

## Debt finance process progressing towards credit approved terms in July

Frontier Energy Limited (ASX: FHE; OTCQB: FRHYF) (Frontier or the Company) is pleased to announce a process to secure debt funding for the Stage One development of its Waroona Renewable Energy Project (**Waroona Project**) is progressing on schedule, with credit approved terms expected to be provided during July.

### HIGHLIGHTS

- **Waroona debt finance process continues to move quickly through Phase Two (Image 1), with the recent appointment of Aurecon as the independent technical engineer and the appointment of legal counsel for the lenders**
  - Frontier is close to finalising key long lead equipment items whilst final EPC selection draws closer
    - Major capital items including solar panels and batteries have fallen in price since the release of the Definitive Feasibility Study (DFS)
- **Frontier remains on track to receive binding credit approved terms from the preferred banking syndicate during July 2024**
  - Stage One of the debt financing process confirmed strong interest from major banks to provide debt terms that align with the **DFS** assumptions<sup>1</sup>, including financing of up to 70% or \$225 million
- **Waroona FID expected in 3Q 2024**
  - Waroona DFS forecast Stage One of the Waroona Project to generate average EBITDA<sup>1</sup> of \$68 million per year over first 5 years of production.

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**CEO Adam Kiley commented:** “We are pleased with the progress of the debt financing process for the Waroona Project, with important workstreams underway following key appointments, contracts for procurement of capital items well advanced and tender documents for the EPC contract issued.

As previously announced, major funding assumptions in the DFS have been confirmed by interested parties<sup>2</sup> and we continue to work closely with financiers as we move towards receiving credit approved terms and completing due diligence requirements as soon as possible.”

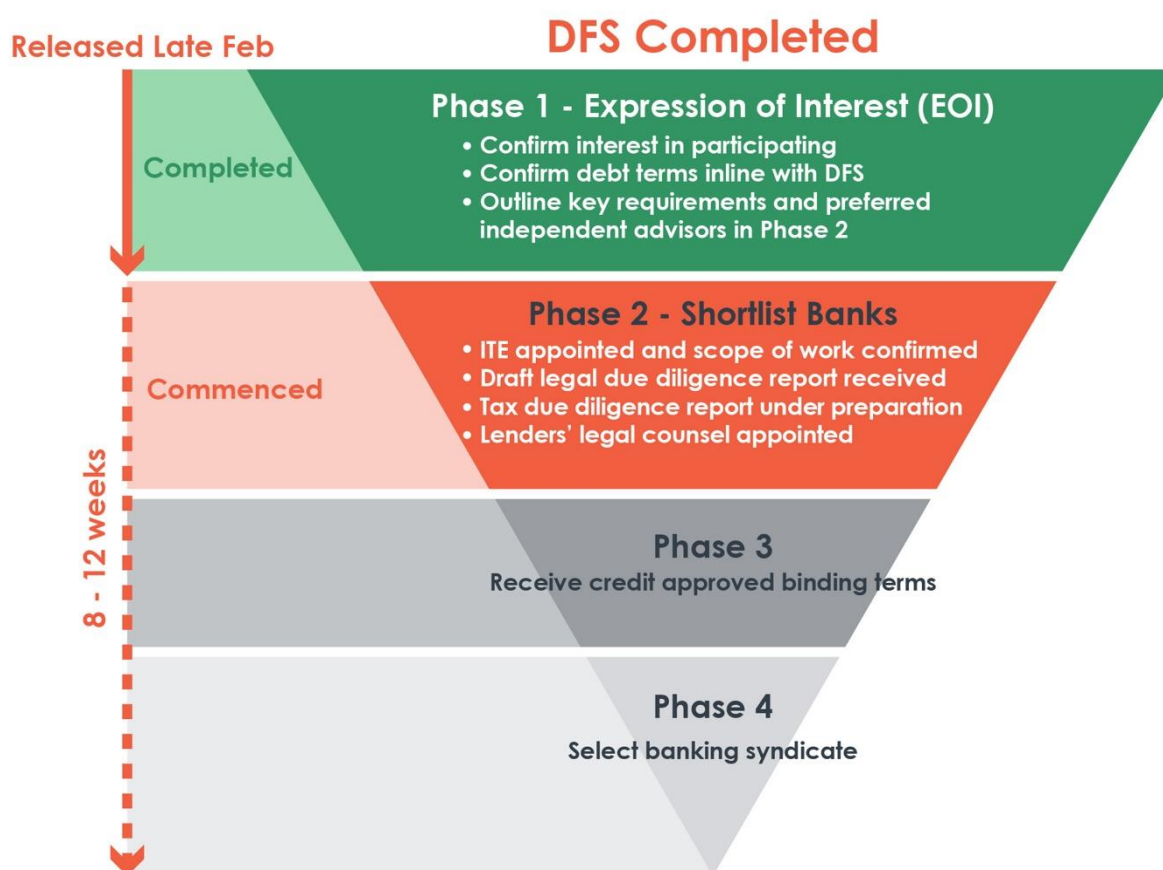
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<sup>1</sup> See ASX announcement dated 28 February 2024 for details of the DFS

<sup>2</sup> See ASX announcement dated 17 April 2024

## Debt finance process advances

Leeuwin Capital Partners was appointed as debt advisers in February 2024. The debt finance process is progressing well, with several key advisor appointments now completed, contracts for procurement of major capital items nearing finalisation and tender documents issued for the EPC contract. The process is moving through Phase Two, with credit approved terms expected in July.



**Image 1: Waroona Project – debt financing process and indicative timing**

Key areas of progress with the debt finance process include:

- **Aurecon appointed as independent technical engineer**

In April, the Company appointed Aurecon Group Pty Ltd (**Aurecon**) as the ITE on behalf of potential financiers. Aurecon has commenced work and on completion, will provide the technical and ESG due diligence sign off required by debt financiers.

- **Legal counsel for lenders appointed**

Legal counsel for lenders were appointed earlier this month and has commenced work.

- **Procurement of long lead items**

Frontier expects to finalise the procurement arrangements for key long lead items, including battery storage units, photovoltaic panels and inverters, in coming weeks. Based on information recently provided by suppliers, the Company is confident the pricing of these items will be no higher than the cost estimates included in the DFS, and in several instances, will be lower than those estimates.

- **EPC contractor**

Following an expression of interest process that identified potential EPC contractors with a track record of developing and delivering industrial scale solar farms and renewable energy projects, tender documents have been issued. The Company expects to receive tender responses by mid-June.

- **Legal due diligence report nearing completion**

In February, Frontier appointed lawyers to undertake legal due diligence, and to assist with the EPC contract, key procurement contracts and loan documentation. The legal due diligence report, which is central to the due diligence undertaken by potential lenders, is largely completed.

## Strategic investor process

In February 2024 the Company appointed Barrenjoey Capital Partners (**Barrenjoey**) as corporate advisor with respect to assessing strategic investors for the Waroona Project. Barrenjoey is a leading Australian financial advisory firm with significant experience in the Australian renewable energy sector.

The strategic investor process is ongoing and further updates will be provided to the market in due course.

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

To learn more about the Company, please visit [www.frontierhe.com](http://www.frontierhe.com), or contact:

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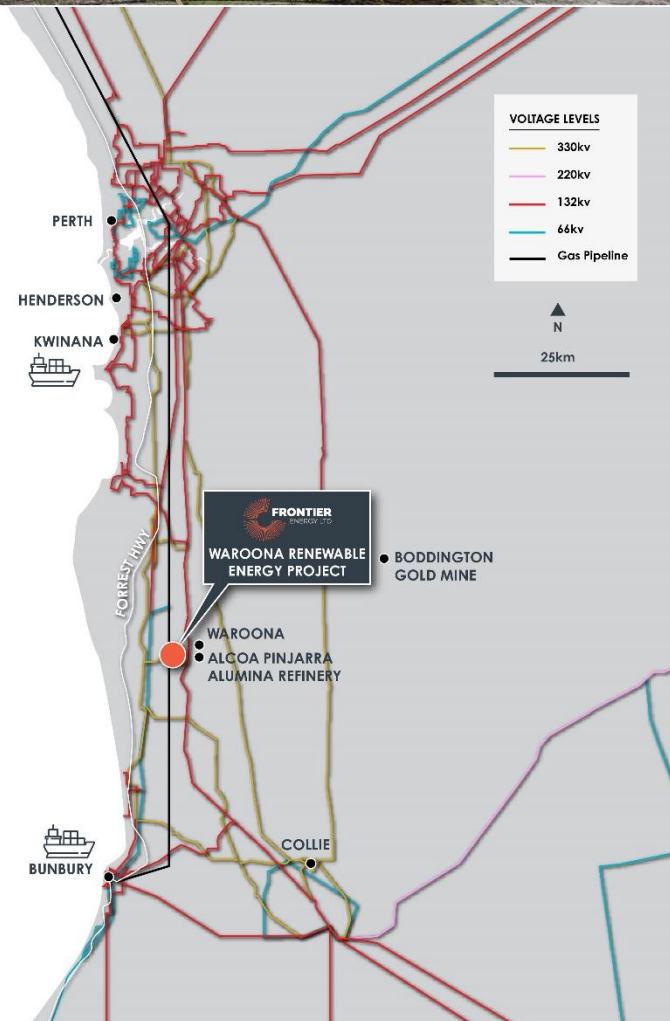
## About Frontier Energy

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

Waroona has the potential to become one of Western 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 released a positive DFS on a Stage One development that consists of a 120MW solar farm and 80MW 4-hour battery.

Frontier is fully committed to making the Project 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

### Registered Office

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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](http://asx.com.au) and [frontierhe.com](http://frontierhe.com), respectively.