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**ASX: FNT**

ASX Limited  
Market Announcements Platform

31 October 2018

## **TECHNICAL REPORT – QUARTER ENDED 30<sup>th</sup> SEPTEMBER 2018**

Frontier Resources Ltd (ASX: FNT) (Frontier or the Company) is focussed on mineral exploration in highly prospective Papua New Guinea (PNG). Main points on activities over the past quarter include:

- Appointment of Mr Anthony Hickey as Chairman.
- Resignation of Mrs Paige McNeil and Mr John Kirakar.
- Response to the ASX Query confirms Frontier's main business activity remains mineral and resource exploration in Papua New Guinea.
- Exploration and Strategy Update on Bulago and Muller Range tenements includes advanced satellite data review and magnetic modelling ahead of fieldwork. The potential for Joint Ventures on these projects will be reviewed. There is currently no proposal before the board on project acquisitions.
- Bulago and Muller Range Warden's Court Hearing was set down for September 26<sup>th</sup> and successfully completed on that date. Renewal is now pending technical assessment by the PNG Mining Resource Authority as part of the normal renewal process ahead of recommendation to the Minister.
- Notice of Annual General Meeting date set down for 2pm (EST) 28<sup>th</sup> November 2018.
- Registered office of Frontier has changed to L8/99 St Georges Terrace in Perth, WA.

Frontier advises that Mrs Paige McNeil has retired as Chairman of the Company and Mr Anthony Hickey has been appointed as the new Chairman of the Company. Mrs McNeil remained as Non-Executive Director of Frontier until her resignation in August 2018 along with the resignation of Non-Executive Director John Kirakar.

In response to an ASX query relating to recent media market speculation about a change of activities, as per Frontier's (FNT) previous announcements to the ASX, including its Notice of Meeting dated 13 April 2018, FNT confirms its main business activity remains mineral exploration in Papua New Guinea.

FNT's proposal to use the funds raised under the Placement Agreement with Forise to fund further exploration work at its projects in Papua New Guinea is unchanged. As communicated at the Company's extraordinary general meeting on 15 May 2018, the Board has committed substantial resources to the exploration and evaluation of both the Bulago and Muller Gold Projects in PNG as detailed in the 'Use of funds' table on the following page.

The Board confirms that there is currently no proposal, negotiation or change in business strategy that has been approved by the Board or is before the Board for approval that would, if approved, result in a significant change to the nature or scale of FNT's current activities or main undertaking.

In the event that the Board considers any proposal which would result in a significant change to the nature or scale of the business of the Company, the Board confirms that FNT will first apply to the ASX for consideration of the application of ASX Listing Rule 11.1.2 to any potential acquisition.

Use of funds	Amount (A\$)
Exploration work EL1595 Bulago	140,000
Exploration work EL2356 Muller	150,000
Transaction expenses	118,800
Existing liabilities	318,900
Investment expenses	160,000
Corporate fees and actions	620,000
Project evaluation and acquisitions	4,200,000
Contingency	292,300
	<b>\$6,000,000</b>

The scheduled Warden’s Court Hearing for EL1595 Bulago and EL2356 Muller Range in the Southern Highlands Province (Figure 1), PNG was very successful.



**Figure 1. Bulago and Muller Range Tenements and Wardens Hearing Locations**

Informal discussions with landowner groups were initially held in the town of Kiunga (Figure 1). The following day, three representative landowners, the Mining Warden and two Frontier Resources representatives were flown from Kiunga to the Yambo airstrip to conduct the Wardens hearing for EL 1595 Bulago (Photo 1). The landowners presented their views and any outstanding compensation claims and all were in favour for the renewal of the tenement and commencement of further exploration activities.

The Wardens hearing group then flew to Tobi village to complete the hearing for EL 2356 Muller Range. Tobi village is the closest settlement (8km downstream) from the Tingi Valley prospect, where Frontier conducted a reconnaissance rock sampling program announced in March 2017.

Landowners from Tobi village (Photo 2) were all in favour of granting the renewal of EL 2356 and requested they be consulted to help assist in further exploration activities once the tenement is renewed.

The MRA mining warden was pleased with the conduct of the landowner meetings and had no unfavourable issues to report.



**Photo 1: Yambo Airstrip Wardens Hearing for EL 1595 Renewal**

At Bulago, assaying occurred during the year and the Company has met its financial commitments for the tenement. The MRA has granted a variation to exclude fieldwork trenching for the year.

To date, a total of 5247.75 metres in 37 drill holes have been completed on the tenement. The most recent include:

- Four diamond holes (CLD: 161.3m total of HQ) completed at the Swit Kai Central Lower Zone in October 2016.
- Five diamond holes (EZL: 152.7m total of HQ) completed at East Creek in October 2016.
- Three diamond holes (FDH: 93.6m total of HQ) completed at Swit Kai Central Lower Zone in March 2017.
- Two diamond holes (GCZ: 392.1m total) completed in Bulago Valley in May 2017.

At Muller Range, an Aster satellite imagery study over the three tenement blocks delineated 37 Aster targets that were recommended for future geochemical sampling and geological mapping.

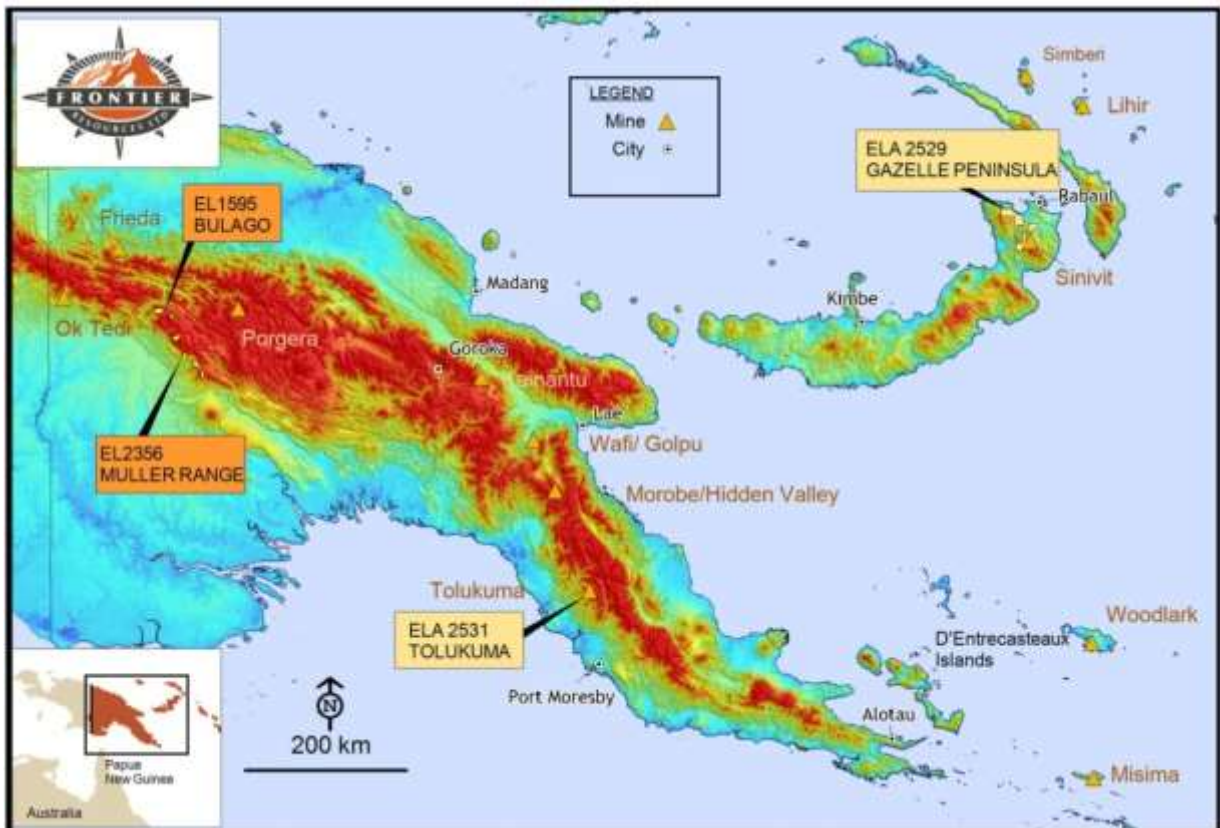
The hearings to consult with landowners are part of the normal tenement renewal process which will now undergo a technical assessment before proceeding to the Mining Advisory Council for their recommendation to the Minister for Mining.



**Photo 2: Landowners at Tobi Village during Wardens Hearing for EL2356 Renewal**

Frontier is pleased to provide an update in relation to its exploration and strategy:

Following the successful Warden’s Court Hearing for EL1595 Bulago and EL2356 Muller Range in the Southern Highlands Province (Figure 2), it is anticipated those tenements will be considered for renewal by the Mining Advisory Council (MAC) before the end of the year.



**Figure 2: Frontier Resources Tenements**

During October and November, within its Muller Range tenement, Frontier will undertake further modelling of existing airborne geophysical data over the Cecelia and Baia prospects. A review of more advanced satellite imagery will also be completed over the Tingi prospect area (Figure 4).

See below for additional comments on the Muller Range tenement:

1. The central tenement block hosts the large porphyry Baia prospect, with a copper-gold-molybdenum in soils anomaly and anomalous copper+gold rock chip samples. According to historical results by Barrick, magnetic anomalies peripheral to the central diorite are related to intrusives of hornblende porphyry stocks and sills. A number of skarns are also identified as related to the magnetics, adding to its copper and base metal prospectivity. Modelling the magnetic data will help define the geometry of potential mineralised intrusives and skarns to better prioritise areas for planning additional fieldwork.
2. The southernmost Muller tenement block hosts the Cecelia Prospect with a copper and gold anomalous altered intrusive. An Aster satellite imagery study previously delineated a total of 37 Aster targets (up to 31 Ha in size) throughout the three Muller tenement blocks that were recommended for geochemical sampling and geological mapping. These will be reviewed in conjunction with the modelled magnetic data to better prioritise areas for planning further fieldwork.

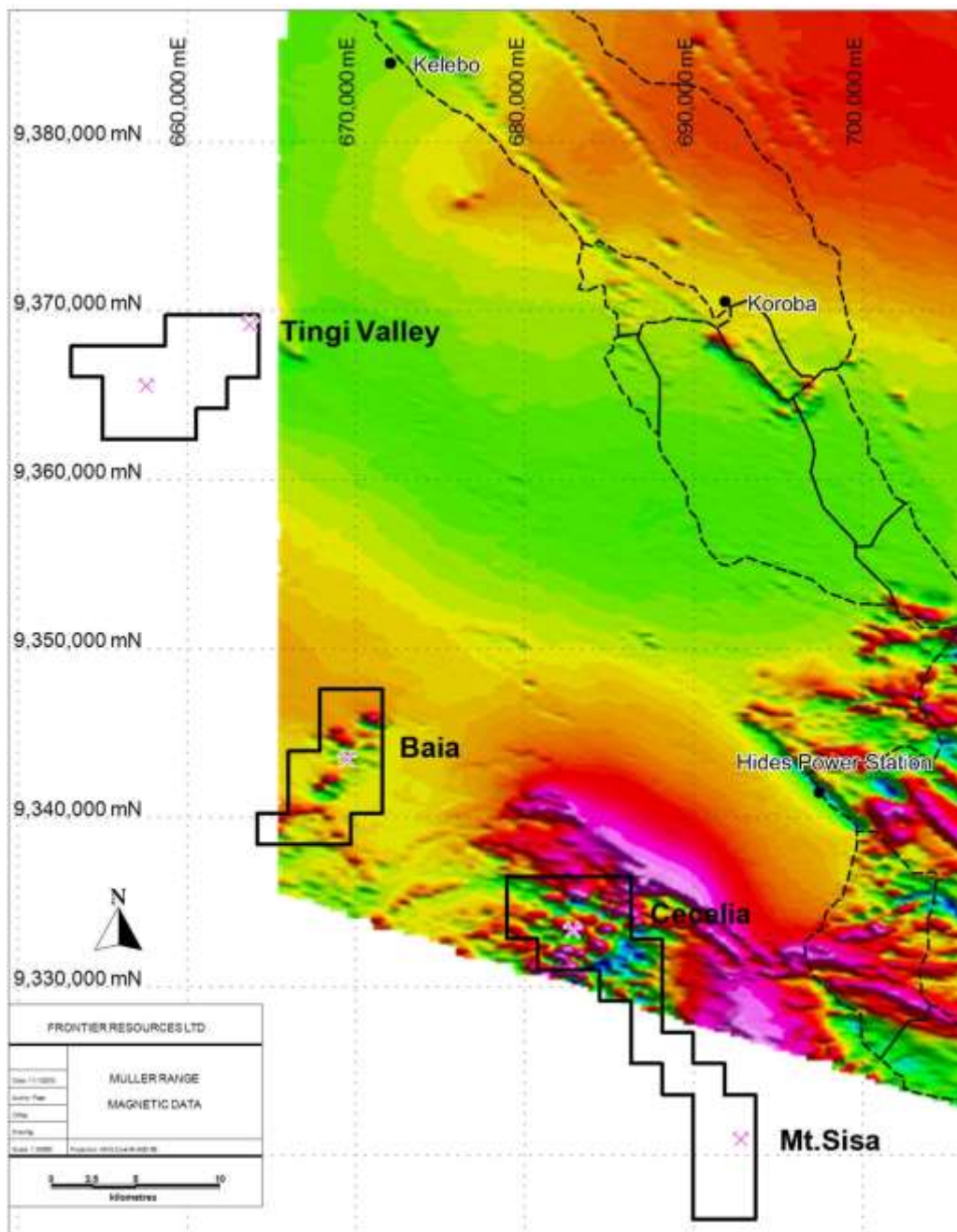


Figure 3: EL 2356 Muller Range Tenement and Prospects

- The northern Muller tenement Block contains the Tingi, or Tingi Valley, prospect with porphyry Cu-Au-Mo mineralisation, polymetallic (Au-Cu-Pb-Zn-Ag) skarns, breccia hosted basemetal mineralisation, fault controlled massive sulphides and gold veining. A total of 17 Aster satellite targets were selected in this area (Figure 4). Frontier took a total of 14 rock and channel samples in March 2017 with results of up to 0.55 g/t gold and 1,650 ppm copper. Exploration results (released to the ASX 26/4/2016) at Tingi by previous explorers include strong gold in soil anomalies (90m of 2.14 g/t gold, to a high of 6.09 g/t gold), gold in float rock (30 g/t gold, 12 g/t gold and 4.9 g/t gold), mineralised outcrop rock (to 1.1g/t gold +0.26% copper +0.29% lead +8.8% zinc and 3.72g/t gold) and gold in outcrop channel sampling (average for 20 non-continuous samples of 1.18g/t gold). A review of more advanced satellite imagery is planned to help prioritise areas for further sampling ahead of defining drill targets.

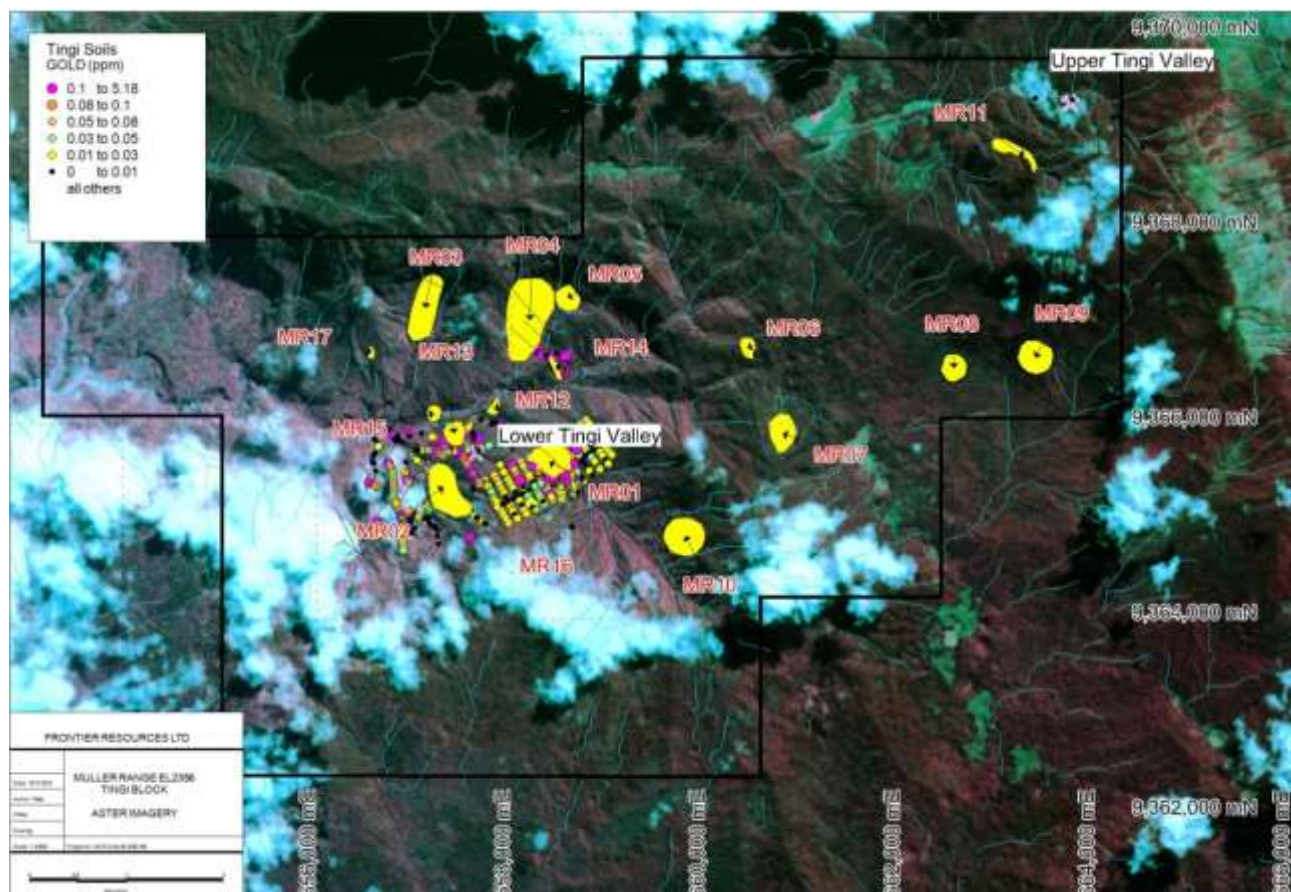


Figure 4: EL 2356 Muller Range Tingi Prospect area showing 'MR' series Aster Targets

See below additional comments on the Company's exploration and strategy:

- The EL 2351 Tolukuma tenement application (Figure 2), surrounding the Tolukuma Mining Lease, is also expected to be considered for granting by the MAC this year. A number of geophysical 3DIP targets occur along drilled gold mineralised structures within the tenement application, which parallel the epithermal gold bearing Tolukuma mine structures.
- Once it has been confirmed that the highly prospective advanced Bulago tenement has been renewed, further exploration is expected to consist of evaluation of skarn and higher elevation Bulago Valley gold and copper stream geochemical targets. A more advanced satellite data review is planned ahead of further fieldwork while waiting for the tenement to be renewed.
- Discussions will continue with major mining companies to consider the joint venture possibilities of the Muller Range and Bulago tenements to provide more significant funding and technologies into exploration and drilling so these projects can be more rapidly advanced.
- Project Evaluations and Acquisitions announced as part of the Placement Agreement (ASX Announcement 19<sup>th</sup> June 2018) is an ongoing process and the board will consider any proposals as they arise. There is currently no proposal before the board.

- Michael Kande has joined the Frontier Exploration team in PNG and has recently assisted with the Warden's Hearings at Bulago and Muller Range. He continues to liaise with landowners to help facilitate further field exploration. Michael is a resident of PNG with over 23 years' experience as a geologist, starting with Indo Pacific Mining working in the Sepik Provinces, Milne Bay Province and New Ireland Province. He then spent over seven years as engineer and geologist at Lihir Gold Limited before working at Woodlark Island and Vietnam. He then continued as consultant on a number projects throughout PNG. He has more than 20 years of field experience in mineral exploration from reconnaissance to advanced drilling and resource evaluation, near mine duties and geothermal experience.
- Michael Kande has been appointed PNG Resident director for Frontier's two PNG subsidiary companies 'Frontier Gold PNG Ltd' and 'Frontier Copper PNG Ltd'. John Kirakar has resigned as director of these two subsidiaries.

The date for the Annual General Meeting has been set down for 2pm (EST) 28<sup>th</sup> November 2018. The location being Hickey Management, 1 Palm Meadows Drive, Carrara, QLD, 4211.

The registered office of Frontier has changed to:

Frontier Resources Limited  
 c/-Minerva Corporate  
 Level 8, 99 St. Georges Terrace  
 Perth WA 6000

**Releases Submitted to the ASX During the Quarter Included:**

24 July 2018	Chairman Retirement and Appointment
29 August 2018	Director Resignations
03 August 2018	Trading Halt
05 September 2018	Response to ASX Query
17 September 2018	Bulago and Muller Range Warden's Court Hearing Set
25 September 2018	Change of Registered Address
27 September 2018	Appendix 4G and Corporate Governance Statement
27 September 2018	Annual Report to Shareholders
05 October 2018	Successful Bulago and Muller Range Warden's Hearings
05 October 2018	Notice of Annual General Meeting/Proxy Form
15 October 2018	Exploration and Strategy Update

For additional information please visit our website at [www.frontierresources.com.au](http://www.frontierresources.com.au)

**FRONTIER RESOURCES LTD**

Fenix Dong

Executive Director

Contact: [yunwei.dong@foriseholdings.com](mailto:yunwei.dong@foriseholdings.com)

**BACKGROUND:**

Frontier Resources Ltd is focussed on mineral exploration in highly prospective Papua New Guinea (PNG). The Company is targeting copper+/- gold +/-molybdenum porphyries and intrusive related epithermal gold deposits on its Exploration Licences (ELs), plus 2 significant EL Applications. Continued exploration and drilling is strongly warranted. The Papuan Fold Belt contains Frontier’s Bulago and Muller ELs and the Ok Tedi porphyry copper-gold Mine (located 80km WNW of Bulago), Porgera intrusive/ epithermal related gold Mine (120km east of Bulago) and Kili Teke porphyry copper-gold Deposit (50km east of Bulago).

**Competent Person Statement:**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by or compiled under the supervision of Peter Swiridiuk - Member of the Aust. Inst. of Geoscientists. Peter Swiridiuk is a Technical Consultant and Non-Executive Director for Frontier Resources. Peter Swiridiuk has sufficient experience which is relevant to the type of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Resources. Peter Swiridiuk consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Additionally, Mr Swiridiuk confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

<b>Frontier Resources Ltd Exploration Licence Information</b>						
<b>Licence Name</b>	<b>Number</b>	<b>Date From</b>	<b>Date To</b>	<b>Ownership</b>	<b>Area (SQ KM)</b>	<b>Lat. Sub Blocks</b>
<b>Bulago</b>	EL 1595	7/07/2016	6/7/2018	100% Frontier Gold PNG Ltd	73	22
<b>Muller</b>	EL 2356	31/12/2015	30/12/2017	100% Frontier Copper PNG Ltd	187	56
<b>Granted ELs =</b>					<b>260</b>	<b>SQ KM</b>
<b>Gazelle</b>	ELA 2529	Application <b>SECOND</b>		100% *Frontier Copper PNG Ltd	703	211
<b>Tolukuma</b>	ELA 2531	Application		100% *Frontier Copper PNG Ltd	433	130
<b>EL Applications =</b>					<b>1,136</b>	<b>SQ KM</b>
<b>NB:</b>	The PNG Mining Act-1992 stipulates that ELs are granted for renewable 2 year Terms (subject to Work and Financial Commitments) and the PNG Government maintains the right to purchase up to 30% project equity at "Sunk Cost" if/when a Mining Lease is granted.					