



Announcement to ASX

ASX: PGY

28 January 2026

\$3.44m Placement to underpin Cliff Head Operations and Corporate Activity

- Pilot Energy has received firm commitments to raise \$3.44 million (before costs) through a placement to sophisticated, professional and institutional investors.
- Issue price of \$0.0036 per share represents a 10.0% discount to the last close price of \$0.0040.
- Funds from the placement are to underpin corporate activity associated with Cliff Head operations, the Capture 6 Direct Air Capture project, corporate costs, working capital and costs of the offer.

Pilot Energy Ltd (**ASX:PGY**) (**PGY** or the **Company**) is pleased to announce that it has received \$3.44 million (before costs) in binding commitments for a two-tranche placement of 955,554,882 new fully paid ordinary shares (**Shares**) in the Company at \$0.0036 per share to sophisticated, professional and institutional investors (**Placement**). The Placement received strong support, with firm commitments received in excess of the amount sought.

Pilot Chairman, Greg Columbus stated: “*We are pleased with the level of demand for the placement, which was significantly oversubscribed, and we thank existing shareholders for their ongoing support and welcome a number of new institutional investors to the share register. This capital raising, along with the proceeds from recently announced development of the Three Springs Solar Project (“Three Springs”) gives Pilot Energy reasonable runway to meaningfully progress a number of corporate transactions currently being pursued. We expect the completion of commercial arrangements in relation to any one of these opportunities will represent a major catalyst for an increase in the value of Pilot Energy, which is what Pilot is working towards*”.

Use of Funds & Ongoing Funding

Funds from the placement and existing working capital will be applied as follows:

Use of Funds	A\$m
Cliff Head Operations	\$2.2
Capture 6 Direct Air Capture projects	\$0.3
Corporate, Working Capital and Costs of offer	\$1.0
Total	\$3.5m

Director Support

The Placement is being supported by the Company's Board, with Directors and Management participation, in aggregate, committed to subscribe for approximately \$200,000 of the total funds of the capital raising. The Company will seek shareholder approval for Director and Management participation in the Placement at the forthcoming Annual General Meeting (**AGM**) on 24 February 2026.

Placement Details

The Placement comprises the issue of 955,554,882 Shares to raise a total of \$3.44 million. Pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and 7.1A, under Tranche One (**Tranche 1**) of the transaction, the Company will issue 527,390,794 shares to raise \$1.90 million. Under Tranche Two (**Tranche 2**) of the transaction the Company will issue 428,164,088 shares, to raise \$1.54 million. Tranche 2 includes approximately \$200,000 in participation from Directors and Management of the Company subject to receiving shareholder approval.

Settlement of each respective tranche is anticipated to be as follows:

- Settlement of Tranche 1 is expected to take place on Monday 2 February 2026, with allotment expected to occur on Tuesday 3 February 2026; and
- Settlement of Tranche 2 is expected to take place on or about 27 February 2026, following shareholder approval at the Company's AGM.

The \$0.0036 issue price per Share represents a 10.0% discount to the last traded price on Thursday 22 January 2026 and a 19.9% discount to the 15-day volume weighted average price (**WVAP**) calculated to the last trading date of PGY stock prior to entering trading halt and subsequent suspension.

Each participant in the Offer will receive one (1) free attaching unlisted option for every (1) new Share issued with an exercise price of \$0.0036 (Attaching Options), subject to shareholder approval at the Company's AGM. Participants in the Offer will also receive one (1) free unlisted option for every two (2) Attaching Options exercised, expiring 3 years from the date of issue with an exercise price of \$0.0050 ("Piggyback Options"). Issuance of the Piggyback Options pursuant to the Placement will be conditional on shareholder approval at the Company's AGM. The Attaching Options and the Piggyback Options will not be quoted on the ASX.

Bell Potter Securities Limited acted as Sole Lead Manager to the Placement and will receive fees in accordance with standard commercial terms and, subject to shareholder approval at the Company's AGM, will be issued 40,000,000 Adviser Options which will be issued on the same terms as the Attaching Options.

ENDS

This announcement has been authorised for release to ASX by the Board of Pilot Energy Limited.

Enquiries

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About Pilot:

Pilot is a junior oil and gas exploration and production company that is pursuing the diversification and transition to the development of carbon management projects, production of hydrogen and clean ammonia for export to emerging APAC Clean Energy markets. Pilot intends to leverage its existing oil and gas operations and infrastructure to cornerstone these developments. Pilot is proposing to develop Australia's first offshore 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)