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ASX Limited  
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Announcement

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## Ok Tedi Mining Ltd to Withdraw from 2 Joint Ventures

Frontier Resources Ltd announces that Ok Tedi Mining Ltd (OTML) will withdraw from 2 Joint Ventures with Frontier on 5 Exploration Licenses (ELs) in Papua New Guinea. OTML have spent approximately US\$28million on the JV tenements over the past 3 years and conducted substantial drilling on 3 ELs.

- The Exploration Licenses will remain 100% owned by Frontier (no equity has been transferred to OTML) and must be returned in "Good Standing" in regard of pro-rated annual expenditure and work commitments required by the PNG Mineral Resource Authority.
- The exploration potential of ALL 5 ELs remains excellent, with multiple untested drilling targets on each EL and this will be elaborated on in a release forthwith. For example:
  - The very high grade surface gold at Bulago (Suguma Prospect) was not adequately drill tested, as the 'planned' intercept was at 200m vertically below the surface exposure. This is not how Frontier would have tested it and is far too deep for an initial evaluation of high grade gold.
  - No ground based exploration was completed at the Central New Britain EL at all (only expensive aeromagnetics and a Lidar topographic survey), yet it has 4 excellent porphyry targets.
- OTML recently supplied Frontier with "all the data" and this will now be evaluated to determine what information remains to be announced (ex: Wasi drilling and East New Britain exploration results).
- New Joint Venture partners will be sought for all Frontier's tenements.

### Background

Ok Tedi Mining Ltd recommended in late July to its 63.4% owner, the Papua New Guinea Sustainable Development Program Limited (PNGSDPL), that it withdraw from both Frontier Joint Ventures. The PNGSDPL requested a meeting with Frontier to enable it to discuss the Joint Ventures and remaining exploration potential to better evaluate its 'future'. Frontier directors met with the PNGSDPL in early August, discussed the possibilities and submitted a proposal in relation to the Joint Ventures and exploration in PNG.

Frontier was verbally informed today that the Board of PNGSDPL subsequently accepted OTML's recommendation to withdraw and the Company will be notified in writing of such forthwith.

Frontier entered into 2 farm-in joint ventures with Ok Tedi Mining Limited (OTML) on 3 Exploration Licenses and 2 EL Applications in Papua New Guinea on 26th May 2010 (the ELAs were subsequently granted). Terms were: OTML's total earn-in was US\$60 million over 6 years (consisting of US\$12 million/project), Frontier was then deferred carried to completion of any Bankable Feasibility Study on each tenement, with a 42% (dilutable) interest in the Bulago and Leonard Schultz ELs and a 19.9% interest (non-dilutable) in the Likuruanga, Central and East New Britain ELs .

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

FRONTIER RESOURCES LTD

P.A. McNeil, M.Sc.  
Chairman and Managing Director

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 A. McNeil - Member of the Aust. Inst. of Geoscientists. Peter McNeil is the 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 2004 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.