Frontier Energy Limited

Half-Year Report

For the Six Months Ended 30 June 2026

Corporate Information

Directors
Jamie Cullen - Executive Chairman
Guy Chalkley – Non-Executive Director
Grant Davey – Non-Executive Director
Dixie Marshall - Non-Executive Director
Amanda Reid - Non-Executive Director

Chief Executive Officer
Adam Kiley

Chief Financial Officer
Chris Bath

Company Secretary
Stuart McKenzie

Registered Office and Principal Place of Business
Level 28, 197 St Georges Terrace
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Share Registry
Automic Registry Services
Level 5, 126 Philip Street
Sydney NSW 2000
Tel: +61 2 8072 1463

Auditors
Ernst & Young
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Tel: +61 8 9429 2222

Website
https://frontierhe.com/

Securities Exchange Listing
Australian Securities Exchange: code FHE
OTCQB® market United States: code FRHYF

Frontier Energy Limited
ABN 64 139 522 553

All dollar figures in this half-year report are expressed in Australian dollars unless otherwise stated.

Contents

Forward-looking statements

The Review of activities contains forward looking statements, including statements of current intention, statements of opinion, estimates and projections and predictions as to possible future events and future financial prospects. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate.

Forward-looking statements are often, but not always, 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" occur or be achieved and other similar expressions.

Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors including; economic, competitive, political and social uncertainties, regulatory and political changes related to energy production and consumption and decarbonisation and climate change related matters both at federal and state level that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements, and the outcomes are not all within the control of Frontier.

Directors' Report

The Directors present their report together with the consolidated interim financial statements of the Group comprising Frontier Energy Limited (the **Company** or **Frontier**) and its subsidiaries (the **Group**) for the half-year ended 30 June 2026.

Directors

The names of the Directors in office during the half-year ended 30 June 2026 and up to the date of this report, unless otherwise indicated, were:

Name	Position
Jamie Cullen	Executive Chairman (appointed 24 February 2026)
Guy Chalkley	Non-Executive Director
Grant Davey	Non-Executive Director
Dixie Marshall	Non-Executive Director
Amanda Reid	Non-Executive Director
Chris Bath	Executive Director (resigned 24 February 2026)

Review of activities

Overview

During the half-year ended 30 June 2026, the Company focused on advancing the development of the Waroona Renewable Energy Project (**Waroona Project**), one of Western Australia's largest hybrid renewable energy projects.

Board and leadership changes were implemented to support the transition from pre-development activities to financing and construction, with Mr Jamie Cullen being appointed as Executive Chair. Following Mr Cullen's appointment, Mr Grant Davey moved from being an Executive Director to a Non-Executive Director, Mr Guy Chalkley stepped down as Chair to Non-Executive Director and Mr Chris Bath stepped down as Executive Director, however, continues as Chief Financial Officer.

Financing activities progressed during the half-year, with the Company receiving indicative senior debt funding proposals in March, finalising lender due diligence and then subsequently in July, the Company receiving credit-approved underwriting commitments for project finance debt facilities of up to approximately $280 million to fund the construction and operation of Stage One of the Waroona Project (**Debt Facilities**). 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), with the placement completing on 22 July 2026.

Following successfully closing out funding, the Company appointed Monford Group (**Monford**), as the Engineering, Procurement and Construction (**EPC**) contractor for the Waroona Project.

Waroona Renewable Energy Project

The Waroona Project is located approximately 120km from Perth and 8km from the town of Waroona. Stage One of the Project comprises a 132MW solar farm and 81.5MW battery and is situated on 303 hectares of land. Frontier owns a total of 830 hectares of freehold land, allowing for significant future expansion stages to be developed.

The Project is surrounded by existing infrastructure and Stage One is only ~500 metres from the connection point at Landwehr Terminal. Landwehr Terminal is a major 330kV electricity transmission terminal (substation). It serves as a strategic grid connection point linking high-capacity transmission lines across the WA electricity network. The Landwehr Terminal is considered one of the strongest and least constrained connection points in the SWIS.

Directors' Report

Project finance

In March the Company received indicative senior debt terms from leading tier one financial institutions. The indicative terms included gearing levels of up to 70%, notional tenors of up to 25 years and interest rate margins that are consistent with infrastructure project financing.

In July, the Company signed an underwriting letter with Natixis and SMBC (together, the **Lenders**) 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.

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 this 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 (**FID**)

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.

Equity funding

In June the Company announced that it had received firm commitments from tier one, long only institutional investors and other professional and sophisticated investors to raise $110 million (before costs) under a conditional placement of 550 million new fully paid ordinary shares (New Shares) at a price of $0.20 per New Share. The Conditional Placement was subject to approval by Frontier shareholders for the purposes of ASX Listing Rule 7.1 and the Company receiving credit-approved commitments for senior project debt finance

At a shareholder meeting held on 10 July 2026, Shareholders approved the Conditional Placement and on 17 July 2026 Frontier entered into a credit-approved underwriting agreement with the Lenders and subsequently completed the placement of 550 million new fully paid ordinary shares (New Shares) at $0.20 per New Shares to raise $110 million (before costs).

EPC contractor appointment

Subsequent to finalisation of the equity funding and credit-approved debt terms, the Company appointed highly experienced, Western Australian based renewable energy contractor, Monford Group (Monford), as the Engineering, Procurement and Construction (EPC) contractor for the Waroona Project.

Monford has commenced detailed design, and preparation works for mobilisation under an interim agreement and is scheduled to mobilise to site in September 2026.

Western Power

In the prior year Frontier had executed a contract with Western Power to prepare detailed design of the connection to the Landwehr Terminal. A further contract was executed with Western Power for procurement of long-lead items including key high-voltage equipment such as high voltage circuit breakers and switches to make the Landwehr Terminal ready for the Project to connect into.

Directors' Report

Expansion opportunities
In addition to the Stage One development, Frontier continues to assess expansion opportunities. Stage One covers only a third of Frontier's freehold landholdings, and the Company can potentially export multiples of Stage One of renewable electricity by virtue of accessing the two connections to the Landwehr Terminal.

Superior Lake Zinc and Copper Project

During the half-year, Pick Lake Mining Limited (**PLM**), a subsidiary, completed the sale of its Superior Lake Zinc and Copper Project (**Superior Lake Project**) to Total Metals Corp. (Total Metals) (TSX-V:TT) for cash consideration of $2.27 million. The Superior Lake Project is located approximately 200km east of Thunder Bay in the province of Ontario, Canada, and is an advanced stage asset surrounded by substantial existing infrastructure.

As the exploration & evaluation assets had a nil carrying value at the date of disposal, the full consideration received was recognised as a gain on disposal. The results of the discontinued operation, including the gain on disposal, have been presented separately in the consolidated statement of profit or loss and other comprehensive income.

Refer to note 15 for further details.

Principal activities

Frontier operates in the renewable energy sector and its principal activity is the development of the Waroona Project, a large scale integrated renewable energy facility.

Financial results

The net income of the Group for the half-year ended 30 June 2026 was $75,896, including net profit from discontinued operations of $2,265,213 (30 June 2025: net loss of $210,593, including net gain from discontinued operations of $1,372,219).

Cash at banks at 30 June 2026 amounted to $7,970,290 (31 December 2025: $5,587,807).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half-year ended 30 June 2026.

Events occurring after the reporting date

Subsequent to 30 June 2026:

- The Group completed a share issue of 550 million shares for cash consideration of $110,000,000 before costs to support ongoing project development and funding requirements;
- The Group entered into the Tracker Master Supply Agreement and issued a Notice of Satisfaction of Condition Precedent and Notice to Proceed to the supplier;
- The Group executed the Engineering, Procurement and Construction Contract for design and procurement services for the substation. The contract provides that the Group can terminate for convenience;
- The Group executed the Engineering, Procurement and Construction Contract for the design, construction and commissioning of the Waroona Project solar-battery facility. The contract includes a termination for convenience clause and incorporates non-cash consideration of $5.0 million through an issue of 25,000,000 options on 23 July 2026, each to acquire one ordinary share at a nil exercise price. The options vest upon delivery of the relevant services and achievement of contracted milestones by the Contractor;

Directors' Report

- On 6 August 2026 Western Power provided a Notice of Waiver of Finance Condition (**Notice**) in relation to the Interconnection Works Contract and the Electricity Transfer Access Contract (**Contracts**). As a consequence, Western Power confirmed that the commencement date in the Contracts shall be the date of the Notice and the Group is required to pay the forecast Works Price of ~$5.2 million.
- The Group appointed Monford Group Pty Ltd as the engineering, procurement and construction contractor of the Waroona Renewable Energy Project;
- The Group through its subsidiary, WRP Finance Pty Ltd, entered into an underwriting agreement in respect of credit-approved project debt facilities comprising a $250 million Construction and Term Facility, a $13 million Bank Guarantee Facility and a $17 million Debt Service Reserve Facility for the Waroona Renewable Energy Project, subject to execution of definitive documentation and customary conditions precedent; and
- On 21 August 2026, the Group repaid the loan payable in full, as disclosed in note 10.

No adjustment has been made to the financial statements.

Other than the matters disclosed above, the Directors are not aware of any matter or circumstance occurring after 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, results of operations, or state of affairs in future financial periods.

Auditors' independence declaration

The auditor's independence declaration as required pursuant to section 307C of the *Corporations Act 2001* is set out on page 5.

Signed in accordance with a resolution of the directors.

Jamie Cullen
Executive Chairman
Perth, 27 August 2026

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Auditor's independence declaration to the directors of Frontier Energy Ltd

As lead auditor for the review of the half-year financial report of Frontier Energy Ltd for the half-year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Frontier Energy Ltd and the entities it controlled during the financial period.

Ernst and Young

Ernst & Young

L L Chirathamjaree
Partner
27 August 2026

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Financial Report

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Note	30 June 2026 $	30 June 2025 $
Continuing operations			
Other income		106,441	328,305
Amortisation of right-of-use asset		-	(15,158)
Depreciation expense		(192)	(192)
Corporate and administrative expenses	5	(774,757)	(776,469)
Employee benefit expenses and consultancy fees	5	(661,658)	(540,714)
Share-based payments expense	13	(846,068)	(568,603)
Finance costs		(13,083)	(2,667)
Other expenses		-	(7,314)
Net loss before tax		**(2,189,317)**	**(1,582,812)**
Income tax credit		-	-
Net loss for the half-year from continuing operations		**(2,189,317)**	**(1,582,812)**
Discontinued operations			
Profit from discontinued operations, net of tax	15	2,265,213	1,372,219
Net income/ (loss) for the half-year		**75,896**	**(210,593)**
Other comprehensive loss, net of tax			
Items that may be reclassified subsequently to profit or loss			
Foreign exchange differences on translation of foreign operation		(51,288)	(21,583)
Other comprehensive loss for the half-year		**(51,288)**	**(21,583)**
Total comprehensive income/ (loss) for the half-year		**24,608**	**(232,176)**
Net income/ (loss) attributable to:			
Owners of the Company		75,833	(210,840)
Non-controlling interests		63	247
		75,896	**(210,593)**
Total comprehensive income/ (loss) attributable to:			
Owners of the Company		24,545	(232,423)
Non-controlling interests		63	247
		24,608	**(232,176)**
Basic & diluted earnings/ (loss) per share (cents per share)	12	**0.01**	**(0.04)**
Basic & diluted loss per share - continuing operations (cents per share)	12	**(0.40)**	**(0.31)**

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

Consolidated Statement of Financial Position
As at 30 June 2026

	Notes	30 June 2026 $	31 December 2025 $
Current Assets			
Cash at banks	6	7,970,290	5,587,807
Trade and other receivables		305,248	364,203
Total Current Assets		**8,275,538**	**5,952,010**
Non-Current Assets			
Property, plant and equipment	7	80,259,283	76,468,247
Exploration & evaluation assets	8	-	-
Other financial assets		8,059,735	8,014,650
Total Non-Current Assets		**88,319,018**	**84,482,897**
Total Assets		**96,594,556**	**90,434,907**
Current Liabilities			
Trade and other payables	9	2,008,690	5,578,206
Provision for annual leave		65,520	60,769
Loan payable	10	4,888,895	-
Total Current Liabilities		**6,963,105**	**5,638,975**
Total Liabilities		**6,963,105**	**5,638,975**
Net Assets		**89,631,451**	**84,795,932**
Equity			
Contributed equity	11	132,060,075	128,220,192
Reserves	13	4,832,325	4,048,758
Accumulated losses		(46,545,278)	(46,757,284)
Equity attributable to owners of the Company		**90,347,122**	**85,511,666**
Non-controlling interests		(715,671)	(715,734)
Total Equity		**89,631,451**	**84,795,932**

The above consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For the six months ended 30 June 2026

	Contributed equity $	Accumulated losses $	Option reserve $	Foreign currency translation reserve $	Non-controlling interests $	Total equity $
Balance at 1 January 2026	**128,220,192**	**(46,757,284)**	**4,012,669**	**36,089**	**(715,734)**	**84,795,932**
Net income for the half-year	-	75,833	-	-	63	75,896
Foreign exchange translation differences	-	-	-	(51,288)	-	(51,288)
Total comprehensive income for the half-year	**-**	**75,833**	**-**	**(51,288)**	**63**	**24,608**
Transactions with owners in their capacity as owners of the Company						
Issue of shares (note 11)	3,875,040	-	-	-	-	3,875,040
Share issue costs	(35,157)	-	-	-	-	(35,157)
Expiry of employee share options (note 13)	-	136,173	(136,173)	-	-	-
Capital issued with attaching options (note 13)	-	-	124,960	-	-	124,960
Share-based payments (note 13)	-	-	846,068	-	-	846,068
At 30 June 2026	**132,060,075**	**(46,545,278)**	**4,847,524**	**(15,199)**	**(715,671)**	**89,631,451**

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

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Contributed equity $	Accumulated losses $	Option reserve $	Foreign currency translation reserve $	Non-controlling interests $	Total equity $
Balance at 1 January 2025	**120,942,414**	**(42,708,584)**	**3,678,751**	**75,383**	**(716,188)**	**81,271,776**
Net loss for the half-year	-	(210,840)	-	-	247	(210,593)
Foreign exchange translation differences	-	-	-	(21,583)	-	(21,583)
Total comprehensive loss for the half-year	**-**	**(210,840)**	**-**	**(21,583)**	**247**	**(232,176)**
Transactions with owners in their capacity as owners of the Company						
Issue of shares	1,615	-	(1,615)	-	-	-
Share issue costs	(30,000)	-	-	-	-	(30,000)
Expiry of employee share options	-	1,121,539	(1,121,539)	-	-	-
Share-based payments	-	-	568,603	-	-	568,603
At 30 June 2025	**120,914,029**	**(41,797,885)**	**3,124,200**	**53,800**	**(715,941)**	**81,578,203**

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

Consolidated Statement of Cash Flows
For the six months ended 30 June 2026

	Notes	30 June 2026 $	30 June 2025 $
Cash Flows from Operating Activities			
Payments to suppliers and employees (inclusive of GST)		(1,486,934)	(1,208,875)
Interest paid		(21,088)	(8,025)
Interest received		67,051	204,636
Rent and other income received		39,390	38,022
Net cash used in operating activities		**(1,401,581)**	**(974,242)**
Cash Flows from Investing Activities			
Purchases of property, plant and equipment		(3,210,931)	(7,986,307)
Deposit paid		(45,084)	-
Proceeds from disposal of exploration & evaluation asset	15	2,273,989	-
Net cash used in investing activities		**(982,026)**	**(7,986,307)**
Cash Flows from Financing Activities			
Loan proceeds	10	5,000,000	-
Loan financing charges paid		(176,676)	-
Capital raising costs		(57,925)	(30,000)
Loan repayments		-	(57,721)
Net cash from/(used in) financing activities		**4,765,399**	**(87,721)**
Net increase/(decrease) in cash at banks		**2,381,792**	**(9,048,270)**
Effects of exchange rate changes on cash at banks		691	7,866
Cash at banks at the beginning of the half-year		5,587,807	14,334,978
Cash at banks at the end of the half-year	6	**7,970,290**	**5,294,574**

The above consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

1. Corporate information

The consolidated interim financial statements of Frontier Energy Limited (the **Company** or **Frontier**) and its subsidiaries (the **Group**) were authorised for issue in accordance with a resolution of the directors on 27 August 2026. Frontier is a for-profit company limited by shares incorporated and domiciled in Australia and whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors' Report. The registered office is at Level 28, 197 St Georges Terrace, Perth WA 6000.

2. Summary of material accounting policies

(a) Basis of preparation

The consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. They are intended to provide users with an update on the latest annual financial statements of the Company and as such they do not include full disclosures of the type normally included in the annual report. It is recommended that they be read in conjunction with the 2025 Annual Report and any public announcements made by the Company during the six months ended 30 June 2026 in accordance with the continuous disclosure requirements of the ASX Listing Rules.

The consolidated interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with the accounting policies adopted in the 2025 Annual Report and the comparative interim period and have been consistently applied by the Company. The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to their operations and effective for the current half-year. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company during the financial period. There were no changes in accounting policies as a result of adoption of new standards.

3. Critical accounting estimates and judgements

Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

There have been no significant changes to the judgements, estimates and assumptions disclosed in the Group's 31 December 2025 Annual Report during the half-year ended 30 June 2026.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

4. Segment information

The Group's activities are primarily related to two geographical and business segments being, mineral exploration in Canada, through Waroona Energy Inc., and renewable energy in Australia.

During the half-year, the Group disposed of its mineral exploration operations through the disposal of the Superior Lake Zinc and Copper Project. The results of this segment have been presented as a discontinued operation. Following the disposal, the Group's continuing operations comprise the development of renewable energy projects in Australia, with the remaining Canadian entity retained solely to settle residual obligations prior to wind-up.

	Operating Income/ (Loss)		Total Assets		Total Liabilities	
	30 June 2026 $	30 June 2025 $	30 June 2026 $	31 December 2025 $	30 June 2026 $	31 December 2025 $
Renewable energy	(2,153,283)	(1,636,272)	96,469,069	90,266,274	6,749,014	5,427,807
Mineral exploration	2,266,107	90,268	-	4,424	-	4,366
Impairment reversal - mineral exploration	-	1,281,951	-	-	-	-
Corporate	(36,928)	53,460	125,487	164,209	214,091	206,802
	75,896	**(210,593)**	**96,594,556**	**90,434,907**	**6,963,105**	**5,638,975**

5. Expenses

	30 June 2026 $	30 June 2025 $
(a) Corporate and administrative expenses		
Accounting, audit and taxation fees	62,267	56,199
Compliance costs	73,661	108,148
Investor relations	170,806	145,393
Occupancy expenses	59,977	52,245
Travel and accommodation expenses	31,738	39,079
Other expenses	376,308	375,405
	774,757	**776,469**
(b) Employee benefit expenses and consultancy fees		
Directors' salaries and consulting fees	**661,658**	**540,714**

6. Cash at banks

	30 June 2026 $	31 December 2025 $
Cash at banks	**7,970,290**	**5,587,807**

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

7. Property, plant and equipment

	30 June 2026 $	31 December 2025 $
Land, including land option fees $4,539,622 (31 December 2025: $3,095,615)	15,745,955	14,245,359
Solar Project-in-progress	63,853,108	61,567,961
Peaking plant project-in-progress	653,625	653,625
Plant and equipment – at cost	7,421	1,936
Accumulated depreciation	(826)	(634)
Balance at end of financial period/ year	**80,259,283**	**76,468,247**

	30 June 2026 $	31 December 2025 $
(a) Movement in property, plant and equipment		
Cost		
Balance at beginning of financial period/ year	76,859,926	66,511,585
Additions	3,791,228	10,348,341
Balance at end of financial period/ year	**80,651,154**	**76,859,926**

	30 June 2026 $	31 December 2025 $
Accumulated depreciation and impairment		
Balance at beginning of financial period/ year	(391,679)	(391,292)
Depreciation for the financial period/ year	(192)	(387)
Balance at end of financial period/ year	**(391,871)**	**(391,679)**

	30 June 2026 $	31 December 2025 $
(b) Composition of additions		
Solar Project-in-progress[1]:	2,285,147	8,774,482
Land[2]	1,500,596	1,573,859
Plant and equipment	5,485	-
Total additions	**3,791,228**	**10,348,341**

[1] *During the financial period, $2,285,147 (31 December 2025: $8,774,482) of expenditure relating to the Solar Project-in-progress was capitalised as it was necessarily incurred in the development of the asset. Additionally, there was no expenditure relating to the Peaking Plant Project-in-progress capitalised (31 December 2025: Nil) during the financial period.*

[2] *The Group has a sole and exclusive option to purchase the land associated with the Bristol Springs Project during the five-year period from the completion of the acquisition at a fixed amount of $5,000,000. Option fees totalling $1,500,596 (including other related charges) were paid during the reporting period.*

8. Exploration & evaluation assets

	30 June 2026 $	31 December 2025 $
Balance at beginning of financial period/ year	-	1,367,000
Foreign exchange adjustment	-	(11,642)
Impairment charge for the financial period/year	-	(1,355,358)
Balance at end of financial period/ year	**-**	**-**

9. Trade and other payables

	30 June 2026 $	31 December 2025 $
Trade creditors	1,036,959	782,018
Sundry creditors and accruals	937,545	753,654
Other payables[1]	34,186	4,042,534
	2,008,690	**5,578,206**

[1] *On 20 December 2025, the Company received an advance payment of $4 million with interest of $667 per day (equivalent to 6.09% per annum on a non-compounding basis and unsecured) for the share placement from Mr. Grant Davey, a Director of the Company. The share placement was approved by shareholders in January 2026.*

10. Loan payable

	30 June 2026 $	31 December 2025 $
Balance at beginning of the financial period/ year	-	-
Loan drawdown	5,000,000	-
Unamortised transaction costs	(111,105)	
Balance at end of financial period/ year	**4,888,895**	**-**

On 16 June 2026, the Group entered into a secured loan agreement with Rockford Equity Pty Ltd for a facility limit of $5,000,000. The facility was fully drawn on 18 June 2026 with net proceeds of $4,887,500 after the recognition of establishment and line fees amounting to $112,500. The key terms of the facility include:

- Interest at BBSY plus 11% margin per annum, compounded daily, or 3% per month in the event of default
- Establishment fee of 2% and monthly line fee of 0.25% of the facility limit
- Repayment due 3 months from commencement, with an option to extend subject to lender approval and payment of a 4% extension fee. The loan is classified as current due to its maturity within 12 months.

The facility does not contain financial covenants and is secured by:

- Registered mortgages over properties owned by the Group
- A general security deed over all present and future assets of the borrower.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

10. Loan payable (continued)

The facility has a contractual maturity of three months and is classified as a current liability at 30 June 2026. Accordingly, the Group is required to repay the facility in accordance with its contractual terms. Interest on the facility is charged at BBSY plus an 11% margin per annum, resulting in exposure to variable interest rate risk.

During the half-year, the Group recognised $65,571 interest and other financing charges related to the above borrowings. On 21 August 2026, the Group repaid the loan payable in full.

Accounting policy

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement - Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

11. Issued capital

	30 June 2026 $	31 December 2025 $
562,572,215 (31 December 2025: 546,572,215) ordinary shares fully paid	**132,060,075**	**128,220,192**

Movement in ordinary shares on issue

Date	Details	No. of shares	$
1 January 2025	Balance at beginning of the year	515,062,990	120,942,414
17 December 2025	Capital raising	30,000,000	7,188,602
30 December 2025	Issued shares on conversion of ESS options	1,509,225	603,194
Various	Share issue costs	-	(514,018)
31 December 2025	Balance at end of the year	**546,572,215**	**128,220,192**
1 January 2026	Balance at beginning of the financial period	546,572,215	128,220,192
19 January 2026	Capital raising	16,000,000	3,875,040
31 January 2026	Share issue costs	-	(35,157)
30 June 2026	Balance at end of the financial period	**562,572,215**	**132,060,075**

11. Issued capital (continued)

Capital Raising

On 9 December 2025, the Company announced a capital raising of $11.5 million through the issue of 46,000,000 fully paid ordinary shares at $0.25 per share to professional and sophisticated investors.

Under ASX Listing Rule 7.1, 30,000,000 shares and 15,000,004 attaching options were issued and settled in December 2025 and an additional 16,000,000 shares and 8,000,000 attaching options were issued to a director after a shareholder approval in January 2026, raising $11.5 million in total before costs.

Each option is exercisable at $0.40 per share and expires two years from the date of issue. These options were provided solely as part of the financing arrangement and not in exchange for goods or services. The attaching options meet the fixed-for-fixed requirement in AASB 132 and were classified as equity instruments.

Proceeds have been allocated between share capital and option reserve using the relative fair value method and amounting to $3,875,040 and $124,960, respectively (31 December 2025: $7,188,602 for share capital and $311,398 for options). The fair value of the shares was based on the issue price and options were valued using the Black-Scholes-Merton model. Key assumptions, including spot price, term, risk-free rate, expected volatility and dividend yield, are disclosed below.

- Spot price: $0.225 (31 December 2025: $0.25)
- Exercise price: $0.40 (31 December 2025: $0.40)
- Expected term: 2.0 years (31 December 2025: 2.0 years)
- Risk-free rate: Australian government risk-free rate of 4.04% (31 December 2025: 4.08%)
- Volatility: 41% (31 December 2025: 42%)
- Dividend yield: Nil (31 December 2025: Nil)

12. Basic and diluted loss per share

	30 June 2026 $	30 June 2025 $
(a) Profit/ (Loss) attributable to the ordinary equity holders of the Company used in calculating basic and diluted loss per share:		
Continuing operations	(2,189,380)	(1,583,059)
Discontinued operations	2,265,213	1,372,219
	75,833	**(210,840)**
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/ (loss) per share	553,717,420	515,064,810
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings/ (loss) per share	640,785,890	515,064,810[1]
(c) Basic and diluted earnings/ (loss) per share (cents per share)	**0.01**	**(0.04)**
(d) Basic and diluted loss per share - continuing operations (cents per share)	**(0.40)**	**(0.31)**

[1] No dilution was recognised in the prior financial period as the Group was in a net loss position.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

13. Reserves

	30 June 2026 $	31 December 2025 $
Option reserves	4,847,524	4,012,669
Foreign currency translation reserve	(15,199)	1,541
	4,832,325	**4,014,210**
(a) Option reserve		
Balance at beginning of financial period/ year	311,398	311,398
Capital issued with attaching options	124,960	-
Balance at end of financial period/ year	**436,358**	**311,398**
(b) Share-based payments reserve		
Balance at beginning of financial period/ year	3,701,271	3,678,751
Options expense - directors, executives, and contractors	846,068	1,745,177
Exercise of employee share options	-	(603,194)
Expiry of employee share options	(136,173)	(1,119,463)
Balance at end of financial period/ year	**4,411,166**	**3,701,271**

The share-based payments reserve is used to recognise the fair value of options issued and shares granted to directors, executives and suppliers as share-based payments.

	Number of options	$
Balance at 1 January 2025	61,536,075	3,678,751
Payments to directors, executives, and contractors	27,865,550	1,745,177
Exercise of employee share options	(1,509,225)	(603,194)
Expiry of employee share options	(23,372,850)	(1,119,463)
Balance at 31 December 2025	**64,519,550**	**3,701,271**
Balance at 1 January 2026	64,519,550	3,701,271
Payments to directors, executives, and contractors	40,976,000	846,068
Expiry of employee share options	(12,142,225)	(136,173)
Balance at 30 June 2026	**93,353,325**	**4,411,166**

All option expenses are recognised over the expected vesting period with reference to the probability that any vesting criteria hurdles will be successfully completed.

For the half-year ended 30 June 2026, the Company issued 40,976,000 (31 December 2025: 27,865,550) unlisted options to directors, executives, and consultants under the Company's Employee Securities and Incentive Plan. The fair value of the options was estimated using a Black Scholes option pricing model. The Company's total share-based payment expense for the relevant period/ year has been recognised in relation to both these options issued during the half-year as well as unlisted options issued in prior periods which vest over varying time periods.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

13. Reserves (continued)

Details of the options granted during the half-year ended 30 June 2026 are set out below (including the assumptions used in fair value estimation).

Below are options granted during the financial period that had:

(a) Service, market and non-market performance vesting conditions

Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
5,000,000	27/02/2026	02/03/2029	$0.0	$0.225	Nil	4.22%	$0.142
7,413,000	18/05/2026	31/12/2028	$0.0	$0.265	Nil	4.67%	$0.261
1,620,000	15/05/2026	31/12/2028	$0.0	$0.282	Nil	4.74%	$0.068
9,783,000	18/05/2026	31/12/2030	$0.0	$0.265	Nil	4.76%	$0.269
2,160,000	15/05/2026	31/12/2030	$0.0	$0.282	Nil	4.78%	$0.138

(b) Both service and market conditions

Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
3,000,000	27/02/2026	02/03/2029	$0.0	$0.225	Nil	4.22%	$0.225
5,000,000	27/02/2026	02/03/2030	$0.0	$0.225	Nil	4.24%	$0.127
6,000,000	27/02/2026	02/03/2030	$0.0	$0.225	Nil	4.24%	$0.116

(c) Service condition

Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
1,000,000	27/02/2026	02/03/2029	$0.0	$0.225	Nil	4.22%	$0.225

14. Commitments

The Group’s expenditure commitments due within one year amounted to $9,319,000 (30 June 2025: $1,672,000). The expenditure commitments at 30 June 2026 predominantly comprise purchase orders issued for the Waroona Renewable Energy Project and shared services pursuant to the Share Service Agreement with Matador Capital Pty Ltd (**Matador**), a related party, where Matador provides office space, general office administration services, corporate and project personnel, accounting services and IT hardware and infrastructure to the Company.

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

15. Disposal of Superior Lake Zinc and Copper Project in Ontario, Canada (Superior Lake Project)

During the financial period, the Group completed the disposal of the Superior Lake Project, which represented a separate line of business and a separate geographical area of operations of the Group. Accordingly, the segment has been classified as a discontinued operation in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.

The disposal was completed through the sale of mineral rights and associated geological data and information held by the Group's subsidiary, Pick Lake Mining Limited, to Total Metals Corp. an external party, pursuant to an Asset Purchase Agreement executed in April 2026. The transaction was completed for cash consideration of $2.27 million (CAD 2.2 million).

In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the exploration & evaluation assets associated with the Superior Lake Project were derecognised upon disposal. The carrying amount of these assets at the disposal date was nil and, accordingly, the full consideration received was recognised as a gain on disposal.

The results of the Superior Lake Project up to the date of disposal, together with the gain on disposal, have been presented as discontinued operations in the consolidated statement of profit or loss and other comprehensive income. Comparative information has been restated accordingly.

During the six months ended 30 June 2025, the Group recognised an impairment reversal of $1,381,841 in relation to the Superior Lake Project following a reassessment of its recoverable amount. The remaining carrying amount of the asset was subsequently fully impaired during the six months ended 31 December 2025. Accordingly, the carrying amount of the Superior Lake Project was nil at the date of disposal and the full cash consideration received on disposal was recognised as a gain on disposal in the current period.

Assets and liabilities retained by Pick Lake Mining Limited following the disposal, comprising primarily cash and accruals, were not classified as part of a disposal group as they were not included in the disposal transaction and were retained solely for the purpose of settling remaining obligations of the subsidiary. These balances continue to be recognised within continuing operations until settled or liquidated.

The financial implications relating to the divestment of the Superior Lake Project are as follows:

(a) Results of discontinued operations

	30 June 2026 $	30 June 2025 $
Gain on disposal of exploration & evaluation asset	2,273,989	-
Reversal of impairment	-	1,381,841
Administrative expenses	(8,776)	(9,622)
Results from discontinued operations	2,265,213	1,372,219
Income tax	-	-
Results from discontinued operation, net of tax	**2,265,213**	**1,372,219**
Basic earnings per share (cents per share)	**0.41**	**0.27**
Diluted earnings per share (cents per share)	**0.35**	**0.24**

Notes to the Consolidated Financial Statements

For the six months ended 30 June 2026

15. Disposal of Superior Lake Zinc and Copper Project in Ontario, Canada (Superior Lake Project) (continued)

(b) Cash flows from discontinued operations

	30 June 2026 $	30 June 2025 $
Net cash used in operating activities	-	-
Net cash from investing activities	2,273,989	-
Net cash flows for the half-year	**2,273,989**	**-**

16. Financial assets and financial liabilities

The carrying amount of financial assets and financial liabilities recorded in the consolidated interim financial statements represents their respective fair values.

17. Events occurring after the reporting date

Subsequent to 30 June 2026:

- The Group completed a share issue of 550 million shares for cash consideration of $110,000,000 before costs to support ongoing project development and funding requirements;
- The Group entered into the Tracker Master Supply Agreement and issued a Notice of Satisfaction of Condition Precedent and Notice to Proceed to the supplier;
- The Group executed the Engineering, Procurement and Construction Contract for design and procurement services for the substation. The contract provides that the Group can terminate for convenience;
- The Group executed the Engineering, Procurement and Construction Contract for the design, construction and commissioning of the Waroona Project solar-battery facility. The contract includes a termination for convenience clause and incorporates non-cash consideration of $5.0 million through an issue of 25,000,000 options on 23 July 2026, each to acquire one ordinary share at a nil exercise price. The options vest upon delivery of the relevant services and achievement of contracted milestones by the Contractor;
- On 6 August 2026 Western Power provided a Notice of Waiver of Finance Condition (**Notice**) in relation to the Interconnection Works Contract and the Electricity Transfer Access Contract (**Contracts**). As a consequence, Western Power confirmed that the commencement date in the Contracts shall be the date of the Notice and the Group is required to pay the forecast Works Price of ~$5.2 million.
- The Group appointed Monford Group Pty Ltd as the engineering, procurement and construction contractor of the Waroona Renewable Energy Project;
- The Group through its subsidiary, WRP Finance Pty Ltd, entered into an underwriting agreement in respect of credit-approved project debt facilities comprising a $250 million Construction and Term Facility, a $13 million Bank Guarantee Facility and a $17 million Debt Service Reserve Facility for the Waroona Renewable Energy Project, subject to execution of definitive documentation and customary conditions precedent; and
- On 21 August 2026, the Group repaid the loan payable in full, as disclosed in note 10.

No adjustment has been made to the financial statements.

17. Events occurring after the reporting date (continued)

Other than the matters disclosed above, the Directors are not aware of any matter or circumstance occurring after 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, results of operations, or state of affairs in future financial periods.

FRONTIER ENERGY LTD

Directors' Declaration

In the opinion of the directors of Frontier Energy Limited:

(a) the financial statements and notes are in accordance with the *Corporations Act 2001 (Cth)*, including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on the date; and

   (ii) complying with the Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001 (Cth)*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Jamie Cullen
Executive Chairman
27 August 2026

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Independent auditor's review report to the members of Frontier Energy Ltd

Conclusion

We have reviewed the accompanying half-year financial report of Frontier Energy Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, 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, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group 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 reviews of the half-year financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 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*.

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A review of a half-year 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.

Ernst and Young

Ernst & Young

L L Chirathamjaree
Partner
Perth
27 August 2026