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ASX Limited
Company Announcements Office

ASX : FNT

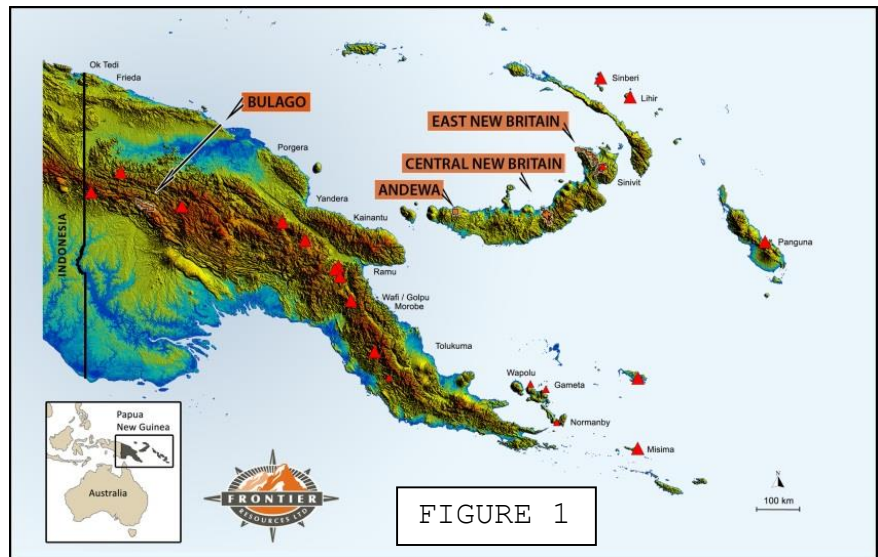
30th July 2015

TECHNICAL REPORT – QUARTER ENDED 30th JUNE 2015

Frontier Resources Ltd (ASX : FNT) is focussed on mineral exploration in Papua New Guinea and its 100% interest in the Bulago Exploration Licence (EL) (Figure 1). The EL is highly prospective for the discovery and delineation of intrusive related high grade gold, copper+/- gold +/-molybdenum porphyries, associated polymetallic skarn and epithermal gold deposits.

An Entitlements Issue offered eligible shareholders the opportunity to subscribe for one new fully paid ordinary share in the Company for every one share held on the Record Date at an issue price of \$0.002 per share. Total applications under the Entitlements Issue and shortfall offer totalled 200,495,790 Shares for \$400,991.58, representing 52.56% of all shares offered.

On May 25th, Frontier announced that it had signed a Heads of Agreement with GoldRidge Community Investment Limited (GCIL), the Solomon Islands Landowner company that owns 100% of the Gold Ridge Mine/Project on Guadalcanal Island to acquire an 80% interest of the Gold Ridge Mine/Project. Consideration included equity in FNT shares and deferred carry of GCIL's 20% interest into production.



Subsequently on 22nd June 2015, Frontier announced that GCIL had not negotiated in good faith or exclusively with Frontier as required by the terms of the Heads of Agreement and negotiations were terminated, with Frontier to seek recovery of costs from GCIL.

DETAILS - GOLD RIDGE PROJECT

Consideration to GoldRidge Community Investment Limited for Frontier acquiring 80% of the Gold Ridge Mine/Project, was to have been a 20% deferred carried interest into production, repayable from 50% of GCIL's pro-rata share of future profit, plus the issuance of 19.9% share equity in Frontier, plus the deferred issuance of 4.98% share equity in Frontier one year from the Commencement of the Joint Venture.

On 22nd June Frontier announced that GoldRidge Community Investment Limited had not negotiated in good faith or exclusively with Frontier as required by the terms agreed to in the Heads of Agreement (HoA announced to the ASX on May 25th 2015) and negotiations were terminated.

Frontier intends to pursue the recovery of associated costs from GCIL. During the exclusivity period, GCIL allegedly conducted multiple negotiations with at least 11 other parties including the Solomon Islands Government via a Memorandum of Understanding for funding.

During negotiations Frontier conceded on each of the points as requested by GCIL, agreeing to a cash component totalling SBD\$25million (A\$4.4m) over 24 months (in lieu of the deferred 5% FNT shares),

payment of a historic debt to the Landowners of SBD\$10 million (A\$1.6m) over 12 months and full liability for the Tailings Storage facility.

The proposed equity of 19.9% shares in FNT remained part of the proposed consideration and a second FNT Board of Director position was also offered to GCIL.

Chairman Mr Peter McNeil noted:

The Chairman of GCIL Mr Walton Naezon, GCIL Company Secretary Benjamin Afuga and GCIL Director Mr Thomas Mackenzie signed the Heads of Agreement on May 19th 2015. The Company provided GCIL with the first Draft of the JV on May 19th when both parties had agreed to use best efforts to finalise the JV by May 29th GCIL, however did not present the Draft JV to their legal advisor until June 3rd and no direct comments were ever received by FNT.

Frontier conceded favourably on every issue that GCIL queried but they had already decided that they no longer wanted to negotiate on the terms of the HoA. Frontier became aware that GCIL was allegedly negotiating with other potential investors during the exclusivity period. GCIL then formally provided Frontier with an ultimatum to accept a JV based unrealistically on ownership of only the removable assets (chemicals and storage containers) onsite, but not the processing plant or resources, in violation of the spirit and intent of the Heads of Agreement. Negotiations were formally concluded late on Thursday 18th June and the Company requested a trading halt.

Frontier was committed to returning the mine to production and managing the lack of storage volume in the Tailings Facility Storage dam upon signing the JV. During the due diligence process, Frontier determined that GCIL misled the Company regarding permission to build a new spill way and believe that immediate action should be taken to decrease the level of water in the TSF to prevent the possibility of a dam wall breach.

CORPORATE

A non-renounceable entitlements issue closed on 11th May 2015. The Entitlements Issue offered eligible shareholders the opportunity to subscribe for one new fully paid ordinary share in the Company for every one share held on the Record Date at an issue price of \$0.002 per share.

Entitlements Issue	Shares	Value
Shares validly applied for under the Entitlements Issue	108,577,298	\$217,154.60
Total Shortfall from Entitlements Issue	272,898,408	\$545,796.82
Shortfall Applications	91,918,492	\$183,836.98
Shortfall Remaining	180,979,916	\$361,959.83

Total applications under the Entitlements Issue and shortfall offer totalled 200,495,790 Shares for \$400,991.58 representing 52.56% of all shares offered. The Directors closed the Shortfall Offer under the Replacement Prospectus and consequently the remaining Entitlements Issue shortfall of 180,979,916 shares were not placed.

Releases to the ASX during the period included:

22nd June 2015	Negotiations terminated to acquire 80% of the Gold Ridge Project, Frontier to seek recovery of costs from GCIL.
29th May 2015	Joint Venture negotiations continuing with GCIL regarding the proposed acquisition of 80% of the Gold Ridge Mine/Project.
25th May 2015	Modifications to Frontiers' Board of Directors and management roles.
25th May 2015	Frontier signs heads of agreement to acquire 80% of the Gold Ridge Mine/Project consideration is equity in FNT shares and deferred carry of GCIL's 20% interest into production.
14th May 2015	Closure of rights issue & shortfall offers.

For additional information relating to Frontier please visit our website at www.frontierresources.com.au

FRONTIER RESOURCES LTD

P.S.McNeil, B.Ed, AGIA, GAICD

Managing Director

Competent Person Statement:

The information in this report that relates to Exploration Results, Mineral Resources and Ore 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 Chairman 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.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

FRONTIER RESOURCES LTD

ABN

96 095 684 389

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (12 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	8	20
1.2 Payments for		
(a) exploration and evaluation	(179)	(711)
(b) development	-	-
(c) production	-	-
(d) administration	(61)	(325)
(e) project development costs	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	(10)	(2)
Net operating cash flows	(242)	(1,018)
Cash flows related to investing activities		
1.8 Payment for purchases of		
(a) prospects	-	-
(b) equity investments	-	(18)
(c) other fixed assets	-	-
1.9 Proceeds from sale of		
(a) prospects	-	-
(b) equity investments	-	111
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	-	93
1.13 Total operating and investing cash flows (carried forward)	(242)	(925)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(242)	(925)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	427	1,127
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (costs of issue)	(7)	(15)
	Net Financing Cash Flows	420	1,112
	Net increase (decrease) in cash held	178	187
1.20	Cash at beginning of quarter/year to date	30	37
1.21	Exchange rate adjustments to Item 1.20	-	(16)
1.22	Cash at end of quarter	208	208

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	73
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Consulting fees and directors fees \$73,031

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outlays for next quarter

	\$A'000
4.1 Exploration and evaluation	55
4.2 Development	-
4.3 Production	-
4.4 Administration	50
4.5 Capital Acquisitions	-
TOTAL	105

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	7	25
5.2 Deposits at call	201	5
5.3 Bank overdraft	-	-
5.4 Other – Term Deposits	-	-
Total: cash at end of quarter (item 1.22)	208	30

Changes in interests in mining tenements

	Tenement Reference	Nature of Interest [note (4)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates

	Total Number	Number Quoted	Issue Price	Amount paid up
7.1 Preferences securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions	-	-	-	-
7.3 Ordinary securities	581,971,496	581,971,496	-	-
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks	200,495,790 -	200,495,790 -	\$0.002 -	\$0.002 -
7.5 Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted	-	-	-	-
7.7 Options	18,000,000 10,000,000	- -	Exercise Price 6.1 cents 1.1 cents	Expiry Date 1/11/2017 2/12/2017
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		
7.13 Performance Shares	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: *[lodged electronically]* Date: 30 July 2015
(Company Secretary)

Print name: Matthew Foy

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
 - 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
 - 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
 - 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
 - 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address the topic, the Australian standard on that topic (if any) must be complied with.
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