



PILOT ENERGY LIMITED
ABN 86 115 229 984

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

Date of Meeting: Friday, 19 August 2022

Time of Meeting: 11:00 am (AEST)

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

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter in this Notice of General Meeting please do not hesitate to contact the Company Secretary via email: cfriedlander@pilotenergy.com.au.

Venue

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (AEST) on Friday, 19 August 2022 at the offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000

Your vote is important

The business of the General Meeting affects your shareholding, and your vote is important.

Voting in person

To vote in person, attend the General Meeting on the date and at the place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) by mail to Boardroom Pty Limited, GPO Box 3993, Sydney, NSW 2001, Australia;
- (b) by fax to +61 2 92909655; or
- (c) by hand to Boardroom Pty Limited, Level 12, 225 George Street, Sydney, NSW,

so that it is received no later than 48 hours before the Meeting, at 11:00am (AEST) on Wednesday, 17 August 2022. Proxy Forms received later than this time will be invalid.

To provide an equal opportunity for all Shareholders to ask questions of the Board, we ask Shareholders to submit in writing any questions to the Company Secretary via post (C/- Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000) or email to cfriedlander@pilotenergy.com.au

Written questions to Management may be received up to 24 hours before the meeting. Your questions should relate to matters that are relevant to the business of the General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum. During the General Meeting, the Chair will seek to address as many Shareholder questions as reasonably practicable. However, there may not be sufficient time to answer all questions at the General Meeting. Please note that individual responses may not be sent to Shareholders.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting (**GM**) of Shareholders of Pilot Energy Limited (**Company**) will be held at 11:00am (AEST) on Friday, 19 August 2022 at the offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000.

If the situation regarding the COVID-19 crisis materially changes between the date of this Notice of Meeting and the proposed time of the meeting, the Company may put measures in place to accommodate for the change in circumstances. Such measures may include implementing online attendance facilities for shareholders to attend a hybrid physical / virtual meeting which complies with social distancing regulation. Directors will further update Shareholders with the proposed next steps if necessary.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the GM. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and/or the Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the Definitions contained in the back of the Explanatory Memorandum.

The Directors have determined under Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company at 7.00pm (AEST) on Wednesday, 17 August 2022.

Ordinary Business

Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares

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 for all other purposes, Shareholders approve and ratify the prior issue by the Company of 98,000,000 Shares (**Tranche 1 Placement Shares**) under either Listing Rules 7.1 or 7.1A on the terms and conditions set out in the Explanatory Memorandum.”*

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

Voting Exclusion Statement

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

- a person who participated in the issue being approved by 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 2 – Approval of future issue of Tranche 2 Placement Shares to 8 Rivers Capital, LLC (8RC)

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 7.1 and all other purposes, Shareholders approve the future issue of up to 29,411,765 Shares (**Tranche 2 8RC Placement Shares**) on the terms and conditions set out in, the Explanatory Memorandum.”*

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

Voting Exclusion Statement

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

- a person who is to receive or is expected to receive the securities the subject of the Resolution, 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 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 3 – Approval of future issue of Attached Placement Options (Tranches 1 and 2)

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 7.1 and all other purposes, Shareholders approve the future issue of up to 63,705,882 free, attached unlisted Attached Placement Options exercisable before the Option Expiry Date as set out below, on the terms and conditions set out in the Explanatory Memorandum:

- (a) 49,000,000 free, attached unlisted Attached Placement Options to the Tranche 1 Placement Shares on a 2:1 basis; and*
- (b) 14,705,882 free attached unlisted Attached Placement Options to the Tranche 2 8RC Placement Shares on a 2:1 basis.”*

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

Voting Exclusion Statement

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

Resolution 3 by:

- a person who is to receive or is expected to receive the securities the subject of the Resolution, 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 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 4 – Approval of future issue of Tranche 2 Placement Shares and Attached Placement Options to Mr. Daniel Chen – Non Executive Director

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 10.11 and for all other purposes, Shareholders approve the future issue of 1,000,000 Tranche 2 Placement Shares together with 50,000 Attached Placement Options, to Mr Daniel Chen (and or his nominee) on the terms and conditions set out in the Explanatory Statement.

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

Voting Exclusion Statement

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 4 by:

- any associate of any votes cast on in favour of this resolution by or behalf of Daniel Chen (and/or his 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 Shareholder); 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 relevant 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 – Approval of future issue of Tranche 2 Placement Shares and Attached Placement Options to Mr. Tony Strasser – Managing Director

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 10.11 and for all other purposes, Shareholders approve the future issue of 1,000,000 Tranche 2 Placement Shares together with 50,000 Attached Placement Options, to Mr Tony Strasser (and or his nominee, on the terms and conditions set out in the Explanatory Statement.”

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

Voting Exclusion Statement

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 5 by:

- any associate of any votes cast on in favour of this resolution by or behalf of Tony Strasser (and/or his 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 Shareholder); 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 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 6 – Ratification of prior issue 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 ratify the issue of 2,334,066 Shares under Listing Rule 7.1 on 21 January 2022 to the consultants of the Company detailed, and for the issue price and on the terms and conditions set out, in the Explanatory Memorandum.”

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

Voting Exclusion Statement

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

Resolution 6 by:

- a person who participated in the issue being approved by the 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 7 – Ratification of prior issue of Shares to Black Swan Resources Pty Ltd

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 for all other purposes, the Shareholders ratify the prior issue of 1,562,876 Shares issued under Listing Rule 7.1 to Black Swan Resources Pty Ltd on the terms and conditions set out in the Explanatory Memorandum.”

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

Voting Exclusion Statement

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 8 by:

- a person who participated in the issue being approved by the 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 8 - Ratification of prior issue of Options to 8 Rivers Capital, LLC

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 for all other purposes, the Shareholders ratify the prior issue of 13,333,334 unlisted Options issued under Listing Rule 7.1 to 8 Rivers Capital, LLC

(or its nominee) on the terms and conditions set out in the Explanatory Memorandum.”

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

Voting Exclusion Statement

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 9 by:

- a person who participated in the issue being approved by the 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.

By Order of the Board

Cate Friedlander
Company Secretary
Dated: 21 July 2022

ENTITLEMENT TO ATTEND AND VOTE

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snapshot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the GM. The Company’s Directors have determined that all Shares of the Company that are quoted on ASX at 7:00pm (AEST) on 17 August 2022 shall, for the purposes of determining voting entitlements at the GM, 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.

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. A ‘Certificate of Appointment of Corporate Representative’ is enclosed if required.

ENQUIRIES

Shareholders are invited to contact the Company Secretary, Cate Friedlander on 1300 737 760 if they have any queries in respect of the matters set out in this document.

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.

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

The Meeting will be held at the offices of A.D. Danieli, Level 1, 261 George St, Sydney, NSW, 2000

In the current dynamic pandemic climate, circumstances may arise which prevent all shareholders that intend to attend the meeting from doing so. If such circumstances arise, the Directors will implement measures to accommodate online attendance such that the meeting is held either as a hybrid physical and virtual meeting or solely as a virtual meeting.

1. PROPOSED TRANSACTIONS

1.1 Background

The Company has undertaken a capital raising of \$2.2 million (before costs) in two tranches to support and provide sufficient working capital for undertaking the Company's business plan. Pilot's business plan is centred on leveraging its exiting oil and gas assets into competitive clean energy projects.

The successful capital raising sees the Company now funded to complete critical milestones in the development of its Mid West Clean Energy Project in Western Australia. Over the next twelve months Pilot expects to complete all steps to enable a final investment decision (**FID**) to be taken on the Cliff Head CCS Project.

These steps will include the following activities:

- Permitting – Engaging with regulators to secure the necessary regulatory approvals;
- Site Acquisition – Completing project site selection and commencing site acquisition;
- Commercial Offtake – Engaging with prospective parties for commercial CCS off-take and secure material foundation customers for the Cliff Head CCS Project;
- EPCM Contractor – Commence engagement with potential EPC contractors and select and document arrangements with preferred EPCM Contractor;
- Pre-FEED – Commence detailed Front-End Engineering & Design (**FEED**) and costings for CCS and Blue Hydrogen; and
- Capital – Engage with debt and equity providers wishing to finance the CCS and Blue Hydrogen Projects.

1.2 Capital Raising

The \$2.2 million (before costs) capital raising comprises:

- a two-tranche placement to sophisticated, professional and institutional investors of 129,411,765 new Shares at an issue price of \$0.017 per Share, to raise \$2.2 million (before costs) (**Placement**); and
- the issue of 64,705,882 free, attached new unlisted Options, being one Option for every two new Shares issued to investors in the Placement exercisable at \$0.033 on or before the Option Expiry Date on the terms and conditions set out in Schedule 1 (**Attached Placement Options**),

(together, the Placement and Attached Placement Options are referred to as the **Capital Raising**).

The Placement portion of the Capital Raising will be through the issue of new Shares across two tranches of \$2.2 million, comprising of the following:

- (a) 98,000,000 Shares which were issued at a price of \$0.017 (which raised \$1,666,000) using the

Company's ASX Listing Rule 7.1 and 7.1A placement capacity on 15 July 2022 (the **Tranche 1 Placement**); and

- (b) 31,411,765 Shares to be issued at a price of \$0.017 (to raise \$534,000) the issue of which are subject to shareholder approval (the **Tranche 2 Placement**).

The allotment and issue of the Attached Placement Options in respect of the Tranche 1 and Tranche 2 Placements is subject to Shareholder approval and will be issued at the same time as the Tranche 2 Placement, assuming Shareholder approval will have been obtained.

The Shares to be issued under the Tranche 2 Placement have been placed with two sophisticated investors – Messrs. Chen and Strasser (both Pilot directors – see Resolutions 4 and 5) and 8 Rivers Capital, LLC (**8RC**). The commitment to the Placement by 8 RC is subject to satisfaction of certain conditions which are explained in detail in section 1.3 below.

The Company appointed Bridge Street Capital Partners to act as Lead Manager in respect of the Capital Raising, under the terms and conditions set out in an engagement dated on or around 20 June 2022. Under the terms of its engagement, the Lead Manager will be paid a management fee of 2% and a placement fee of 4% of the total funds raised under the Capital Raising, excluding the funds committed by 8RC (see further below in section 1.3).

Assuming \$2.2 million is raised, the proceeds of the Capital Raising will contribute to financing further investment in the Cliff Head project, the Company's tenements work program commitments and the Cliff Head CCS Project, as well as to provide sufficient working capital to cover corporate costs (includes corporate office expenses such as lease and insurance payments and employee/contractor payments). It is intended the funds raised will be applied as follows:

Sources & Uses			
Sources of funds		Uses of Funds	
Existing Cash (30 June 2022)	\$2.0m	Oil& Gas Tenement Work Program	\$0.8m
PGY share of existing cash retained in Cliff Head Operating Company* ¹	\$1.8m	Blue Hydrogen & Cliff Head CCS Project	\$2.2m
Pilot Capital Raise	\$2.2m	Mid West Renewables Project	\$0.3m
8RC ("In- Kind") technical services	\$0.5m	Corporate expenses and Working Capital	\$1.3m
		Capital Raising costs	\$0.1
Total Sources	\$6.5m	Total Uses	\$4.7m

*¹ Pilot is 50% owner of Cliff Head Operating Company – Triangle Energy Operations Pty Ltd. Following the most recent crude oil sales from the Cliff Head Oil Field to BP announced on 8 June 2022 (see ASX announcement by Pilot and Triangle Energy (Group) Ltd) total crude oil sales of A\$21.3 million were received of which Pilot's share is \$4.5 million. Of these funds received, A\$1.4 million was repaid to Pilot, A\$800,000 was contributed to the workover programme to reinstate oil production from CH-10 and A\$1.8 million was retained in the Cliff Head Operating Company to fund Pilot's share on on-going operating and working capital costs for the Cliff Head Oil Field production operations pending on-going sales from continuing production operations.

1.3 Strategic investor

As noted above, 8RC has agreed to invest \$1,000,000 in the Company in a mix of capital contribution and provision "in kind" of technical services pursuant to the Memorandum of Understanding (**MOU**) which it entered into with Pilot on 30 June 2022.

The capital commitment of 8RC involves participation in Tranche 2 of the Placement to a value of A\$500,000, subject to satisfaction of the following conditions:

- receipt of Shareholder approval at this GM for the issuance of the Tranche 2 securities and the Attached Placement Options pursuant to the Capital Raising and for the purposes of Listing Rule 7.1;

- Pilot and 8RC entering into a definitive agreement for the provision of “in-kind” technical services;
- Pilot and 8RC entering into a definitive agreement for an ammonia offtake option agreement; and
- 8RC approval.

On completion of Tranche 2 of the Capital Raising, 8RC will be issued 29,411,765 New Shares and 14,705,882 Attached Placement Options.

The “in-kind” services to be provided by 8RC to the Company will comprise technical services and will relate to the deployment of the 8RC technical team to prepare the design basis and engineering documentation required for the Stage 2 and 3 pre-FEED and FEED for deployment of the near-zero emissions 8RH2 hydrogen production process.

1.4 Indicative timetable

Event	Date
Announcement of Capital Raising	8 July 2022
Completion of Tranche 1 of Capital Raising	14 July 2022
Issue of Tranche 1 Shares	15 July 2022
Notice of Meeting sent to Shareholders	21 July 2022
GM to approve the Resolutions	19 August 2022
Completion of Tranche 2 of Capital Raising	25 August 2022
Issue of Tranche 2 Shares	26 August 2022

Note: The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. The Company reserves the right to vary these dates without notice.

1.5 Pro forma capital structure

The table below shows the capital structure of the Company at the date of this Notice and upon completion of the Capital Raising and placement to 8 Rivers, assuming all other Resolutions are passed.

Capital Structure	Existing	Issued following GM	Completion
Existing Shares	602,390,312		
Tranche 2 Placement Shares		31,411,765	633,802,077
Pro forma Shares on issue			633,802,077
Existing Options on issue* ¹	105,045,4261		
Attached Placement Options		64,705,882	
Pro forma Options on issue			169,751,308

*¹ Unlisted Options on issue with expiry dates between 18 December 2022 and 4 November 2025, with exercise prices varying between \$0.033 to \$0.10.

2. PROPOSED RESOLUTIONS

RESOLUTION 1: RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES

General

As part of the Capital Raising and as outlined in Section 1.2, on 14 July 2022, the Company completed the first tranche of the Placement by issuing a total of 98,000,000 Shares (**Tranche 1 Placement Shares**) to raise a total of \$1,666,000 (before costs).

In addition, the Placement included free attached new Options in the Company issued on a 2:1 basis (**Attached Placement Options**) exercisable at \$0.033 on or before the Option Expiry Date on the terms and conditions set out in Schedule 1, subject to Shareholder approval.

All of the Tranche 1 Placement Shares, 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 28 February 2022).

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Tranche 1 Placement Shares.

Purpose and Use of Funds

The purpose and use of funds for the Placement as set out in Section 1.2 of this Explanatory Memorandum.

Listing Rules 7.1 and 7.1A

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 98,000,000 Tranche 1 Placement Shares, which were issued on 15 July, 2022 (**Tranche 1 Placement Issue Date**).

57,843,730 Placement Shares were issued under Listing Rule 7.1 and 40,156,270 Placement Shares were issued under Listing Rule 7.1A.

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. In addition, at the last Annual General Meeting held on 28 February 2022, 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 Tranche 1 Placement 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 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 this issue, the Tranche 1 Placement Shares 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 Tranche 1 Placement 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 issue of the Tranche 1 Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of Tranche 1 Placement Shares 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 Tranche 1 Placement Issue Date.

If this Resolution is not passed, the issue of Tranche 1 Placement Shares will be included 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 Tranche 1 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 to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Tranche 1 Placement Shares were issued to sophisticated and institutional investors.
- (b) The Company issued 98,000,000 Tranche 1 Placement Shares.
- (c) The Tranche 1 Placement Shares issued were all fully paid and ranked equally in all respects with all existing ordinary shares in the capital of the Company.
- (d) The Tranche 1 Placement Shares were issued on 15 July 2022.
- (e) Each of the Tranche 1 Placement Shares were issued at an issue price of \$0.017 per Tranche 1 Placement Share, which raised a total of \$1,666,000 (before costs).
- (f) The purpose of this issue and the intended use of the funds raised is as set out above and in Section 1.2.
- (g) The Tranche 1 Placement Shares were not issued pursuant to any agreement.
- (h) 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 this Resolution.

RESOLUTION 2: APPROVAL OF FUTURE ISSUE OF TRANCHE 2 PLACEMENT SHARES TO 8 RIVERS CAPITAL, LLC (8RC)

General

Further to the issue of the Tranche 1 Placement Shares, and as part of the Capital Raising outlined in Section 1.2, Resolution 2 seeks Shareholder approval for the issue of 29,411,765 Tranche 2 Placement Shares to 8RC at an issue price of \$0.017 per Share to raise \$500,000 (before costs) (**Tranche 2 8RC Placement Shares**).

Listing Rule 7.1

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. An explanation of Listing Rule 7.1 is set out in relation to Resolution 1 above.

The issue of the Tranche 2 Placement Shares does not fit within any of the exceptions to Listing Rule 7.1 and such an issue would otherwise exceed the Company's Listing Rule 7.1 and 7.1A capacity.

If Resolution 2 is passed, it will permit the Directors to complete the issue of the Tranche 2 Placement Shares no later than 3 months after the date of the Meeting (or such longer period as allowed by ASX). In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rules 7.1 and 7.1A.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares. The Company may in the future be able to proceed with the issue of the Tranche 2 Placement Shares as capacity becomes available with the passage of time under Listing Rules 7.1 and 7.1A, if required, without the need to obtain shareholder approval.

Information required by Listing Rule 7.3

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

- (a) The Tranche 2 8RC Placement Shares are to be issued to 8RC (subject to satisfaction of certain conditions set out in section 1.2 of this Explanatory Memorandum), a sophisticated and professional investor exempt under section 708 of the Corporations Act.

- (b) The maximum number of Shares that the Company will issue under the Tranche 2 Placement is 29,411,765.
- (c) The Tranche 2 8RC Placement Shares issued will be fully paid Shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) The Tranche 2 8RC Placement Shares will be issued no later than three months after the date of the General Meeting (or such later date to the extent permitted by ASX) and it is intended that the issue of the Tranche 2 Placement Shares will occur on or about the same date as the date of the General Meeting.
- (e) The Tranche 2 8RC Placement Shares will be issued at an issue price of \$0.017 each to raise \$500,000 (before costs).
- (f) The purpose of this issue and the intended use of the funds raised is as set out above and in Section 1.2.
- (g) The Tranche 2 8RC Placement Shares to be issued to 8RC will be issued pursuant to the MOU.
- (h) The Tranche 2 8RC Placement Shares are not being issued under or to fund a reverse takeover.
- (i) A voting exclusion statement for Resolution 2 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 this Resolution.

RESOLUTION 3 – APPROVAL OF FUTURE ISSUE OF FREE ATTACHED PLACEMENT OPTIONS (TRANCHE 1 AND TRANCHE 2)

General

Resolution 3 seeks Shareholder approval for the issue of 64,705,882 new Options, being options exercisable at \$0.033 per option on or before the Option Expiry Date free attaching to the Tranche 1 Placement Shares and Tranche 2 Placement Shares to unrelated parties on a 2:1 basis, as set out in general information for Resolution 2 above (**Attached Placement Options**).

The Company seeks to issue the Attached Placement Options with prior Shareholder approval, as such an issue would otherwise exceed the Company's Listing Rule 7.1 capacity.

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

If this Resolution is passed, and subject to Shareholders approving Resolution 2, the Company will be able to proceed to issue the 64,705,882 Attached Placement Options. In addition, the Attached Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rules 7.1.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the Attached Placement Options. The Company may in the future be able to proceed with the issue of the Attached Placement Options as capacity becomes available with the passage of time under Listing Rule 7.1, if required, without the need to obtain shareholder approval.

Information required by Listing Rule 7.3

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

- (a) The Attached Placement Options will be issued to the participants in the Capital Raising (see Resolutions 1 and 2 above);
- (b) The maximum number of Attached Placement Options to be issued is 63,705,882.
- (c) The terms and conditions of the Attached Placement Options are set out in Schedule 1.

- (d) The Attached Placement Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by ASX) and it is intended that the issue of the Attached Placement Options will occur on the same date.
- (e) The Attached Placement Options will be issued for nil consideration as they are free attaching to the Shares issued under the Placement on a 2 for 1 basis.
- (f) The purpose of the issue of the Attached Placement Options is to encourage participation in the Placement and provide a potential increase in funds to the Company (should the Attached Placement Options be exercised).
- (g) The Attached Placement Options are not being issued pursuant to any agreement.
- (h) The Attached Placement Options are not being issued under or to fund a reverse takeover.
- (i) A voting exclusion statement for Resolution 3 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 this Resolution.

RESOLUTION 4 – APPROVAL OF FUTURE ISSUE OF TRANCHE 2 PLACEMENT SHARES AND ATTACHED PLACEMENT OPTIONS TO MR. DANIEL CHEN (NON-EXECUTIVE DIRECTOR)

General

Mr. Daniel Chen has subscribed for and, subject to obtaining Shareholder approval, the Company has agreed to issue 1,000,000 Tranche 2 Placement Shares to Mr. Daniel Chen (and/or his nominee) on the terms and conditions set out below.

Mr. Daniel Chen is a non-Executive Director of the Company who joined the Board on 15 September 2020.

Resolution 4 seeks the necessary Shareholder approval in accordance with Listing Rule 10.11 for the issue of these Tranche 2 Placement Shares to Mr. Daniel Chen.

Mr. Chen has subscribed for, and subject to Shareholder approval, Mr. Chen (and/or his nominee) will be issued 1,000,000 Tranche 2 Placement Shares at an issue price of \$0.017 each, together with 500,000 free Attached Placement Options.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) 10.11.1 - a related party;
- (b) 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders.

The issue of Tranche 2 Placement Shares together with the Attached Placement Options to Mr. Chen (and/or his nominee) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution 4:

- (a) The Tranche 2 Placement Shares subscribed for by Mr. Daniel Chen together with the Attached

Placement Options will be issued to Mr. Daniel Chen (and/or his nominee) who falls within the category set out in Listing Rule 10.11.1 as Mr. Chen is a related party of the Company by virtue of being a Director.

(b) The number of Tranche 2 Placement Shares to be issued is a total of 1,000,000, at an issue price of \$0.017 per Share. The number of Attached Placement Options to be issued is 500,000.

(c) The Tranche 2 Placement Shares will be issued to Mr. Chen as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.

(d) The terms and conditions of the Attached Placement Options are set out in Schedule 1.

(e) The Tranche 2 Placement Shares and Attached Placement Options will be issued to Mr. Chen (and/or his nominee) no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(f) The Company intends to use the proceeds from the issue of the Tranche 2 Placement Shares as set out in section 1.2 of this Explanatory Memorandum.

(g) A voting exclusion statement is included in the Notice of Meeting for this resolution.

If Resolution 4 is passed, the Company will be able to proceed to issue to Mr. Chen (and/or his nominee) the 1,000,000 Tranche 2 Placement Shares for which he has subscribed and the 500,000 Attached Placement Options. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed to issue to Mr. Chen (and/or his nominee) the 1,000,000 Tranche 2 Placement Shares for which Mr. Chen has subscribed or the 500,000 Attached Placement Options.

Directors' Recommendation

The Board of Directors (excluding Mr. Chen) recommend that the Shareholders vote in favour of Resolution 4.

RESOLUTION 5 – APPROVAL OF FUTURE ISSUE OF TRANCHE 2 PLACEMENT SHARES AND ATTACHED PLACEMENT OPTIONS TO MR. TONY STRASSER (MANAGING DIRECTOR)

General

Mr. Tony Strasser has subscribed for, and subject to obtaining Shareholder approval, the Company has agreed to issue 1,000,000 Tranche 2 Placement Shares to Mr. Tony Strasser (and/or his nominee) on the terms and conditions set out below.

Mr. Tony Strasser is a non-Executive Director of the Company who joined the Board on 1 June 2021, following the completion of the Royal Energy Limited transaction.

Resolution 5 seeks the necessary Shareholder approval in accordance with Listing Rule 10.11 for the issue of these Tranche 2 Placement Shares to Mr. Tony Strasser.

Mr. Strasser has subscribed for, and subject to Shareholder approval, Mr. Strasser (and/or his nominee) will be issued 1,000,000 Tranche 2 Placement Shares at an issue price of \$0.017 each, together with 500,000 free Attached Placement Options.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) 10.11.1 - a related party;
- (b) 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rules

10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders.

The issue of Tranche 2 Placement Shares together with the Attached Placement Options to Mr. Chen (and/or his nominee) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Specific information required by Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to this Resolution 5:

- (a) The Tranche 2 Placement Shares subscribed for by Mr. Tony Strasser together with the Attached Placement Options will be issued to Mr. Tony Strasser (and/or his nominee) who falls within the category set out in Listing Rule 10.11.1 as Mr. Strasser is a related party of the Company by virtue of being a Director.
- (b) The number of Tranche 2 Placement Shares to be issued is a total of 1,000,000, at an issue price of \$0.017 per Share. The number of Attached Placement Options to be issued is 500,000.
- (c) The Tranche 2 Placement Shares will be issued to Mr. Strasser as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The terms and conditions of the Attached Placement Options are set out in Schedule 1.
- (e) The Tranche 2 Placement Shares and Attached Placement Options will be issued to Mr. Strasser (and/or his nominee) no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (f) The Company intends to use the proceeds from the issue of the Tranche 2 Placement Shares as set out in section 1.2 of this Explanatory Memorandum.
- (g) A voting exclusion statement is included in the Notice of Meeting for this resolution preceding this Explanatory Memorandum.

If Resolution 5 is passed, the Company will be able to proceed to issue to Mr. Strasser (and/or his nominee) the 1,000,000 Tranche 2 Placement Shares for which he has subscribed and the 500,000 Attached Placement Options. In addition the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed to issue to Mr. Strasser (and/or his nominee) the 1,000,000 Tranche 2 Placement Shares for which Mr. Strasser has subscribed or the 500,000 Attached Placement Options.

Directors' Recommendation

The Board of Directors (excluding Mr. Strasser) recommend that the Shareholders vote in favour of Resolution 5.

RESOLUTION 6: RATIFICATION OF PRIOR ISSUE OF SHARES TO CONSULTANTS IN LIEU OF PAYMENT OF FEES

General

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**).

In each case, under the Engagement Terms, the Consultants may elect to receive (all of, or such portion as the Consultant nominates) the Consultant's consideration for the provision of services under the Engagement Terms in Shares in the Company, in lieu of cash payment (**Consultant Shares**).

The Consultants specified Schedule 2 have elected to take Contractor Shares in lieu of cash payment in the manner specified in Schedule 2 and on 21 January 2022, the Company allotted and issued 2,334,066 Consultant Shares to the Consultants specified in Schedule 2 (for a total value of \$135,547) without Shareholders approval, using the Company's Listing Rule 7.1 placement capacity.

A summary of Listing Rule 7.1 is set out in relation to Resolution 1 above. The Company now seeks the

subsequent approval of Shareholders for this issue of Consultant Shares pursuant to Listing Rule 7.4.

Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that Listing Rule.

The Company 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. To this end, this Resolution seeks the approval of Shareholders to subsequently approve and ratify the issue of the 8 Rivers Options for the purposes 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 Listing Rule 7.5:

- (a) The Consultant Shares were issued and allotted in the number and to the Consultants specified in Schedule 2.
- (b) The number of Consultant Shares issued on 21 January 2022 was 2,334,066 Shares issued the prices per Share specified in Schedule 2, representing a total value of \$135,547.
- (c) The Consultant Shares issued will be fully paid ordinary shares in the capital of the Company 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 specified in Schedule 2. 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 the Consultants under the Engagement Terms. The terms of the Engagement Terms for each Consultant is considered by Pilot to be on market standard terms.
- (f) The Consultant Shares were not issued under or to fund a reverse takeover.
- (g) 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 this Resolution.

RESOLUTION 7: RATIFICATION OF PRIOR ISSUE OF SHARES TO BLACK SWAN RESOURCES PTY LTD

General

On 20 August 2021, the Company issued 1,562,876 Shares (total value \$100,000) to Black Swan Resources Pty Ltd (**Black Swan**) by way of settlement consideration in respect of the inability of Pilot and Black Swan to complete the proposed sale of Pilot's interest in Petroleum Exploration Permit WA-503-P (**Interest**) to Black Swan (**WA-503-P Sale and Purchase**) (previously announced on 27 July 2018) following the advice in 2018 of the Commonwealth-Western Australia Offshore Petroleum Joint Authority, of its decision to not approve the transfer of the Interest. The Joint Authority subsequently cancelled the permit.

The Company and Black Swan agreed to a settlement consideration of the issue by Pilot to Black Swan of \$100,000 worth of Shares, to be issued upon the Company being reinstated to the ASX official list on 11 August 2021 and trading in the Company's Shares recommenced, for a price per Share of \$0.064

(based on 5- day VWAP) (**Black Swan Shares**). On 20 August 2021, the Company allotted and issued 1,562,876 Shares to Black Swan (**Black Swan Share Issue Date**) using the Company's placement capacity under Listing Rule 7.1, without obtaining prior Shareholder approval.

A summary of Listing Rule 7.1 is set out in Resolution 1 above. The Company now seeks the subsequent approval of, and ratification by, Shareholders pursuant to Listing Rule 7.4 for the issue of the Black Swan Shares. By the Shareholders approving and ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in Listing Rule 7.1, without having to obtain Shareholder approval over the 12-months following the Black Swan Share Issue Date.

Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that Listing Rule.

The Company 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. To this end, this Resolution seeks the approval of Shareholders to subsequently approve and ratify the issue of the 8 Rivers Options for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of the Black Swan 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 Black Swan Shares Issue Date.

If this Resolution is not passed, the issue of the Black Swan 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 Black Swan Shares Issue Date.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) The Black Swan Shares were issued to Black Swan.
- (b) The Company issued 1,562,876 Black Swan Shares.
- (c) The Black Swan Shares issued were all fully paid and ranked equally in all respects with all existing ordinary shares in the capital of the Company.
- (d) The Black Swan Shares were issued on 20 August 2021.
- (e) The Black Swan Shares were issued for nil cash consideration in settlement of the failed completion of the WA-503-P Sale and Purchase.
- (f) No funds were raised from the issue of the Black Swan Shares.
- (g) The Black Swan Shares were issued pursuant to the WA-503-P Sale and Purchase Agreement.
- (h) The Black Swan Shares were not issued under or to fund a reverse takeover.
- (i) A voting exclusion statement for Resolution 7 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 this Resolution.

RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO 8 RIVERS CAPITAL, LLC

General

Pilot and 8 Rivers Capital, LLC (**8 Rivers**) have entered into an agreement for the provision of project feasibility services in connection with near zero emission energy and hydrogen generation in Mid West Western Australia dated 3 August 2021 (**8 Rivers Service Agreement**).

In consideration of the provision of the services by 8 Rivers under the 8 Rivers Service Agreement the

parties agreed that Pilot would issue 13,333,334 options over Shares in the Company to 8 Rivers (or its nominee) as part payment of the compensation payable under the 8 Rivers Service Agreement (**8 Rivers Options**). The 8 Rivers Options were issued on 12 November 2021 out of the Company's capacity to issue securities under Listing Rule 7.1 without Shareholder approval.

The issue of the 8 Rivers Options does not fall within any of the exceptions to Listing Rule 7.1 and were issued without prior Shareholder approval under the Company's placement capacity available under Listing Rule 7.1, so reducing the Company's capacity to issue further equity securities without Shareholder approval for the 12-months period following the issue date.

A summary of ASX Listing Rule 7.1 is set out in Resolution 1 above.

The Company now seeks the subsequent approval for and ratification of the issue of the 8 Rivers Options by the Shareholders pursuant to Listing Rule 7.4.

Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that Listing Rule.

The Company 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. To this end, this Resolution seeks the approval of Shareholders to subsequently approve and ratify the issue of the 8 Rivers Options for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of the 8 Rivers Options 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 8 Rivers Options.

If this Resolution is not passed, the issue of the 8 Rivers Options 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 issue.

Specific information required by Listing Rule 7.5

Pursuant to, and in accordance with, Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the 8 Rivers Options:

- (a) On 12 November 2021 the Company issued a total of 13,333,334 8 Rivers Options to 8 Rivers in consideration of the provision of project feasibility services to the Company.
- (b) The 8 Rivers Options were issued for nil consideration and no funds were raised by the issue as they comprised part payment of fees made in lieu of cash fees for the services provided to the Company by 8 Rivers under the 8 Rivers Service Agreement. Accordingly, no funds were raised from the issue of the 8 Rivers Options.
- (c) The 8 Rivers Options were issued with an exercise price of \$0.080 each on the terms and conditions set out in Schedule 3.
- (d) A voting exclusion statement is included in the Notice of Meeting.

Directors' Recommendation

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

Definitions

AEST means Australian Eastern Standard Time (Sydney).

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

Associate has the meaning given to that term in the Listing Rules.

Attached Placement Options means the issue of 64,705,882 free-attaching new unlisted Options, being one Option for every two new Shares acquired under the Placement exercisable at \$0.033 on or before the Option Expiry Date on the terms and conditions set out in Schedule 1.

Blue Hydrogen means hydrogen produced from natural gas supported by carbon capture and storage.

Bridge Street Capital means Bridge Street Capital Partners Pty Ltd ABN 32 164 702 005.

Capital Raising means the Placement and Attached Placement Options.

CCS means carbon capture and storage.

CCS Project means the carbon capture and storage project located at Cliff Head.

Cliff Head means Cliff Head Offshore Oil Field in the Perth Basin.

Company means Pilot Energy Limited ABN 86 115 229 984.

Consultant means each of the consultants to the Company specified in Schedule 2.

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

Directors means the current directors of the Company.

EPCM Contractor means engineering, procurement, construction, management contractor.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

FEED means front-end engineering and design.

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

Listing Rules means the Listing Rules of ASX.

Mid West Clean Energy Project means the 3 Staged project involving CCS, hydrogen and ammonia production project located in the Mid West Region of Western Australia.

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

Option Expiry Date means the date that is 36 months from the date of issue of the Attached Placement Options.

Placement means both of the Tranche 1 Placement and Tranche 2 Placement for the issue of a total of new 129,411,765 Shares to raise \$2.2 million.

Proxy Form means the Proxy Form accompanying the Notice.

Relevant Interest has the meaning given in the Corporations Act.

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

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

Shareholder means a holder of a Share.

Tranche 1 Placement means 98,000,000 Shares that were issued by the Company to sophisticated, professional and institutional investors on 15 July 2022 at an issue price of \$0.017 that raised \$1,666,000 and were issued using the Company's Listing Rule 7.1 and 7.1A placement capacity.

Tranche 2 Placement means 31,411,765 Shares to be issued to 8RC and Company Directors (Messrs. Chen and Strasser) at an issue price of \$0.017 to raise approximately \$534,000 the issue of which are subject to Shareholder approval.

Tranche 2 8RC Placement Shares means the 29,411,765 Shares to be issued to 8RC as part of the Tranche 2 Placement.

Tranche 2 Placement Shares means the 2,000,000 Shares to be issued to Company Directors, Messrs. Chen and Strasser as part of the Tranche 2 Placement.

Voting Power has the meaning given in the Corporations Act.

VWAP means volume weighted average price.

Instructions for Completing 'Appointment of Proxy' Form

1. **Appointing a Proxy:** A member with two or more votes entitled to attend and vote at the GM is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If a shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company. A proxy may be an individual or a body corporate. If a body corporate is appointed, the Proxy Form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
2. **Proxy vote if appointment specifies way to vote:** Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution - the proxy must not vote on a show of hands;
 - (c) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
 - (d) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).
3. **Transfer of non-chair proxy to chair in certain circumstances:** Section 250BC of the Corporations Act provides that, if:
 - (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's shareholders;
 - (b) the appointed proxy is not the chair of the meeting;
 - (c) at the meeting, a poll is duly demanded on the resolution; and
 - (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.
4. **Attending the Meeting:** Completion of a Proxy Form will not prevent individual members from attending the GM in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the GM in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the GM.

5. **Voting in person:**

- (a) A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the attached proxy form to the Meeting to assist in registering your attendance and number of votes. Please arrive 15 minutes prior to the start of the Meeting to facilitate this registration process.
- (b) A Shareholder that is a corporation may appoint an individual to act as its representative to vote at the Meeting in accordance with Section 250D of the Corporations Act. The appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the Certificate is enclosed with this Notice of Meeting

6. **Return of Proxy Form:** To vote by proxy, please complete and sign the enclosed Proxy Form and return the Proxy Form (and any Power of Attorney under which it is signed):

- (a) By mail to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001, Australia.
- (b) By fax to +61 2 9290 9655

so that it is received by 11:00am (AEST) on Wednesday, 17 August 2022. Proxy Forms received later than this time will be invalid.

Schedule 1 – Attached Placement Options Terms and Conditions

- (a) **Entitlement:** Each Attached Placement Option entitles the holder to subscribe for one Share upon exercise of the Attached Placement Option and each Attached Placement Option is immediately exercisable.
- (b) **Exercise Price:** Subject to paragraph (a), the amount payable upon exercise of each Attached Placement Option will be \$0.033 (**Exercise Price**).
- (c) **Expiry Date:** Each Attached Placement Option will expire at 5:00pm (EST) on 36 months from the date of issue of each Attached Placement Option (**Expiry Date**). An Attached Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The Attached Placement Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise:** The Attached Placement Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Attached Placement Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Attached Placement 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 Attached Placement 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 Attached Placement 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 New 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 Attached Placement Options:** The Company will not seek quotation of the Attached Placement Options and the Attached Placement Options will remain unlisted.
- (i) **Shares issued on exercise:** Shares issued on exercise of the Attached Placement 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 Attached Placement 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 Attached Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Attached Placement Options without exercising the New Options.
- (l) **Change in exercise price:** An Attached Placement Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Attached Placement Option can be exercised.
- (m) **Transferability:** The Attached Placement Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Schedule 2 – Consultants and Terms of Engagement (Resolution 6)

1. Basis Commercial Pty Ltd

- 127,827 Shares
- issue price: \$0.068 (12 month VWAP January – December 2021)

2. Michael Lonergan

- 1,003,139 Shares
- issue price: \$0.055 (4 month VWAP August 2021 – December 2021)

3. Catherine Friedlander

- 169,361 Shares
- issue price: \$0.057 (2 month VWAP from November 2021 – December 2021)

4. Castle Rock Energy Pty Ltd

- 1,033,739 Shares
- issue price: \$0.060 (3 month VWAP from October 2021 – December 2021)

Schedule 3 – 8 Rivers Options Terms and Conditions (Resolution 8)

- (a) **Entitlement:** Each 8 Rivers Option entitles the holder to subscribe for one Share upon exercise of the 8 Rivers Option and each 8 Rivers Option is immediately exercisable.
- (b) **Exercise Price:** Subject to paragraph (a), the amount payable upon exercise of each 8 Rivers Option will be \$0.080 (**Exercise Price**).
- (c) **Expiry Date:** Each 8 Rivers Option will expire at 5:00pm (EST) on 2 November 2024 (**Expiry Date**). A 8 Rivers Option not exercised at least 5 Business Days before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period:** The 8 Rivers Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise:** The 8 Rivers Options may be exercised (in whole or in part) during the Exercise Period by notice in writing to the Company in the manner specified on the 8 Rivers Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each 8 Rivers Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Cashless Exercise Facility:** Payment of the Exercise Price in respect of a 8 Rivers Option is payable:
- (i) in cash; or
 - (ii) if the volume weighted average price of the Shares on the ASX over the five (5) trading days prior to the Exercise is greater than the Exercise Price, via the cashless exercise facility whereby the Exercise Price will be set off against the number of Shares which 8 Rivers is entitled to receive upon an exercise of the 8 Rivers Options and 8 Rivers will receive Shares to the value of the balance, in accordance with the formula set out below:

$$8 \text{ Rivers Shares} = \frac{\text{Options} \times (SP - \text{Exercise Price})}{SP}$$

where,

8 Rivers Shares = number of new Shares issued to 8 Rivers; and

SP = volume weighted average price of Shares on ASX over the five (5) trading days prior to the Exercise Date.

- (g) **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 8 Rivers Option being exercised in cleared funds (**Exercise Date**).
- (h) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
- a. issue the number of Shares required under these terms and conditions in respect of the number of 8 Rivers Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - b. 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
 - c. 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 8 Rivers 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.

- (i) **Quotation of Options:** The Company will not seek quotation of the 8 Rivers Options and the 8 Rivers Options will remain unlisted.
- (j) **Shares issued on exercise:** Shares issued on exercise of the 8 Rivers Options rank equally with the then issued shares of the Company.
- (k) **Reconstruction of capital:** If at any time the issued capital of the Company is reconstructed, all rights of an 8 Rivers 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.
- (l) **Participation in new issues:** Subject to the ASX Listing Rules, if at any time after the issue of the Options there is a pro rata issue of Shares to all holders of Shares for which no consideration is payable, then the number of 8 Rivers Options shall be increased by the same proportion as if the 8 Rivers Options were Shares.
- (m) **Change in exercise price:** A 8 Rivers Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the 8 Rivers Option can be exercised.
- (n) **Transferability:** The 8 Rivers 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

☎ **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 Wednesday 17 August 2022.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/pilotgm2022>

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:

- (a) 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.
- (b) 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 by **11:00am (AEST) on Wednesday, 17 August 2022.** 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/pilotgm2022
📠 By Fax	+ 61 2 9290 9655
✉ By Mail	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001 Australia
👤 In Person	Boardroom Pty Limited Level 12, 225 George Street, Sydney NSW 2000 Australia

Attending the Meeting

If attending the physical meeting please bring this proxy to assist with registration.

☐

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 Level 1, 261 George Street, Sydney NSW 2000 **on Friday, 19 August 2022 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*
Resolution 1	Ratification of prior issue of Tranche 1 Placement Shares	☐	☐	☐
Resolution 2	Approval of future issue of Tranche 2 Placement Shares (8 Rivers Capital, LLC and Directors)	☐	☐	☐
Resolution 3	Approval of future issue of Attached Placement Options (Tranches 1 and 2)	☐	☐	☐
Resolution 4	Approval of future issue of Tranche 2 Placement Shares and Attached Placement Options to Mr. Daniel Chen – Non Executive Director	☐	☐	☐
Resolution 5	Approval of future issue of Tranche 2 Placement Shares and Attached Placement Options to Mr. Tony Strasser – Managing Director	☐	☐	☐
Resolution 6	Ratification of prior issue of Shares to Consultants in lieu of part or full payment of fees	☐	☐	☐
Resolution 7	Ratification of prior Issue of Shares to Black Swan Resources Pty Ltd	☐	☐	☐
Resolution 8	Ratification of prior Issue of Options to 8 Rivers Capital, LLC	☐	☐	☐

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 / / 2022