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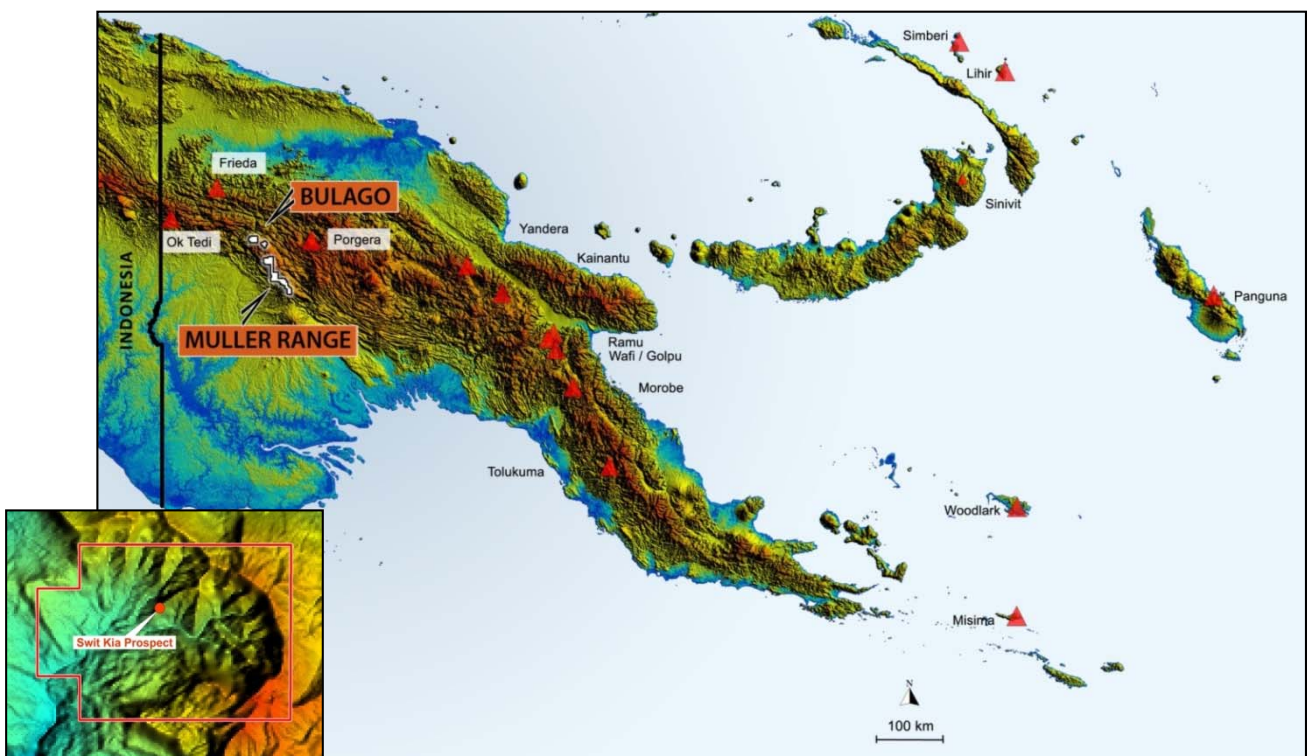
ASX Limited
Market Announcements Platform

10th May 2016

Swit Kia East Creek Drilling and Bulago Exploration Update

Frontier Resources Ltd announces:

- The drilling program at the Swit Kia East Creek Upper Zone has been challenging, but has also successfully demonstrated the first ever visible, native gold in rock at Bulago in Papua New Guinea. Swit Kia is Tok Pisin in PNG, meaning generally sweet food, dessert or lollies.
- Progress was slow due to helicopter non-availability, intra + inter-cultural difficulties and challenges, a single drilling shift (instead of double) and finally drill rig chuck hydraulic seal failures. Demobilisation occurred Sunday and the Team will have a field break.
- Three HQ TT diamond core holes (37.4m total) completed targeting Frontier's jackhammer channel sampled intercept of 2.0m grading 195.0 g/t gold + 39.1 g/t silver + 0.16% copper + 1.69% zinc + 0.98% lead + 2.24% arsenic (202.0 g/t gold gravimetric re-analysis), in ~75° SSW dipping zone.
- Native gold was discovered in Hole EZU002 at 1.15m and at 3.00m downhole, then in Hole EZU001 at 0.70m, up to ~0.3 x 0.2 mm in size. **Caution is required in the interpretation of the importance of the observations of visible gold in the HQ core, as they are only qualitative observations, not quantitative assay results.**
- The visible gold bearing core grabs were photographed. Samples for EZU001 and EZU002 will be delivered to the lab today for analysis; results will be compiled/released shortly. Samples from Hole EZU003 and repeat quarter core samples from Holes EZU001 and EZU002 await shipping ex Port Moresby.
- Subsequent to reporting the assay results, a capital raising will be undertaken to recommence drilling at the earliest opportunity.





View to NNE from helicopter, with drill rig starting hole EZU003 on Pad 1. Drill Pad 2 will be tested when drilling re-commences.

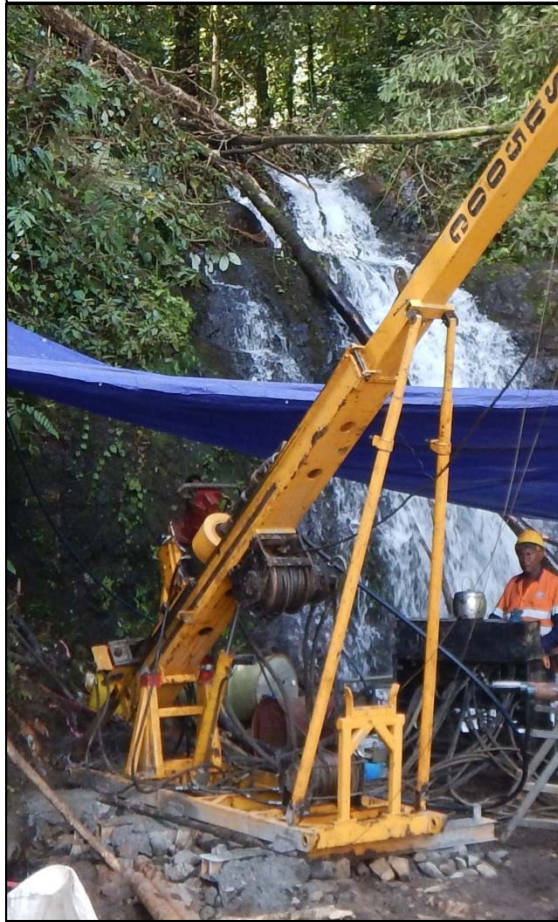
Slings from camp helipad to the rig (View to SW).



Pad 1 = 2m of 195 g/t gold.



Hole EZU001 drilling 40° incl. to right, collar in front of RH Offsider. Target is 2.0m grading 195 g/t. View to NW is slightly skew of gold zone



CSD500 diamond core rig commencing hole EZU001 drilling 350° Mag. (View to NNE).



Pad 2 = 3m of 48.2 g/t.

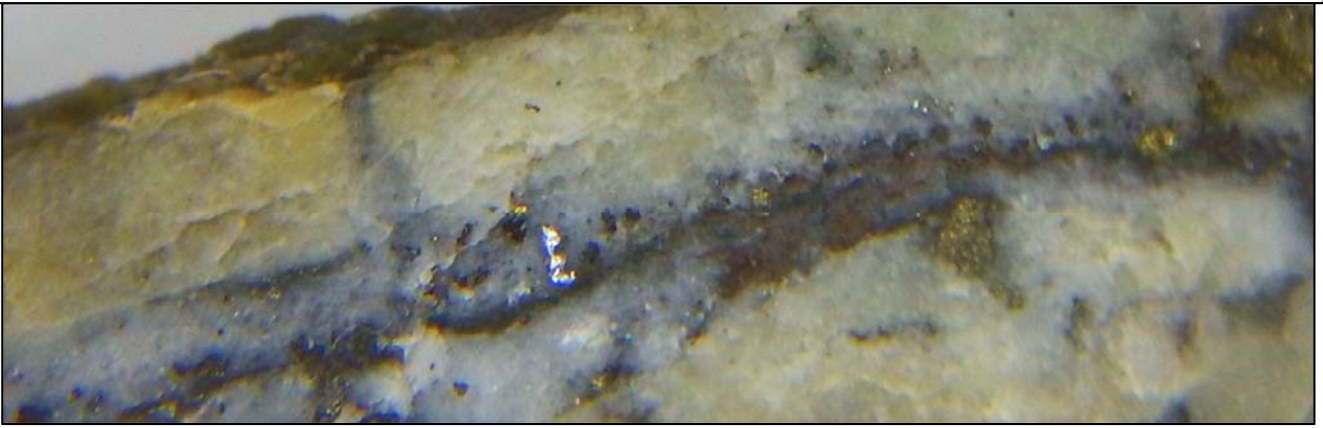


Hole EZU001 2nd core run from inner tube to core tray 1.

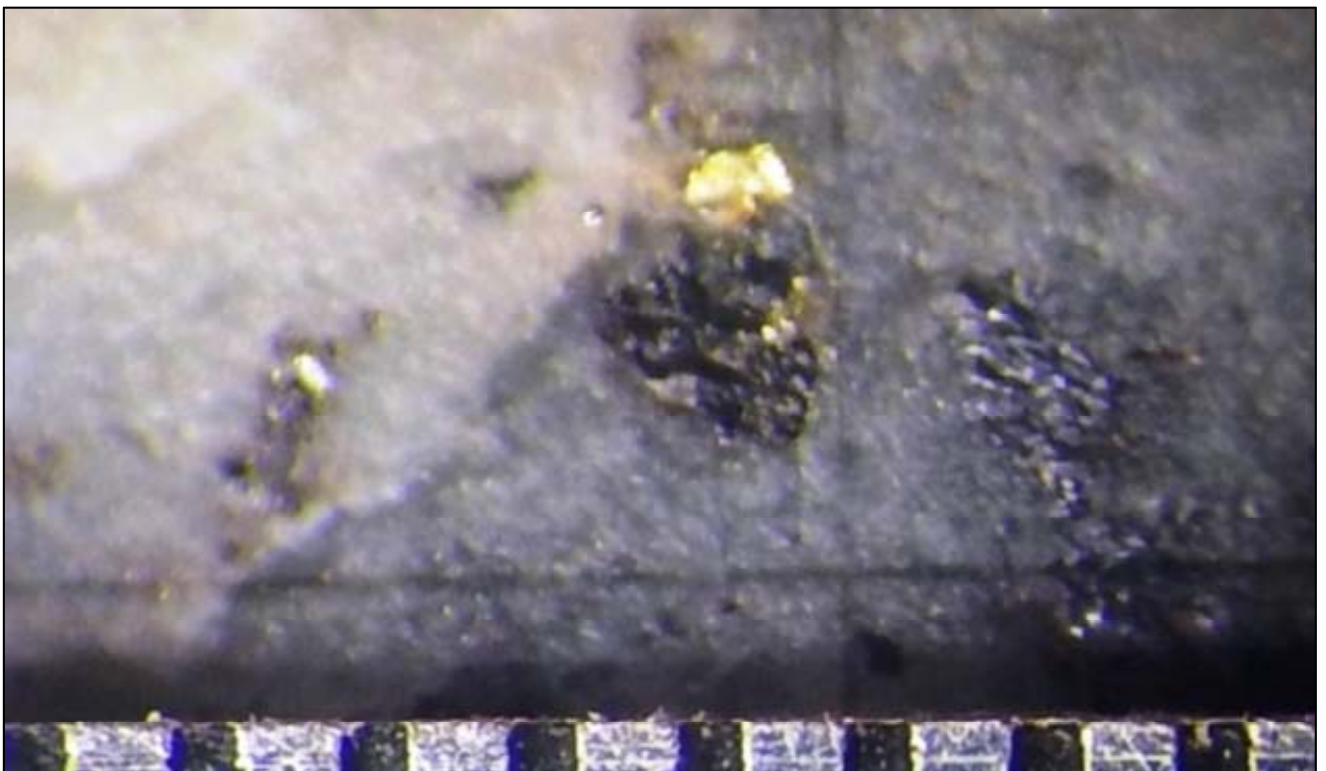
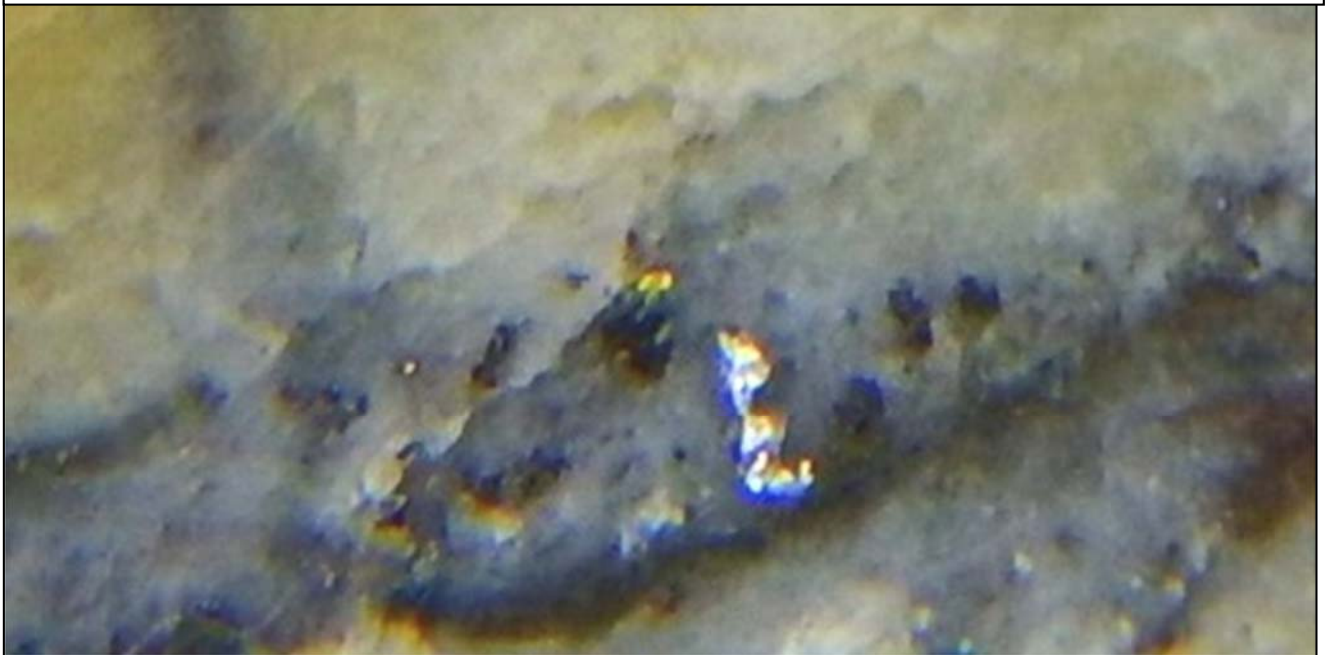


Sluicing downstream from the drilling (Looking N).

Hole EZU002 HQ core (outside face) at 1.15m downhole, near fracture, showing multiple episodes of quartz veining with base metal sulphides and visible gold. Field of view is 36mm or approximately 5 times magnification.

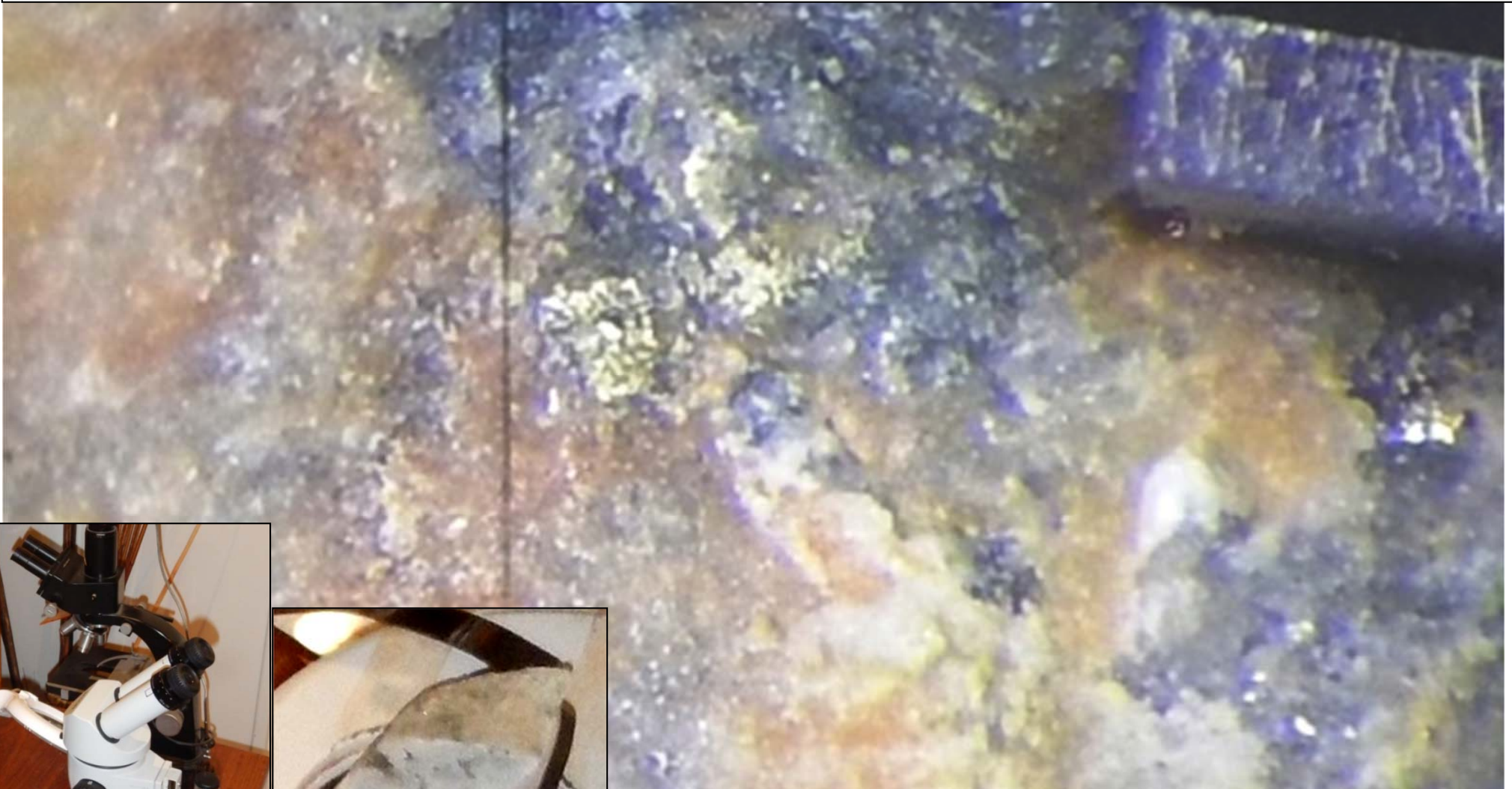


Closer up of gold grain of above through a magnifier light. Approximately 15 times magnification.



Visible gold in Hole EZU002 through a binocular microscope.
The scale is in increments of 0.5mm (1 alum. + 1 black). Field of view is 8.0mm and magnification is about 40 times.

Gold in core – Hole EZU002 at 3.0m on a fracture. Scale is 0.3mm across and magnification is about 100 times. Inset photos show sample for viewing + binocular



Caution is required in the interpretation of the importance of the observations of visible gold in the HQ core, as they are only qualitative observations, not quantitative.

DETAILS

Frontier's exploration program at the Swit Kia East Creek Upper Zone, Bulago EL in Papua New Guinea, has been challenging. Progress was slow initially due to helicopter non-availability, intra and inter-cultural difficulties, day drill shifts only, and finally, drill rig chuck hydraulic seal failures.

The East Creek Upper Zone is a 2.0m wide gold mineralised interval that graded 195.0 g/t in the demolition jackhammer trench channel sampling (4/2014), that dips approximately 75° south. The very high grade of the gold mineralisation on surface at East Creek dictated that drilling was attempted at as many intersections as possible to verify the grade, and to better determine the orientation of the gold mineralisation.

The three holes were completed approximately perpendicular to the mineralised zone (azimuth =350° M). Handheld GPS Coordinates AGD66 awaiting re-confirmation.

- Hole EZU001 (8.1m) was inclined to 40° and collared 3m south of the waterfall face, being the N end of high-grade zone.
- Hole EZU002 (11.3m) skid position was the same but the inclination was 70° and the collar was south 1.0m.
- Hole EZU003 (18.0m) was collared a further 5.0m to the south and was inclined at 70°.

The drilling has been slow but very successful and documented the first ever visible - megascopic gold in rock located in the EL. The gold is in Hole EZU002 at 1.15m and 3.00m downhole (where it is up to ~0.2 mm x 0.3mm in size) and at Hole EZU001 at 0.70m (detached before photography).

The gold is in narrow silica / quartz veining, stock-workings, with multiple generations of intense brecciation, dogtooth quartz and lead + zinc sulphide minerals that are located in intrusives proximal to large scale normal moderate /steep south dipping structures (faults) and sometimes at the host siltstone contact.

Eight tiny grains of native gold were sluiced in the only quick alluvials test that were undertaken the day prior to this discovery. The gold was collected downstream from the junction of East and West Suguma Creeks and hence just downstream from the Central and Eastern gold zones; this sampling proved visible gold could be located in outcrop and prompted a more thorough re-evaluation of the first two holes. PNG consultant geologists John Kirakar and Ken Igara confirmed each gold occurrence.

The visible gold bearing 'grabs' from Hole EZU001 and Hole EZU002 were brought to Perth and photographed (quarter core had already been collected /sampled for analysis). A small gold grain on the inner-half flat cut core of Hole EZU001 located at 0.70m fell off during subsequent physical examination. Further microscopic examination, suggests another probable occurrence on a fracture at 3.0m in Hole EZU002, with gold encased in translucent silica.

Drill bit rotation scoring marks can be seen on the half core of Hole EZU002's outside (arcuate) face at 1.15m and core saw marks (inside-flat) were originally noted on the gold grain in Hole EZU001 at 0.7m.

Core samples will be delivered to the laboratory for analysis and it is anticipated that precious and base metal assays will be returned and the results compiled/announced shortly. The remaining quarter core from Holes EZU001 and EZU002 have been sampled for analysis to assist in obtaining more accurate gold grade determinations for the mineralised intercepts. The most veined, brecciated and base metal sulphide mineralised intercepts are the most prospective for high-grade gold mineralisation.

The occurrence of three locations containing visible gold in two very closely spaced drill holes could confirm the grades previously noted in our 2014 demolition jackhammer channel sampling.

Caution is required in the interpretation of the importance of the observations of visible gold in the HQ core, as they are only qualitative observations, not quantitative.

Drilling will continue at Swit Kia East Creek Upper and Lower high-grade gold Zones as soon as reasonably possible, assuming that assay results from Holes EZU001, EZU002 and EZU003 warrant further exploration. A capital raising is required to undertake additional exploration at the Bulago and Muller Range Exploration Licences and this will occur subsequent to the release of the assay results of all drill holes.



Hole EZU001 from surface (in upper left) to 2.10m. Native gold was located on core saw cut at 0.70m (red ellipse above). Core tray is 1.0m long internally. Photography is currently incomplete for Hole EZU001 from approx. 2.1m to 3.1m.



Hole EZU002 from surface (in upper left) to 7.1m. Red ellipses at 1.15m and 3.00m show the core in which native gold was located and photographed. Hole EZU002 has a slight 3D effect as the quarter core is sitting on top of the half core (i.e. the front quarter core has been sampled).

The alluvial gold possibilities at Bulago will be further pursued during the next exploration program. The drilling rig will be repaired and the Team will return when possible after a field break to try to complete additional drilling on Pad 1, plus the originally planned drilling on Pad 2 at the Swit Kia East Lower Zone (of at least four short holes).

The ASX Release dated 18th April described the various components of the exploration program that Frontier has attempted to complete and noted that the evaluation of alluvial gold sluicing targets would be undertaken to determine if a partnership with the landowners would be constructive and possible. This project is for the benefit of the Bulago landowners and Frontier; walking is the only option for locals, as there are no services within the area (no aidpost, schools, operational airstrip etc.).

This task was not fully accomplished as the Landowner Representative was unavailable during a site visit by one of Frontier's directors. However, the concept of a 50/50 partnership was discussed with other landowner elders and approved. This is an attractive proposition for multiple reasons including income for both parties and the physical safety of landowners that have historically walked to Kiunga (about 1 week) to sell their gold.

With equipment supplied by Frontier, the landowners will undertake the production aspects and Frontier will sell the product to the Port Moresby refinery on behalf of the venture. Two portable sluices, gold pans, sieves, buckets, bags etc., have been left with the landowners.

No conclusions regarding economic viability have been made, as no alluvial gold sluice testing (volumetric and grade calculations) was undertaken at the various high prospectivity sites already defined by historic panned concentrate/stream sediment silt sampling.

Skarn target evaluation consisting of limited soil, rock outcrop and float sampling /evaluation was undertaken by K.Igara and included the more accessible southern magnetic anomalies (as noted in ASX Release dated 21st April, 2016). No skarns have yet been located, but the concept remains sound.

Director Peter McNeil conducted a site visit to PNG, during which he sited the holes for the East Creek Upper and Lower Zones. The program is supervised by Exploration Manager John Kirakar.

The rugged topography at Bulago makes all forms of exploration challenging, but the Team has worked very hard to make the program a success; employees will be allocated less than half of the ASX's allowable Employee options available for such schemes. An allocation to employees was scheduled a year ago, but did not proceed.

Frontier's thirteen-year-old philosophy as a listed Mineral Explorer is to drill test viable targets with our own equipment. If possible, the drill rig remains onsite for as long as required to accomplish the exploration /corporate objectives, because move/demove is the largest cost with limited duration/budget programs.

The Company owns three other diamond core drilling rigs that are in storage at Frontier's workshop in Kimbe, including a helicopter transportable rig that has been previously used to drill to almost 1,000m in depth and a brand new CSD500 which is currently being used at Swit Kia.

Frontier is a very cost effective precious and base metal explorer and controls six prospective porphyry copper-gold and volcanic project regions over a strike length of about 100 kilometres in the premier Fold/Thrust Belt of PNG. All these major project areas require substantial exploration to test their demonstrated gold and porphyry copper-gold mineralisation prospectivity.

Significant technical information regarding Bulago was released to the ASX on 21/4/16, 12/12/14, 5/12/14, 4/7/14, 11/6/14, 1/4/14, 18/10/12, 24/5/12, 17/5/12, 28/2/11 and 16/3/2010; it is also summarised in the Quarterly Reports. For additional information, please visit our website at www.frontierresources.com.au

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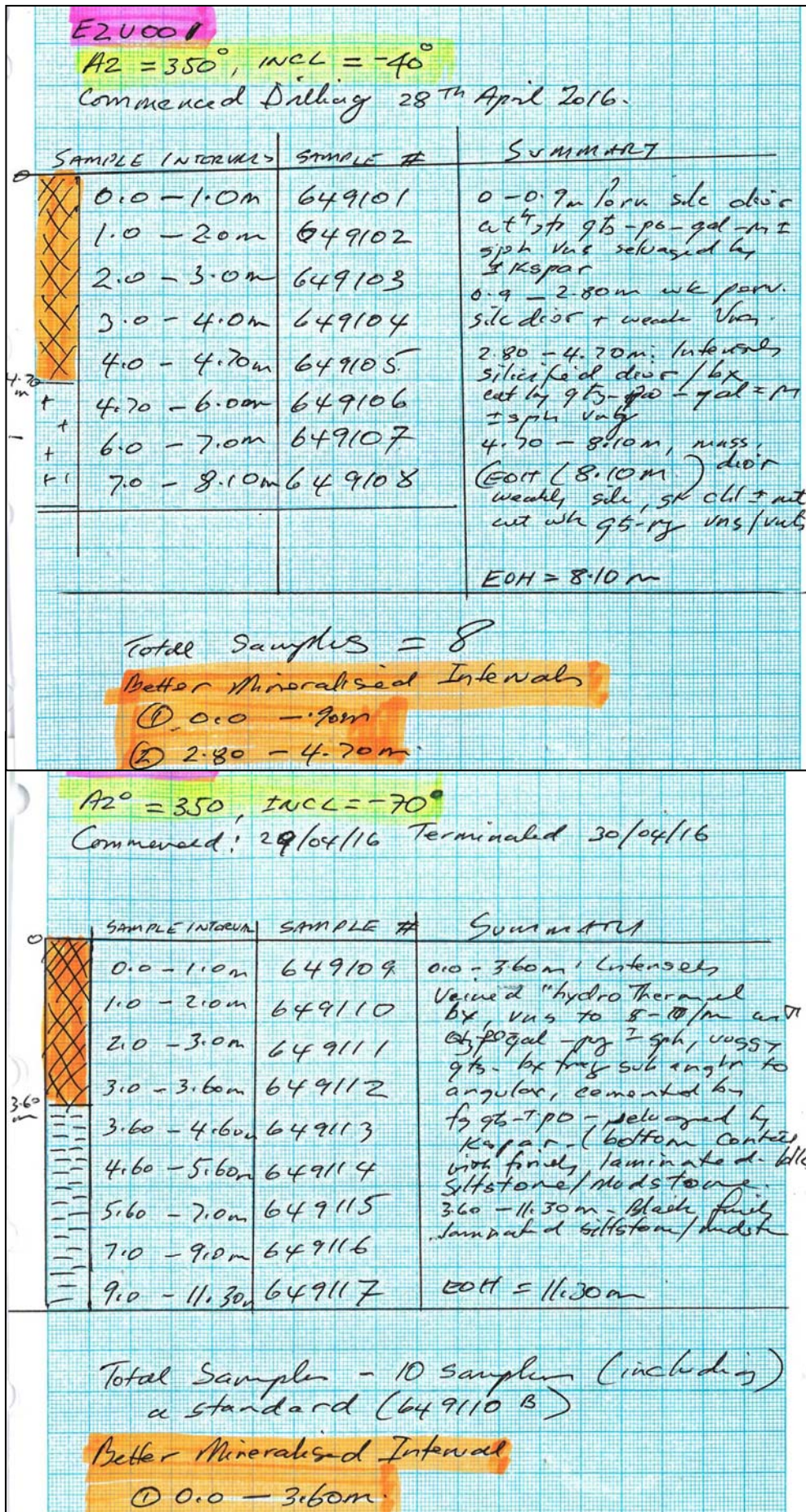


P.A. McNeil, M.Sc., MAIG

Competent Person Statement:

The information in this report that relates to Exploration Results is based on information compiled by Peter A. McNeil - Member of the Aust. Inst. of Geoscientists. Peter McNeil is the Chairman/Managing Director of Frontier Resources, who consults to the Company. Peter McNeil 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 McNeil consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Summary log and photographs for holes EZU001 and EZU002 are included herein and below. Summary log for hole EZU003 is awaited.



The following information is provided to comply with the JORC Code (2012) requirements for the reporting of exploration results for Exploration Licence 1595 in Papua New Guinea.

JORC CODE 2012			
Section 1 -- Sampling Techniques and Data			
Criteria		Explanation	Commentary
Sampling techniques	o	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	As noted herein
	o	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Supervised by Exploration Manager
	o	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 11m samples from which 3 kg was pulverised to produce a 30g charge for fire assay') In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	As noted herein
Drilling techniques	o	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	As noted herein.
Drill sample recovery	o	Method of recording and assessing core and chip sample recoveries and results assessed	Linear arithmetic
	o	Measures taken to maximise sample recovery and ensure representative nature of the samples.	As noted herein.
	o	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No
Logging	o	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Yes
	o	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	As noted herein.
	o	The total length and percentage of the relevant intersections logged	All
Sub-sampling techniques and sample preparation	o	If core, whether cut or sawn and whether quarter, half or all core taken.	Quarter core sampled
	o	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	NA
	o	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	As noted herein.
	o	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Supervised by Exploration Manager
	o	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate /second-half sampling.	Supervised by Exploration Manager
	o	Whether sample sizes are appropriate to the grain size of the material being sampled.	Supervised by Exploration Manager
Quality of assay data and laboratory tests	o	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	As noted herein. Acceptable accuracy levels established
	o	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	As noted herein.
Verification of sampling and assaying	o	The verification of significant intersections by either independent or alternative company personnel.	All by J.Kirakar and K.Igara
	o	The use of twinned holes.	Nil
	o	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	As noted herein.
	o	Discuss any adjustments to assay data.	None
Location of data points	o	Accuracy + quality of surveys used to locate drill holes (collar + down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	NA
	o	Specification of the grid system used.	Map datum is AGD 066.
	o	Quality and adequacy of topographic control.	40m contours - 1:100,000 plans, 20m -SRTM contours.
Data spacing and distribution	o	Data spacing for reporting of Exploration Results.	As noted herein and refer to any attached plans for details.
	o	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied	Yes
	o	Whether sample compositing has been applied.	No
Orientation of data in relation to geological structure	o	Whether the orientation of sampling achieves unbiased sampling of possible structures to the extent this is known, considering the deposit type.	If and as stated in text.
	o	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported.	If and as stated in text

Sample security	o	The measures taken to ensure sample security	Normal baggage-freight procedures
Audits or reviews	o	The results of any audits or reviews of sampling techniques and data.	No specific audits or reviews of sampling techniques and data have been undertaken.
Section 2 -- Reporting of Exploration Results			
Criteria		Explanation	Commentary
Tenure	o	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	AS noted herein
Exploration done by other parties	o	Acknowledgment and appraisal of exploration by other parties.	Exploration in the region was initiated in the late 1960s as part of a PNG porphyry copper deposit search. It was explored for gold initially in the mid 1980's
Geology	o	Deposit type, geological setting and style of mineralisation.	Gold intrusive -epithermal related targets, porphyry copper-gold - molybdenum and higher grade gold -silver-zinc-lead skarns.
Drill hole information	o	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:	Drilling underway and Information tabulated herein.
		Easting and northing of the drill hole collar	Information noted herein.
		Elevation or RL (Reduced Level- elevation above sea level in metres) of the drill hole collar	Information noted herein.
		Dip and azimuth of the hole	Information noted herein.
		Down hole length and interception depth	Information noted herein.
		Hole length	Information noted herein.
	o	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable
Data aggregation methods	o	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	Tables of results included show data aggregation if applied.
		Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail	Is this occurs, it is stated in the text.
	o	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are reported.
Relationship between mineralisation widths & intercept lengths	o	These relationships are particularly important in the reporting of Exploration Results.	Moderately understood
	o	If the geometry of the mineralisation with respect to drill hole angle is known, its nature should be reported. o If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Demonstrated
Diagrams	o	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Appropriate maps, sections and tabulations of intercepts are included.
Balanced reporting	o	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Comprehensive reporting of Exploration Results has been previously completed and released.
Other substantive exploration data	o	Other exploration data, if meaningful and material should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances	All meaningful exploration data has been included in this and previous releases.
Further work	o	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	Future work is dependent on a capital raising to be undertaken in mid-2016.
	o	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Appropriate plans will be included, as possible in a later release documenting approved future work programs.