



Pilot Energy

PILOT ENERGY LIMITED AND ITS CONTROLLED ENTITIES
A.B.N. 86 115 229 984

Interim Financial Report

For the Half Year Ended 31 March 2025

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Contents
For the Half Year Ended 31 March 2025

	Page
Interim Financial Statements	
Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	8
Consolidated Statement of Profit or Loss and Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Notes to the Consolidated Financial Statements	13
Directors' Declaration	29
Independent Auditor's Review Report	30

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Corporate Directory

For the Half Year Ended 31 March 2025

Directors	Mr Bradley Lingo (Managing Director) Mr Greg Columbus (Non-Executive Chairman) Mr Alexander Sundich Ms Natalie Wallace
Company Secretary	Cate Friedlander
Registered and Principal Office	Suite 2, Ground Floor 100 Havelock Street West Perth, WA 6005 Website: www.pilotenergy.com.au Email: info@pilotenergy.com.au
Auditors	RSM Australia Partners Level 32 Exchange Tower, 2 The Esplanade PERTH WA 6000
Legal Advisers	Minter Ellison Governor Macquarie Tower Level 40, 1 Farrer Place Sydney NSW 2000
Share Registry	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000
ASX Code	ASX: PGY
Legal Form of Entity	Public Company
Country of Incorporation and Domicile	Australia

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Directors' Report
For the Half Year Ended 31 March 2025

The Directors present their report, together with the financial statements of Pilot Energy Limited and its controlled entities (referred to as Pilot, the Company or the Group), for the half year ended 31 March 2025 and the auditor's report thereon.

1. General information

Information on Directors

The Directors of the company during the half year and to the date of this report are:

Executive

Mr Bradley Lingo	Managing Director	Appointed 16 April 2024	
	Executive Chairman	Appointed 12 May 2020	Ceased 31 March 2025

Non-Executive

Mr Greg Columbus	Non-Executive Chairman	Appointed 31 March 2025	
Mr Alexander Sundich	Non-Executive Director	Appointed 4 February 2025	
Ms Natalie Wallace	Non-Executive Director	Appointed 4 February 2025	
Mr Daniel Chen	Non-Executive Director	Appointed 15 September 2020	Resigned 19 March 2025
Mr Bruce Gordon	Non-Executive Director	Appointed 31 May 2021	Resigned 12 February 2025

Company Secretary

Ms Cate Friedlander	Appointed 22 March 2021
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2. Operating results and review of operations for the half year

Review of operations

Pilot Energy Limited is listed on the Australian Securities Exchange (ASX: PGY) and has 1,658,660,009 shares on issue as at the balance date. Pilot is currently a junior oil and gas exploration and production company that is pursuing the diversification and transition to the development of carbon management services and clean energy production by leveraging its existing oil and gas tenements and infrastructure to cornerstone these developments.

Significant events during the period

All significant events have been announced to the ASX during the reporting period.

Financial position

For the half year ended 31 March 2025, the Group incurred a loss of \$2,546,970 (March 2024 Restated: Loss \$4,427,525) and had a net working capital deficit of \$12,920,872 as at 31 March 2025 (September 2024: Deficit \$839,741).

The Group had a net cash outflow of \$2,475,647 for the half year ended 31 March 2025 (March 2024: Inflow \$281,816).

Dividends

The Directors recommend that no dividend be provided for the half year ended 31 March 2025.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Directors' Report

For the Half Year Ended 31 March 2025

2. Operating results and review of operations for the half year (continued)

Events subsequent to reporting date

The following events occurred subsequent to the end of the financial half year.

Pilot has exercised the option to purchase land in Western Australia for \$4,500,000. Settlement is currently scheduled for 17 June 2025 or such later date to be agreed by the parties and is to be funded by a non-recourse facility.

As disclosed in a Market announcement on 1 April 2025, Pilot announced a material upgrade to the WA-481-P Gas resource of ~250%.

As disclosed on ASX, two convertible notes with a total face value of \$300,000 was issued on 14 April 2025.

As disclosed on ASX, three convertible notes with a total face value of \$300,000 was issued on 23 April 2025.

As disclosed on ASX, 324,415,003 shares were issued at 1c per share on 24 April 2025.

As disclosed on ASX, Pilot has entered into a binding convertible note arrangement with a total face value of \$1,800,000 subject to shareholder approval. Shareholders approval was received on the 4 June 2025.

As disclosed on ASX, shareholders voted in favour of amending June 2023 and February 2024 convertible notes. Both convertible notes have a new maturity date of 31 December 2026 and an exercise price of \$0.015.

As disclosed on ASX, Pilot issued 175,585,000 shares in a placement at \$0.01 per share on 11 June 2025. The total amount raised before costs was \$1,755,850.

As disclosed on ASX, Pilot issued 500,000,000 options with an exercise price of \$0.033 expiring 13 December 2026. These are free attaching options linked to the placements on 16 April 2025 and 11 June 2025.

On 28 March 2025, Pilot announced having reached agreement with Triangle Energy (Group) Limited (ASX:TEG) on revised acquisition timing and terms for the purchase of TEG's interest in the Cliff Head JV and associated assets. Definitive agreements for the completion of the acquisition have been substantially completed, and the Company anticipates completing first stage of this acquisition during the week of 16 June 2025.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Corporate governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Pilot Energy Limited support, and have adhered to, the principles of good corporate governance. The Group's corporate governance statement can be viewed on the Company's website.

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Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Directors' Report

For the Half Year Ended 31 March 2025

2. Operating results and review of operations for the half year (continued)

Material risk factors

Introduction

As with any investment in Securities, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. This Note identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Potential investors should consult their professional adviser before deciding whether to acquire securities in the Company. Additional risks and uncertainties that the Company is unaware of, or that it currently does not consider to be material, may also become important factors that may have an adverse effect on the Company's future financial performance, financial position and prospects.

There can be no guarantee that the Company will achieve its stated objective or that forward-looking statements will be realised.

Specific risks

a) Additional requirements for capital

The funding of any further ongoing capital requirements will depend upon a number of factors, including the extent of the Company's ability to generate income from activities which the Company cannot forecast with any certainty. Any future additional equity financing will be dilutive to shareholders, and debt financing, if available, may involve restrictions on financing and operating activities.

If the Company is unable to obtain additional funding as needed, it may not be able to take advantage of opportunities or develop its projects. Further, the Company may be required to reduce the scope of its operations or anticipated expansion and it may affect the Company's ability to continue as a going concern.

b) Exploration, operations and activities risk

There is no assurance that any exploration or feasibility assessment on current or future interests will result in the discovery of an economic energy project. Even if an apparently viable resource is identified, there is no guarantee that it can be economically developed. The future profitability of the Company and the value of its Securities are directly related to the results of exploration, development and production activities.

The operations of the Company and the operator of the assets in which it has or may have interests may be affected by various factors, including failure to achieve predicted volumes in exploration and drilling, operational and technical difficulties encountered in drilling, poor data acquisition, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated problems which may affect extraction or resource capture costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.

c) Environmental matters

The Company's operations are subject to environmental risks that are inherent in the energy industry. The Company is subject to environmental laws and regulations in connection with any operations that it may pursue. The Company conducts all its activities in an environmentally responsible manner and in accordance with all relevant laws. However, accidents, breaches, non-compliance, unforeseen circumstances or changes to the laws and regulations could result in the Company facing penalties, revocation of permits or extensive liabilities for damages, clean-up costs and / or penalties relating to environmental damage.

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Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Directors' Report

For the Half Year Ended 31 March 2025

2. Operating results and review of operations for the half year (continued)

Specific risks (continued)

d) Commodity and currency price risks

The profitability of the Company's operations is directly related to the market price of the commodities. The demand for, and price of oil, gas and energy generally is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, actions taken by governments and major petroleum corporations, global economic and political developments and other factors all of which are beyond the control of the Company.

International petroleum prices fluctuate and at times the fluctuations can be quite wide. A material decline in the price of oil and gas may have a material adverse effect on the economic viability of a project. Examples of such uncontrollable factors that can affect oil prices are unrest and political instability in countries that have increased concern over supply. As oil is principally sold throughout the world in US dollars, any significant and / or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar, could have a materially adverse effect on the Company's operations.

e) Reliance on key management

The ability of the Company to achieve its objectives depends on the engagement of key employees, directors and external contractors that provide management and technical expertise.

If the Company cannot secure external technical expertise, or if the services of the present management or technical team cease to be available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and budget that it has forecast. Additionally, industrial disruptions, work stoppages and accidents in the course of operations may adversely affect the Company's performance.

f) Regulatory risk

The Company's project interests are governed by Commonwealth and Western Australian acts and regulations that apply to the oil, gas and energy industries, and are evidenced by the granting of approvals, licences or leases. If these approvals, licenses or leases are revoked, then the Company may be unable to fulfil its operational objectives which will likely have a material adverse effect.

There is also the risk that projects which the Company may undertake from time to time do not have a legislative regime which provides operational and legal certainty for the Company in relation to the development of future projects.

The Company's licenses or leases may be subject to ongoing obligations to satisfy minimum activities and expenditure obligations. If these obligations are not satisfied, the relevant license or lease may expire or be forfeited, which would result in a loss of the reserves and resources that may be attributable to the Company's interest in the licenses or leases areas.

g) Project development

Production risks associated with marketability and commerciality of oil, gas and energy to be produced include but are not limited to, reservoir characteristics, market fluctuations, proximity and capacity of infrastructure and process equipment, government regulations and the market price of oil, gas and energy.

Decreases of production or stoppages may result from fluctuations in permeability and flowrates, impurities in the product, facility shut-downs, natural decline, mechanical and technical failures, subsurface complications or other unforeseeable events outside the control of the Company.

h) Government policy changes

The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

Policy and legislation may affect the viability and profitability of the Company, and the value of its Shares. Amongst other things, taxation including carbon taxes, permitting and licenses, environmental laws, and labour laws are all affected by legislation and regulation and may have an adverse impact.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Directors' Report

For the Half Year Ended 31 March 2025

2. Operating results and review of operations for the half year (continued)

General risks

a) Investment risk

The securities in the Company should be considered highly speculative. The issued shares in the capital of the Company carry no guarantee as to payment of dividends, return of capital or the market value. Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

b) Share market

Share market conditions may affect the value of securities in the Company regardless of the Company's operating performance. Share market conditions are affected by many factors including, but not limited to, the following:

- i. general economic outlook in both Australia and internationally;
- ii. introduction of tax reform or other new legislation, regulation, or policy;
- iii. interest rates and inflation rates;
- iv. changes in exchange rates, interest rates and inflation rates;
- v. changes in investor sentiment toward particular market sectors;
- vi. the demand for, and supply of, capital;
- vii. the global security situation and the possibility of terrorist disturbances or other hostilities; and
- viii. other factors beyond the control of the Company.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

c) Economic and government risks

The future viability of the Company is also dependent on a number of other factors affecting performance of all industries and not just the technology industry including, but not limited to, the following:

- i. general economic conditions in jurisdictions in which the Company operates;
- ii. changes in government policies, taxation and other laws in jurisdictions in which the Company operates;
- iii. the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the technology sector;
- iv. movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company operates; and
- v. natural disasters, social upheaval or war in jurisdictions in which the Company operates.

d) Taxation

The acquisition and disposal of securities in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring securities in the Company from a taxation point of view and generally.

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Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Directors' Report

For the Half Year Ended 31 March 2025

2. Operating results and review of operations for the half year (continued)

Specific risks (continued)

e) Dividends

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

f) Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above may materially affect the financial performance of the Company and the value of securities in the Company.

The risks set out in this Note are not to be taken as an exhaustive list of the risk faced by the Company. There may be other risks of which the Directors are unaware as at the time of issuing this report which may impact on the Company and its operations, and on the valuation and performance of securities in the Company.

Lead Auditor's Independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 March 2025 has been received and can be found on page 8 of the financial report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.



Mr Bradley Lingo
Managing Director

Dated at Perth, Western Australia this 13th day of June 2025.

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the interim financial report of Pilot Energy Limited for the half-year ended 31 March 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) Any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read "RSM".

RSM AUSTRALIA

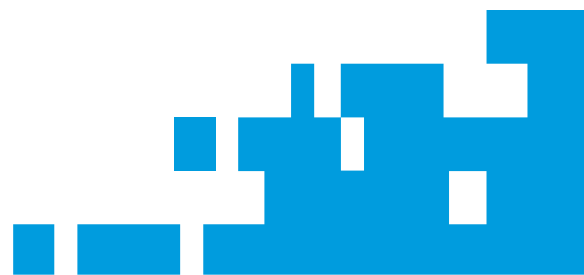
A handwritten signature in blue ink, appearing to read "Matthew Beevers".

MATTHEW BEEVERS
Partner

Perth, Western Australia
13 June 2025

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Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 March 2025

		Consolidated	
		31 March	Restated
		2025	31 March
			2024 ⁽¹⁾
	Note	\$	\$
Revenue	5	234,967	222,738
Other income – interest revenue	5	293,513	102,191
R&D Tax Incentive		211,506	38,811
Change in fair value of derivatives	21	20,947	-
Administrative expenses		(502,988)	(528,712)
Amortisation		(43,216)	(43,216)
Employee benefit expenses		(965,765)	(1,220,357)
Professional fees		(873,247)	(1,094,858)
Finance costs		(800,813)	(250,009)
Share of loss of associate	6	(85,764)	(1,291,626)
Share based payments expense	7	(20,000)	(327,213)
Foreign exchange losses		(16,110)	(6,881)
Impairment		-	(28,393)
Loss before income tax		(2,546,970)	(4,427,525)
Income tax expense		-	-
Loss from continuing operations		(2,546,970)	(4,427,525)
Total comprehensive loss for the period		(2,546,970)	(4,427,525)
Total comprehensive loss attributable to the owners of the Company		(2,546,970)	(4,427,525)
Loss per share (cents per share)			
Basic and diluted from continuing operations		(0.16)	(0.39)
Basic and Diluted (cents per share)		(0.16)	(0.39)

(1) See Note 4 for details.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Consolidated Statement of Financial Position As at 31 March 2025

		Consolidated	
		31 March 2025	Restated 30 September 2024 ⁽¹⁾
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	1,309,498	3,801,241
Trade and other receivables	9	854,934	803,482
TOTAL CURRENT ASSETS		2,164,432	4,604,723
NON-CURRENT ASSETS			
Trade and other receivables	9	6,943,188	2,248,139
Right-of-use-asset		43,217	86,433
Property, plant and equipment	11	-	-
Other non-current assets	12	3,539,074	819,158
Investments	10	300,000	-
Investment in associate	13	-	85,764
Intangible assets	14	8,265,320	6,188,557
Exploration and evaluation assets	15	4,259,144	3,717,222
TOTAL NON-CURRENT ASSETS		23,349,943	13,145,273
TOTAL ASSETS		25,514,375	17,749,996
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	4,524,507	2,132,111
Provision for employee benefits	17	274,044	461,123
Financial liabilities	18	10,286,753	2,851,230
TOTAL CURRENT LIABILITIES		15,085,304	5,444,464
NON-CURRENT LIABILITIES			
Financial Liabilities	18	-	3,018,531
TOTAL NON-CURRENT LIABILITIES		-	3,018,531
TOTAL LIABILITIES		15,085,304	8,462,995
NET ASSETS		10,429,071	9,287,001
EQUITY			
Issued capital	19	78,596,593	75,093,553
Reserves	20	1,213,440	1,174,293
Accumulated losses		(69,380,962)	(66,980,845)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		10,429,071	9,287,001

(1) See Note 4 for details.

The above statement of financial position should be read in conjunction with the accompanying notes

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Consolidated Statement of Changes in Equity

For the Half Year Ended 31 March 2025

Consolidated	Note	Issued Capital \$	Restated Accumulated Losses ⁽¹⁾ \$	Reserves \$	Total \$
Balance at 1 October 2024		75,093,553	(66,980,845)	1,174,293	9,287,001
Loss attributable to members of the parent entity		-	(2,546,970)	-	(2,546,970)
Transactions with owners in their capacity as owners					
Shares issued	19	3,855,298	-	-	3,855,298
Options expired		-	146,853	(146,853)	-
Shares issued for development of intangible assets	19	177,500	-	-	177,500
Shares issued to consultants	19	20,000	-	-	20,000
Capital raising costs		(549,758)	-	186,000	(363,758)
Balance at 31 March 2025		78,596,593	(69,380,962)	1,213,440	10,429,071
Balance at 1 October 2023		67,840,072	(56,409,874)	609,866	12,040,064
Net effect of correction adjustments	4	-	(1,697,174)	-	(1,697,174)
Restated balance at 1 October 2023		67,840,072	(58,107,048)	609,866	10,342,890
Loss attributable to members of the parent entity		-	(4,427,525)	-	(4,427,525)
Transactions with owners in their capacity as owners					
Shares issued		2,901,000	-	-	2,901,000
Options issued		-	-	178,113	178,113
Options converted		77,390	-	(7,390)	70,000
Options expired		-	10,922	(10,922)	-
Convertible note issued		-	-	198,482	198,482
Convertible note converted		100,000	-	(5,266)	94,734
Capital raising costs		(330,368)	-	186,968	(143,400)
Balance at 31 March 2024		70,588,094	(62,523,651)	1,149,851	9,214,294

(1) See Note 4 for details.

The above statement of changes in equity should be read in conjunction with the accompanying notes

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Consolidated Statement of Cash Flows For the Half Year Ended 31 March 2025

	Consolidated	
	31 March	Restated
	2025	31 March
	\$	2024 ⁽¹⁾
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
R&D Tax Incentive received	211,506	38,811
Interest received	1,120	1,596
Payments to suppliers and employees	(2,583,155)	(2,714,919)
Finance costs	(407,849)	(200,946)
Net cash used in operating activities	(2,778,378)	(2,875,458)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for Exploration, Project and Feasibility expenditure	(1,717,034)	(1,717,330)
R&D Tax Incentive received	1,315,713	1,266,228
Payments for acquisition of investments	(300,000)	-
Deposits and other costs paid for other non-current assets	(2,454,508)	(525,000)
Cash flows from loans to other entities	(4,430,456)	(1,860,624)
Net cash used in investing activities	(7,586,285)	(2,836,726)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	3,849,798	2,424,000
Proceeds from issue of convertible notes	4,205,000	3,500,000
Proceeds from exercise of options	-	70,000
Transaction costs related to issue of securities	(346,725)	-
Proceeds from borrowings	180,943	-
Net cash provided by financing activities	7,889,016	5,994,000
Net (decrease) / increase in cash and cash equivalents	(2,475,647)	281,816
Effect of exchange rate changes on cash and cash equivalents	(16,096)	(2,788)
Cash and cash equivalents at 1 October	3,801,241	1,661,320
Cash and cash equivalents at 31 March	1,309,498	1,940,348

(1) See Note 4 for details.

The above statement of cash flows should be read in conjunction with the accompanying notes

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements

For the Half Year Ended 31 March 2025

The interim financial report covers Pilot Energy Limited and its controlled entities ('the Group'). Pilot Energy Limited is a for-profit listed company, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 13th June 2025.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

This condensed interim financial report for the reporting period ending 31 March 2025 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*, and IAS 34: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Pilot Energy Limited and controlled entities ('the Group'). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 September 2024, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2 Summary of Material Accounting Policies

The accounting policies applied by the Group in the consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 September 2024.

Going Concern

The interim financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the interim financial report, the Group incurred a loss of \$2,546,970 and had net cash outflows from operating activities of \$2,778,378 for the period ended 31 March 2025. As at that date the Group had net current liabilities of \$12,920,872.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements

For the Half Year Ended 31 March 2025

2 Summary of Material Accounting Policies (continued)

Going Concern (continued)

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors are aware that the Group's ability to continue as a going concern, and to fund its exploration, evaluation and development activities and project costs will require the Group securing further working capital sourced from one or more of the following alternatives in addition to its current cash reserves:

- Capital market raising such as:
 - Private placement
 - Entitlements issue
 - Share purchase plan
 - Convertible notes
- Borrowings from related or third parties
- Farming out assets to reduce future expenditure obligations; and
- Anticipated sale of the Group's Three Springs Solar Project

The Directors anticipate the convertible notes (\$10,234,288) as disclosed in note 18 may be converted without the need for cash settlement. This would significantly reduce the net liability position of the Group.

The Directors have reviewed the Group's financial position and forecast cash flows and reasonably expect that the Group will be able to raise additional funds to meet future costs if necessary.

After consideration of the above factors, the Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern. Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the interim financial report.

The interim financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

3 Operating Segments

Identification of reportable operating segments

Pilot is organised into four operating segments based on different project areas:

- Oil and Gas Exploration & Evaluation
- Carbon Storage & Ammonia
- Renewables
- Corporate

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Unless otherwise stated, all amounts reported with respect to operating tenements, are determined in accordance with *AASB 8 Operating Segments*.

The presentation of operating segments on the basis set above represents a material change from that disclosed in the last annual financial statements.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

3 Operating Segments (continued)

Operating segment information

31 March 2025

	Oil and Gas Exploration & Evaluation	Carbon Storage & Ammonia	Renewables	Corporate	Total
Revenue					
Operating revenue	-	234,967	-	293,513	528,480
R&D tax incentive	-	211,506	-	-	211,506
Gain on revaluation to fair value	-	-	-	20,947	20,947
Total revenue	-	446,473	-	314,460	760,933
Expenses	-	(398,298)	-	(2,909,605)	(3,307,903)
Total comprehensive loss for the period	-	48,175	-	(2,595,145)	(2,546,970)
Assets					
Segment assets	4,259,144	10,412,888	2,188,799	8,653,544	25,514,375
Liabilities					
Segment liabilities	383,217	2,766,525	41,221	11,894,341	15,085,304

31 March 2024

	Oil and Gas Exploration & Evaluation	Carbon Storage & Ammonia	Renewables	Corporate	Total
Revenue					
Operating revenue	-	222,738	-	102,191	324,929
R&D tax incentive	-	38,811	-	-	38,811
Total revenue	-	261,549	-	102,191	363,740
Expenses	(28,393)	(1,711,212)	-	(3,051,660)	(4,791,265)
Total comprehensive loss for the period	(28,393)	(1,449,663)	-	(2,949,469)	(4,427,525)

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

4 Restatement of comparative balances

During the half year ended 31 March 2025, management identified the following corrections relating to prior periods which have been corrected in this interim financial report.

Investments in Associates

As part of the acquisition of Royal Energy Pty Ltd in 2021, the Group recognised Cliff Head asset (\$3,619,120). Cliff Head assets should not have been recognised as a separate asset. Rather, this incremental value should have been applied to the equity interest in TEO (associate). The balance on acquisition of the equity interest in TEO should have been \$4,460,475.

In accordance with the principle of equity accounting for associates, the group's investment in TEO should have been reduced by its share of losses in FY2022 to FY2024.

Research & Development (R&D) Tax Incentive

Pilot recognises grants in accordance with AASB 120: *Accounting for Government Grants and Disclosure of Government Assistance*. In 2023, Pilot received an R&D Tax Incentive of \$1,101,113. This amount was recognised in the consolidated statement of profit or loss and other comprehensive income. As the associated expenditures were both expensed and capitalised, the R&D Tax Incentive should have been apportioned based on the recognition of the expenditures. In FY2024, Pilot received an R&D Tax Incentive of \$1,305,039. This amount was recognised in the consolidated statement of profit or loss and other comprehensive income. As the associated expenditures were both expensed and capitalised, the R&D Tax Incentive should have been apportioned based on the recognition of the expenditures. The statement of Cashflows has also been restated to reflect these cashflows as either operating or investing.

Reclassification of Land Options

The reclassification of land options (\$819,158) disclosed in September 2024, which had previously been disclosed as property, plant and equipment, to other non-current assets. The amount was reclassified due to the fact that they do not become property, plant and equipment until the options are exercised.

As the corrections were made in the reporting period prior to the comparative period, the Balance Sheet as at 1 October 2023 was restated as follows:

- Investments in associates increased by \$2,888,831, being an increase of the adjusted value of \$3,619,120 less share of loss for the period of \$730,289
- Intangible assets (previously disclosed as Cliff Head and Other Non-current Assets) decreased by \$4,586,005
 - Cliff Head by \$3,619,120
 - MWCEP by \$629,383
 - Wind and Solar Feasibility by \$337,502
- Accumulated losses increased by \$1,697,174

As the corrections remained uncorrected as at 30 September 2024, these corrections resulted in the restatement of the following items for the half-year ended 31 March 2024 and year ended 30 September 2024:

31 March 2024

- R&D Tax Incentive decreased by \$1,266,228, with a corresponding decrease in intangible assets (previously disclosed as Cliff Head and Other Non-current Assets)
- Share of loss of associate increased by \$1,291,626
- Investment in associates increased by \$1,597,205
- R&D Tax Incentive of \$1,266,228 reclassified from cash flow from operating activities to cashflow from investing activities.
- Payments for Property, Plant and Equipment of \$525,000 reclassified to deposits and other costs paid for other non-current assets with cashflow from investing activities.
- Finance costs of \$197,524 reclassified from cash flow from financing activities to cashflow from operating activities.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

4 Restatement of comparative balances (continued)

30 September 2024

- Investment in associates increased by \$85,764
- Intangible assets (previously disclosed as Cliff Head and Other Non-current Assets) decreased by \$5,852,233
 - Cliff Head by \$3,619,120
 - MWCEP by \$1,807,992
 - Wind and Solar Feasibility by \$425,121
- R&D Tax Incentive decreased by \$1,266,228, with a corresponding decrease in intangible assets (previously disclosed as Cliff Head and Other Non-current Assets)
- Share of loss of associate increased by \$2,803,067
- Decrease of property, plant and equipment by \$819,158 and increase to other non-current assets of \$819,158.

31 March 2024 Comparative half-year

	2024	Adjustment	Restated 2024
<i>Consolidated statement of profit or loss and other comprehensive income (extract)</i>			
R&D Tax Incentive	1,305,039	(1,266,228)	38,811
Share of loss of associate	-	(1,291,626)	(1,291,626)
Comprehensive loss for the period	(1,869,671)	(2,557,854)	(4,427,525)
Loss per share (cents per share)			
Basic and diluted from continuing operations	(0.16)	(0.23)	(0.39)
Basic and Diluted (cents per share)			

	2024	Adjustment	Restated 2024
<i>Consolidated statement of cashflows (extract)</i>			
CASH FLOWS FROM OPERATING ACTIVITIES:			
R&D Tax Incentive	1,305,039	(1,266,228)	38,811
Finance costs	(3,422)	(197,524)	(200,946)
Net cash used in operating activities	(1,411,706)	(1,463,752)	(2,875,458)
CASHFLOWS FROM INVESTING ACTIVITIES:			
R&D Tax Incentive	-	1,266,228	1,266,228
Net cash used in investing activities	(4,102,954)	1,266,228	(2,836,726)
CASHFLOWS FROM FINANCING ACTIVITIES			
Other (convertible note coupons)	(197,524)	197,524	-
Net cash used in financing activities	5,796,476	197,524	5,994,000

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

4 Restatement of comparative balances (continued)

30 September 2024 Comparative year

	2024	Adjustment	Restated 2024
<i>Consolidated Statement of Financial Position (extract)</i>			
NON-CURRENT ASSETS			
Property, plant and equipment	819,158	(819,158)	-
Other non-current assets	-	819,158	819,158
Investment in associates	-	85,764	85,764
Intangible assets	12,040,790	(5,852,233)	6,188,557
TOTAL NON-CURRENT ASSETS	18,911,742	(5,766,469)	13,145,273
TOTAL ASSETS	23,516,465	(5,766,469)	17,749,996
NET ASSETS	15,053,470	(5,766,469)	9,287,001
EQUITY			
Accumulated Losses	(61,214,376)	(5,766,469)	(66,980,845)
TOTAL EQUITY	15,053,470	(5,766,469)	9,287,001

5 Revenue and Other Income

	2025	2024
	\$	\$
Management fees from associated company	234,967	222,738
Interest from loan to associate (note 24)	293,513	102,191
Total revenue and other income	528,480	324,929

During the period, the group also received an R&D Tax Incentive of \$1,527,219 (2024: \$1,265,039). \$211,506 (2024: \$38,811) has been recognised directly in the profit and loss with the balance of the R&D Tax Incentive reducing intangible assets in the balance sheet as the related expenditure had previously been capitalised.

6 Share of (Loss)/Profit of Associate

The Group has a 21.25% equity interest in the Cliff Head Oil Field through 50% interest in Triangle Energy (Operations) Pty Ltd (TEO), the operator and owner of 42.5% joint venture interest in the Cliff Head Oil Field.

	2025		2024 (Restated – See Note 4)	
	TEO	Pilot Energy Portion (50%)*	TEO	Pilot Energy Portion (50%)
	\$	\$	\$	\$
Total share of (loss) / profit of associate for the half year	(3,724,899)	(85,764)	(2,583,252)	(1,291,626)

*Loss attributable to Pilot has been capped at available equity.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

7 Share-based Payments

- (a) The share-based payment expense included within the consolidated statement of comprehensive profit or loss can be broken down as follows:

	2025	2024
	\$	\$
Shares		
Shares issued to company secretary	-	29,100
Shares issued to consultants	20,000	120,000
Total shares issued	20,000	149,100
Options		
Options issued to consultants	-	178,113
Total options issued	-	178,113
Total share-based payments	20,000	327,213

- (b) Share-based payments to settle expenditure included within the consolidated statement of financial position can be broken down as follows:

	2025	2024
	\$	\$
Shares		
Shares issued for development of intangible assets	177,500	48,000
Shares issued for exploration and evaluation assets	-	136,500
Shares issued for capital raising costs	-	143,400
Total shares issued	177,500	327,900
Options		
Options issued for capital rising costs	186,000	-
Total options issued	186,000	-
Total share-based payments	363,500	327,900

8 Cash and Cash Equivalents

	2025	2024
	\$	\$
Cash at bank and on hand	1,309,498	3,801,241
	1,309,498	3,801,241

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

9 Trade and Other Receivables

	2025	2024
	\$	\$
<i>Current</i>		
Deposits	27,800	-
Trade debtors	794,994	569,833
GST	29,841	204,052
Prepayments	2,299	29,597
Total current trade and other receivables	854,934	803,482
<i>Non-Current</i>		
Deposits	6,400	34,200
Loan to TEO	6,936,788	2,213,939
Total non-current trade and other receivables	6,943,188	2,248,139

24

10 Investments

	2025	2024
	\$	\$
<i>Financial Assets at Fair Value Through Profit and Loss</i>		
<i>Non-Current</i>		
Electriq Global Shares	300,000	-
Total non-current financial assets at fair value through profit and loss	300,000	-

11 Property, Plant and Equipment

	2025	Restated 2024
	\$	\$
Office equipment at cost	9,480	9,480
Accumulated depreciation	(9,480)	(9,480)
Total office equipment	-	-
Total property, plant and equipment	-	-

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

12 Other Non-Current Assets

	2025 \$	Restated 2024 \$
Deposit and other costs paid for Arrowsmith Assets and Cliff Head Oil Joint Venture Acquisition ⁽¹⁾	2,650,665	-
Total deposit and other costs	2,650,665	-
Land options ⁽²⁾	819,158	283,133
Additions	69,251	536,025
Total Land Options at cost	888,409	819,158
Total land options	888,409	819,158
Total other non-current assets	3,539,074	819,158

⁽¹⁾ Balance relates to a \$400,000 non-refundable down payment for the Arrowsmith Assets, with the remaining balance of \$2,250,665 relating to in-progress acquisition costs of Cliff Head Oil Joint Venture (CHJV). Company anticipates completing the first stage of this acquisition as disclosed in Note 25.

⁽²⁾ Pilot currently holds one option to purchase land in Western Australia for \$4,500,000 and holds one option to lease land in Western Australia. The options are currently recognised on the consolidated statement of financial position at cost. Subsequent to the end of the financial half year, Pilot has exercised the option to purchase land in Western Australia for \$4,500,000. Settlement is currently scheduled for 17 June 2025 or such later date to be agreed by the parties and is to be funded by a non-recourse facility.

13 Investment in Associate

The Group has a 21.25% equity interest in the Cliff Head Oil Field through 50% interest in Triangle Energy (Operations) Pty Ltd (TEO), the operator and owner of 42.5% joint venture interest in the Cliff Head Oil Field.

	2025 \$	Restated 2024 \$
<i>Triangle Energy (Operations) Pty Ltd</i>		
Balance at the beginning of the period (restated – see note 4)	85,764	2,888,831
Share of associate (loss) / profit for the period	(85,764)	(2,803,067)
Balance at the end of the period	-	85,764

*As the associate recorded a loss, which results in a negative equity position for the period ended 31 March 2025, no investment has been recognised in the financial statements for the period.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

14 Intangible Assets

	2025	Restated 2024
	\$	\$
Mid West Clean Energy Project (MWCEP)	6,964,930	5,064,857
Wind and Solar Feasibility Expenditure	1,300,390	1,123,670
Total intangible assets	8,265,320	6,188,557

15 Exploration and Evaluation Assets

	2025	2024
	\$	\$
Exploration and Evaluation Assets	4,259,144	3,717,222
	4,259,144	3,717,222

16 Trade and Other Payables

	2025	2024
	\$	\$
Trade payables	4,277,646	1,715,341
GST	-	305,849
Other payables	246,861	110,921
	4,524,507	2,132,111

17 Provision for Employee Benefits

	2025	2024
	\$	\$
<i>Current</i>		
Provision for annual Leave	274,044	409,505
Provision for long service leave	-	51,618
	274,044	461,123

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Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

18 Financial Liabilities

	2025 \$	2024 \$
<i>Current</i>		
Lease liabilities	52,465	103,949
Debt liability for convertible notes	9,772,840	2,747,281
Derivative liability for convertible notes ⁽¹⁾	461,448	-
	10,286,753	2,851,230
<i>Non-current</i>		
Debt liability for convertible notes	-	3,018,531
	-	3,018,531

⁽¹⁾ Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The convertible note conversion feature is liability classified, the feature is convertible within twelve months, therefore the whole debt liability related to the feature is classified as current. If converted, no cash settlement is required to extinguish the liability.

19 Issued Capital

(a) Ordinary Shares

	Amount in \$	Number of shares
Balance at 30 September 2024	75,093,553	1,427,888,318
Placement at 1.8 cents each	3,855,298	214,183,247
Issue of shares to consultants	20,000	1,063,830
Issue of shares to consultants for the development of intangible assets	177,500	15,524,614
Capital raising costs	(549,758)	-
Balance at 31 March 2025	78,596,593	1,658,660,009

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements

For the Half Year Ended 31 March 2025

19 Issued Capital (continued)

(b) Options

Grant Date	Vesting Date	Expiry Date	Exercise Price (Cents)	Balance at 30 September 2024	Granted during year	Expired / Modified during year	Balance at 31 Mar 2025	Vested and exercisable at 31 Mar 2025
21 Dec 2020	21 Dec 2020	4 Nov 2025	7.0	10,000,000	-	-	10,000,000	10,000,000
12 Nov 2021	12 Nov 2021	2 Nov 2024	8.0	13,333,334	-	(13,333,334)	-	-
18 Mar 2022	18 Mar 2022	18 Mar 2025	10.0	17,500,000	-	(17,500,000)	-	-
15 Nov 2022	15 Nov 2022	7 Nov 2024	3.3	14,705,882	-	(14,705,882)	-	-
21 Jun 2023	21 Jun 2023	30 Apr 2026	2.0	88,846,153	-	-	88,846,153	88,846,153
7 Feb 2024	7 Feb 2024	1 Nov 2026	5.0	6,000,000	-	-	6,000,000	6,000,000
7 Feb 2024	7 Feb 2024	25 Aug 2025	3.3	154,958,330	-	-	154,958,330	154,958,330
7 Feb 2024	7 Feb 2024	7 Feb 2027	4.05	20,000,000	-	-	20,000,000	20,000,000
24 Jun 2024	24 Jun 2024	25 Aug 2025	3.3	45,454,545	-	-	45,454,545	45,454,545
24 Jun 2024	24 Jun 2024	25 Aug 2025	3.3	10,000,000	-	-	10,000,000	10,000,000
23 Dec 2024	23 Dec 2026	23 Dec 2024	3.3	-	107,091,607 ⁽ⁱ⁾	-	107,091,607	107,091,607
17 Oct 2024	23 Dec 2026	23 Dec 2024	3.3	-	30,000,000 ⁽ⁱⁱ⁾	-	30,000,000	30,000,000
				380,798,244	137,091,607	(45,539,216)	472,350,635	472,350,635

(i) At the 2024 General Meeting held on 12 December 2024, shareholders approved the issuance of free-attaching placement options. The options were issued with a nil fair value on 23 December 2024.

(ii) Broker options issued to Alpine Capital Pty Ltd and Whairo Capital Pty Ltd valued on grant date of 17 October 2024 at \$0.0062.

20 Reserves

	31 March 2025	30 September 2024
	\$	\$
Share based payments reserve	425,348	378,853
Options reserve	453,904	461,252
Convertible notes reserve	334,188	334,188
Total	1,213,440	1,174,293

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements
For the Half Year Ended 31 March 2025

21 Fair Value Measurement

Fair Value Hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

31 March 2025	Level 1	Level 2	Level 3	Total
Assets				
Shares at fair value through profit or loss	-	-	300,000	300,000
Total Assets	-	-	300,000	300,000
Liabilities				
Derivative liability for convertible notes	-	-	461,448	461,448
Total Liabilities	-	-	461,448	461,448
30 September 2024	Level 1	Level 2	Level 3	Total
Assets				
	-	-	-	-
Total Assets	-	-	-	-
Liabilities				
	-	-	-	-
Total Liabilities	-	-	-	-

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

21 Fair Value Measurement (continued)

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Movements in level 3 assets and liabilities during the current financial half-year are set out below:

	Shares at fair value through profit or loss	Derivative liability for convertible notes	Total
Balance at 1 October 2024	-	-	-
Additions	300,000	(482,395)	(182,395)
Gains recognised in profit and loss	-	20,947	20,947
Disposals	-	-	-
Balance at 31 March 2025	300,000	(461,448)	(161,448)

22 Contingent Liabilities

In relation to Pilot's in-progress acquisition of 100% of the interest in the Cliff Head Oil Joint Venture (CHJV) and assets, Pilot will also be requested to pay a royalty to Triangle of 2% of third-party revenues associated with the proposed Cliff Head Carbon Storage project, subject to an aggregate of \$7.5 million. Pilot also continues to pay the operating costs for the Cliff Head Facilities. Due to the uncertainty of timing, the Director's are unable to accurately value these transactions.

In the opinion of the Directors, the Company does not have any other changes in contingent Liabilities at 31 March 2025.

23 Capital and Other Commitments

In relation to Pilot's in-progress acquisition of 100% of the interest in the Cliff Head Oil Joint Venture (CHJV) and assets, Pilot expects to acquire the WA assets through a vendor financing arrangement. It expects to issue a secured note of \$5.563 million to Triangle Energy (Global) Limited, maturing by 30 September 2026, with a 10% interest rate from 30 June 2025. A one-time payment of \$167,000 is expected to be made in August 2025 for deferred interest. At this stage, other key terms of the acquisition include a one-off payment to Triangle Energy (Global) Limited of \$4 million when Pilot is awarded a Carbon Storage Injection Licence.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements

For the Half Year Ended 31 March 2025

23 Capital and Other Commitments (continued)

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the requirements specified by the respective State Government. These obligations are subject to negotiation when application for a petroleum exploration lease is made and at other times. These commitments are not provided for in the financial report and are payable as follows:

		From 1 Apr 2025 1 Year (net to Pilot)	From 1 Apr 2025 1 to 5 Years (net to Pilot)
		\$	\$
WA-481P	G&G	150,000	150,000
	3D Acquisition	-	14,300,000
	Well Planning	-	300,000
	Exploration well	-	29,000,000
G-12-AP	G&G	333,333	2,600,000
	Injection Well	-	1,000,000
		483,333	47,350,000

Notes:

WA-481-P	A significant component of the work programme is a commitment to acquire 400 km ² of 3D seismic (estimated to cost \$5,700,000) in 2025 and drill an exploration well (estimated to cost in the order of \$15 million) in 2026/27. Due to unforeseen delays to Environmental Plan approval for 3D seismic, Pilot will be seeking a 2-year suspension and extension for WA-481-P from NOPTA which will see seismic activities and drilling delayed until 2026 and 2027/2028 respectively. The Company is in discussions with parties regarding farmout arrangements for the permit and the associated work programme.
G-12-AP	The work programme is underpinned by G & G studies through to 2029 (total estimated cost of \$3 million) with an injection test well (estimated to cost in the order of \$20 million) in 2029/30.
WA31-L	This table above does not include Pilot's share of Cliff Head's decommissioning expenditure due to the uncertainty of timing of such expenditure which is not expected to occur within 5 years given the Group's business plans.

24 Related Parties

During the period Related Party transactions included:

- Throughout the half year, a total of \$234,967 has been charged to Triangle Energy (Operations) Pty Ltd for the provision of management services.
- Throughout the half year, a net total of \$4,430,456 has been loaned to Triangle Energy (Operations) Pty Ltd for working capital for the Cliff Head Joint Venture under a loan agreement. At balance date, \$6,936,788 remains outstanding which includes accrued interest. Interest during the period was \$292,392.
- A convertible notes issue occurred on 28 March 2025. Greg Columbus took part in the issue with an investment of \$500,000. The notes were issue on the same terms as other participants.

Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Notes to the Consolidated Financial Statements For the Half Year Ended 31 March 2025

25 Events Occurring After the Reporting Date

The following events occurred subsequent to the end of the financial half year.

Pilot has exercised the option to purchase land in Western Australia for \$4,500,000. Settlement is currently scheduled for 17 June 2025 or such later date to be agreed by the parties and is to be funded by a non-recourse facility.

As disclosed in a Market announcement on 1 April 2025, Pilot announced a material upgrade to the WA-481-P Gas resource of ~250%.

As disclosed on ASX, two convertible notes with a total face value of \$300,000 was issued on 14 April 2025.

As disclosed on ASX, three convertible notes with a total face value of \$300,000 was issued on 23 April 2025.

As disclosed on ASX, 324,415,003 shares were issued at 1c per share on 24 April 2025.

As disclosed on ASX, Pilot has entered into a binding convertible note arrangement with a total face value of \$1,800,000 subject to shareholder approval. Shareholders approval was received on the 4 June 2025.

As disclosed on ASX, shareholders voted in favour of amending June 2023 and February 2024 convertible notes. Both convertible notes have a new maturity date of 31 December 2026 and an exercise price of \$0.015.

As disclosed on ASX, Pilot issued 175,585,000 shares in a placement at \$0.01 per share on 11 June 2025. The total amount raised before costs was \$1,755,850.

As disclosed on ASX, Pilot issued 500,000,000 options with an exercise price of \$0.033 expiring 13 December 2026. These are free attaching options linked to the placements on 16 April 2025 and 11 June 2025.

On 28 March 2025, Pilot announced having reached agreement with Triangle Energy (Group) Limited (ASX:TEG) on revised acquisition timing and terms for the purchase of TEG's interest in the Cliff Head JV and associated assets. Definitive agreements for the completion of the acquisition have been substantially completed, and the Company anticipates completing first stage of this acquisition during the week of 16 June 2025.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

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Pilot Energy Limited and its Controlled Entities

A.B.N. 86 115 229 984

Director's Declaration

In the opinion of the Directors of Pilot Energy Limited:

1. The interim financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) give a true and fair view of the consolidated group's financial position as at 31 March 2025 and of its performance for the half year ended on that date.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Mr Bradley Lingo
Managing Director

Dated at Perth, Western Australia this 13th day of June 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Pilot Energy Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Pilot Energy Limited, which comprises the consolidated statement of financial position as at 31 March 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Pilot Energy Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 March 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Pilot Energy Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the interim financial report, which indicates that the consolidated entity incurred a net loss of \$2,546,970 and had net cash outflows from operating activities of \$2,778,378 for the half-year ended 31 March 2025. As at that date, the consolidated entity had net current liabilities of \$12,920,872. As stated in Note 2, these conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Emphasis of Matter – Restatement of comparative balances

We draw attention to Note 4 of the interim financial report which states that the amounts reported in the previously issued 30 September 2024 Financial Report and 31 March 2024 Interim Financial Report have been restated and disclosed as comparatives in this financial report. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 March 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in blue ink, appearing to read 'Matthew Beevers'.

MATTHEW BEEVERS
Partner

A handwritten version of the RSM logo in blue ink.

RSM AUSTRALIA

Perth, Western Australia
Date: 13 June 2025

