pty Ltd ACN 606 335 282 (Royal), as described in the Explanatory Memorandum, including (without limitation) the entry by the TPB into a specific security deed in favour of Royal (Specific Security Deed) providing for the grant to Royal of a security interest over TPB’s shareholding in Triangle Energy (Operations) Pty Ltd ACN 083 143 382 (TEO).”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution 8.

**By order of the Board**

Cate Friedlander

**Company Secretary**

Dated: 12 August 2024



## **ENTITLEMENT TO ATTEND AND VOTE**

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the General Meeting.

The Company’s Directors have determined that all Shares of the Company that are quoted on ASX at 7:00pm (AEST) on Tuesday, 17 September 2024 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

## **VOTING IN PERSON**

To vote in person, attend the Meeting at the time, date and place set out above. All votes will be conducted via poll.

## **VOTING BY PROXY**

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a member of the Company; and
- (c) a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member’s votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

## **CORPORATE REPRESENTATIVE**

A Shareholder that is a corporation may appoint an individual to act as its corporate representative to vote at the Meeting in accordance with section 250D of the Corporations Act. Any corporation wishing to appoint an individual to act as its representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company and/or Share Registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An Appointment of Corporate Representative form can be obtained from the Company’s securities registry.

## **QUESTIONS AND ENQUIRIES**

Shareholders will have the opportunity to ask questions during the Meeting. However, to provide for an efficient Meeting, we request that any questions from Shareholders are submitted to the Company Secretary by no later than 11:00am (AEST) on Friday, 13 September 2024 by email to

[cfriedlander@pilotenergy.com.au](mailto:cfriedlander@pilotenergy.com.au) or by post to C/- Boardroom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000.

Questions should relate to matters that are relevant to the business of the Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum. The Chair of the Meeting will seek to address as many Shareholder questions as reasonably practicable. However, there may not be sufficient time to answer all questions at the Meeting. Please note that individual responses may not be sent to Shareholders.

## PILOT ENERGY LIMITED

ACN 115 229 984

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Meeting.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

#### **RESOLUTION 1: RATIFICATION OF PRIOR ISSUE OF SHARES TO CONSULTANTS IN LIEU OF PART OR FULL PAYMENT OF FEES**

##### **Background**

The Company engages several consultants who provide ongoing corporate development and technical services in relation to the conduct of the business of Pilot and development of its projects. Each of these consultants is engaged by the Company under terms and conditions contained in formal engagement letters (**Engagement Terms**).

Under the Engagement Terms, the Consultants may each elect to receive all (or such portion as the Consultant nominates) of the consideration due and payable to them in respect of the provision of services to the Company in Shares in the Company, in lieu of cash payment (**Consultant Shares**).

The Consultants specified in Schedule 1.A elected to take Consultant Shares in lieu of cash payments in accordance with the terms of their respective Engagement Terms and, on 7 February 2024, in satisfaction of the Company's contractual obligations to those Consultants, the Company allotted and issued a total of 14,741,380 Consultant Shares to the Consultants as specified in Schedule 1.A, without Shareholders approval, using the Company's Listing Rule 7.1 placement capacity.

The value of the Consultant Shares (for each Consultant) is determined in accordance with the respective Engagement Terms for each Consultant and is set out in Schedule 1.A to this Explanatory Memorandum.

Resolution 1 proposes that Shareholders of the Company approve and ratify the prior issue and allotment of the 14,741,380 Consultant Shares issued on 7 February 2024.

##### **Listing Rule 7.1**

Broadly speaking, ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The issue of the Consultant Shares did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit under Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval.

under Listing Rule 7.1 for the 12-month period following the issue date of the Consultant Shares.

#### **Listing Rule 7.4**

ASX Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting subsequently approves the previous issue of Equity Securities made pursuant to Listing Rule 7.1 (and provided the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval.

The Company now seeks the subsequent approval of Shareholders for this issue of Consultant Shares pursuant to Listing Rule 7.4. Such approval would mean the Consultant Shares will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, allowing the Company to issue a higher number of securities without prior Shareholder approval over the 12-months period following the issue of the Consultant Shares.

Accordingly, as it wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1, the Company now seeks the subsequent approval and ratification of the Consultant Shares for the purpose of Listing Rule 7.4.

If this Resolution is passed, the issue of the Consultant Shares will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the date of issue of the Consultant Shares.

If this Resolution is not passed, the issue of the Consultant Shares will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the issue of the date of issue of the Consultant Shares.

#### **Information required by Listing Rule 7.5**

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.5:

- (a) The Consultant Shares were issued and allotted in the number and to the Consultants specified in, Schedule 2A.
- (b) The total number of Consultant Shares issued on 7 February 2024 was 14,741,380 Shares.
- (c) The Consultant Shares are fully paid ordinary Shares issued on the same terms and conditions as the Company's existing Shares.
- (d) The purpose of the issue of the Consultant Shares was to satisfy the Company's obligations under the Engagement Terms for each Consultant as specified in Schedule 1.A. Accordingly, no funds were raised from the issue of the Consultant Shares as the issue was made in lieu of cash fees for services rendered.
- (e) The Consultant Shares were issued to each Consultant specified in Schedule 1.A in accordance with their respective Engagement Terms. The Engagement Terms for each Consultant are considered by Pilot to be market standard terms.
- (f) A voting exclusion statement for Resolution 1 is included in the Notice of Meeting preceding this Explanatory Memorandum.

## Directors' Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 1.

## RESOLUTION 2: APPROVAL OF FUTURE ISSUE OF SHARES TO CONSULTANTS IN LIEU OF PAYMENT OF FEES

### Background

As noted in relation to Resolution 1 above, the Company engages several consultants who provide ongoing corporate development and technical services in relation to the conduct of the business of Pilot and development of its projects. Each of these consultants is engaged by the Company under terms and conditions contained in formal engagement letters (**Engagement Terms**).

Under the Engagement Terms, the Consultants may each elect to receive all (or such portion as the Consultant nominates) of the consideration due and payable to them in respect of the provision of services to the Company as Consultant Shares in lieu of cash.

The Consultants specified in Schedule 1.B elected to take Consultant Shares in lieu of cash payments in accordance with the terms of their respective Engagement Terms for the period January 2024 – July 2024. The Company now proposes to issue a total of 14,333,358 Consultant Shares to the Consultants specified in Schedule 1.B with Shareholder approval (**2024 Tranche 1 Consultant Shares**).

The value of the 2024 Tranche 1 Consultant Shares is determined in accordance with the respective Engagement Terms for each Consultant and is set out in Schedule 1.B to this Explanatory Memorandum.

The Company now seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the 14,333,358 2024 Tranche 1 Consultant Shares.

### Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out above in relation to Resolution 1. The proposed issue of the 2024 Tranche 1 Consultant Shares does not fall within any of the exceptions to ASX Listing Rule 7.1 and such an issue would otherwise exceed the Company's ASX Listing Rule 7.1. It therefore requires the approval of Shareholders under ASX Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to proceed to issue the 2024 Tranche 1 Consultant Shares. In addition, the 2024 Tranche 1 Consultant Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the 2024 Tranche 1 Consultant Shares. Further, if Resolution 2 is passed and all ratifying resolutions (i.e. Resolution 1, 3A, 3B, 4, 5 and 7) are not passed then also the Company will not be able to proceed with the issue of the 2024 Tranche 1 Consultant Shares. The Company may in the future be able to proceed with the issue as capacity becomes available with the passage of time under ASX Listing Rule 7.1, without the need to obtain shareholder approval. Alternatively, the Company may choose to remunerate the Consultants in cash in place of the 2024 Tranche 1 Consultant Shares in accordance with the terms of their respective Engagement Terms. Furthermore, if Resolution 2 is not passed but some of the other ratifying resolutions (Resolution 1, 3A, 3B, 4 and 7) are passed, then the 2024 Tranche 1 Consultant Shares can be issued utilising the Company's Listing Rule 7.1 placement capacity.

### Information required by Listing Rule 7.3

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.3:

- (a) The 2024 Tranche 1 Consultant Shares will be issued and allotted in the numbers and to the Consultants specified in Schedule 1.B.
- (b) The total number of 2024 Tranche 1 Consultant Shares to be issued is 14,333,358.
- (c) The 2024 Tranche 1 Consultant Shares to be issued will be fully paid ordinary Shares issued on the same terms and conditions as the Company's existing Shares.
- (d) The 2024 Tranche 1 Consultant Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by ASX).
- (e) The 2024 Tranche 1 Consultant Shares will be issued at nil issue price in satisfaction of the Company's obligations under the Engagement Terms to issue Shares in lieu of cash fees for services rendered to each Consultant as specified in Schedule 1.B. Accordingly, no funds will be raised from the issue.
- (f) The 2024 Tranche 1 Consultant Shares will be issued to each Consultant specified in Schedule 1.B in accordance with their respective Engagement Terms. The Engagement Terms for each Consultant are considered by the Company to be market standard terms.
- (g) The 2024 Tranche 1 Consultant Shares are not being issued under or to fund a reverse takeover.
- (h) A voting exclusion statement for this Resolution 2 is included in the Notice of Meeting preceding this Explanatory Memorandum.

### Director's Recommendation

The Board of Directors recommend that the Shareholders vote in favour of Resolution 2.

## RESOLUTIONS 3 & 4 : RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES AND ATTACHING PLACEMENT OPTIONS

### Background

As announced on ASX on 17 June 2024 (**ASX Announcement**) the Company undertook a capital raising on that date (**Placement**). As set out in the ASX Announcement, the Company completed the Placement by issuing a total of 181,818,182 Shares (**Placement Shares**) to raise a total of \$4,000,000 (before costs).

In addition, the Placement included the issue of free attaching new listed Options over Shares in the Company issued on a 1:4 basis (**Placement Options**) exercisable at \$0.033 on or before 25 August 2025 (**Option Expiry Date**) on the terms and conditions set out in Schedule 2 subject to Shareholder approval.

The Placement Shares and Placement Options were issued pursuant to the Company's placement capacity under Listing Rule 7.1 and Listing Rule 7.1A (the latter having been approved by Shareholders at the Annual General Meeting held on 6 February 2024).

Resolutions 3A & 3B seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Placement Shares.

Resolution 4 seeks Shareholder approval and ratification pursuant to Listing Rule 7.4 for the issue of the Placement Options.

### **Purpose and Use of Funds**

The purpose and use of the funds raised under the Placement was to provide funding towards and support for activities associated with Pilot's projects, including closing out the Mid West Clean Energy Project (**MWCEP**) pre FEED, preparatory work for the next phase of the MWCEP development, Cliff Head operations, as well as general working capital requirements of the business.

### **Listing Rules 7.1 and 7.1A**

Resolutions 3A and 3B propose that Shareholders approve and ratify the prior issue and allotment of a total of 181,818,182 Placement Shares, which were issued on 24 June 2024 (**Placement Issue Date**) as follows:

- 65,117,421 Placement Shares were issued under Listing Rule 7.1; and
- 116,700,761 Placement Shares were issued under Listing Rule 7.1A.

Resolution 4 proposes that Shareholders approve and ratify the prior issue of 45,454,545 Placement Options on the Placement Issue Date. The Placement Options were issued under Listing Rule 7.1.

An explanation of Listing Rule 7.1 is set out above in relation to Resolution 1. In addition to the Company's capacity to issue Equity Securities under Listing Rule 7.1, at the last Annual General Meeting held on 6 February 2024, the Company sought and obtained approval of its Shareholders under Listing Rule 7.1A to increase this 15% limit by an extra 10%, to 25%.

The issue of the Placement Shares and the Placement Options did not fit within any of the exceptions to Listing Rule 7.1 and, as they have not been approved by the Company's Shareholders, they effectively used up part of the expanded 25% limit under Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12-month period following the Issue Date.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in a general meeting subsequently approves the previous issue of securities made pursuant to ASX Listing Rule 7.1 or 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By approving the issues of the Placement Shares and the Placement Options under the Placement, these issues will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1 and the Company's 10% limit in ASX Listing Rule 7.1A, allowing the Company to issue a higher number of securities without prior Shareholder approval over the 12-month period following the issue of the Placement Shares and the Placement Options.

Accordingly, as it wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1, the Company now seeks the subsequent approval and ratification of the issue of the Placement Shares and the Placement Options for the purpose of Listing Rule 7.4.

If these Resolutions 3A, 3B and 4 are passed, the issue of the Placement Shares and the Placement Options

will be excluded in calculating the Company's 25% capacity to issue Equity Securities under Listing Rules 7.1 and 7.1A without Shareholder approval over the 12-month period following the Placement Issue Date.

If these Resolutions 3A, 3B and 4 are not passed, the issue of the Placement Shares and Placement Options will be included in calculating the Company's capacity to issue Equity Securities under Listing Rules 7.1 and 7.1A without Shareholder approval over the 12-month period following the Placement Issue Date and will significantly reduce the Company's remaining placement capacity under Listing Rules 7.1 and 7.1A.

### **Information required by Listing Rule 7.5**

The following information is provided pursuant to the requirements of ASX Listing Rule 7.5.

- (a) The Placement Shares and the Placement Options were issued to sophisticated and institutional investors.
- (b) The Company issued a total of 181,818,182 Placement Shares and 45,454,545 Placement Options.
- (c) The Placement Shares issued were all fully paid and rank equally in all respects with all existing ordinary shares in the capital of the Company. The Placement Options were issued for nil consideration and upon conversion, each option will convert into one fully paid ordinary share in the Company. The shares issued on conversion will rank equally with all existing ordinary shares in the capital of the Company.
- (d) The Placement Shares and Placement Options were issued on 24 June 2024.
- (e) Each of the Placement Shares were issued at an issue price of \$0.022 per Placement Share, which raised a total of \$4,000,000 (before costs).
- (f) The Placement Options were issued for nil consideration, on a 1:4 basis, are listed Options and are exercisable at \$0.033 on or before the Option Expiry Date.
- (g) The purpose of this issue and the intended use of the funds raised are as set out above.
- (h) Neither the Placement Shares nor the Placement Options were issued pursuant to any agreement.
- (i) Voting exclusion statements for each of Resolutions 3A, 3B and 4 are included in the Notice of Meeting preceding this Explanatory Memorandum.

### **Directors' Recommendation**

The Board of Directors recommend that the Shareholders vote in favour of Resolutions 3A, 3B and 4.

## **RESOLUTION 5: RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS**

### **Background**

The Company appointed Whairo Capital Pty Ltd (**Whairo**) to act as Lead Manager of the Placement, under the terms and conditions set out in an engagement dated 13 June 2024 (**Lead Manager Mandate**).

Under the terms of its engagement, it was agreed that Whairo would be paid a total management and placement fee of 6% of the total funds raised under the Placement. Additionally, the Company agreed to issue 10,000,000 Options to Whairo (**Broker Options**) to provide long term support to the Company. The Broker Options are listed, have an exercise price of \$0.033 each, expire on 25 August 2025 and are



identical to the Placement Options, the terms and conditions of which are set out in Schedule 2.

The Broker Options were issued without Shareholder approval using the Company's placement capacity under Listing Rule 7.1. A summary of Listing Rule 7.1 is set out above in relation to Resolution 1.

The Company now seeks the subsequent approval and ratification for the issue of the Broker Options pursuant to Listing Rule 7.4.

#### **Listing Rule 7.4**

An explanation of Listing Rule 7.4 is set out in this Explanatory Memorandum in relation to Resolution 1 above.

The issue of the Broker Options did not fall within any of the exceptions to Listing Rule 7.1 and, as it was not approved by the Shareholders, it effectively uses up part of the Company's 15% placement limit under Listing Rule 7.1 and reduces its capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Broker Options. If Shareholders approve and ratify the prior issue of the Broker Options in accordance with Listing Rule 7.4, those securities will be deemed to have been issued with Shareholder approval for the purpose of ASX Listing Rule 7.1.

If Resolution 5 is passed, the issue of the Broker Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 5 is not passed, the issue of the Broker Options will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the date of issue of the Broker Options.

#### **Information required by Listing Rule 7.5**

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.5:

- (a) The Broker Options were issued and allotted to Whairo.
- (b) The number of Broker Options issued on 24 June 2024 was 10,000,000.
- (c) The terms and conditions of the Broker Options are the same as the terms and conditions of the Placement Options which are set out in Schedule 2.
- (d) The purpose of this issue of the Broker Options is to satisfy the Company's obligations under the Lead Manager Mandate.
- (e) The Broker Options were issued to Whairo at nil price pursuant to the Lead Manager Mandate. No funds were raised from the issue. The Company has also paid Whairo a total placement fee of 6% of the total amount raised under the Placement. The terms of the engagement with Whairo are considered by Pilot to be on market standard terms.
- (f) A voting exclusion statement for Resolution 5 is included in the Notice of Meeting preceding this Explanatory Memorandum.

#### **Director's Recommendation**

The Board of Directors recommend that the Shareholders vote in favour of Resolution 5.

## RESOLUTION 6: APPROVAL OF FUTURE ISSUE OF SHARES TO GREEN FUEL DEVELOPMENT PTY LTD

### Background

As previously announced by the Company (see ASX announcement dated 12 August 2021 (**ASX Announcement**)), in August 2021, Pilot engaged Green Fuel Development Pty Ltd (**GFD**) to assist the Company with a feasibility study to be conducted in respect of the Mid West project area (see further detail of this area in the ASX announcement) (**Mid-West Project Area**).

Pilot and GFD entered into an agreement in relation to the engagement referred to above, under which GFD agreed to provide feasibility and project development services (**Services**) to Pilot (**Service Agreement**).

In consideration of the provision of the project development services in accordance with the Services Agreement, Pilot agreed to pay to GFD certain fees, including project development success fees which included the issue of 12,500,000 fully paid ordinary Shares in Pilot (**GFD Shares**) subject to satisfaction of agreed milestones, in accordance with the terms set out in the Service Agreement, as described below.

The material terms of the Service Agreement are as set out below.

- GFD has agreed to provide services to Pilot in connection with the conduct of a feasibility study of potential solar projects on the Mid West Project Area and to progress the development of the identified solar development project known as the Three Springs Solar Project (defined in the Glossary set out in this Notice of Meeting).
- In consideration of GFD agreeing to provide the Services to Pilot in accordance with the Service Agreement, Pilot has agreed to pay to GFD a project development success fee involving certain cash fees and to issue 12,500,000 fully paid ordinary Shares (**GFD Shares**) to GFD (or its nominee). The GFD Shares are to be issued subject to the completion of the feasibility study and GFD successfully obtaining a development application in respect of the Three Springs Solar Project and securing access to the freehold land required for the Three Springs Solar Project (Conditions Precedent).
- The feasibility study has been completed, the land the subject of the Three Springs Solar Project has been secured under an option granted in favour of Pilot and the development application has been approved in respect of the Project, satisfying the Conditions Precedent and triggering the requirement to issue of the GFD Shares under the Service Agreement, in the manner referred to above.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the GFD Shares to GFD (or its nominee) in accordance with the Service Agreement.

If Shareholders approve Resolution 6, the 12,500,000 GFD Shares will be issued to GFD (or its nominee) at the closing price of the Shares on the day immediately prior to the issue date.

### Listing Rule 7.1

As described in relation to Resolution 1 above, Listing Rule 7.1 prohibits a listed company from issuing, or agreeing to issue, Equity Securities (which includes shares) that exceed 15% of the total number of fully paid ordinary securities on issue in any 12-month period, unless approval is obtained from the holders of the company's ordinary securities. If Shareholders approve this Resolution 6, the issue of the GFD Shares to GFD (or its nominee) will be excluded from the calculations of the 15% limit under ASX Listing Rule 7.1.

If Resolution 6 is passed, the issue of the GFD Shares will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12 months' period following the date of issue of the GFD Shares.

If Resolution 6 is not passed, the Company may choose to issue the GFD Shares using its share issue capacity under Listing Rule 7.1 and the issue of the GFD Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 months' period following the date of that issue.

### **Information required by Listing Rule 7.3**

The following additional information is provided pursuant to the requirements of ASX Listing Rule 7.3:

- (a) The GFD Shares will be issued to Green Fuels Development Pty Ltd (or its nominee).
- (b) The GFD Shares to be issued to GFD (or its nominee) will be fully paid ordinary Shares. The number of GFD Shares to be issued to GFD (or its nominee) is fixed at 12,500,000 Shares in accordance with the terms of the Service Agreement. The price per GFD Share will be the closing price of the Shares on the day immediately prior to the issue date.
- (c) All of the securities to be issued to GFD (or its nominee) will be fully paid.
- (d) The GFD Shares will be issued to GFD no later than 3 months after the date of this Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (e) The purpose of the issue of the GFD Shares will be to satisfy the Company's obligations under the Service Agreement. Accordingly, no funds will be raised from the issue of the GFD Shares, as the issue will be made in lieu of cash fees for services rendered by GFD.
- (f) As described in paragraph e) above, the Company will issue the GFD Shares by way of payment in kind for services rendered to the Company by GFD pursuant to the Service Agreement. The material terms of the Service Agreement are as set out above.
- (g) The GFD Shares are not being issued under, or to fund, a reverse takeover.
- (h) A voting exclusion statement for Resolution 6 is included in the Notice of Meeting preceding this Explanatory Memorandum.

### **Directors' Recommendation**

The Board of Directors recommend that the Shareholders vote in favour of Resolution 6.

## **RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE - SECURITY SHARES**

### **Background**

On 8 August 2024 the Company announced that it had entered into an At-the-Market Subscription Agreement (**ATM**) with Dolphin Corporate Investments (**DCI**). The ATM provides, at DCI's election, the Company with up to \$7,500,000 of standby equity capital over 36 months (**Facility**).

Under the ATM, the Company has full discretion as to whether or not to utilise the Facility, the maximum number of Shares to be issued, the minimum issue price of Shares and the timing of each subscription (if any). In addition, the Company may terminate the ATM at any time, without cost or penalty. Neither DCI nor the ATM place any restrictions at any time on the Company raising capital through other methods.

If the Company does decide to utilise the Facility, subject to DCI's acceptance, the Company is, at that time and from time to time, able to set an issue price floor at its sole discretion, with the final issue price being calculated as the greater of the nominated floor price and up to a 4.4% discount to the VWAP over a period of the Company's choosing, again at its sole discretion. Any Shares made available to DCI following the Company's election to utilise the Facility will either be issued by the Company in accordance with the Listing Rules (i.e. through either obtaining Shareholder approval under Listing Rule 7.1, or using the Company's available capacity under Listing Rules 7.1 and/or 7.1A) or through the release of already issued Security Shares (see below).

The Company has issued 32,561,791 fully paid ordinary Shares (**Security Shares**) to DCI, as security for the ATM, utilising its existing Listing Rule 7.1 capacity, without Shareholder approval, for nil cash consideration.

DCI may only deal in these Shares to the extent the Company elects to use the Facility, in which case DCI will at the time pay the subscription price for that number of Shares the subject of the election. Any further Share issues under the Facility in excess of the Security Shares (if any) will, at the time of issue, be in accordance with the Listing Rules - either through obtaining prior Shareholder approval or utilising the then available capacity under Listing Rule 7.1.

Upon early termination or maturity of the ATM, the Company may (subject to DCI's agreement) transfer the Security Shares to DCI for an agreed consideration; instruct DCI to transfer the Security Shares to a third party nominated by the Company for cash consideration (payable by the nominated third party); or buy back (and cancel) any Security Shares not released to DCI for no cash consideration (subject to Shareholder approval).

An initial one-off fee of \$25,000 is payable by the Company to DCI for arranging the transaction.

No interest or other fees are payable under the ATM. As noted above, the Security Shares were issued without Shareholder approval using the Company's placement capacity under Listing Rule 7.1. A summary of Listing Rule 7.1 is set out above in relation to Resolution 1.

The Company now seeks the subsequent approval and ratification for the issue of the Security Shares pursuant to Listing Rule 7.4.

#### **Listing Rule 7.4**

The issue of the Security Shares did not fall within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Shareholders, it effectively uses up part of the Company's 15% placement limit under Listing Rule 7.1 and reducing its capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Security Shares. If Shareholders approve and ratify the prior issue of the Security Shares in accordance with Listing Rule 7.4, those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

If this resolution is passed, the issue of the Security Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If this resolution is not passed, the issue of the Security Shares will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the date of issue of the Security Shares.

### **Information required by Listing Rule 7.5**

The following additional information is provided pursuant to the requirements of Listing Rule 7.5:

- (a) The Security Shares were issued and allotted to DCI.
- (b) The number of Security Shares issued on 9 August 2024 was 32,561,791.
- (c) The Security Shares are fully paid and rank equally in all respects with all existing fully paid ordinary Shares on issue.
- (d) The Security Shares were issued as security under the ATM and no further funds were raised under the issue.
- (e) Other than as set out in relation to this Resolution 7, there are no other material terms in relation to the issue of the Security Shares.
- (f) A voting exclusion statement for Resolution 7 is included in the Notice of Meeting preceding this Explanatory Memorandum.

### **Director's Recommendation**

The Board of Directors recommend that the Shareholders vote in favour of Resolution 7.

## **RESOLUTION 8 – APPROVAL OF FINANCIAL ASSISTANCE RESOLUTION**

### **Background**

In Resolution 8, the following defined terms have the meaning set out below:

**Royal** means the wholly owned subsidiary of the Company, Royal Energy Pty Ltd;

**Triangle** means Triangle Energy (Global) Limited (**ASX:TEG**);

**TEO** means Triangle Energy (Operations) Pty Ltd ACN 083 149 982;

**Triangle Group** means Triangle and its wholly owned subsidiaries;

**Triangle Offshore** means Triangle Energy Offshore Pty Ltd ACN 008 988 930, a wholly owned subsidiary of Triangle;

**Triangle Onshore** means Triangle Energy Onshore Pty Ltd ACN 008 939 080, a wholly owned subsidiary of Triangle;

**TPB** means Triangle (Perth Basin) Pty Ltd ACN 612 964 164, a wholly owned subsidiary of Triangle.

Triangle and the Company indirectly hold 78.75% and 21.25% interests respectively in the Cliff Head Joint Venture in Western Australia (**CHJV**).

As disclosed to Shareholders on 23 July 2024, the Company and Triangle have agreed to amend the WA-31-L Sale and Purchase Deed dated 5 October 2022 (amended on 26 July 2023) and on 23 July 2024 have entered into a revised sale and purchase deed (**Sale and Purchase Deed**), under which the Company is to acquire a 100% interest in the CHJV.

Under the Sale and Purchase Deed, Royal (as the holder of a 50% shareholding in TEO), which entity in turn holds a direct interest of 42.5% of the CHJV) has agreed to acquire the 78.75% interest in the CHJV held by the Triangle Group by the following transactions (together, the **CHJV Transaction**).

The first stage of the CHJV Transaction will result in the Triangle Group selling and transferring its interests in the Arrowsmith land and Arrowsmith stabilisation plant located in the Shire of Irwin (**Arrowsmith Land and Facility**) and the interests of Triangle Offshore and Triangle Onshore in the onshore pipeline to the Arrowsmith Land and Facility to Royal for cash consideration of \$4.5 million plus reimbursement of Triangle's share of operating costs from 1 August 2024, which is to be paid in staged payments by the Company between mid-October and 31 December 2024 (**First Stage**).

The second stage of the CHJV Transaction is subject to the approval of the National Offshore Petroleum Titles Administrator (**NOPTA**) approving the transfer of the remaining CHJV assets and licences located in offshore Commonwealth waters and will result in Triangle selling and transferring its remaining interests in the CHJV by way of a sale of shares in its wholly-owned subsidiary, TPB to Royal for cash consideration of \$4.0 million (payable when the Cliff Head Carbon Storage Project is awarded an injection licence) (**Second Stage**).

On completion of the Second Stage, Royal will acquire all of the shares in TPB and each of TPB and its wholly-owned subsidiaries, Triangle Offshore and Triangle Onshore will become subsidiaries of the Company. These subsidiaries hold all of the outstanding issued shares in TEO which are not already held by the Company, resulting in the Company holding 100% of TEO. In addition, upon completion of the Second Stage, TEO, Triangle Offshore and Triangle Onshore, the holders of the CHJV assets and licences located in offshore Commonwealth waters will become wholly-owned subsidiaries of the Company and the Company will acquire 100% ownership of the CHJV assets.

As part of the transfer of the remaining CHJV assets in the second stage of the CHJV Transaction, it is proposed that following completion of the First Stage, TPB will enter into a Specific Security Deed with Royal Energy and grant to Royal a security interest over TPB's shareholding in TEO (**TEO Shares**) (**TEO Share Security**).

### **Sections 260A and 260B of the Corporations Act**

Under section 260A of the Corporations Act, a company may financially assist a person to acquire shares (or units of shares) in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B; or
- (b) the assistance is exempted under section 260C.

For a company, such as TPB, to financially assist a person to acquire shares (or units of shares) in itself, section 260B(1) of the Corporations Act states that the financial assistance must be approved by its shareholders by:

- (a) a special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or
- (b) a resolution agreed to, at a general meeting, by all ordinary shareholders.

In addition, under section 260B(2) of the Corporations Act, if immediately after the acquisition, the company will be a subsidiary of a listed domestic corporation (**Listed Australian Holding Company**), the financial assistance must also be approved by a special resolution of the Listed Australian Holding Company.

Since the Company will be the holding company of TPB after the acquisition, the financial assistance, in this case the TEO Share Security, must also be approved by a special resolution passed at a general meeting of the Company's Shareholders.

### **The financial assistance**

As noted above, pursuant to the Sale and Purchase Deed, Royal has agreed to acquire all of the shares in TPB, with the effect that TPB will become a subsidiary of the Company (within the meaning of subsidiary under section 46 of the Corporations Act) on completion of the Second Stage (**Acquisition**).

Under the terms of the Sale and Purchase Deed, in connection with the Acquisition, promptly following completion of the First Stage, TPB is required to:

1. enter into the Specific Security Deed with Royal and grant the TEO Share Security to Royal; and
2. do anything Royal requires in order for it to perfect its title to, or other right or interest in, the TEO Share Security.

The TEO Share Security secures all obligations of, and all amounts payable by, TPB, Triangle, TEO (to the extent of TPB's shareholding in TEO), Triangle Offshore or Triangle Onshore (**Triangle Entity**), under the Sale and Purchase Deed and/or the Specific Security Deed (**Secured Obligations**) and may become enforceable upon a range of specified defaults occurring, including a breach of, or default relating to, any Secured Obligation, certain insolvency events and enforcement actions and proceedings relating to a Triangle Entity, a cross-default relating any debt of a Triangle Entity and certain prejudicial events relating to the TEO Shares or the TEO Share Security.

As TPB is required to enter into the Specific Security Deed and grant the TEO Share Security to Royal, TPB is considered to be providing 'financial assistance' in connection with the Acquisition, within the meaning of Part 2J.3 of the Corporations Act.

Accordingly, TPB must have the financial assistance outlined in this Explanatory Memorandum approved by a resolution agreed to by all its ordinary shareholders, at a general meeting, in accordance with section 260B(1)(b) of the Corporations Act.

Since the Company will be a Listed Australian Holding Company of TPB on completion of the Acquisition, the financial assistance proposed to be given by TPB and outlined in this Explanatory Memorandum must also be approved by a special resolution at a general meeting of the Company in accordance with section 260B(2) of the Corporations Act.

### **Reasons for the financial assistance**

The reason for the giving of the financial assistance described above is to secure the obligations of the Triangle Entities under the Sale and Purchase Deed to pay any money and amounts that TPB is or may become liable for at any time to pay to Royal under any document for the CHJV Transaction, including the Sale and Purchase Deed.

### **Effects of the financial assistance**

The substantial effect of the financial assistance for TPB is that, pursuant to the Specific Security Deed TPB will provide, in favour of Royal, security over the TEO Shares that it holds.

### **Advantages of the proposed resolution**

The advantage to the Company of the proposed resolution is that Royal will receive the security interest over the TEO Shares and become entitled to perfect its title to, or other right or interest in, the TEO Share Security. This will provide Royal with greater protection in connection with the Acquisition of TPB as it seeks to acquire a 100% interest in the CHJV.

The advantages to TPB of the proposed resolution include that, upon the giving of financial assistance the transactions the subject of the Sale and Purchase Deed will be given effect and will satisfy TPB's obligations in relation to affecting completion of the First Stage.

### **Disadvantages of the proposed resolution**

As the Company is already obligated to acquire TPB under the terms of the Sale and Purchase Deed, which will have the effect of TEO (the operator of the CHJV assets) becoming a subsidiary of the Company, the Board of Directors do not believe there are any disadvantages to the Company of the proposed resolution.

The disadvantages to TPB of the proposed resolution include that, as a result of granting the Security Interest over the TEO Shares, Royal will become a secured creditor of TPB. If TPB defaults on any of its obligations under the Specific Security Deed, Royal may have recourse to TPB's present and future rights, title and interest in the TEO Shares.

### **Passing the resolution**

The resolution under consideration is set out in the Notice of Meeting that accompanies this Explanatory Memorandum.

The resolution of the Company will be passed if it is passed as a special resolution.

Shareholders may vote either for or against the resolution on which they have a vote.

### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote in favour of this Resolution 8.

### **Notice to ASIC**

Copies of the Notice of Meeting and this Explanatory Memorandum were lodged with the Australian Securities and Investments Commission before being sent to the members, in accordance with section 260B(5) of the Corporations Act.

### **Disclosure of information**

The Board of Directors consider that this Explanatory Memorandum contains all material information known to the Company that could reasonably be required by members in deciding how to vote on proposed Resolution 8, other than information that it would be unreasonable to require the Company to disclose because the Company has previously disclosed the information to its Shareholders.



## GLOSSARY

**2024 Tranche 1 Consultant Shares** has the meaning set out in Resolution 2 of the Explanatory Memorandum.

**AEST** means Australian Eastern Standard Time (Sydney, Australia).

**Arrowsmith Land and Facility** has the meaning set out in Resolution 8 of the Explanatory Memorandum.

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

**ATM** has the meaning set out in Resolution 7 of the Explanatory Memorandum.

**Broker Options** has the meaning set out in Resolution 5 of the Explanatory Memorandum.

**Company** means Pilot Energy Limited ABN 86 115 229 984.

**Consultants** means the consultants of the Company set out in Schedule 1.A and 1.B.

**Corporations Act** means the *Corporations Act 2001 (Cth)*

**DCI** means Dolphin Corporate Investments Pty Limited

**Directors** means the current directors of the Company, namely Mr. Bradley Lingo (Managing Director & Executive Chair), Mr. Daniel Chen (Non-Executive Director) and Mr. Bruce Gordon (Non-Executive Director).

**Engagement Terms** has the meaning set out in Resolution 1 of the Explanatory Memorandum.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Memorandum** means the Explanatory Memorandum accompanying the Notice.

**Facility** has the meaning set out in Resolution 7 of the Explanatory Memorandum.

**General Meeting** or **Meeting** means the meeting convened by this Notice.

**GFD** means Green Fuel Development Pty Ltd (ABN 38 647 852 560).

**GFD Shares** has the meaning set out in Resolution 6 of the Explanatory Memorandum.

**Listing Rules** means the Listing Rules of ASX.

**Notice** or **Notice of Meeting** or **Notice of General Meeting** means this notice of General Meeting including the Explanatory Memorandum and the Proxy Form.

**Options** means listed options over issued Shares in the capital of the Company described in Resolution 4.

**Option Expiry Date** has the meaning set out in relation to Resolutions 3 & 4 of the Explanatory Memorandum.

**Placement** has the meaning set out in the Explanatory Memorandum in relation to Resolutions 3 & 4.

**Placement Options** means the attaching Options to the Placement Shares issued on a 1:4 basis and described in the Explanatory Memorandum in relation to Resolutions 3 & 4.

**Placement Shares** means the Shares in the Company issued pursuant to the Placement.

**Resolutions or resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

**Sale and Purchase Deed** means the WA-31-L Sale and Purchase Deed between the Company, Triangle, TPB, Royal and others, dated 22 July 2024 referred to in Resolution 8.

**Secured Obligations** means all obligations of, and all amounts payable by a Triangle Entity under the Sale and Purchase Deed and/or the Specific Security Deed, referred to in Resolution 8 of the Explanatory Memorandum.

**Specific Security Deed** means the specific security deed proposed to be entered into between TPB and Royal, granting to Royal, a security interest in the shares of TEO which it holds, as referred to in Resolution 8 of the Explanatory Memorandum.

**Security Shares** has the meaning set out in the Explanatory Memorandum in relation to Resolution 7 .

**Share** or **Ordinary Share** means a fully paid ordinary share in the issued capital of the Company.

**Shareholder** means a holder of a Share.

**TEO** means Triangle Energy (Operations) Pty Ltd ACN 083 143 382

**TEO Share Security** means the specific security to be granted by TPB to Royal over TPB's shareholding in TEO, referred to in the Explanatory Memorandum in relation to the Resolution 8.

**Three Springs Solar Project** means a proposal for a 376MW (DC) solar farm to be located east of Three Springs Western Australia and approximately ~90km east of the Arrowsmith Land and Facility, which could supply part of the power required for the Company's proposed Mid West Clean Energy Project blue ammonia production facility.

**TPB** means Triangle (Perth Basin) Pty Ltd ACN 612 964 164.

**TPB Group Company** means TPB, Triangle, Triangle Offshore and Triangle Onshore.

**Triangle** means Triangle Energy (Global) Limited ACN 110 411 428.

**Triangle Offshore** means Triangle Energy Offshore Pty Ltd ACN 008 988 930.

**Triangle Onshore** means Triangle Energy Onshore Pty Ltd ACN 008 939 080.

**VWAP** means the volume weighted average price for a specified period of time.

**SCHEDULE 1**  
**CONSULTANT SHARES - ISSUED**

**A. RESOLUTION 1 - SHARES ISSUED ON 7 FEBRUARY 2024 FOR RATIFICATION**

<b>CONSULTANT</b>	<b>NO. SHARES</b>	<b>Price (\$)</b>
Miro Capital Pty Ltd	2,353,086	0.025
Geovision Exploration Services Pty Ltd	916,136	0.022
Ross Gregory (New Electric Partners Pty Ltd)	2,353,086	0.025
Catherine Friedlander	1,367,156	0.022
Michael Lonergan	5,496,813	0.022
Energise Renewables Pty Ltd ATF Energise Renewables Trust	2,255,103	0.022
<b>Total</b>	<b>14,741,380</b>	

**B. RESOLUTION 2 - SHARES TO BE ISSUED – FOR APPROVAL**

<b>CONSULTANT</b>	<b>NO. SHARES</b>	<b>Price (\$)</b>
Miro Capital Pty Ltd	2,904,762	0.024
Geovision Exploration Services Pty Ltd	1,093,117	0.021
Ross Gregory (New Electric Partners Pty Ltd)	2,904,762	0.024
Catherine Friedlander	979,267	0.022
Michael Lonergan	3,760,702	0.021
Energise Renewables Pty Ltd ATF Energise Renewables Trust	2,690,749	0.021
<b>Total</b>	<b>14,333,358</b>	

## SCHEDULE 2

### ATTACHING PLACEMENT OPTIONS AND BROKER OPTIONS - TERMS AND CONDITIONS

**NOTE:** *These terms and conditions apply equally to Placement Options and Broker Options (unless otherwise stated). A reference to Options in this Schedule, should therefore be read as a reference to Placement Options and Broker Options.*

- (a) **Entitlement:** Each Option entitles the holder to subscribe for one Share upon exercise of the Option and each Option is immediately exercisable.
- (b) **Exercise Price:** Subject to paragraph (a), the amount payable upon exercise of each Option will be \$0.033 (**Exercise Price**).
- (c) **Expiry Date:** Each Option will expire at 5:00pm (EST) on 25 August 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise:** The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
  - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
  - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
  - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (h) **Quotation of Options:** Promptly upon issue the Company will seek quotation of the Options on ASX.
- (i) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (j) **Reconstruction of capital:** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (k) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (l) **Change in exercise price:** A Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (m) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



#### All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEST) on Tuesday 17 September 2024.**

### 🖥 TO VOTE ONLINE

**STEP 1: VISIT** <https://www.votingonline.com.au/pilotgm2024>

**STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**

**STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore **11:00am (AEST) on Tuesday, 17 September 2024.** Any Proxy Form received after that time will not be valid for the scheduled meeting

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/pilotgm2024>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 8, 210 George Street  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

**Pilot Energy Limited**

ABN 86 115 229 984

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Pilot Energy Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the **General Meeting** of the Company to be held at the **offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000. on Thursday, 19 September 2024 at 11:00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business. If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**  
\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*		FOR	AGAINST	ABSTAIN*	
<b>Res 1</b>	Ratification of prior issue of Shares to Consultants in lieu of part or full payment of fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 5</b>	Ratification of prior issue of Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 2</b>	Approval of future issue of Shares to Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 6</b>	Approval of future issue of Shares to Green Fuel Development Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 3a</b>	Ratification of prior issue of Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 7</b>	Ratification of prior issue – Security Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 3b</b>	Ratification of prior issue of Placement Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Res 8</b>	Approval of financial assistance to be provided by Triangle (Perth Basin) Pty Ltd (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Res 4</b>	Ratification of prior issue of attaching Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

**STEP 3 SIGNATURE OF SECURITYHOLDERS**  
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2024