

Highly experienced renewable energy debt advisor appointed

Frontier Energy Limited (ASX: FHE; OTCQB: FRHYF) (Frontier or the Company) is pleased to advise of its appointment of Leeuwin Capital Partners (Leeuwin) as debt advisor for the Stage One development of the Waroona Renewable Energy Project (Project). Stage One will comprise a 120MWdc solar facility with an integrated four-hour 80MW battery.

HIGHLIGHTS

- **Frontier selected Leeuwin on the strength of its demonstrated track record, knowledge and experience within the Western Australian energy sector, including renewable energy projects which have incorporated solar and battery storage infrastructure**
 - WA is a different environment for developing renewable energy projects than the National Electricity Market (NEM) electricity grid on Australia's east coast
 - A notable difference is Reserve Capacity Payments (RCP) that are only available in WA
- **RCP for an 80MW 4-hour battery is forecast to generate ~\$24 million in revenue in 2026/27¹**
 - RCP can be locked in for at least five years, creating a secure revenue stream that should be highly attractive to debt financiers
- **The Definitive Feasibility Study (DFS) remains on track for release in February 2024**
- **Wholesale Electricity Market prices in January again showed an increasing trend**
 - The average for January of \$78/MWh was a 16% year-on-year increase over \$68/MWh recorded in January 2023

CEO Adam Kiley commented: "The appointment of a debt adviser is a key milestone in advancing our Stage One development towards FID. The Company believes that Leeuwin brings a high level of expertise and deal experience, and we look forward to working with them.

Now that the State Government has determined a battery to be the reference technology for benchmark reserve capacity payments, an integrated solar and battery development will attract significant Reserve Capacity Payments. These can be locked in for a minimum of five years, providing significant scope for debt financing of Stage One. The Company is continuing to progress the DFS for Stage One, with results to be announced later in February, in preparation for FID in 1H24"

¹ ASX announcement 17 January 2024

Highly experienced debt advisor appointed

Frontier selected Leeuwin following a competitive process, given Leeuwin's exceptional strength and expertise in delivering optimal debt funding solutions for their clients having executed transactions throughout Australia and internationally. Importantly Leeuwin has a demonstrated track record, knowledge and experience within the Western Australian energy sector including renewable energy projects which have incorporated solar and battery storage infrastructure.

The Company considers Leeuwin's WA renewable energy project experience of critical importance, as WA is a different environment for developing renewable energy projects compared to the National Electricity Market (**NEM**) electricity grid on the east coast of Australia. A notable difference is Reserve Capacity Payments (**RCP**) that are only available in WA.

RCP for an 80MW 4-hour battery is forecast to generate ~\$24 million in revenue in 2026/27 (excludes solar RCPs). RCP can also be locked in for at least five years, creating a secure revenue stream that should be highly attractive to debt financiers.

DFS on track for February delivery

The Definitive Feasibility Study (**DFS**) remains on track for release in February 2024.

In addition to the appointment of Leeuwin, the Company has shortlisted Independent Technical Experts, tax advisers and legal advisers, which are all critical to ensure timely delivery of binding debt terms to ensure the Company remains on track to achieve its target of a Final Investment Decision by mid 2024.

Wholesale Electricity Prices increased further

Wholesale Electricity Market prices in January again showed an increasing trend. The average for January of \$78/MWh was a 16% year-on-year increase over \$68/MWh recorded in January 2023, and a 6% month-on-month increase over \$74/MWh recorded in December 2023².

Authorised for release by Frontier Energy's Board of Directors.

To learn more about the Company, please visit www.frontierhe.com, or contact:

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² Source: AEMO



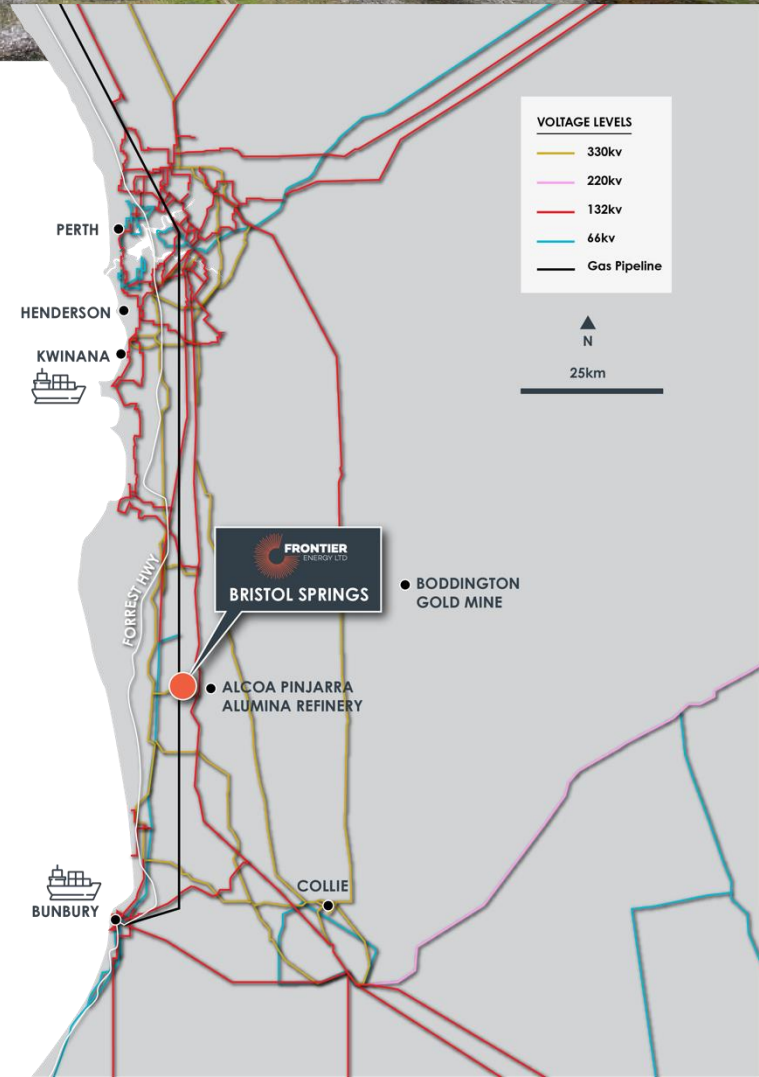
About Frontier Energy

Frontier Energy Ltd (ASX: FHE; OTCQB: FRHYF) is developing the Waroona Renewable Energy Project (the Project) located 120km from Perth in Western Australia.

Waroona has potential to become one Australia's largest standalone renewable energy projects, as the Company controls 868ha of adjoining freehold land whilst also having approvals in place for a connection onto the WA electricity network (SWIS) with a terminal adjacent to the Project.

The Company is rapidly advancing the Stage One development that consists of a 120MW solar farm and 80MW development towards a Final Investment Decision in 2024.

Frontier is fully committed to making it one of WA's major renewable energy hubs, incorporating multiple value-adding initiatives including batteries and green hydrogen, with full renewable energy potential of more than 1GW based on connection capacity.



Directors and Management

Mr Grant Davey
Executive Chairman

Mr Adam Kiley
Chief Executive Officer

Mr Chris Bath
Executive Director

Ms Dixie Marshall
Non-Executive Director

Ms Amanda Reid
Non-Executive Director

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For a comprehensive view of information that has been lodged on the ASX online lodgement system and the Company website, please visit asx.com.au and frontierhe.com, respectively.