

Collaboration Agreement signed with AGIG to accelerate green hydrogen injection into the DBNGP

HIGHLIGHTS

- **Frontier and AGIG have signed a Collaboration Agreement to work together for injection of an agreed percentage of hydrogen into the Mainline South section of the Dampier to Bunbury Natural Gas Pipeline (DBNGP) and will make joint submissions to the relevant WA Government departments in relation to this hydrogen injection.**
 - *AGIG is the owner of the DBNGP, the major gas pipeline connecting the North West Shelf gas fields near Dampier with markets principally located in the South West of Western Australia, terminating at Bunbury.*
- **AGIG completed a positive Feasibility Study¹ in 2022 assessing the injection of hydrogen into the DBNGP. This Study found the pipeline adjacent to the Project (Mainline South) is already capable of injecting up to 9% hydrogen without any major modifications.**
 - *Stage One of the Project would account for less than 1% hydrogen to the DBNGP based on an average minimum daily flow.*
- **In October 2022, Energy Ministers agreed amendments to the National Gas Law and Regulations to bring hydrogen blends, biomethane and other renewable gases under the national gas regulatory framework.**
- **The WA Government has set a goal of up to 10% hydrogen being blended with natural gas across the State's gas network².**
- **Both Frontier and AGIG will also shortly commence a FEED Study on the hydrogen injection facility and blending station.**

Managing Director, Sam Lee Mohan commented: "We have been working with AGIG in relation to the injection of hydrogen from our Bristol Springs Project into the DBNGP. Formalising our relationship is an important step in the process of developing the hydrogen economy in WA. Given our proximity to DBNGP, it is a win-win for all stakeholders and ensures we are a step closer to contributing to the State's goal of delivering up to 10% hydrogen in the gas networks by 2030.

The WA Government has been supportive of the green hydrogen industry however the current state of legislative frameworks and intended amendments requires acceleration. To have a tangible project located on a section of the DBNGP that is immediately available for hydrogen injection and working with Government on legislative amendments will streamline and deliver the necessary change required to stimulate the green hydrogen industry."

¹ <https://www.agig.com.au/western-australian-feasibility-study>

² <https://www.wa.gov.au/system/files/2020-12/Western%20Australian%20Renewable%20Hydrogen%20Roadmap%20-%20November%202020.pdf>

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Federal and State governments have begun the process of amending national gas laws and regulations to bring hydrogen blends, biomethane and other renewable gases under the national gas regulatory framework. The expectation is that all amendments will be completed in early 2024.

Following receipt of the necessary approvals and licenses, AGIG and Frontier propose to enter discussions as to the type of arrangements that may be put in place to allow injection of an agreed percentage of hydrogen into the DBNGP. Both parties will work together to undertake a FEED Study for the injection facility and hydrogen blending station.



Figure 1: DBNGP connection point

The DBNGP is WA's most significant gas transmission asset and provides natural gas to the State. A possible connection point to the DBNGP is located less than 0.3km from the proposed hydrogen plant location, where the DBNGP branches off to provide gas to Alcoa's Wagerup Alumina Refinery.

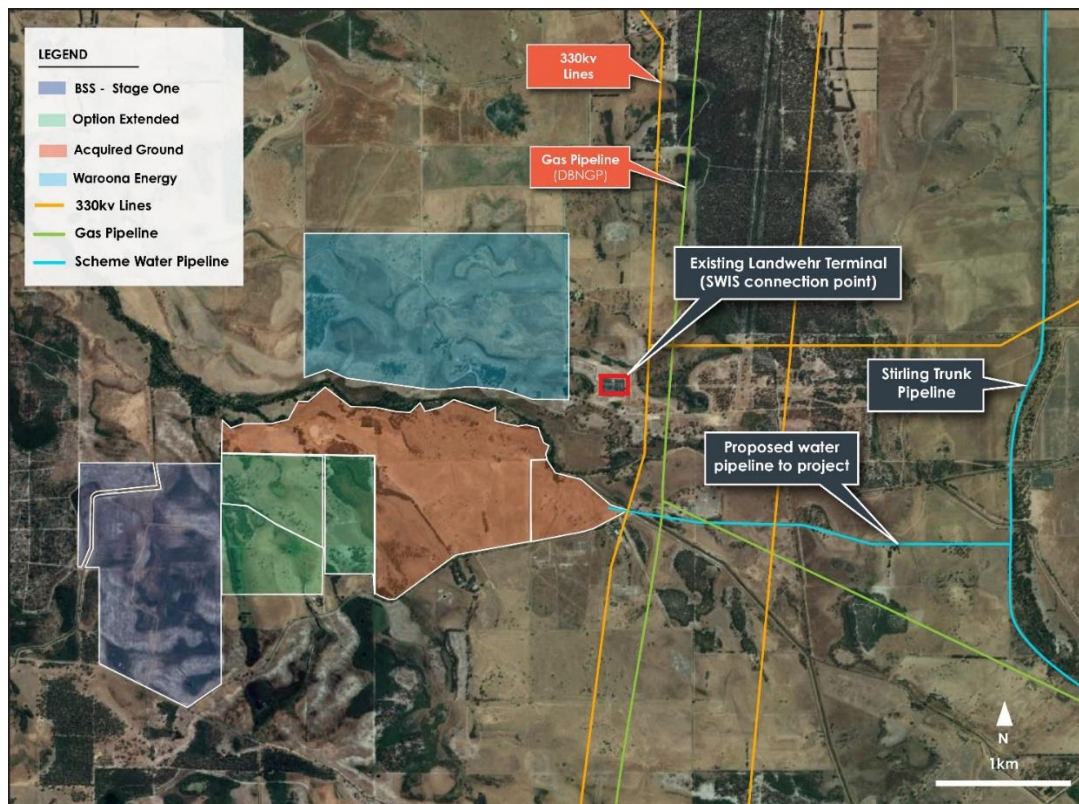


Figure 2: Map of the Projects location and relation to the DBNGP

AGIG published its technical study in Q1 2022 on the DBNGP to investigate introducing hydrogen into the pipeline. This Study was partially funded by the WA Government with a grant of \$216,000.

The Study found that up to 9% hydrogen (by volume) can be injected into the south-west section of the DBNGP, known as Mainline South - the main trunkline between Kwinana and Bunbury.

Both Mainline South and its associated lateral pipelines are “immediate candidates” for accepting hydrogen, subject to installation of some supplementary gas analysis equipment and reconfiguration of flow computers, supervisory control and data acquisition system and gas accounting systems.

Stage One of the Project would account for less than 1% energy to the DBNGP on a minimum daily basis when gas flows are at least 250 TJ/day occur.

AGIG hydrogen blending – HyP SA

AGIG is the leading group in Australia blending hydrogen with natural gas. Located at the Tonsley Innovation District in Mitchell Park, Hydrogen Park South Australia (HyP SA) is an Australian first project that produces renewable hydrogen gas.

Commencing production in May 2021, HyP SA delivers a 5% renewable gas blend to more than 700 gas customers in Mitchell Park. AGIG also supply to industry via tube trailers (long storage tubes on the back of semi-trailers) and aim to supply the transport sector in the future.

In March 2023 AGIG extended the project area to include a further 3,000 gas connections including households, businesses, and schools.

HyP SA demonstrates renewable hydrogen production and blending technology in an Australian context and delivers a 5% hydrogen blend which is a step towards lowering greenhouse gas emissions on our networks.



Figure 3: Hydrogen Park South Australia (source: AGIG)

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

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

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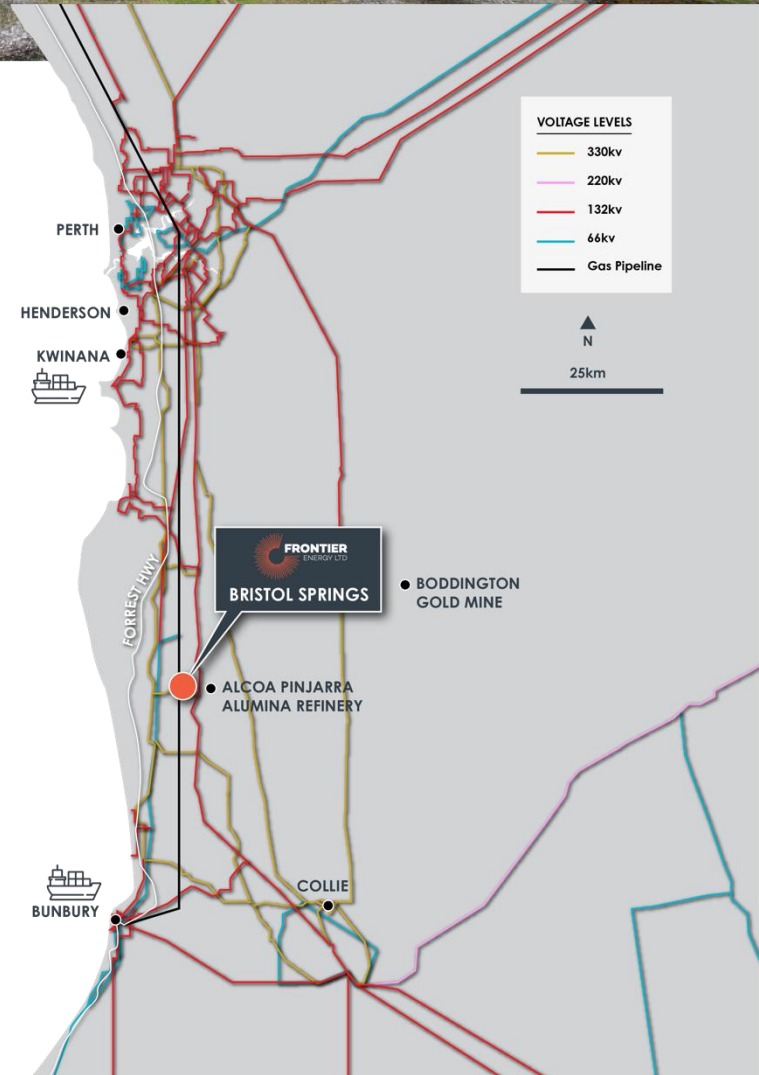
About Frontier Energy

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

The Company recently completed a Definitive Feasibility Study¹ that outlined the Project's potential to be both an earlier mover and one of the lowest cost green hydrogen assets in Australia.

The Project benefits from its unique location surrounded by major infrastructure. This reduces operating and capital costs compared to more remote hydrogen projects, whilst also being surrounded by likely early adopters into the hydrogen industry in the transition from fossil fuels.

¹ASX Announcement 20th March 2023



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