

Dongara Direct Air Capture Project Update

Capture6 demonstration facility on track for June 2026

- **Australia’s first Direct Air Capture (DAC) demonstration facility to be installed at Pilot’s Cliff Head Carbon Storage Project**
- **Fabrication of all 9 DAC facility modules is complete, awaiting shipment to Fremantle, Western Australia**
- **Demonstration facility expected to be operational June 2026**

Pilot Energy Limited (ASX:PGY) (Pilot or Company) is pleased to provide an update on the implementation of the Dongara Direct Air Capture demonstration project **Dongara DAC Project** also known as “**Project Wallaby**”) with Capture6 Corp. (Capture6) at Pilot’s Arrowsmith facility. The Dongara DAC Project (is the first Direct Air Capture (DAC) demonstration facility to be installed in Australia.

Pilot first identified the Capture6 DAC and water processing technology in 2022 as presenting an ideal technology to reduce the environmental impact of the Cliff Head Carbon Storage Project and expand the scope of carbon drawdown associated with the project.

On 23 July 2024, Pilot announced that it had been awarded a A\$6.5 million grant under the Commonwealth Department of Climate Change, Energy, the Environment and Water – Carbon Technologies Program¹. This grant included a proposal to evaluate the Capture6 carbon capture and water processing technology. On 29 November 2024², Pilot announced a Joint Development Agreement (JDA) with Capture6 for a phased development of the Capture6 DAC technology to be implemented as part of Pilot’s Cliff Head Carbon Storage Project (CHCSP).

Capture6 Direct Air Capture technology

The Capture6 technology is an integrated system converting saline water into both fresh water and carbon removal solutions. Capture6’s integrated system connects directly with existing water infrastructure to multiply the benefits of water treatment by using it to generate carbon removal.

The Cliff Head Carbon Storage Project pressure management operations are expected to produce a continuous stream of saline formation water from the Cliff Head carbon storage reservoir. The existing Cliff Head onshore plant can partially process up to 5.5 million litres per day of saline formation from the Cliff Head storage reservoir providing an ideal input for the Capture6 DAC and water processing system.

¹ PGY Announcement 23 July 2024 – Pilot awarded \$6.5 million Commonwealth grant to progress Carbon Capture for the Mid West

² PGY Announcement 23 July 2024 – Pilot and Capture6 commence Direct Air Capture demonstration project

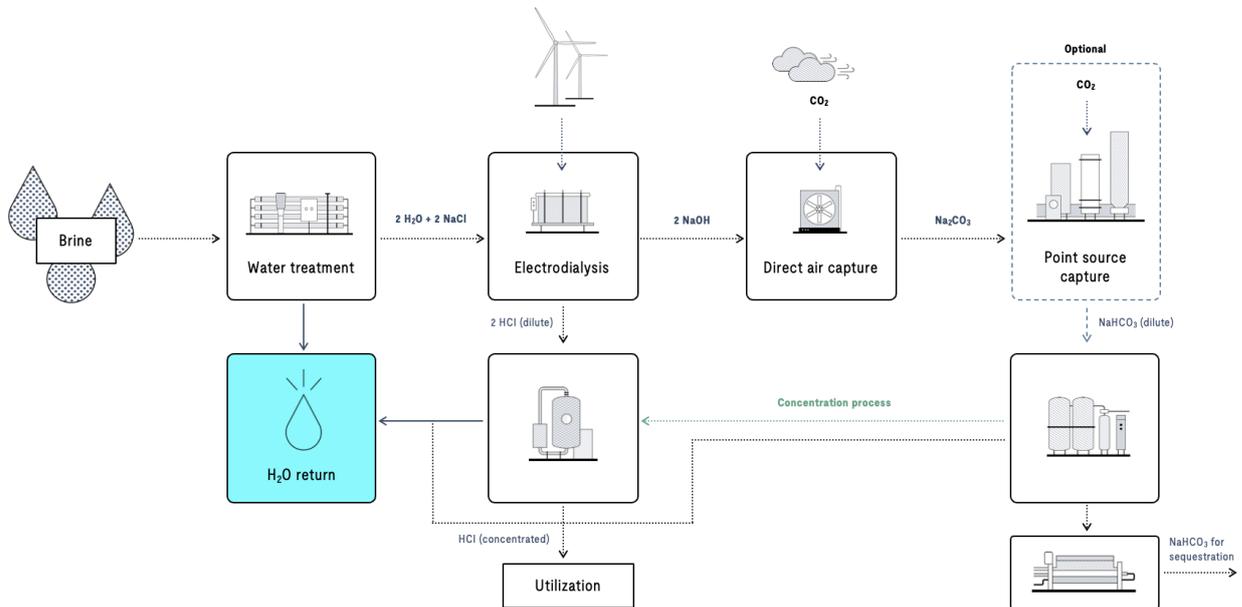


Figure 1: Capture6 Integrated Water Processing and Direct Air Capture/Point Source Capture Technology

The Capture6 DAC technology incorporates an integrated saline water processing, brine disposal and carbon removal system, providing multiple services needed by the MWCEP using a single facility. By embedding carbon dioxide removal (CDR) technology within existing industrial desalination facilities, the Capture6 technology converts the saline water into a clean industrial scale water stream as a byproduct during the production of the chemical feedstock for direct air capture. Commercial scale deployments can therefore generate revenue from the sale of potable water, CDR credits and green chemicals while also eliminating costly brine disposal for the CHCSP.

Unlike traditional direct air capture methods that use energy-intensive multi-step processes, Capture6’s system transforms waste brine, normally expensive to dispose of, into a solvent that directly mineralizes CO_2 in a single step. This system creates valuable green chemicals for water facilities while recovering additional freshwater from brine that would otherwise be wasted. By addressing both climate and water security challenges within existing infrastructure, Capture6 offers a practical solution to MWCEP/CHCSP’s brine disposal pain points while aligning the greater project with Australia’s goals of carbon neutrality and water resource stewardship.

Execution Plan

The final demonstration plant design consists of nine 12m containerised equipment modules to be interconnected at Pilot’s onshore Cliff Head plant site. These modules will demonstrate the capability of Cliff Head brine and Capture6’s DAC technology to remove CO_2 directly from the atmosphere. Electricity generated by Pilot’s generating plant at the Cliff Head onshore plant will be used to power the demonstration plant.

The first three containerised plant modules, the Direct Air Capture units and the Bipolar Electrodialysis unit and associated equipment arrived in Perth in November 2025 for local assembly. The remainder of the containerised plant modules are forecast to arrive late March 2026 and be installed at the Cliff Head onshore plant site in April -May 2026.

Table 1: Dongara Data Air Capture Demonstration Facility Project Schedule*

Activity	Forecast Date
Bipolar Electrolysis unit Package Container in WA for assembly	Completed
Geotechnical survey for civils engineering & design	Completed
Balance of Plant modules arrive in WA (from India)	Late-March
Civils construction start (break ground) – 3 weeks work	Mid-March
Balance of Plant Container(s) to site to complete	Early-April
Assembly & Commissioning	Mid-April to Mid-June
Start-Up and Handover	Mid-June

* Dates are subject to change

The proposed location for the DAC plant modules has been selected, and plans have begun for civils work and establishing structural foundations for the modules at the Cliff Head onshore plant site. Following installation of the DAC plant modules final electrical works for the connection to the existing Cliff Head gas-fired generating plant is expected to be completed in late April 2026. Once the electrical works connection is complete, the DAC plant modules are expected to be commissioned and commence operation by mid-June 2026.

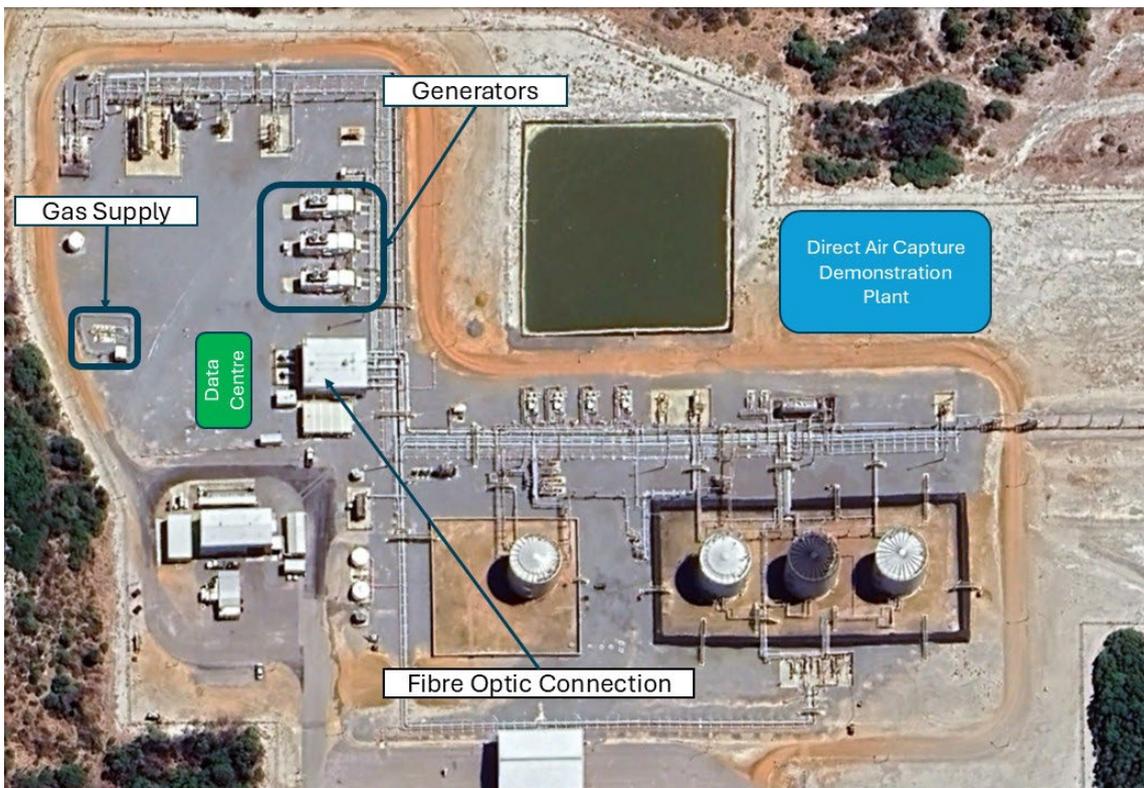


Figure 2: Cliff Head Onshore Plant – Direct Air Capture Demonstration Plant

The initial DAC demonstration facility is planned to operate for 3 months and capture approximately 300 kg per day. Following the completion of the initial demonstration plant test period Pilot and Capture6 intend to assess the results with a view to sanctioning the development of a full commercial scale direct air capture facility to be established at the Cliff Head onshore plant site.

Commercial Scale DAC Facility

Following the successful deployment of the DAC demonstration plant, Capture6 has outlined the potential to deploy a commercial scale facility to capture 35,000 tonnes per annum of CO₂ and produce fresh water with a further expansion of the commercial scale plant to capture 350,000 tonnes per annum of CO₂. A representation of the commercial scale DAC facility is shown in Figure 3 below. Further information on the Direct Air Capture can be found on the Capture6 website as Project Wallaby - <https://capture6.com/projects/>.



Figure 3: Capture6 Commercial Dongara Direct Air Capture Plant at Pilot's Cliff Head Carbon Storage Project

Arrowsmith Production Facility evolving into the low carbon Dongara Energy Centre

The facilities that have been the core of the Cliff Head Oil Field production operation, historically known as the Arrowsmith Stabilisation Plant or ASP, are now rapidly progressing a transition and transformation into a multi-purpose industrial centre for low carbon operations enabled by the future Cliff Head Carbon Storage Facility, the Dongara Direct Air Capture Plant and the previously announced³ Dongara Data Centre.

All of these activities have in common a focus on providing low carbon solutions either in terms of energy production, usage or carbon elimination through capture and storage and climate repair through carbon removal. What makes this possible is the convergence of abundant clean energy resources and the ability to safely and permanently dispose of carbon emissions at the facility. With this transformation going forward the onshore Cliff Head plant facility, the Company will be referring to the facility as the “**Dongara Energy Centre**”.

This announcement has been authorised for release to ASX by the Board of the Company.

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³ PGY Announcement 31 December 2025 - Pilot 2025 Annual Report and PGY Announcement 27 August 2024 - Pilot Energy receives initial Commonwealth grant funding of \$3m

About Pilot Energy

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 CO₂ Storage Project through the conversion of the Cliff Head Oil field and associated infrastructure from oil production to CO₂ 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 in exploration permits WA-481-P and G-12 AP, located offshore Western Australia.

About Capture6

Capture6 is a global water recovery company leveraging its technology to support climate resilience. The company develops and commercializes highly scalable approaches to recover freshwater from industrial brine, removing carbon dioxide from the atmosphere in the process. Capture6 is pioneering an approach that can be deployed today by repurposing existing industrial-scale technologies. When coupled with desalination facilities, Capture6 can recover over 50% of freshwater from desalination waste brine for drinking and industrial purposes in the process of removing CO₂. This creates a scalable and financially attractive synergy between water security and decarbonization. Learn more at capture6.com