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ASX Limited  
Company Announcements Office

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## **Strategic Alliance and 50/50 Joint Venture with Quintessential Resources Ltd**

Frontier Resources Ltd (FNT) is pleased to announce that it has:

- Formalised a Strategic Alliance and subscribed for 10% equity in Papua New Guinea focussed, mineral explorer Quintessential Resources Ltd (ASX: QRL), via their Non Renounceable Rights Issue (7,280,012 shares for \$618,801.02).
- Signed a Heads of Agreement with QRL to commence a 50/50 Joint Venture, over a total area of 10,250 sq km on the island of New Britain, to advance each company's recently granted Exploration Licenses [EL 2045 (QRL), EL 2047 and EL 2057 (FNT)] and 1 EL application each.
  - The 'WOGAN' New Britain JV supplies Frontier with the most extensive tenement interests and exposure for possible exploration success on the island of New Britain.
  - The tenements are all prospective for major porphyry copper and/or epithermal gold deposits.
  - A field crew will begin the initial ground assessment of the compelling Stoneleigh porphyry Prospect in QRL's EL 2045, commencing in January 2013.
  - Virtually no exploration has been conducted over most of the tenements, due to locally extensive limestone and/or volcanic rocks. The thickness of the limestone is unknown
  - An aeromagnetic/radiometric survey will be planned/ budgeted/ undertaken in 2013 for the ELs to locate porphyry copper target signatures and to allow the definition of dilatant structural zones. These targets will be follow-up with geochemical - geological evaluation and subsequent drilling if warranted
  - The WOGAN Joint Venture maximises FNT's chances for success in New Britain and reduces risk with the new ELs, by having half as much equity but in twice as many project areas.
  - Frontier will manage /operate the Joint Venture on behalf of the partners.
  - Earn-In Joint Ventures will be sought, ideally with a major mining companies for the 'natural' eastern and western tenement clusters, or individual tenements or exploration will be funded by pro-rata (50/50) contributions.

Quintessential Resources was noted by the Financial Review as one of the top 10 'mining' IPO's on the Australian Stock Exchange for 2011.

- A de-facto alliance has existed between FNT and QRL since it listed in August last year with the company's sharing 3 operations /drilling /management plus ancillary staff, to improve the overall capability, productivity and cost effectiveness of both companies.
- QRL has been exploring its flagship Bismarck property (EL 1727) in the highlands of PNG, successfully drilling 3 high grade gold and/or porphyry copper target areas (with 13 shallow to deep holes).
- Very attractive skarn targets have been identified at QRL's Irak Prospect, that are being further evaluated by hand trenching and will be drill tested for the first time starting in about a week.
- EL 1727's Giwi porphyry copper Prospect, the Goodenough /Fergusson and Normanby ELs plus M'Sende ELA all are exciting areas for the possible discovery of major mineral deposits.

Chairman Peter McNeil M.Sc. commented:

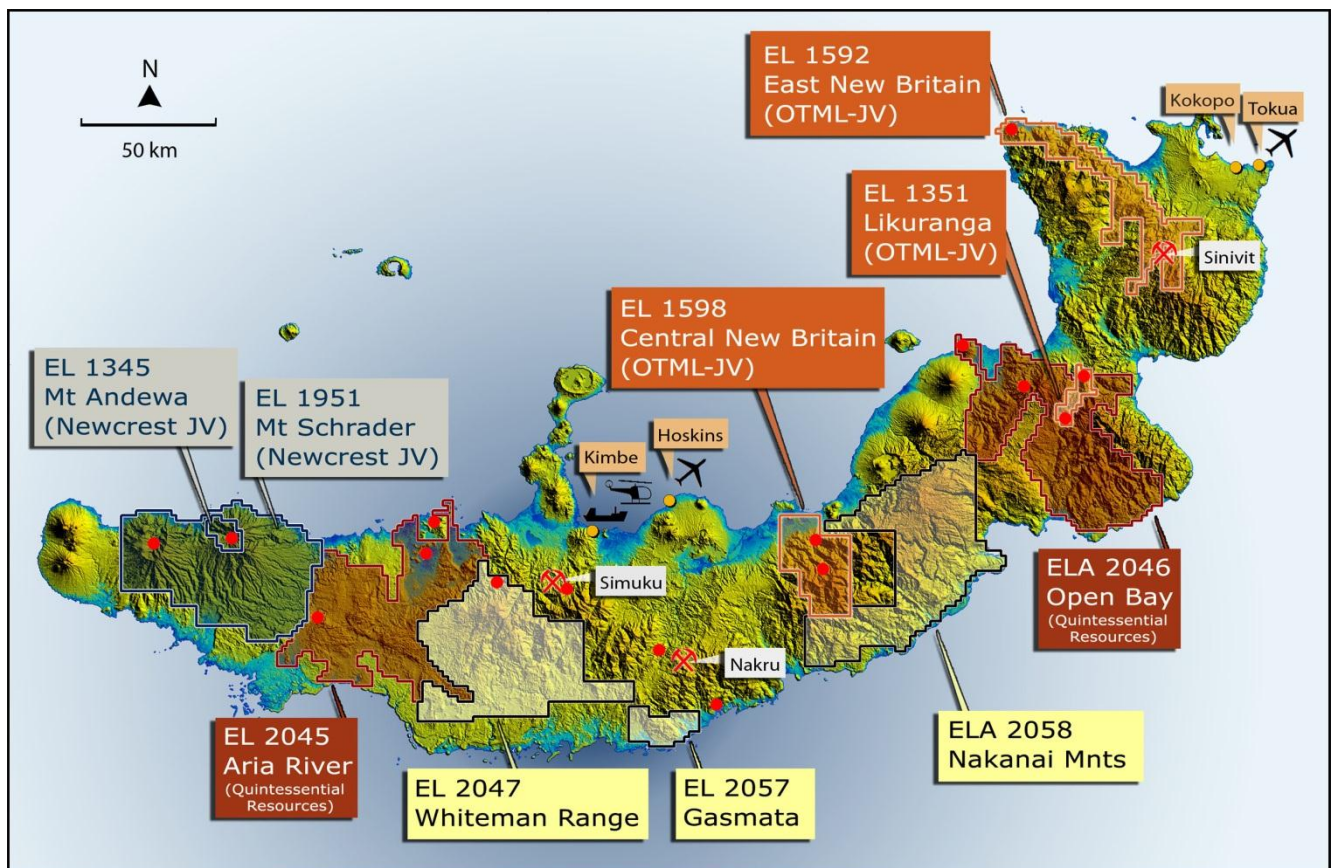
*Frontier's financial position has been progressively improving from mid-year, with the cash flow that has been generated from our commercial drilling and heavy equipment leasing. Our 'contractor' cash flow is funding exploration at the Sudest gold project and a Strategic Alliance with PNG focussed Quintessential Resources Ltd.*

*Papua New Guinea is Australia's closest neighbour and a democratic country that is becoming better perceived as a stable place to invest, particularly considering the political and sovereign risks continuing to emerge from a number of the previously "must be there" investment countries.*

*Frontier's growth strategy has been to acquire highly prospective open ground, undertake value adding exploration and obtain a Joint Venture for a significant deferred carried equity in the projects. One difficulty for continued organic growth has become the increasing lack of prospective ground available for new EL applications.*

*The Alliance is positive because it enhances Frontier's probability of success, should make it easier to market the JV tenements and because of the operational and fiscal synergies that result from staff and remote office 'sharing'; it also gives us the opportunity to capitalise on our investment when Quintessential's drilling is successful.*

*Frontier's Board looks forward to substantial future exploration success from the company's extensive Joint Venture tenement position in New Britain with partners Quintessential Resources, Newcrest Mining and Ok Tedi Mining Ltd.*



For additional information relating to Frontier Resources, please visit [www.frontierresources.com.au](http://www.frontierresources.com.au) or feel free to contact me.

**FRONTIER RESOURCES LTD**

P.A. McNeil, M.Sc.  
CHAIRMAN / MANAGING DIRECTOR