

Pilot Energy Limited

Suite 2, Ground Floor, 100 Havelock Street, Perth, W.A. 6005

info@pilotenergy.com.au

www.pilotenergy.com.au



Announcement to ASX

ASX: PGY

1 April 2025

MATERIAL UPGRADE TO WA-481-P GAS RESOURCE – LEANDER GAS PROSPECT NOW TARGETING OVER 1 TCF

Highlights

- Pilot has conducted a detailed review of offset wells including onshore exploration and appraisal wells, along with remapping of 2D seismic data resulting in a ~250% increase in the Leander Gas prospective resource.
- Updated Leander prospect Prospective Resources: 1,116 Bcf (Gas) and 18 mmbbl (Condensate) mean estimate. Separate oil prospective resources within tenement increased to 66 mmbbl (sum of mean estimates) across three targets.
- Pilot's 100% owned WA-481-P is one the largest offshore exploration permits in Australia and overlaps with Pilot's 100% owned Greenhouse Gas exploration permit G-12-AP.
- The offshore petroleum system within WA-481-P shares many attributes with the onshore Dandaragan Trough and is analogous to the prolific onshore Perth Basin gas discoveries.
- The Leander gas prospect has the potential to supply Pilot with sufficient gas for at least 30 years of low-carbon ammonia production at the Mid West Clean Energy Project.
- Formal Farm-out process to commence shortly to secure partner(s) to develop and fund the near-term exploration activities.

Overview

Pilot Energy Limited (**Pilot** or the **Company**) is pleased to announce a material upgrade to the prospective gas resource for its offshore exploration permit WA-481-P. The Company holds a 100% operated interest in the 8,605km² permit located in shallow waters offshore Western Australia, encompassing the Dunsborough oil field and Frankland gas field. WA-481-P is strategically positioned adjacent to the onshore Perth Basin oil and gas discoveries on the Beagle Ridge and Dandaragan Trough respectively.

The offshore petroleum system within WA-481-P shares many attributes with the prolific onshore Perth Basin gas discoveries (e.g. Waitsia, Erregulla and Lockyer Deep) providing an analogue. In Figure 2, the offshore area appears to mirror the Dandaragan Trough, separated by the Beagle Ridge high containing oil fields.

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The Leander prospect was originally identified by Diamond Shamrock Oil Company (Australia) Pty Ltd (Diamond Shamrock) in the early 1980's as a Dongara sandstone target. Diamond Shamrock drilled the Leander Reef 1 well, however operational challenges caused drilling to cease prior to intersecting the Kingia and High Cliff sandstones. The drilling of Leander Reef-1 pre-dates AWE making the Waitsia Gas Discovery (2014). This discovery proved up the gas play potential of the now prolific gas reservoirs of the Kingia and High Cliff Formations. These deeper formations were not recognised exploration targets at the time that Leander Reef-1 was drilled and as a result Diamond Shamrock stopped drilling without proceeding to test these now-recognised gas pay reservoirs.

Following the 2023 technical study (refer ASX: PGY 9 March 2023) that identified a material gas fairway in the offshore part of the Perth Basin mirroring the Dandaragan Trough, Pilot's internal technical team and consultants have continued to mature the subsurface models, which has resulted in a further advancement and update of the Leander prospective gas resource. The upgrade follows re-mapping of reprocessed 2D seismic data and an extensive review of the offset well database from the onshore discoveries, which are now open-file - Waitsia, West Erregulla, Beharra Springs Deep and Lockyer gas fields.

The Leander gas prospect is located 15 km west of the existing Cliff Head oil platform and is the most mature target within WA-481-P. Pilot's internally assessed prospective resources for the Leander gas project has increased from 450 Bcf (refer ASX: PGY 9 March 2023) to 1,116 Bcf (mean estimate, recoverable). The Harrier and Hawk gas prospects lie immediately south of Leander (refer to Figure 2) and provide additional exploration targets.

The Company is also progressing three oil targets south of Cliff Head (refer to Figure 2), which lie on the structural trend between the "oil mature kitchen" and the Cliff Head oil field and Xanadu oil discovery, enhancing their attractiveness. The Babbler, Brahminy and Cliff Head south-west features are now estimated to contain prospective oil resources of 66 million barrels (sum of mean estimate recoverable), which has increased from 40.6 million barrels. These are in addition to the discovered Dunsborough contingent oil resource (2C) of 6 million barrels, and Frankland contingent gas resource (2C) of 42 Bcf gas¹ also within WA-481-P.

The upgraded Leander prospective gas resource estimate of 1,116 Bcf (mean estimate) has the potential to provide Pilot with sufficient gas to self-supply at least 30 years of low-carbon ammonia production at the proposed Mid West Clean Energy Project. Future production from WA-481-P could leverage the existing Arrowsmith Stabilisation Plant (ASP) and the proposed Cliff Head Carbon Storage project infrastructure.

Pilot's farm-out process for WA-481-P endeavours to attract interest from significant third parties. This farm-out process will be enhanced by the expanded estimates of gas and oil prospectivity, synchronous with Pilot's strategic carbon storage exploration licence. The process will target partner(s) for the upcoming Eureka 3D seismic survey and future drilling campaigns.

¹ Refer to RISC January 2021 report attached to the Royal Energy acquisition Independent Experts Report (ASX:PGY 26 April 2021)

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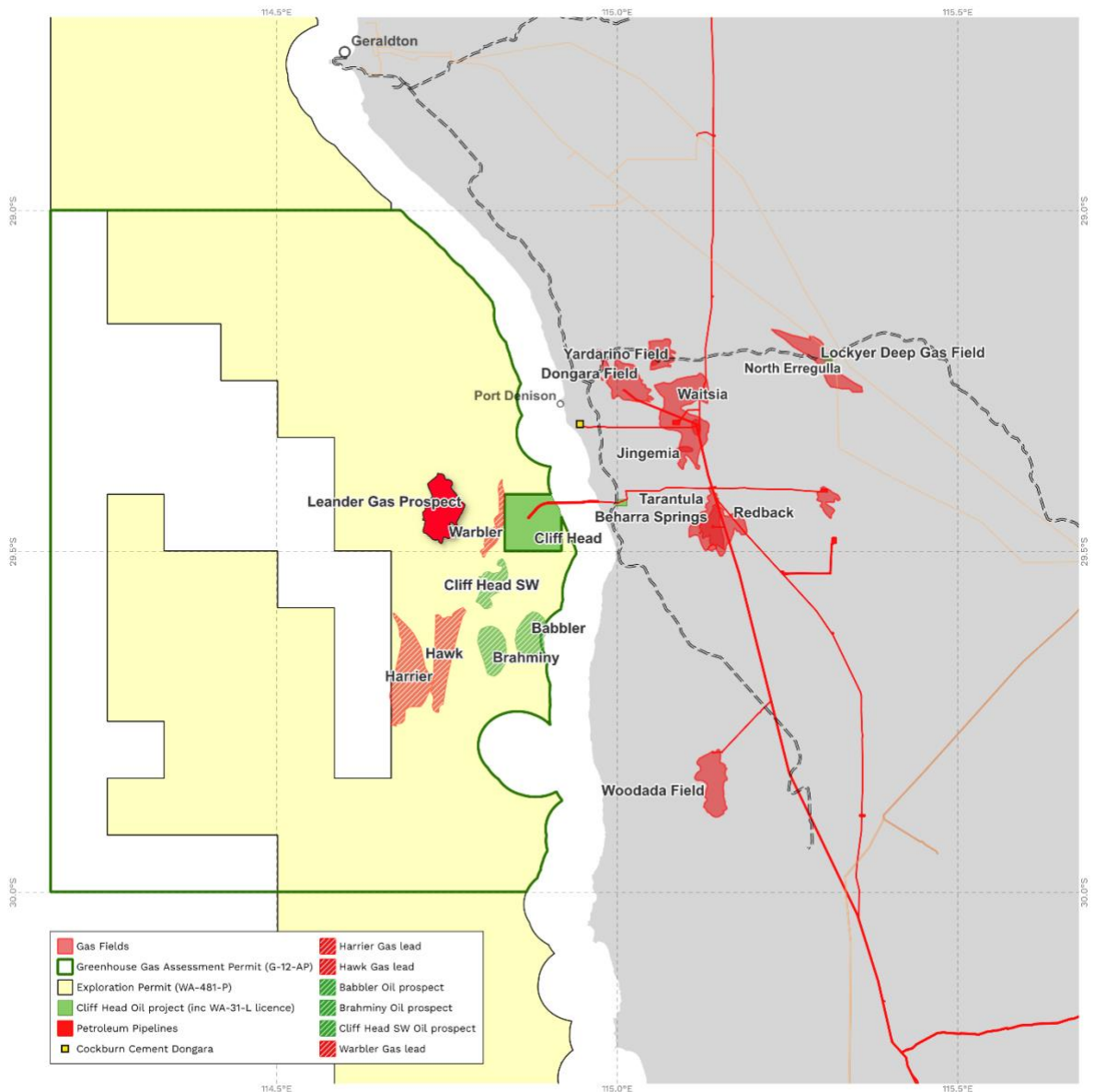


Figure 1: Overview of Mid West

WA-481-P Prospective Resources

Pilot’s internal technical team and consultants have expanded the 2023 technical analysis to incorporate revised mapping of the reprocessed 2D seismic data set. Interpretation of 2D seismic has resulted in a remapped Leander structure as a 4-way-dip trap or anticline rather than the previous multi-compartment feature interpreted in 2017. The revised structure map has decreased the area, increased the closure height and thickness, has a higher confidence level, and may be easier to develop compared to the previous structural interpretation.

The volumetric analysis also incorporated an expanded subsurface data set of petrophysical parameters based on an extensive review of the onshore wells which are now open-file, including Waitsia, West Erregulla, Beharra Springs Deep and Lockyer gas fields. This analysis supports the inclusion of three reservoir target formations within the Leander structure, being the Kingia Sandstone (previous primary target in 2023 resource) and High Cliff Sandstone

(previously identified as a secondary target, now elevated to a primary target) and Dongara Sandstone (new target).

The combination of updated mapping and introduction of a stacked sandstones play compared to the previous single reservoir target materially expands the potential reservoir volume available to potentially trap and store hydrocarbons. The expanded subsurface dataset of petrophysical parameters validates the prognosed reservoir properties for the Dongara, Kingia and High Cliff formations, confidently facilitating the expanded prospective resource estimate of the Leander gas prospect from 450 Bcf to 1,116 Bcf (mean estimate, recoverable).

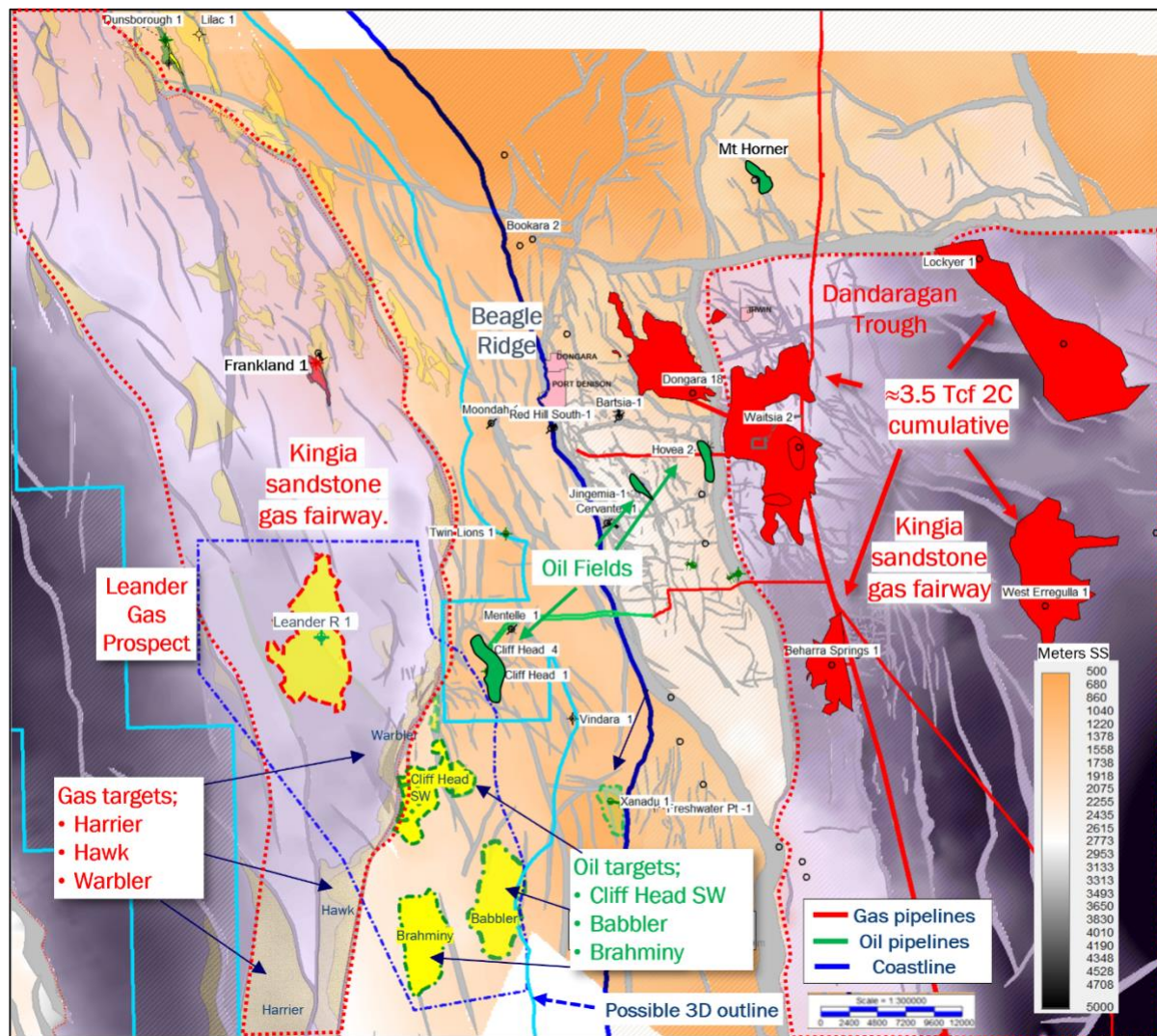


Figure 2: Gas and oil fairways of the North Perth Basin

The oil targets have been reviewed and estimates of prospective resources have been revised following the well database study and updated reservoir parameters and distributions. The IRCM and Kingia sandstones are confirmed as the reservoir targets encountered at Cliff Head and Xanadu accumulations. The sum of the mean estimated recoverable oil for the three targets has increased from 40.6 to 65.6 MMbbls. For reference Cliff Head oil field has produced 16.5 MMbbls and Xanadu oil discovery is estimated to hold about 7.4 MMbbls

recoverable oil.

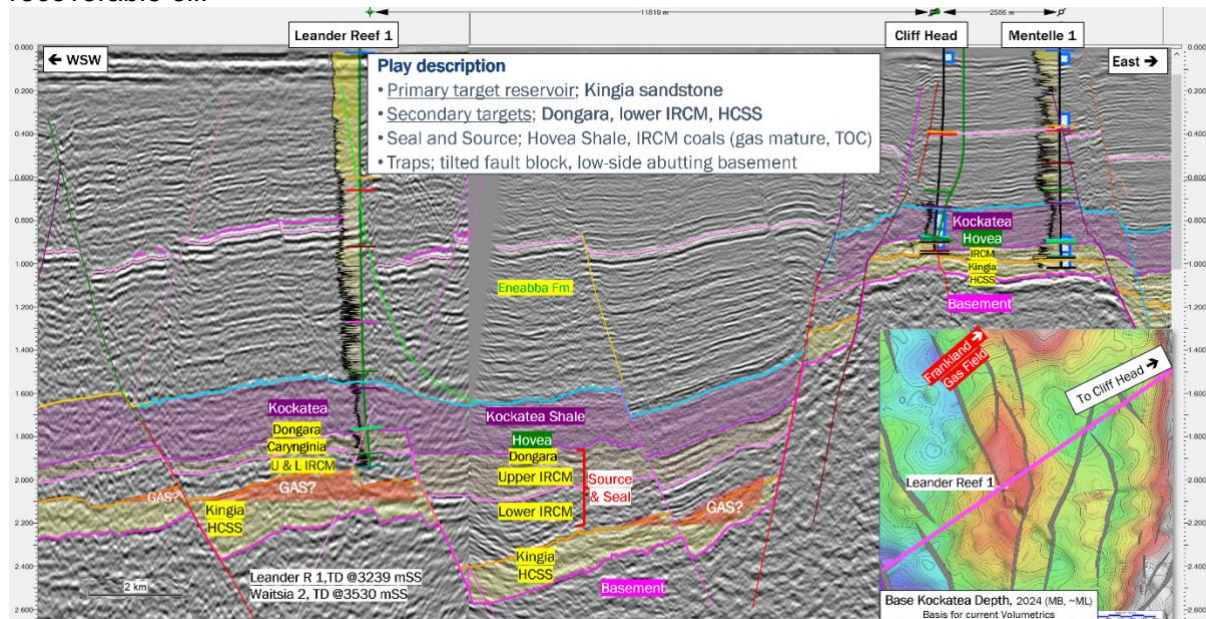


Figure 3: Seismic section through Leander Reef 1 to the Cliff Head Oil Field, with interpreted reservoirs and source/seals. The Dongara sandstone is believed faulted out at the previous location.

Pilot has internally assessed the prospective gas and oil resources associated with WA-481-P on a probabilistic basis, which are in addition to the existing Dunsborough contingent oil resource (2C) of 6 million barrels and Frankland contingent gas resource (2C) of 42 Bcf gas².

The updated WA-481-P Leander gas prospect prospective resources along with the updated prospective oil resources are summarised in the following tables:

1. Leander Gas Prospect Prospective Resource (recoverable), (100% Pilot)

Leander Gas		Bcf			Bcf	POS ³
Reservoir	Contents	Low	Best	High	Mean	
Dongara	Gas	324.3	429.5	556.8	436	27%
Kingia	Gas	387.9	526.2	691.1	535.5	36%
HCSS	Gas	63.6	134.2	237.6	144.7	24%
Total		776	1090	1486	1116.2	

² Refer to RISC January 2021 report attached to the Royal Energy acquisition Independent Experts Report PGY:ASX 26 April 2021

³ POS – Possibility of success (also referred to as chance of a success or COS)

Leander Condensate					Condensate (mmstb)	POS⁴
Reservoir	Contents	Low	Best	High	Mean	
Dongara	Condensate	4.8	6.8	9.4	7.0	27%
Kingia	Condensate	5.8	8.4	11.6	8.6	36%
HCSS	Condensate	1.0	2.1	3.9	2.3	24%
	Total	11.6	17.3	24.9	17.9	

2. *Cliff Head South Oil Prospect Prospective Resource (recoverable) (100% Pilot)*

Cliff Head South		Oil (mmbbls)			Oil (mmbbls)	POS
Reservoir	Contents	Low	Best	High	Mean	
IRCM, Kingia	Oil	5.7	14.0	34.0	17.7	35%

3. *Brahminy Oil Prospect (recoverable) (100% Pilot)*

Brahminy		Oil (mmbbls)			Oil (mmbbls)	POS
Reservoir	Contents	Low	Best	High	Mean	
IRCM, Kingia	Oil	4.0	13.4	44.5	20.5	26%

4. *Babbler Oil Prospect (recoverable) (100% Pilot)*

Babbler		Oil (mmbbls)			Oil (mmbbls)	POS
Reservoir	Contents	Low	Best	High	Mean	
IRCM, Kingia	Oil	7.9	20.9	54.6	27.4	19%

In addition to the above Prospective Resources estimates, the Company has the discovered Dunsborough contingent oil resource (2C) of 6 million barrels, and Frankland contingent gas resource (2C) of 42 Bcf gas also within WA-481-P.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and

⁴ POS – Possibility of success (also referred to as chance of a discovery)

evaluation, discussed below, is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

Each of the prospective resources set out above is subject to the noted POS and a subsequent chance of development. At this stage of the project life cycle, there are a number of factors which impact on the chance of development including commodity pricing, regulatory environment and stakeholder support. Other economic factors such as capital/operating costs, applicable tax regimes, carbon costs and availability of funds will also have a bearing on the ability to progress a discovered resource to development.

WA-481-P Exploration Program

Maturing the Leander gas prospect and oil leads requires a 3D seismic survey and drilling of one exploration well. The 3D seismic survey is expected to assist with further refinement of the Leander structure and identify preferred bottom hole locations for future wells.

The Company is currently preparing to conduct the Eureka 3D seismic survey (target area of at least 400km²) as noted on Figure 2. Environmental planning and stakeholder engagement activities are underway as part of the Environment Plan ("EP") approval process. The Company is progressing requests for further information from the Regulator with regard to the EP.

Next steps for WA-481-P include:

- Progress stakeholder engagement and regulatory approval for 3D seismic survey;
- Continued technical assessment of the oil prospects and leads and gas prospects; and
- Commence formal farm out process to commence shortly to secure farm-in partner/s to fund the near-term exploration activities .

ENDS

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

Enquiries

Cate Friedlander, Company Secretary, email: cfriedlander@pilotenergy.com.au

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 Carbon Storage Project through the conversion of the Cliff Head Oil field and associated infrastructure from oil production to Carbon Storage as part of the Mid West Clean Energy Project.

Pilot holds a 21.25% interest in the Cliff Head Oil field and Cliff Head Infrastructure (increases to 100% on completion of the acquisition of Triangle Energy (Global) Pty Limited's interest), and a 100% working interest across all exploration tenements across the Offshore Perth Basin, Western Australia (Greenhouse gas assessment permit G-12-AP and petroleum exploration licence WA-481-P)

Competent Person Statement: This announcement contains information on Prospective Resources (Gas, Oil and CO₂ Storage) which are based on and fairly represents information and supporting documentation reviewed by Dr Xingjin Wang, a Petroleum Engineer with over 30 years' experience and a Master in Petroleum Engineering from the University of New South Wales and a PhD in applied Geology from the University of New South Wales. Dr Wang is an active member of the SPE and PESA and is qualified in accordance with ASX listing rule 5.1. He is a former Director of Pilot Energy Ltd and has consented to the inclusion of this information in the form and context to which it appears.

The estimates of Prospective Resources included in the announcement have been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System ("PRMS") as revised in June 2018 by the Society of Petroleum Engineers. The PRMS defines prospective resources as those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.

All Prospective Resources indicated presented in this announcement are calculated for a Gross 100% interest in WA-481-P and the information presented is in accordance with Chapter 5 ASX listing rules.

The evaluation date for the Prospective Resources stated within this document is 1 April 2025.