

2022

Sustainability Report

Forward Looking Statement

This Report contains 'forward-looking statements' ('Statements') based on the Company's expectations, estimates and projections as at its date. Statements can be identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" (and other similar expressions).

Statements and the information herein are subject to known and unknown risks and uncertainties that could cause outcomes different to those currently anticipated. This includes factors such as: economic, competitive, political and social uncertainties; valuations and regulatory changes and approval delays; the cost to procure and build plant and equipment (including delays etc); the ability of the Company to secure financing and the terms of the same; hydrogen market pricing and the ability of the Company to secure offtake.

Statements are based on estimates and opinions of management as at the date of this Report and this Report will not be updated even if circumstances, estimates or opinions change.



Disclaimer: The images of solar panels contained on the cover of this Report are not actual assets of the Company but are representative of the proposed Bristol Springs Solar Project.

Sustainability Snapshot

We care for our community, environment, and all stakeholders by delivering safe, reliable, and sustainable clean energy solutions.



Transitioned to a **renewable energy company** by acquiring the Bristol Springs Solar Project.



Awarded lead agency status by the Western Australian Government recognising the importance of Bristol Springs Renewable Energy Project for the **development of the renewable energy industry in the State.**



Managing Director and female Non-Executive Director appointed to the board increasing **gender and cultural diversity.**



Sustainability Committee established (75% female) and **Sustainability Manager** appointed.



Completed the **Bristol Springs Green Hydrogen Project Pre-Feasibility Study.**



No incidents, near misses or non-compliances reported.



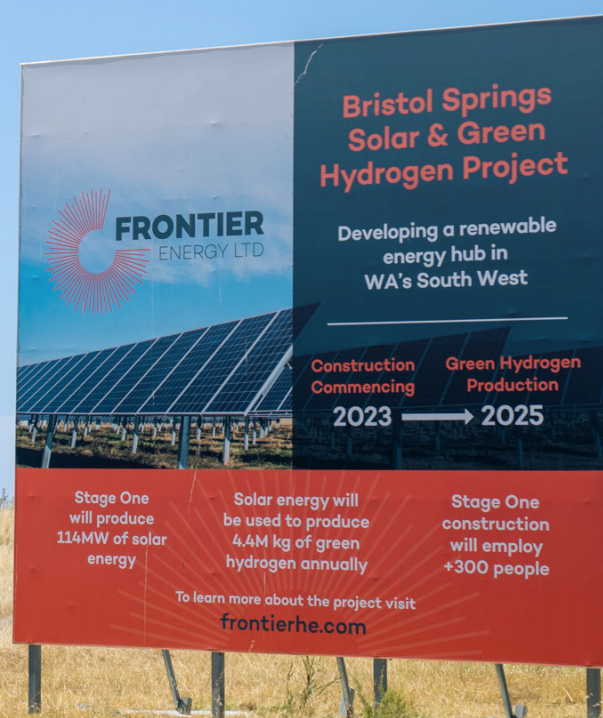


Acknowledgement of Country

In the spirit of reconciliation, Frontier Energy Limited (Frontier) acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Introduction

Frontier is a renewable energy development company that is listed on the Australian Stock Exchange (ASX Code: FHE). Frontier owns the Bristol Springs Renewable Energy Project (the Bristol Springs Project, or the Project), located in the Shire of Waroona, Western Australia. Frontier is focused on becoming an active player in Australia's decarbonisation strategy by building a large scale solar farm and a renewable hydrogen facility.



Message from the Managing Director

I am pleased to present Frontier's inaugural Sustainability Report.

This Report highlights our commitment to develop an integrated renewable energy company and strongly reflects Frontier's sustainable and ethical best practice approach to everything we do.

Countries around the world, including Australia, are setting ambitious targets dedicated to reducing carbon emissions, particularly in electricity generation.

In 2022, we embraced the opportunity to join the movement to transition to net zero by changing our focus and becoming a renewable energy company by acquiring the Bristol Springs Solar Project in Waroona, Western Australia.

Since acquiring the solar project, we have continued to be innovative and explore opportunities to grow our Project and integrate additional renewable energy alternatives. From this process, we identified that the Bristol Springs Solar Project is perfectly located to host a renewable (green) hydrogen facility. The unique location is supported by world class infrastructure, including roads, water, gas pipeline, airports, multiple ports and a highly skilled local workforce.

Further work undertaken through our pre-feasibility study (PFS) has concluded that the Bristol Springs Project has the potential to be one of the lowest cost commercial scale renewable hydrogen projects.

In addition to our commitment to deliver sustainable renewable energy solutions, we recognise the importance of setting high standards and integrating other sustainability considerations into our decision-making. To guide this, we have developed the following sustainability ethos: "We care for our community, environment and all stakeholders by delivering safe, reliable and sustainable clean energy solutions". This statement guides all our sustainability activities and provides a clear direction for the company's future.

I would like to express my thanks to the Frontier Board, staff and management team and I look forward to Frontier building on our achievements and delivering another successful year in 2023.

Sam Lee Mohan | Managing Director & CEO



Contents

Sustainability Snapshot.....	3
Acknowledgement of Country.....	4
Introduction.....	4
Message from the Managing Director.....	5
About this Report.....	7
Our Journey so far.....	8
About Frontier Energy - Building a Renewable Energy Company.....	9
Overview of the Bristol Springs Project.....	10
Global Energy Transition to Net Zero Emissions.....	11
Frontier's Sustainability Ecosystem.....	14
Governance.....	17
Social.....	22
Environment.....	26

About this Report

This Sustainability Report is approved for release by Frontier's Board of Directors. This Report details the Environmental, Social and Governance (ESG) aspects of the activities of Frontier in 2022 (1 January – 31 December).

This is Frontier's inaugural Sustainability Report. The Report has been prepared using the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) as a guide. We will be working towards reporting "with reference to" the 2021 GRI Standards in future reports.

Frontier has released its 2022 Annual Report which includes its Directors Report, Remuneration Report and Financial Statements. The Remuneration Report and Financial Statements have been independently audited and the 2022 Sustainability Report aligns with this reporting period. No external assurance has been sought specifically for the 2022 Sustainability Report. Additional information related to our ESG reporting can be found at www.frontierhe.com.

During 2022, Frontier had a controlling interest in Metallum Resources Inc (Metallum). Metallum is not discussed further in this Report. For more information, please refer to Frontier's 2022 Annual Report.

Frontier has a Board and executive team, supported by consultants and contractors who work with Frontier.

We are committed to communicating openly with our stakeholders, and we welcome your feedback. If you would like to provide feedback, please send your comments to:

Amy Sullivan | Sustainability Manager
community@frontierhe.com



Our Journey So Far

February 2022

The Company changed its name to Frontier Energy Limited and transitioned to a renewable energy company by acquiring the Bristol Springs Project, a large-scale solar energy project designed to produce 114 MWdc of renewable electricity in Waroona, Western Australia.

March 2022

Commenced Green Hydrogen and Renewable Energy Expansion Studies.

April 2022

Released an updated corporate governance statement.

May 2022

Studies concluded that the Bristol Springs Renewable Hydrogen Project has the potential to be one of the lowest cost commercial scale green hydrogen producers.

August 2022

Completed Pre-Feasibility Study demonstrating low-cost green hydrogen production.

Amanda Reid joins the Frontier Board as a Non-Executive Director - 40% female board members.

September 2022

Water supply options confirmed for renewable hydrogen production.

October 2022

Sam Lee Mohan appointed as Managing Director.

November 2022

Sustainability Committee established.

First community meeting held in Waroona.

Smart Energy Council commences pre-certification of the renewable hydrogen project.

Lead Agency status granted by WA State Government.

December 2022

Pre-FEED study for the renewable hydrogen facility completed by GHD.

About Frontier Energy - Building a Renewable Energy Company

Frontier is a renewable energy development company that is listed on the Australian Stock Exchange (ASX Code: FHE). Our head office is located in Perth, Western Australia.

In 2021, the Board identified there were significant growth opportunities in the renewable energy industry. Countries around the world, including Australia, were setting ambitious targets dedicated to reducing carbon emissions, particularly in electricity generation.

We embraced this opportunity and transitioned from a mining exploration company to a renewable energy company by divesting a zinc project in Canada and commenced the process to acquire the Bristol Springs Project, located south east of Perth, WA. During this process, the Company changed its name from Superior Lakes Resources Limited to Frontier Energy Limited.

Following the acquisition of the Bristol Springs Project in February 2022, we have been focused on assessing expansion opportunities for the solar project and additional renewable energy alternatives to grow the Project and achieve our long-term strategy to become an integrated renewable energy company.

During 2022, studies were successfully undertaken to integrate a hydrogen production facility into the Bristol Springs Solar Project, which now has the potential to be one of the lowest cost commercial scale renewable hydrogen producers in Australia.



We are committed to becoming an active player in Australia's decarbonisation process. We believe our strategic and innovative business approach will contribute to the renewable energy transformation our society needs.



Overview of the Bristol Springs Project

The Bristol Springs Project is a large, utility-scale renewable energy project located 8km from the rural town of Waroona in the Shire of Waroona, 60km from the major population centre of Bunbury and 120km south from the Perth Central Business District.

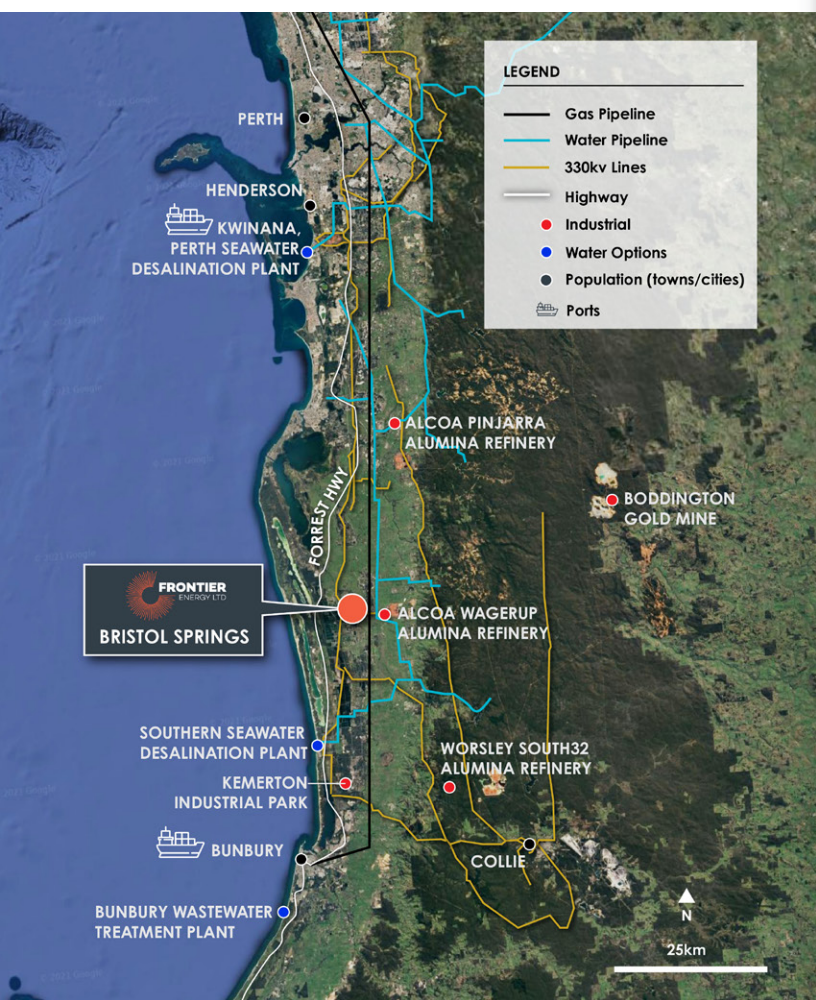
We are proposing a staged approach to building the Bristol Springs Project. Stage One of the Project located on 195 hectares (ha) of land will involve the construction of a 114 megawatt (MW) solar farm and a co-located hydrogen production facility with a 36MW hydrogen electrolyser. The estimated annual hydrogen production from Stage One is 4.9 million kilograms (Mkg) per annum¹. The Project will incorporate the latest generation technology to deliver a low-cost renewable energy solution that can be connected to the South West Interconnected System (SWIS) (Western Australia's main electricity network) via Western Power's Landwehr Terminal.

The Project is surrounded by existing infrastructure, including water, roads, power networks, two ports, and WA's largest natural gas pipeline, the Dampier to Bunbury Natural Gas Pipeline (DBNGP) and can access a highly skilled local workforce nearby.

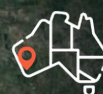
Our long-term ambition is to install renewable electrical capacity of over 1 gigawatt (GW) of solar power and produce ~80,000 tonnes of green hydrogen per annum. The Stage One solar farm and hydrogen facility have been designed to enable future expansions to meet this objective.

The Project is aligned with the WA Government's renewable energy strategy, which is designed to remove barriers to investment and facilitate access to the Wholesale Electricity Market (WEM) for new low-cost and cleaner generation technologies.

¹ Production rate was updated following the release of Frontier's 2023 Definitive Feasibility Study.



There are over 30,000 jobs in renewables, and growing every day
– Clean Energy Council



120km south of Perth



114MWdc solar farm



~160,000 tonnes of CO₂ per annum (avoided)



36MW hydrogen production facility



~45,000 homes powered

Global Energy Transition to Net Zero Emissions

At Frontier, we are focused on actively contributing to the global movement of mitigating climate change and transitioning to net zero carbon emissions, whilst delivering shareholder value, through the development of the Bristol Springs Project.

In 2015, world leaders at the United Nations' Climate Change Conference (COP21) in Paris reached a breakthrough agreement known as the "Paris Agreement". The objective of this agreement was to work together at a global level to tackle climate change and its negative impacts and set up long term goals to *"substantially reduce global greenhouse gas emissions to limit the global temperature increase in this century to 2 degrees Celsius while pursuing efforts to limit the increase even further to 1.5 degrees"*².

Transitioning to net-zero carbon emissions is one of the greatest challenges our world will face. It calls for a complete transformation of how the world operates. *"The energy sector is the source of around three-quarters of carbon emissions today and is the key to avoiding the worst effects of climate change"*³. Replacing high carbon emitting energy sources such as coal, gas and oil-fired power with renewable energy sources, such as solar and green hydrogen, will significantly reduce carbon emissions.

In 2022, the Australian Federal Government released new legislation, the *Climate Change Act 2022*, to accelerate the country's decarbonation strategy in line with the Paris Agreement. The legislation set the following greenhouse gas emissions reduction targets:

- reducing Australia's net greenhouse gas emissions to 43% below 2005 levels by 2030
- reducing Australia's net greenhouse gas emissions to zero by 2050.

Solar energy and green hydrogen both have a significant role to play in achieving Australia's decarbonation strategy and reducing greenhouse gas emissions to zero by 2050.

² United Nations (2022) The Paris Agreement, <https://www.un.org/en/climatechange/paris-agreement>, accessed 22 January 2023

³ United Nations (2022) For a livable climate: Net-zero commitments must be backed by credible action, <https://www.un.org/en/climatechange/net-zero-coalition>, accessed 22 January 2023



Over 30% of Australian energy is already renewable and is continuing to rise

– Clean Energy Council



Solar Energy

Solar energy is the most abundant of all energy sources and can be harnessed in sunny and cloudy weather. *"The rate at which solar energy is intercepted by the Earth is about 10,000 times greater than the rate at which humankind consumes energy"*⁴.

Solar energy is an environmentally friendly energy source. It consumes no fossil fuels, makes no contribution to air, water, or noise pollution, it does not pose a health hazard, and contributes no harmful waste products to the environment while producing electricity.

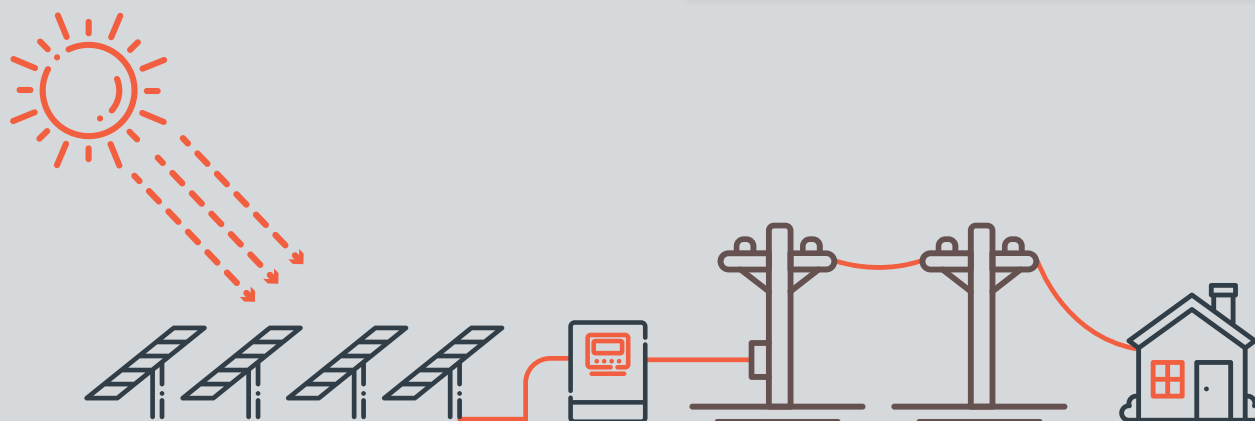
It also has an essential role to play in reducing global carbon emissions. The cost of manufacturing solar panels has plummeted dramatically in the last decade, making them not only affordable but one of the cheapest forms of electricity generation. Solar panels have a lifespan of approximately 30 years and with changing technology are continuously improving and can now be recycled.

4 United Nations (No Date) Climate Action - What is renewable energy, <https://www.un.org/en/climatechange/what-is-renewable-energy#:~:text=Solar%20energy%20is%20the%20most,at%20which%20humankind%20consumes%20energy>, Accessed 22 January 2023

Solar technologies can deliver heat, cooling, natural lighting, electricity, and fuels for a host of applications. Solar technologies convert sunlight into electrical energy through photovoltaic panels or through mirrors that concentrate solar radiation.

15 per cent of Australia's power generation was from solar in 2022 and is continuing to increase.

– Clean Energy Council



Renewable Hydrogen

Renewable hydrogen is produced in an electrolyser which splits water into hydrogen and oxygen using renewable electricity. The process is called electrolysis. It doesn't produce any carbon emissions or harmful waste products. This is a different method to grey and blue hydrogen processes which produce or release greenhouse gases⁵.

Renewable hydrogen has a critical role to play in global decarbonisation and transitioning to net-zero carbon emissions. It has the ability to replace fossil fuels in electricity production, energy storage, fuels for transport and other industry uses that historically produced significant greenhouse gas emissions.

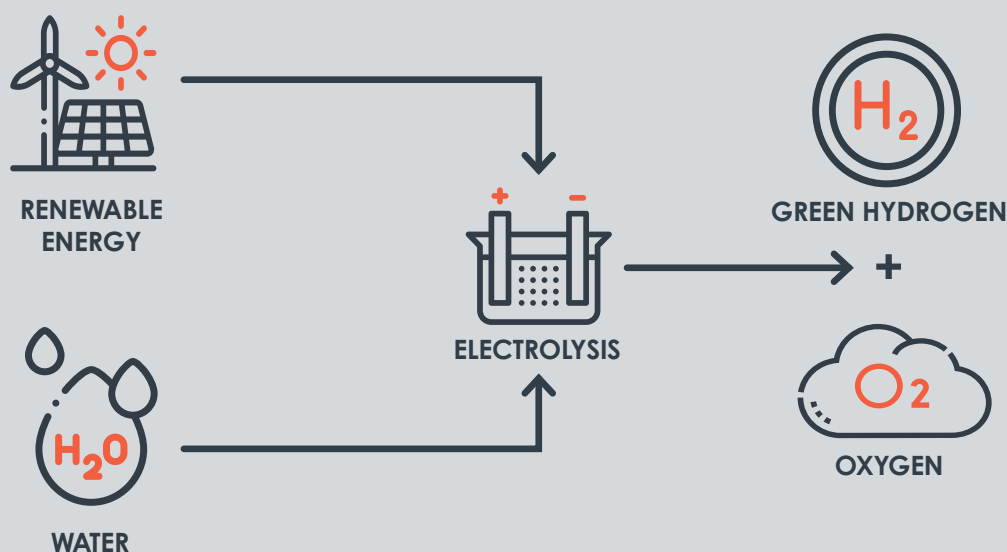
The European Union, and many countries including the United States, Germany, Japan and the Republic of Korea also consider hydrogen having an important role for reducing global emissions. To support this, 25 nations, including Australia, have created national hydrogen strategies and many other nations have hydrogen strategies in development.

Many countries have also increasingly implemented hydrogen incentives and domestic hydrogen/ammonia demand targets to de-risk investment and to achieve energy security this decade.

The European Commission, for example, has doubled its previous renewable hydrogen target to 10 million tonnes of annual domestic production and an additional 10 million tonnes of annual hydrogen imports. Japan is another example and is a world leader in the development of hydrogen policy and related technologies and is aiming to become carbon neutral by 2050⁶.

Australia is on track to achieve 70% renewable energy by 2040

– Clean Energy Council



⁵ Jacobson, M. and Howarth, R. (2021) How green is blue hydrogen?, Energy Science and Engineering, vol. 9, no 10, pp 1676-1687.

⁶ NEDO (No Date) Overview of the Green Innovation Fund Projects, <https://green-innovation.nedo.go.jp/en/about/> Accessed 22 January 2023

Frontier's Sustainability Ecosystem

In line with global best-practice and the expectations of the Company's stakeholders, we have commenced our sustainability journey and are establishing our sustainability foundation for the future of Frontier. Our objective is to create long term sustainable value for future generations.

We care for our community, environment, and all stakeholders, by delivering safe, reliable, and sustainable clean energy solutions.

The above statement is the cornerstone of our sustainability activities moving forward, and provides a simple, consistent message for stakeholders regarding the Company's direction.

Sustainability Committee and Charter

To ensure sustainability standards are set from the highest levels of governance, the Company has formed a Sustainability Committee (Committee) and has drafted a Sustainability Committee Charter (Charter).

The Charter describes the purpose and responsibilities of the Committee as a sub-committee of the Board. Its role is to guide the Board's responsibilities in relation to ESG matters arising out of the Company's activities and sustainability management.

The Committee includes three directors, with the majority being Non-Executive Directors and includes:

- **Committee Chair:** Amanda Reid, Non-Executive Director
- **Member:** Dixie Marshall, Non-Executive Director
- **Member:** Sam Lee Mohan, Managing Director

The Company's Sustainability Policy outlines our sustainability objectives. It applies to all directors, employees, contractors, and relevant suppliers. It empowers these groups to implement continuous improvement and sustainable practices in everyday tasks, and to establish the responsibilities for implementing sustainable systems.

Materiality Assessment

In addition to our mission to deliver sustainable renewable energy solutions, we recognise the importance of setting high standards and integrating other sustainability considerations into our decision-making. To establish what sustainability considerations are most important or are likely to have the greatest impact, the Company undertook a materiality assessment.

As part of this assessment, the Company conducted an industry peer review based on the sustainability reporting performances of renewable energy producers. The peer review assessed sustainability reporting components, such as the level of disclosures and data, frameworks engaged, and material topics. This provided valuable insight into the current ESG landscape within the renewable energy industry.

Stakeholders also have a vital role in establishing what sustainability considerations should be prioritised. Frontier's key stakeholders include:

- Employees
- Shareholders
- Offtake partners
- Three levels of government (including regulators, funding and finance)
- Local communities
- Government utilities
- Suppliers and contractors
- Potential investors
- Business consultants and partners (including lobbyists)
- Competitors and peers
- Unions
- Insurance
- Media.

Frontier will continue to engage with its stakeholders through the life of the Project.

Frontier's Board and management team completed a materiality assessment workshop to deliver a list of material sustainability topics considered most significant to the business and its stakeholders. These material topics are the focus of this Sustainability Report and will be revisited annually and amended to align with the Company's projects as they develop.

Frontier's Material Topics



Governance

- Business Ethics & Compliance
- Regulation & Government Policy



Social

- Diversity
- Safety
- Local Community



Environment

- Renewables & Decarbonisation
- Water

Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) are a sustainability framework that has been built on decades of work by the UN and over 170 countries. The SDGs are an urgent call for action by all countries to act in a global partnership, to work together to wipe out poverty, fight inequality and tackle climate change by 2030.

They recognise that to end poverty, we must work together with strategies that build sustainable economic growth and address a range of social needs including education, health, equity, and employment opportunities, while tackling climate change and working to preserve our natural capital.

SUSTAINABLE DEVELOPMENT GOALS

At Frontier, we recognise the importance of the SDGs in guiding international efforts to achieve sustainable development. We have identified three SDGs relevant to our business where we can have the greatest impact and make positive contributions.

5
GENDER EQUALITY




We are committed to providing a gender diverse and inclusive working environment.

Starting with our Board which is now 40% female.

Followed by our management team now 17% female and growing.

7
AFFORDABLE AND CLEAN ENERGY




We are committed to providing renewable energy solutions.

We are working with the State government to reduce barriers for renewable energy technologies such as green hydrogen to be part of our energy mix and assist Australia to achieve its greenhouse gas emissions reduction targets in line with the Paris Agreement.

13
CLIMATE ACTION




We are committed to actively contributing to the global movement of mitigating climate change.

We have completed a pre-feasibility study that confirms we can economically build a green hydrogen facility, co-located with the solar farm at the Bristol Springs Project.

We are seeking pre-accreditation from Hydrogen Australia, a division of the Smart Energy Council to certify our hydrogen will be low carbon (green) hydrogen.

Governance

Business Ethics and Compliance

We are committed to pursuing the highest standards of ethical conduct and transparency for our corporate practice. We seek to conduct business in an honest, ethical, and accountable manner as outlined in our Code of Conduct.

We are committed to conducting the Company's business in accordance with the highest standards of corporate governance to create and deliver value for our stakeholders and shareholders.

The Company has established a corporate governance framework, including policies, procedures and charters, to support this commitment. The framework is reviewed regularly and revised in response to changes in law, developments in corporate governance and changes to the Company's business. This includes Frontier's Corporate Governance Statement which was updated and approved by the Board in February 2022.

We aim to be compliant with all relevant laws and regulations including the *Federal Corporations Act 2001* and the Australian Securities Exchange (ASX) Listing Rules and to report against the ASX Corporate Governance Council's Principles and Recommendations (4th Edition).

For more information, a copy of the Company's charters, procedures and policies are on the Company's website.

Frontier's Code of Conduct provides a decision-making framework by establishing principles and values to guide decisions and actions.

The Code promotes an organisational culture that enables employees to respond appropriately in a variety of situations and to be accountable for their decisions.

The Code of Conduct requires directors, management, contractors and employees to work with the Company's customers, suppliers, regulatory bodies and each other with honesty, fairness and integrity and to observe the rule and spirit of the legal and regulatory environment in which the Company operates.

Frontier has a zero-tolerance approach to bribery or corruption in its business. The Code of Conduct, together with the Anti-Bribery and Corruption Policy, documents the Company's commitment to ensure all officers, employees, contractors, agents and any other party representing Frontier, will act fairly, honestly, with integrity and in compliance with the law. The Code of Conduct, together with the Anti-Bribery and Corruption Policy, also set out the standards and behaviour Frontier expects of its officers, employees and representatives and links with the Whistleblower Policy for the reporting of any actual or suspected breaches.

More information is available in the Anti-Bribery and Corruption Policy and the Whistleblower Policy.

Frontier's Corporate Governance Framework



Environment

Environmental Policy



Social

Health and Safety Policy
Community Policy
Diversity Policy



Governance

Corporate Governance Statement	Sustainability Policy
Board Charter	Whistleblower Policy
Sustainability Charter	Anti-bribery and Corruption Policy
Code of Conduct	Securities Trading Policy
Risk Management Policy	Continuous Disclosure Policy
	Communications Policy

Role of the Board

The Board of Frontier is responsible for setting the tone of business ethics, governance and compliance. By setting the tone, the Board sends strong internal and external messages that the Company seeks to be an honest and reputable renewable energy company.

The Company recognises the benefits of the Board being composed of directors of different ages, ethnicities and backgrounds, which can help bring different perspectives and experiences to bear on decision making.

The Board composition includes an Executive Chairman, Executive Director, two Non-Executive Directors and Managing Director. Two of the Company's five Directors are female.

The Board has adopted a formal Board Charter that details the Board's role, authority, responsibilities, membership and operations, and is available under Corporate Governance on our website.

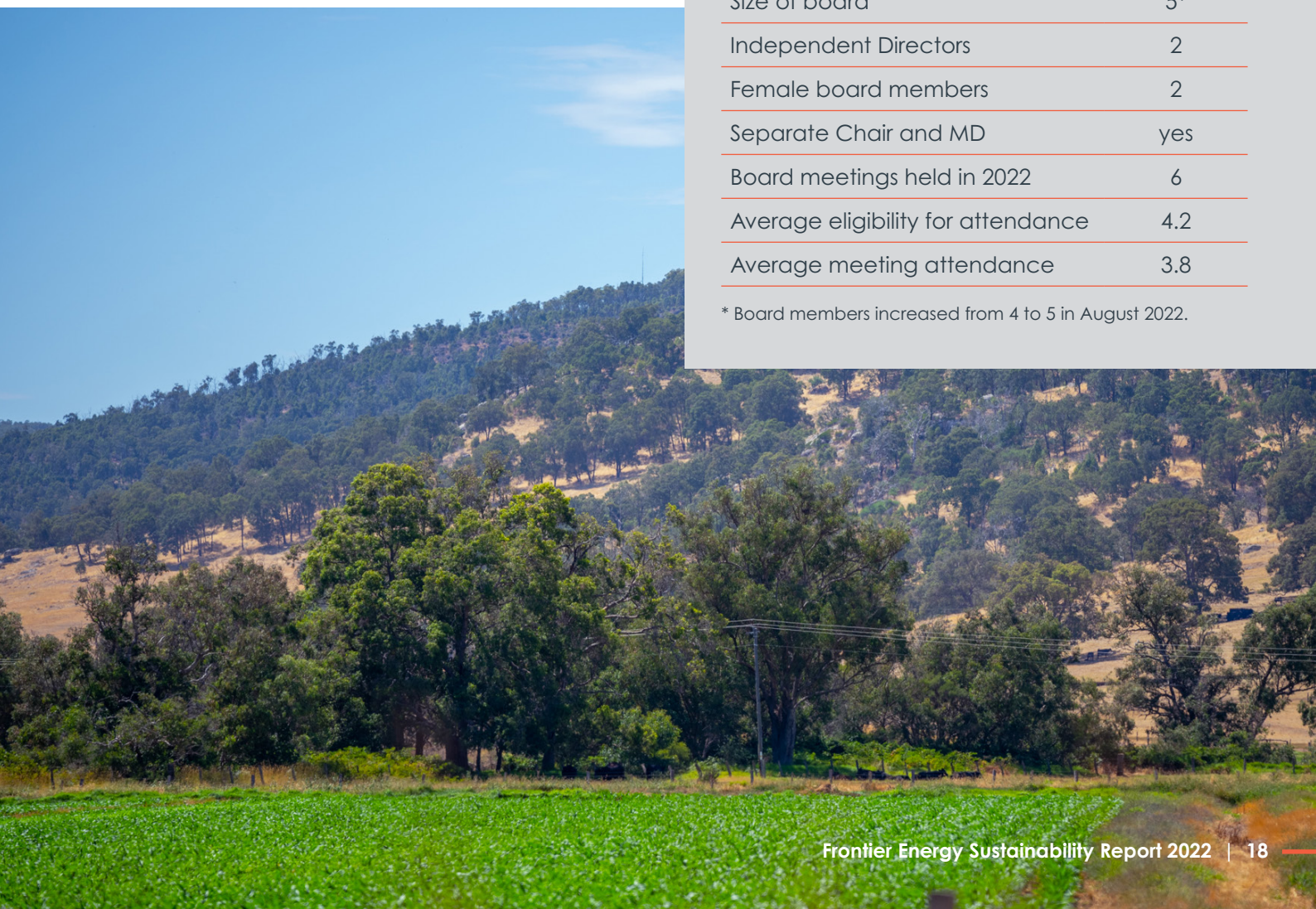
The Board Charter sets out the matters specifically reserved for the Board, the Board composition requirements, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.

The Board has the ability under the Company's Constitution to delegate its powers and responsibilities to committees of the Board. Special Board committees shall be formed as required to give guidance and provide oversight concerning specific matters to the Board. The first Board sub-committee to be created was the Sustainability Committee.

Board composition, diversity, and independence

Size of board	5*
Independent Directors	2
Female board members	2
Separate Chair and MD	yes
Board meetings held in 2022	6
Average eligibility for attendance	4.2
Average meeting attendance	3.8

* Board members increased from 4 to 5 in August 2022.





Owing to the size and composition of the Board, a separate nomination and remuneration committee is not considered to be appropriate at the present time. The Company will establish such a committee when warranted by the composition of the Board and the Company's circumstances.

The Board currently performs the function of a Nomination and Remuneration Committee and is required to ensure appropriate checks, in respect of character, experience, education, criminal record and bankruptcy history (as appropriate) are undertaken before appointing or nominating a person as a candidate for election, as a director.

The Company's objective is to have an effective mix of expertise and experience on the Board, and where appropriate, its committees. The Corporate Governance Statement lists the following key areas:

- strategy and business development
- commercial acumen
- risk management
- health and safety
- financial knowledge and experience
- government relations
- corporate governance and
- executive leadership.

2022 Performance

Board effectiveness is one of the most important topics in corporate governance. Frontier's Board conducted a self-assessment of the Board's skills, experiences and expertise and prepared a skills matrix. The list of attributes in the skills matrix was expanded to include:

- Environment, Social and Governance
- Electricity and energy
- Other board experience
- Project development.

The outcome of the board skills assessment is available in the Company's Corporate Governance Statement.

During the reporting period, there have been no instances of bribery or corruption, or breaches of the Code of Conduct reported or identified.

Regulation & Government Policy

We are committed to working with the WA Government to reduce barriers that enable deployment of new renewable energy technologies that will assist businesses and government to achieve their greenhouse gas emissions reduction targets in line with the Paris Agreement.

Regulation and government policy has a dual materiality for Frontier. First, it is the framework within which the Company operates. Identifying, understanding and ensuring we meet our responsibilities under relevant regulations and policies is a core function of management.

As we are part of the transition of clean energy delivery both in WA and globally, Frontier is playing an important role in helping to shape those policies as they are developed by the WA and Federal governments.

State and Federal Regulations and Reforms

Australia's National Hydrogen Strategy sets a vision for a clean, innovative, safe and competitive hydrogen industry that benefits all Australians. It aims to position Australia as a major global player by 2030.

In October 2022, amendments to the National Gas Law and Regulations were agreed to bring hydrogen blends, biomethane and other renewable gases under the national gas regulatory framework.

This reform provides regulatory certainty to support investment in renewable energy solutions such as green hydrogen that will reduce emissions of Australian gas consumers. The reforms will also ensure existing regulatory provisions and consumer protections will work as intended when hydrogen and renewable gases are incorporated into the gas network.

This is an important change as previously, the National Gas Law and the National Energy Retail Law referred only to 'natural gas'. With projects underway to introduce hydrogen and biomethane into gas networks, this terminology has been updated to provide regulatory certainty to the emerging industry.

To enable hydrogen to be used in WA, amendments to the *Gas Supply Act 2003*, *Work Health and Safety Regulations 2022*, and *Petroleum Pipelines Act 1969*, are required. This process has commenced and is being actively managed by Department of Jobs, Tourism, Science and Innovation (JTSI) on behalf of the WA State Government. Frontier requires these regulatory amendments to be completed prior to commissioning of the hydrogen facility.

To support the legislative changes, the Australian Gas Infrastructure Group (AGIG) has completed a Technical Study on the DBNGP's ability to convey hydrogen and it has shown positive results.



Bristol Springs Project awarded the Lead Agency Status.

In November 2022, the Western Australian Government awarded the Bristol Springs Project Lead Agency Status.

Lead Agency Status recognises the importance of the Project for the development of the renewable energy industry in Western Australia, including the development of a green hydrogen industry.

This highlights the importance the Project plays, not only for the state's renewable energy strategy, but also the domestic hydrogen industry.

The Department of Jobs, Tourism, Science and Innovation (JTSI) is the Lead Agency for Bristol Springs Project and is the facilitator between the Government and the Company.

2022 Performance

We have been working with JTSI to support and contribute to the development of the evolving hydrogen regulatory frameworks through the following activities:

- Regular meetings and correspondence with government and regulators.
- Providing informed and considered responses to renewable hydrogen consultation papers, such as the Guarantee of Origin Scheme and WA's Renewable Hydrogen Target.
- Regular meetings with JTSI as part of the Lead Agency engagement process. These meetings are used by management to table areas for government support, policy settings and approvals.
- Advocacy through alliance and discussion with entities with shared and overlapping interests and investment in WA in the long-term.

In developing our commercialisation strategy in an emerging industry, we have been proactive and innovative in our thinking and in carrying out studies to develop propositions that align with Government objectives. For example, we are aiming to support the use of hydrogen in gas networks, in transport and in power generation, all of which align with government policies, and to advocate for regulatory adjustments needed for this.

We maintain compliance with all of our licences and permits required to conduct our operations and will seek approval for additional permits as required. Permits will be obtained from regulatory bodies in advance of activities occurring. During 2022, there was no material non-compliance with any laws or regulations reported.



Waroona Memorial Hall

Safety

Safety is a top priority for Frontier, and the Company is committed to ensuring the health, safety, and wellbeing of its employees and contractors.

We have developed a comprehensive Health and Safety Policy that reflects our commitment to working towards eliminating workplace illnesses and injuries in the workplace. The Policy is based on a set of core values that include the recognition that workplace illnesses and injuries are preventable through effective health, safety, and wellbeing management. Communication and consultation with our team, contractors and consultants are also integral to working together to achieve a safer workplace.

Frontier's approach to safety includes the provision of safe and healthy working conditions, the fulfillment of legal obligations and requirements, and appropriate hazard and risk management. The Company also seeks to embed and sustain a courageous, authentic, responsible, and empowering health, safety, and wellbeing culture.

The Company undertakes risk management activities to identify, prioritise, and control all risks that may negatively impact health and safety in the workplace. Frontier aims to report and rectify all hazards, non-compliances, near misses, and incidents to provide a safe working environment for all. Frontier also provides employees and contractors with the equipment, facilities, and resources to ensure that they carry out their duties safely.

The Company strives to comply with or exceed all relevant legislation, applicable standards and guidelines, and all relevant policies and procedures. We also aim to continually improve our health and safety systems, and performance.



No safety incidents or non-compliances were reported during 2022

2022 Performance

Frontier has a small management team that works closely with consultants and contractors. Prior to undertaking site survey work, Frontier requires consultants and contractors to detail the health, safety and environmental procedures to be used during the fieldwork.

During the reporting period, Biota Environmental Sciences (Biota) conducted a flora and fauna survey of the Bristol Springs Solar Project area. Biota has a comprehensive safety management

system which includes undertaking Job Hazard Analysis (JHA) to address hazards likely to be present in the survey area. The JHAs are regularly reviewed and are amended while in the field if new hazards are identified.

The Project is located in a bushfire risk area. Annual mitigation activities include maintaining a firebreak around the premise. This is undertaken in October each year by engaging a local contractor.

Case Study

Flora and fauna survey of the Bristol Springs Solar Project area

Understanding the environment where we operate is important to Frontier. It enables us to establish what key features or species inhabit the project area.

Frontier commenced its ecological surveys by engaging Biota to undertake a flora and fauna survey of the Bristol Springs Solar Project area. The scope of the survey was to undertake:

- a spring targeted flora and vegetation survey
- a fauna survey
- a Threatened Ecological Community (TEC) or Priority Ecological Community (PEC) vegetation assessment
- a targeted black cockatoo survey.

No conservation significant flora species, or vegetation representing PECs or TECs were recorded within the solar farm footprint. Evidence of a Quenda, a priority 4 fauna species was found near the southern boundary of the property. Black Cockatoos were also identified nearby.

Frontier plans to undertake additional surveys for the renewable hydrogen project and employ the mitigation hierarchy of avoiding and minimising impacts to Black Cockatoo species and habitat.



Diversity

I Diversity drives innovation and creativity.

At Frontier, we strongly believe that diversity plays a crucial role in shaping a successful and dynamic workforce, both at the employee and Board level. We are committed to creating an inclusive environment where everyone feels valued, respected, and supported, regardless of their background or identity. We strive to create a culture of inclusivity where everyone can contribute to their fullest potential and feel empowered to bring their unique experiences and perspectives to the table.

Frontier's Diversity Policy establishes our diversity expectations. The objectives of this policy are to:

- build a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals

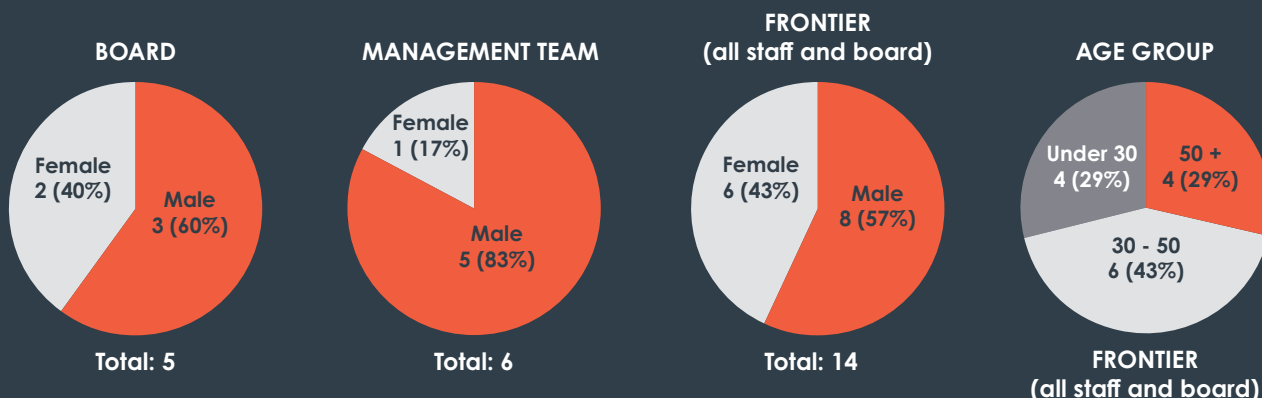
- create a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff
- improve employment and career development opportunities for women
- provide a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity
- instil awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

2022 Performance

Frontier's Board is committed to workplace diversity and has a focus on supporting the representation of females at the senior level of the Company and on the Board.

In August 2022, Amanda Reid joined Frontier's Board, increasing female representation to 40 per cent. Amanda brings a wealth of experience in government relations, strategy and corporate communications and provides a valuable contribution to the Board's skills matrix and expertise. Frontier also engaged its first female Manager in November 2022 and has continued to increase its gender diversity by employing a female Company Secretary in January 2023.

Frontier also has strong female representation within the business with 43 per cent (6) of roles held by females and has a relatively even spread of age diversity across the business.



Local Community

We are committed to working with local communities to develop sustainable projects which create value for our stakeholders and shareholders.

We are committed to engaging meaningfully and respectfully with our local community. We believe that community engagement is important as it promotes social cohesion, strengthens trust and relationships, and fosters a sense of belonging and identity within our community.

Effective community engagement requires a commitment to listening to and understanding the needs and perspectives of community members and building partnerships based on trust and respect as a continuous process.

Frontier will conduct community engagement activities in a transparent and culturally appropriate manner and will provide a mechanism whereby individuals, groups and communities can provide input and voice their concerns and interests. Frontier's engagement process will ensure that these community concerns and interests are recognised, respected, and considered for incorporation into key decision-making processes.

2022 Performance

We commenced our community engagement program during 2022 and held our first community information session in November 2022 at the Waroona Bowling Club. This was an opportunity for the community to engage with the Company's Managing Director Sam Lee Mohan and board members Amanda Reid and Dixie Marshall. Mr Lee Mohan provided an outline of the solar and proposed green hydrogen facilities and the environmental and social benefits of the proposed development. Further community engagements events are planned for 2023.

For more information about community engagement events or the Project, please contact community@frontierhe.com



Drakesbrook School Memorial

Environment

Renewables and Decarbonisation

We are committed to the development of sustainable renewable energy operations that benefit our people, community, and other stakeholders.

We are focused on actively contributing to the global movement of mitigating climate change and transitioning to net zero carbon emissions through the development of the Bristol Springs Project.

Renewable energy is energy derived from natural sources that are replenished at a higher rate than they are consumed. Generating renewable energy creates far lower emissions than burning fossil fuels. Fossil fuels currently account for the majority of global carbon emissions. Transitioning from fossil fuels to renewable energy is key to addressing the climate crisis.

Governments around the world continue to set ambitious decarbonisation targets and it is expected renewable hydrogen will play a major role in meeting these targets. This includes in Australia, where the Government recently announced Australia's target to reduce emissions by 43 per cent below 2005 levels by 2030 and achieve net zero by 2050.

Frontier is planning to produce renewable hydrogen powered by solar energy. Stage One of our solar project is designed to produce 114 MW of energy.

This will create more energy than the 36 MW hydrogen plant will require during the day and creates a surplus supply of renewable energy that can be sold to the electricity market. During the night, the hydrogen plant requires another energy source to power the plant while solar power is not available.

The Project is located less than 1 km from Western Power's Landwehr Terminal, a major connection point into the SWIS electrical grid. Frontier will be able to supply excess solar energy via the grid during the day and take energy from the grid at night to power the hydrogen plant.

The excess renewable energy generated by the solar power station is able to be used to create large-scale generation certificates (LGCs) or Renewable Energy Certificates (RECs). One LGC can be created for each megawatt hour (MWh) of electricity generated by a renewable energy power station. To ensure the production of hydrogen from the Project remains green, an LGC from the solar farm will be retired for every million megawatt hour of energy the hydrogen plant draws from the SWIS electrical grid.

2022 Performance

In November 2022, Hydrogen Australia, a division of the Smart Energy Council (the independent body for the Australian smart energy industry), commenced a pre-certification assessment of Stage One of the Project.

The pre-certification will give assurance to Frontier and its customers that it is capable of producing the specified volume of renewable hydrogen, provided it is built and operated according to the specifications. It will also provide Frontier with a framework for certification of additional facilities which utilise a similar process.

The certification audit will provide an assessment of any and all direct and indirect greenhouse gas emissions associated with the production and storage of renewable hydrogen at the Company's facility, excluding the emissions related to the construction materials used in the facility. This includes an assessment of and confirmation that 100 per cent renewable electricity, or another renewable process, is being used to make the renewable hydrogen at the facility.

Case Study

Hydrogen Refuelling facility

The WA Government considers hydrogen an important alternative to diesel. WA currently imports approximately 6.7 billion litres of diesel per year.

In recognition of this initiative, Frontier has been developing plans for a Hydrogen Refuelling Facility (HRS) to be located on a prime corner site in West Perth, within close proximity to the Perth CBD.

The proposal involves building and operating a 28-vehicle Hydrogen Fuel Cell Electric Vehicle HRS. The facility will integrate an electrolyser, compression, storage and dispensing sub-systems to support a fleet of hydrogen vehicles. The system will be capable of delivering 20kg/day of green hydrogen at 700 bar pressure for fast-fill refuelling adhering to the Society of Automotive Engineers (SAE) Protocols. Fuelling will take under three minutes to completely fill up a 5kg tank from empty.

The HRS Project will enable the demand-driven facilitation of the uptake of renewable hydrogen in WA, with the project representing a practical deployment of initially one, ramping up to six, green hydrogen refuelling stations located within key strategic locations in WA.

This project will assist in facilitating the uptake of hydrogen-fuelled vehicles in WA.



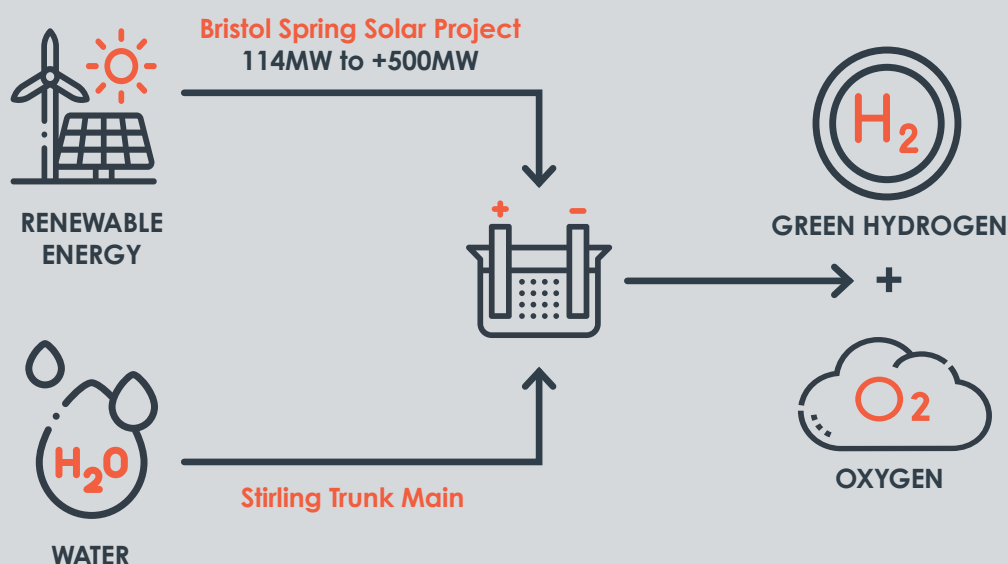
Water

We recognise that water is an essential resource that is vital for our community's health, wellbeing and economic prosperity.

With the Project located in WA, it is critical that we recognise the importance of water and take a responsible approach to its consumption and use.

Water use in relation to solar generation is very modest and is only used during construction. No water is consumed directly in power generation from solar, with some water being used to clean surfaces.

Hydrogen from the Bristol Springs Project will be produced through a process called electrolysis. In this process, water is one of the critical inputs for hydrogen production as hydrogen is produced by splitting water (H_2O) into hydrogen (H_2) and oxygen (O). To produce one kilogram of hydrogen approximately nine litres of water is required.



2022 Performance

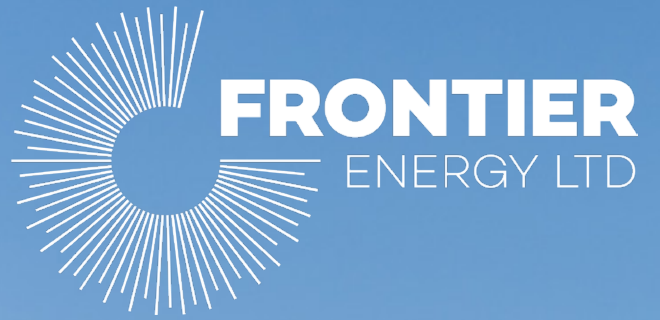
Several options for water supply were considered as part of Project planning, including use of an underground aquifer and construction of new desalination plant. It was concluded that drawing from Stirling Trunk Main was the most cost effective and lowest impact, using water produced through existing dams and desalination assets. The water will be scheme water supplied by the Water Corporation from WA's Integrated Water Supply Scheme.

During 2022, a pre-feasibility study (PFS) was undertaken, identifying the project would need 55,000 L/hr of freshwater. Following the release of the PFS, additional studies undertaken, have resulted in a 50 per cent reduction in water requirements, reducing estimated consumption to be approximately 27,500 L/hr.



We are committed to delivering safe, reliable and sustainable clean energy solutions for future generations





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