FRONTIER ENERGY LTD

QUARTERLY ACTIVITY REPORT
Quarter Ended 30 June 2026

Frontier Energy Limited (ASX: FHE) (**Frontier** or the **Company**) provides its quarterly activity report for the quarter ended 30 June 2026 (**Quarter**). During the quarter, activity was focused on financing and early works at the Company's Waroona Renewable Energy Project in Western Australia (**Project**). Stage One of the Project will consist of a 132MW solar facility and an 81.5MW (6.9hr) battery energy storage system (**BESS**) (**Stage One**).

HIGHLIGHTS

- **Credit-approved underwriting commitments for project finance debt facilities of up to approximately $280 million**
  - *Credit approved underwriting letter signed with Natixis CIB (Natixis) and Sumitomo Mitsui Banking Corporation (SMBC), fully underwriting the required construction debt facilities for Stage One*
  - *Credit approved commitments include a construction and term facility of up to A$250 million, A$13 million bank guarantee facility and A$17 million debt service reserve facility*
  - *Confirmatory due diligence and documentation expected to be finalised by October 2026*
- **$110 million equity capital raising to institutional, professional and sophisticated investors completed at a price of $0.20 per share**
- **Frontier has proceeded with early works and procurement of long-lead items to advance Stage One**
  - *The Engineering, Procurement and Construction (EPC) contract for the Stage One solar and battery facility has been signed with Monford*
  - *Preferred suppliers for the solar panels, tracker system, inverters and battery storage system have been confirmed and contracts now largely finalised*
- **Stage One was successful in its application for Tender 6 of the Australian Government's Capacity Investment Scheme (CIS)**
  - *Together with the assignment of Reserve Capacity, Stage One now has a guaranteed minimum level of revenue protection until 2042*[1]
- **Energy prices in WA have continued to rise throughout 2026**
  - *The average price on the wholesale energy market (WEM) during the Quarter was $118/MWh, which is 31% higher than 2025*
  - *Energy prices during peak periods (4pm to 10pm) averaged $130/MWh during the Quarter – this is the period in which the majority of Stages One's electricity will be sold*

[1] *See ASX announcement dated 22 October 2025.*

Credit approved commitments for the development of Stage One

Post Quarter end, the Company signed an underwriting letter with Natixis and SMBC for project finance debt facilities of up to approximately $280 million, including a construction facility of up to approximately A$250 million, for the development of Stage One.[2]

The credit approved debt package to be underwritten by Natixis and SMBC (together, the **Lenders**) comprises senior secured non-recourse project finance facilities to fund the construction and operation of Stage One (**Debt Facilities**).

The Debt Facilities have been credit approved by the Lenders, subject to the completion of customary conditions precedent for facilities of that nature, including:

- Execution of long-form financing documentation
- Finalisation of key project contracts
- Satisfaction of remaining confirmatory due diligence
- Completion of equity funding commitments and a final investment decision

Financing Structure

The Debt Facilities of up to approximately A$280 million comprise:

- A construction and term facility of up to approximately A$250 million
- A bank guarantee facility of up to approximately A$13 million
- A debt service reserve facility of up to approximately A$17 million

The Debt Facilities include up to a three-year legal maturity with a one-year option to extend (by mutual agreement between Frontier and the Lenders), with repayments sculpted over a notional 18-year repayment period reflecting the long life of the Project. Further details on the Debt Facilities will be available following completion of long-form documentation.

Strategic Significance and Next Steps

The Debt Facilities validate the technical and commercial robustness of Stage One, which is now positioned to commence construction.

Frontier is progressing work to finalise binding facility agreements, complete conditions precedent, and reach financial close.

Completion of $110 million equity raising

In June, the Company received firm commitments from tier one, long only institutional investors and other professional and sophisticated investors to raise $110 million (before costs) under a placement of 550 million New Shares (**Conditional Placement**)[3].

Completion of the Conditional Placement was subject to satisfaction of two conditions:

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[2] *See ASX announcement dated 17 July 2026.*

[3] *See ASX announcement dated 4 June 2026.*

- Frontier securing credit-approved commitments for senior debt finance to fund the development of Stage One; and
- Approval of the issue of 550 million New Shares by Frontier shareholders.

Following shareholder approval of the Conditional Placement at the general meeting held on 10 July 2026, receipt of credit-approved commitments for the Debt Facilities satisfied the final condition for completion of the Conditional Placement. Post Quarter end, the Company received proceeds of approximately $103.5 million (after costs) and issued 550 million New Shares.

Successful application in Australian Governments Capacity Investment Scheme

Stage One was successful in its application for Tender 6 of the CIS[4]. The CIS operates as a revenue underwriting scheme, designed to encourage investment in the renewable energy sector by providing a long-term revenue ‘floor’ and ‘ceiling’, both of which are subject to an annual payment cap. The image below demonstrates how the CIS works.

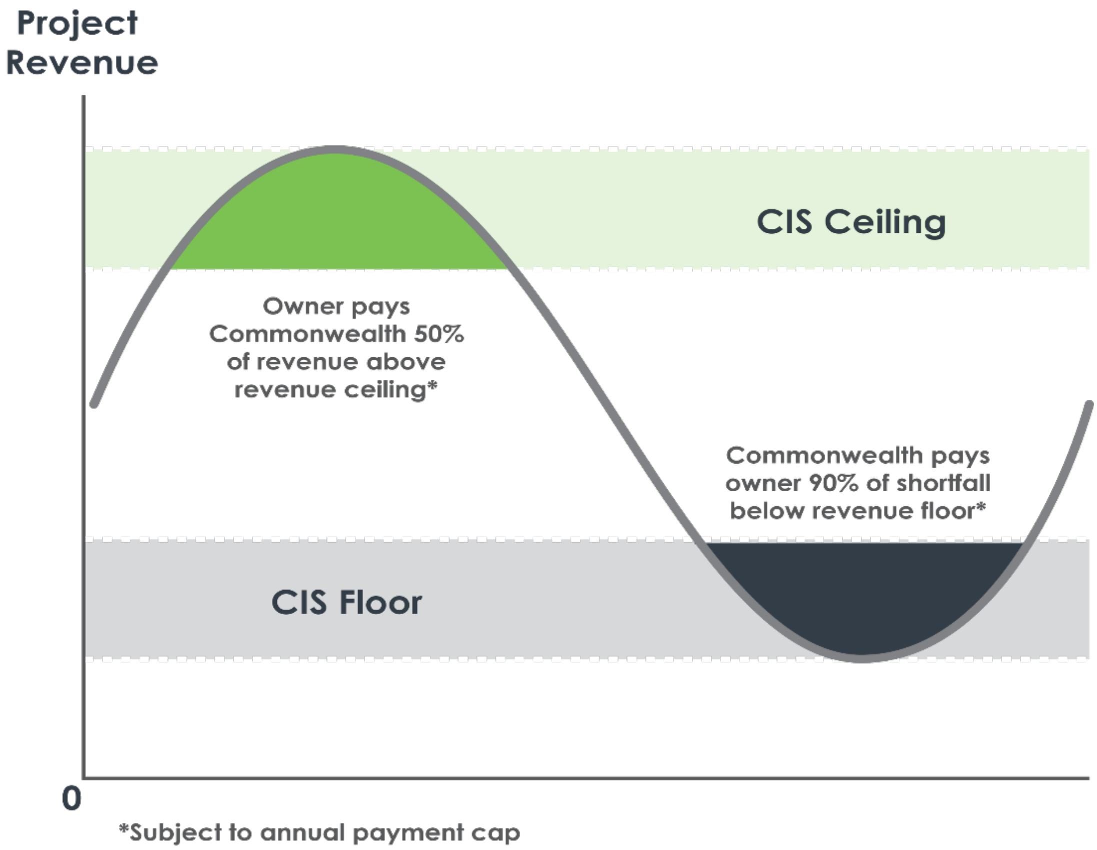


Image 1: Dispatchable CISA structure[5]

For the purposes of the CIS, revenue comprises all revenue generated by the battery, including market sales, bilateral contract revenues including electricity sales, capacity

[4] *See ASX announcement dated 4 May 2026.*
[5] *https://www.dcceew.gov.au/sites/default/files/documents/capacity-investment-scheme-wa-design-paper-webinar.pdf.*

credits and essential system services. It excludes direct solar sales, large generation certificates or other revenue associated with the solar facility.

Projects are assessed against several criteria, including expected time frame for delivery, ability to successfully participate in the Reserve Capacity Mechanism, system benefits and contribution to local and indigenous communities

Frontier has been working closely with the Australian Government and expects to execute the Capacity Investment Scheme Agreement shortly.

Project development activities

The Company has appointed highly experienced, Western Australian based renewable energy contractor, Monford Group (**Monford**), as the Engineering, Procurement and Construction (**EPC**) contractor for the Stage One solar-battery hybrid facility.

In a show of support and long-term alignment with the Stage One development, Monford has agreed to reduce the cash consideration payable under the fixed-price contract by $5 million in exchange for newly issued shares in Frontier.

Monford has commenced detailed design, and preparation works for mobilisation under an interim agreement and is scheduled to mobilise to site in September 2026. The scope of work extends through commissioning and delivery of a fully operating, grid-connected solar-BESS facility by calendar H2 2028.

In parallel with Monford's early works and preliminary activities, Frontier has progressed a number of critical path workstreams to support the construction schedule, including:

- Award to Global Power Services Pty Ltd of the contract for the design, supply, construction and commissioning of the 330kV substation that will connect Stage One to the Landwehr Terminal and the network (**Substation**);
- Placement of order for the main transformer (120MVA, 330/33kV) for the Substation;
- Factory Acceptance Test for the 330 kV 630mm² Cu/XLP cable system, including cables and associated accessories (joints and terminations), has been successfully completed at LS Cable's manufacturing facility; and
- Western Power tendering for interconnection works.

Progression of these standard project development activities and long-lead procurement commitments supports the overall project execution timetable.

Electricity prices continue to increase on the WEM during 2026

Average electricity prices on the WEM increased to $118/MWh during the quarter, a 31% increase on the same period during 2025 (Table 1), while electricity prices during peak periods (4pm to 10pm) averaged $130/MWh during the quarter and $119/MWh during the half year (Table 2). The peak period is when the majority of energy from Stage One will be discharged.

Table 1: Average WEM energy prices, 2024-26[6]

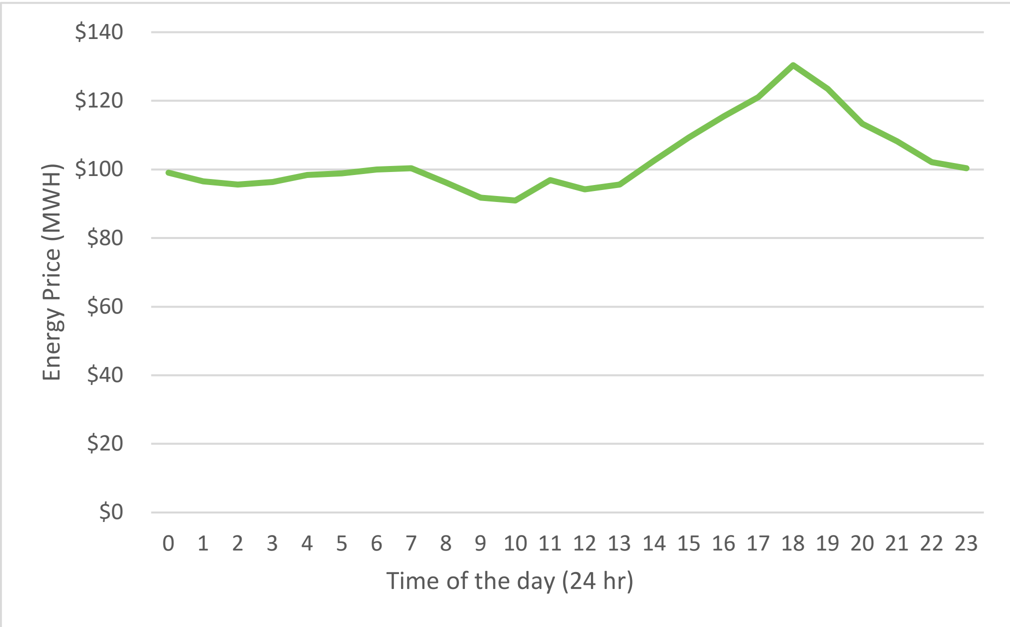
April to June	Average 24 hours $/MWh	Peak (4pm-10pm) $/MWh
2024	$79	$152
2025	$90	$120
2026	$118	$130

Table 2: Average WEM energy prices, 2024-26[7]

January to June	Average 24 hours $/MWh	Peak (4pm-10pm) $/MWh
2024	$78	$158
2025	$89	$123
2026	$103	$119

A major reason for the increase in energy prices as well as the tightening of the gap between the high and low daily price is driven by the increase in battery storage on the WEM over recent years. This has continued to see negative price periods (less than $0/MWh) largely disappear, with the period of time that the energy price was negative during the first half of 2026, falling to approximately 0.5% of the time.

Figure 2: Average WEM price over a 24 hour period during 2026[8]



[6] *Australian Energy Market Operator.*
[7] *Australian Energy Market Operator.*
[8] *Australian Energy Market Operator.*

Corporate

Cash at the end of the Quarter

As at 30 June 2026, Frontier had cash of $8.0 million and a short-term working capital debt facility of $5.0 million. Post Quarter end, the Company received proceeds of approximately $103.5 million following completion of the Conditional Placement.

The Company has a $7.9 million cash backed interest bearing security deposit with Australian Energy Market Operator, as required under the Reserve Capacity Mechanism for the Stage One development of its Waroona Project.

The Company expects this security deposit to be replaced by a bank guarantee as part of the Debt Facilities.

Annual general meeting

The Company held its annual general meeting at Level 20, 140 St Georges Terrace, Perth on Friday, 15 May 2026 (**AGM**). All resolutions put to shareholders at the AGM were passed on a poll.

General meeting

Post Quarter end, the Company held a general meeting, with resolutions to approve the Conditional Placement and the issue of New Shares to Frontier directors passed on a poll.

Sale of Pick Lake Project

In April, the Company completed the sale of its non-core Pick Lake Project to TSXV listed Total Metals Corp. (**Total Metals**) (TSX-V:TT) for cash consideration of approximately $2.25 million[9].

Information required under Listing Rule 4.7C.1

Pursuant to ASX Listing Rule 4.7C.1, and as outlined in the Appendix 4C, the Company advises it spent $431,000 on administration and corporate costs, $361,000 on staff costs and $1.1 million on project development activities. Details of the activities undertaken by the Company during the Quarter are set out in this report.

Information required under Listing Rule 4.7C.3

During the Quarter, payments to related parties for directors' fees totalled $245,096.

Mr Grant Davey, who is a director of the Company, is a director and shareholder of Matador Capital Pty Ltd (**Matador Capital**). The Company makes payments to Matador Capital under Shared Services and Office Use Agreements, under which Matador Capital provides office space, general office administration services, corporate and project personnel, accounting services and IT hardware and infrastructure to the Company. The services provided by Matador Capital are recovered from the Company on a cost-plus basis and totalled $307,910.

[9] *See ASX announcement dated 17 April 2026.*

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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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Frontier Energy Limited

ABN	**Quarter ended ("current quarter")**
64 139 522 553	30 June 2026

		Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.		**Cash flows from operating activities**		
1.1		Receipts from customers	-	-
1.2		Payments for		
	(a)	research and development	-	-
	(b)	product manufacturing and operating costs	-	-
	(c)	advertising and marketing	-	-
	(d)	leased assets	-	-
	(e)	staff costs	(361)	(666)
	(f)	administration and corporate costs	(431)	(821)
1.3		Dividends received (see note 3)	-	-
1.4		Interest received	37	67
1.5		Interest and other costs of finance paid	-	(21)
1.6		Income taxes received	-	-
1.7		Government grants and tax incentives	-	-
1.8		Other (Rent received)	20	39
1.8		Other (Study)	-	-
1.9		**Net cash from / (used in) operating activities**	**(735)**	**(1,402)**

2.		**Cash flows from investing activities**		
2.1		Payments to acquire or for:		
	(g)	entities	-	-
	(h)	businesses	-	-
	(i)	property, plant and equipment	(1,075)	(3,211)
	(j)	investments	-	-
	(k)	intellectual property	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(l) other non-current assets – security deposits	(23)	(45)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Proceeds from disposal of Pick Lake Mining Limited's exploration and evaluation assets located in Canada	2,274	2,274
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**1,176**	**(982)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(16)	(58)
3.5	Proceeds from borrowings	4,823	4,823
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Proceeds from share placement paid in advance	-	-
3.11	**Net cash from / (used in) financing activities**	**4,807**	**4,765**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,723	5,588
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(735)	(1,402)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,176	(982)
4.4	Net cash from / (used in) financing activities (item 3.11 above)	4,807	4,765
4.5	Effect of movement in exchange rates on cash held	(1)	1
4.6	**Cash and cash equivalents at end of period**	**7,970**	**7,970**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	**7,970**	**2,723**
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**7,970**	**2,723**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	553
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	5,000	5,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**5,000**	**5,000**

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

In June 2026, Frontier Energy Limited executed a loan agreement with Rockford Equity Pty Ltd for the purpose of funding the Waroona Project's long lead items and corporate and administrative costs.

- **Facility Limit:** AUD $5,000,000
- **Commencement Date:** 12 June 2026
- **Repayment Date:** 3 months from commencement date, extendable at lender's discretion
- **Interest Rates:** 90-day BBSY+ Margin of 11% per annum
- **Fees:**
  - Establishment Fee: 2% of the Facility Limit (AUD $100,000)
  - Line Fee: 0.25% of the Facility Limit (AUD $12,500)
- **Security:** The loan is secured by registered real property mortgages (freehold-land owned by Frontier subsidiaries) and a general security deed.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(735)
8.2	Cash and cash equivalents at quarter end (item 4.6)	7,970
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	7,970
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	10.84

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: Not applicable

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2026

Authorised by: **By the Board**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.