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30<sup>TH</sup> April, 2007

#### COMPANY ANNOUNCEMENTS OFFICE

## TECHNICAL REPORT - QUARTER ENDED 31st MARCH 2007

- Frontier are focused on exploring the highly mineralised Pacific 'Rim of Fire', Papua New Guinea and the major Kodu copper-gold-molybdenum Deposit, Elo copper-gold-molybdenum, Bukuam copper-gold-silver-molybdenum and Andewa gold Projects.
- Kodu contains an Inferred Resource of 108Mt grading 0.33% copper, 0.42g/t gold and 60ppm molybdenum (543,000 tonnes copper equivalent grading 0.50% copper, using metal prices of UD\$3.47/lb copper, US\$677/oz gold, US\$13.85 /oz silver and US\$25/lb molybdenum from 13/4/2007). Its exploration potential is very good.
- The Company's objective is to advance the Kodu Deposit rapidly and cost effectively, by confirming, delineating and expanding the existing resource base. Then, subject to economic conditions and exploration results, undertake a pre-feasibility study to assess possible exploration and development paths forward.
- Frontier has a 100% interest in an approx 7,500km<sup>2</sup> portfolio of quality copper and gold properties in PNG, with 3 Exploration Licences (Kodu, Likuruanga and Andewa) and 8 applications, plus 5 Exploration Licences and 2 Retention Licences covering 211 km<sup>2</sup> in Tasmania.
- The Company is an ASX listed junior mineral explorer whose shares also trade on the Frankfurt, Berlin and Munich Stock Exchanges.
- Frontier operates with a general policy of 'DRILLING' our quality projects using our self manufactured, cost effective, environmentally friendly, man-portable diamond core rigs.
- Directors and Management team have more than 120 years combined experience in PNG and Tasmania.

#### HIGHLIGHTS OF THE QUARTER

- Resource delineation and expansion drilling continued at the Kodu Deposit and a major soil sampling and hand trenching program was completed at the Bukuam Prospect.
- Very good continuity of mineralisation was documented on Kodu drill section 9950N and it shows good correlation with the previously known higher grade mineralisation. The consistent copper and gold assays in holes KFD001, 002, 003 and 006 have extended and further confirmed this mineralised zone and has added significant tonnage (that is greater than deposit average grade), to the resource model where none previously existed.
- The width of the mineralised zone on Section 9950N has been increased by at least 100% (on average) to about 400m.
- About 2,570m of drilling have been completed by the Company at Kodu in 2007, with about 3,520m completed program to date.

- Tracked vehicle access was completed from the Sir Hubert Murray Highway (and Port Moresby power grid) to the Kodu Deposit resource delineation drilling and exploration site. Significant operational cost reductions are anticipated with the minimisation of air support.
- The entire 5.5km long x 1.2km wide stream sediment copper anomaly at the Bukuam copper, gold, silver, molybdenum and zinc mineralised system has now been grid soil sampled. Twenty line kilometres of new sampling was completed and results are expected in about 3 weeks.
- The Company raised \$1,275,695.98 from the Entitlements Issue that closed on Wednesday 28 March 2007. 9,813,046 shares, with 9,813,046 free attaching options were issued. In addition, a total of \$1,209,000 was raised via placements of the shortfall, with an additional 9,300,000 shares and 9,300,000 November 2007 free attaching options issued.
- Frontier anticipates commencing drilling the very large Elo mineralised porphyry copper-gold-molybdenum system in late May and the Andewa epithermal vein gold Project in early June.

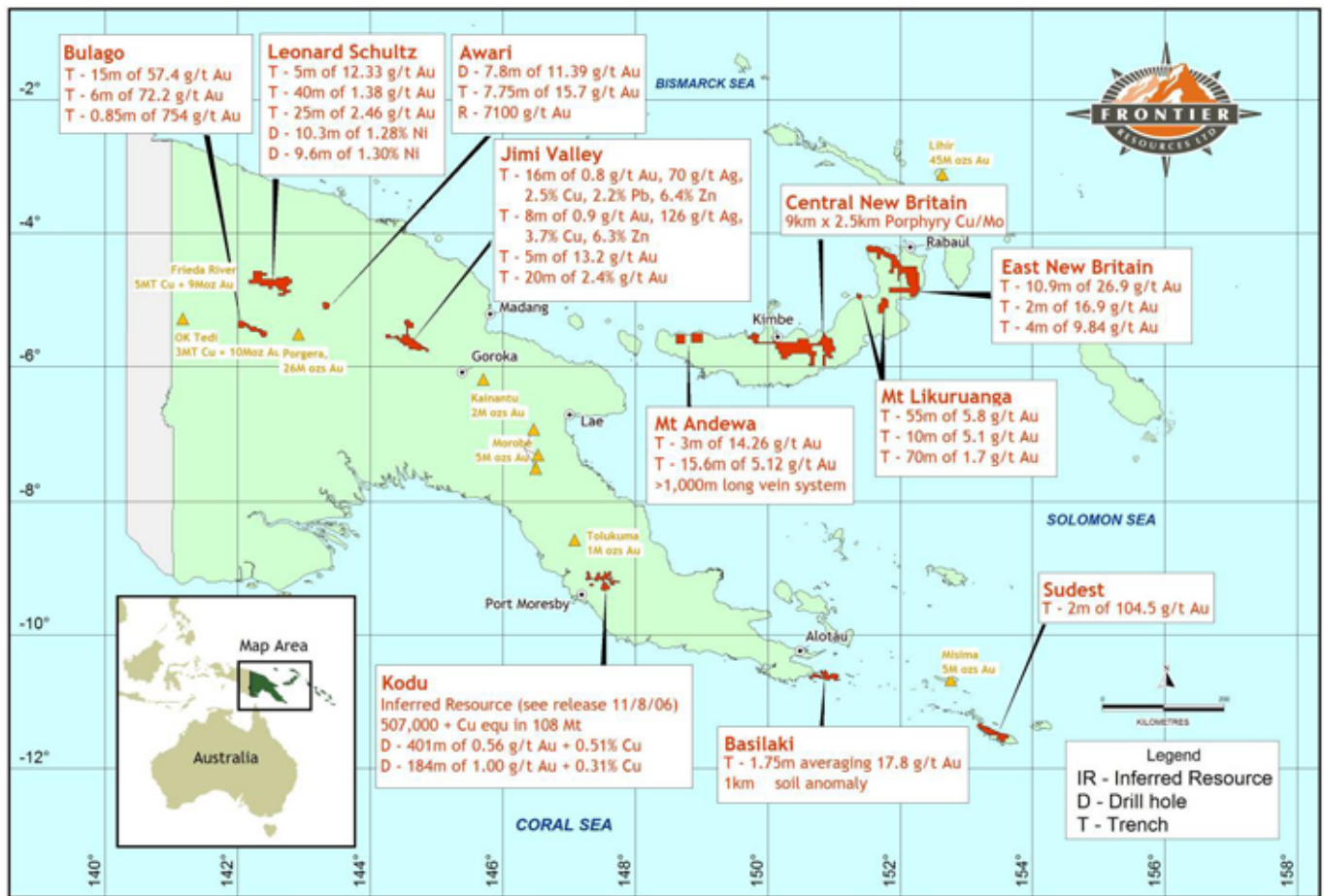
#### SUMMARY (ASX Releases During the Quarter)

- Resource delineation drilling recommences at the Kodu copper, gold, molybdenum deposit (ASX 15/1/2007)
- New Exploration results from Bukuam (ASX 24/1/2007)
- Hole KFD004 commenced to test width of Kodu Deposit (ASX 30/1/2007)
- Frontier at Kodu drills 85m grading 0.52% copper + 0.60 g/t gold from surface. (ASX 5/2/2007)
- 4km2 copper-gold-molybdenum mineralised porphyry system documented at the Elo Prospect. (ASX 7/2/2007)
- Second rig targets the Kodu deposits SW gold zone (ASX 13/2/2007)
- Substantial copper and gold grades drilled at the Kodu deposit (ASX 20/2/2007)
- Lodgement of Prospectus (ASX 22/2/2007)
- Contained copper equivalent at Kodu up 19% to 604,000 tonnes (ASX announcement 6/3/2007)
- The Kodu Deposit enters the next phase of its exploration/development with ground based logistical support (ASX 13/3/07)
- The new Bukuam mineralised system continues to progress and impress (ASX 15/3/2007)
- Resource delineation drilling update - Kodu Deposit (ASX 23/3/2007)
- Hole KFD004 assay, discussion of results and strategy forward Kodu Deposit, PNG (ASX 26/3/2007)

## DETAILS

### PAPUA NEW GUINEA

The Company's PNG ELs and EL Applications are shown in the above plan.

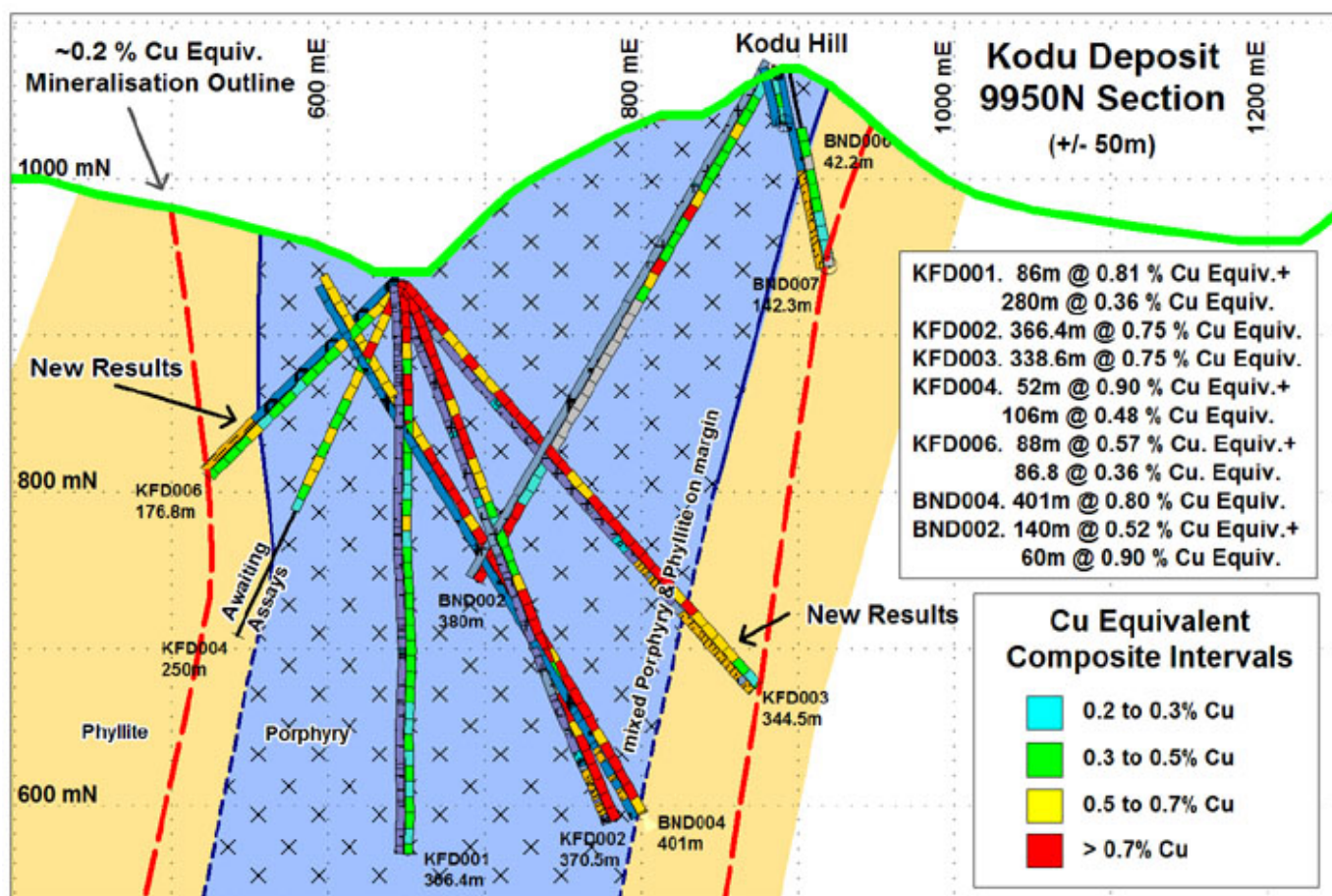


#### EL 1348 - Mt Bini Kodu Deposit

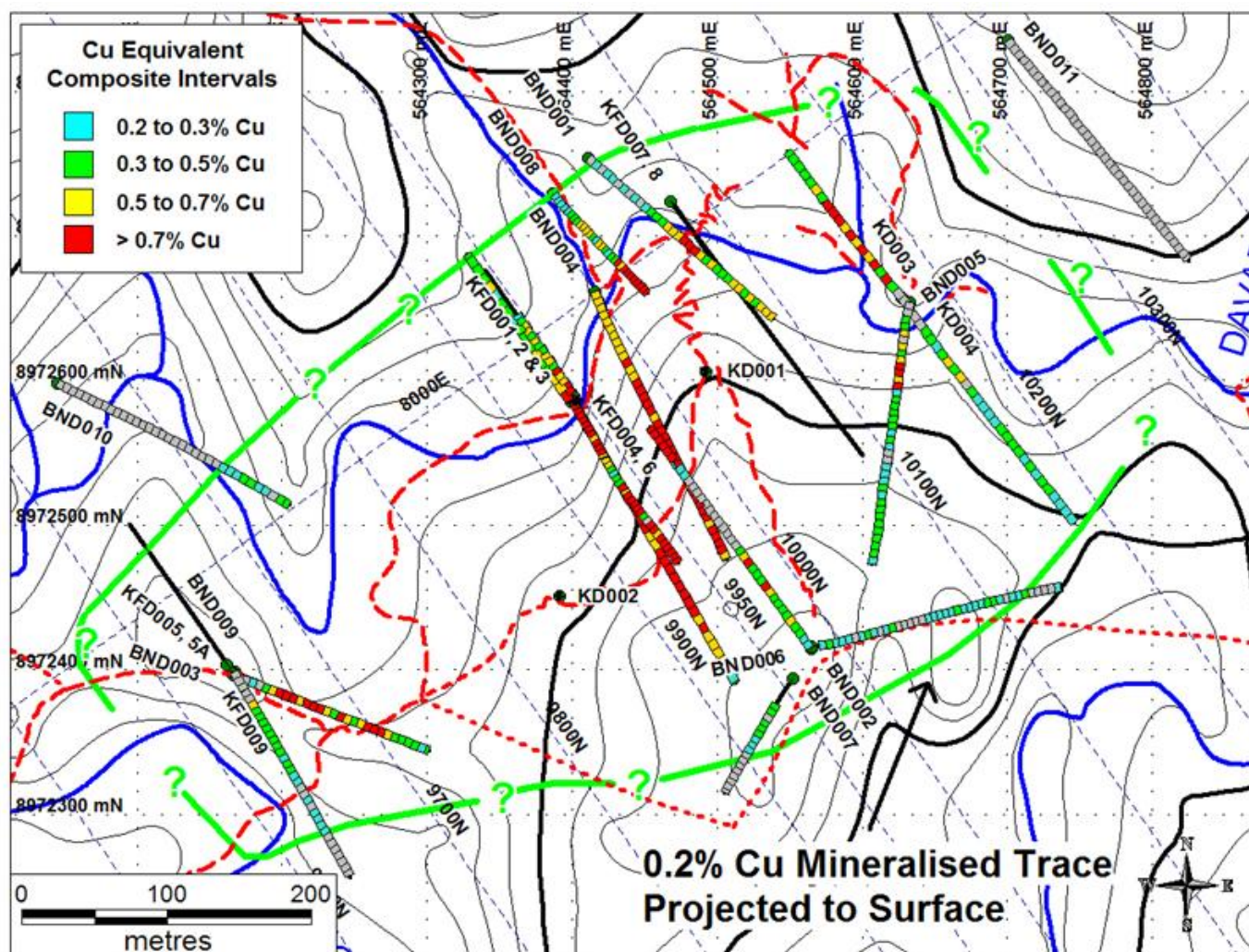
- ❖ About 2,570m of drilling have been completed to date in 2007, with about 3,520m completed program to date.
- ❖ Drilling has substantially improved documented mineralisation continuity on the 9950N section. It shows good correlation with the previously known higher grade mineralisation (that is located 50m to the north in historic hole BND002 and BND004).
- ❖ The consistent copper and gold assays in holes KFD001, 002, 003 and 006 have extended the mineralised zone on 9950N and has added significant tonnage (that is greater than deposit average grade) to the resource model where none previously existed (assays from hole KFD004, 005 and 005A are awaited).
- ❖ The copper-gold-molybdenum mineralised zone (on the 9950N/10000N sections) is now about 400m wide at a 0.2% copper equivalent cutoff grade.
- ❖ An internal zone of coherent higher-grade mineralisation dips steeply to the east on 9950N, within the wider and lower grade mineralised envelope.
- ❖ The weighted assay averages and copper percent equivalents for the holes returned to date are tabulated below. They all contain higher grade internal intervals.

Hole Number	Length (m)	Cu Equiv. (%)	Cu (%)	Au (g/t)	Mo (ppm)	From (m)	To (m)
KFD001	366.4	0.42	0.27	0.28	79	0	366.4
KFD002	366.4m	0.75	0.49	0.47	65	4.0	370.5
KFD003	338.6m	0.75	0.48	0.45	83	6.0	344.6
KFD004	162.0m	0.56	0.36	0.36	112	4.0	162.0
KFD006	174.8m	0.43	0.27	0.22	117	2.0	176.8

- ❖ The amount of copper equivalent at Kodu was re-estimated to be 543,000 tonnes grading 0.50%, in 108 million tonnes grading 0.33% copper + 0.42g/t gold +60ppm molybdenum (calculated at 4/07 metal prices). This number will vary over time relative to the component metal prices
- ❖ The Inferred Resource is presently being re-estimated for release anticipated early June. It will then be updated again for early August 2007 and then the Company will likely commence a Pre-Feasibility Study.
- ❖ The former Joint Venture partner drilled hole KD004 in late 2005, but didn't analyse its entire length. The 25m remaining unsampled at the end of the hole has returned 25m grading 0.15% copper + 0.07 g/t gold + 173 ppm molybdenum, or about 0.30% copper equivalent. The entire intercept for hole KD004 is now 183m grading 0.34% copper + 0.41g/t gold + 105 ppm molybdenum. This is significant because it highlights the additional tonnage potential available from the wallrock.







Hole ID	Easting (m)	Northing (m)	RL (m)	Azimuth (True)	Dip	Depth (m)
KFD001	564399	8972588	935	145	-85 °	366.4*
KFD002	564398.9	8972588	935	145	-65 °	370.5*
KFD003	564398.9	8972588	935	145	-50 °	212.0 to 344.5**
KFD004	564399	8972588	934	325	-65 °	162.1 to 250.2**
KFD005	564166	8972399	969	111	-80 °	109.8
KFD005A	564166	8972399	969	111	-80 °	500.0
KFD006	564399	8972588	934	325	-45 °	176.8
KFD007	564468	8972724	948	143	-45 °	397.3
KFD008	564468	8972724	948	143	-80 °	468.0
KFD009	564166	8972399	969	320	-65 °	286.8
KFD010	564468	8972724	948	325	-50	92.8
KFD011	564468	8972724	948	325	-75	150***

NB: \* Drilled in 2006  
 \*\* Re-entered & Drilled Deeper  
 \*\*\* Drilling in Progress

Drill core was sampled as 2m half core composites for the entire length of the hole. Quality control was assessed via submission of known standards every 10 samples (~20m downhole). Laboratory quality control reported good repeatability for in-house standards, as well as for duplicate drill core analysis undertaken every ~35<sup>th</sup> sample. Assaying was carried out at ALS Chemex in Townsville using the ICP technique with analysis for Ag, As, Cu, Mo, Pb, S, Sb and Zn and 25 gram fire assays for Au.

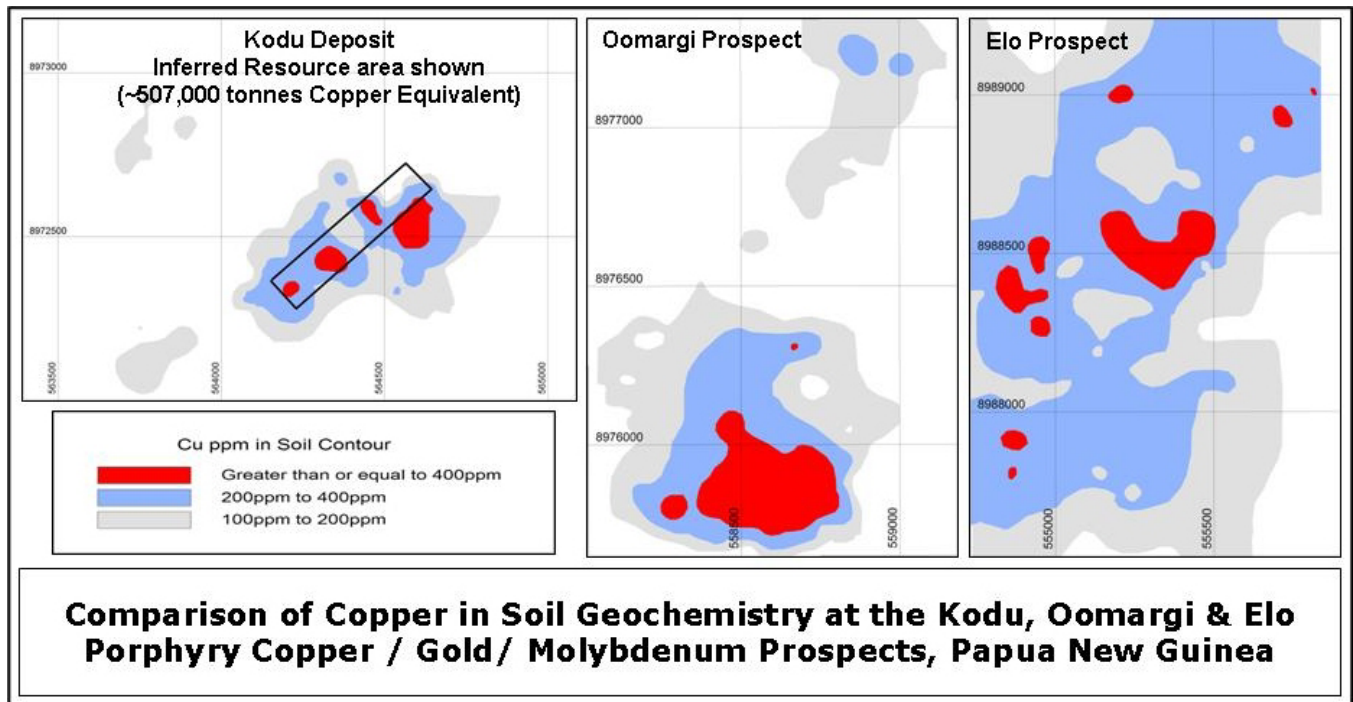
Hole Number	Length (m)	Cu Equiv. (%)	Cu (%)	Au (g/t)	Mo (ppm)	From (m)	To (m)
KFD001	366.4	0.42	0.27	0.28	79	0	366.4
	incl. 86m	0.74	0.52	0.6	53	0	86
	plus 280.4m	0.32	0.191	0.179	88	86	366.4
KFD002	366.4m	0.75	0.49	0.47	65	4.0	370.5
	incl. 72m	1.04	0.75	0.76	52	4.0	76.0
	plus 82m	0.60	0.45	0.39	35	76.0	158.0
	plus 26m	0.23	0.16	0.20	18	158.0	184.0
	plus 80m	0.69	0.50	0.53	37	184.0	264.0
	plus 18m	0.10	0.06	0.08	28	264.0	282.0
	plus 88.5m	0.74	0.49	0.44	157	282.0	370.5
KFD003	338.6m	0.75	0.48	0.45	83	6.0	344.6
	incl. 277m	0.84	0.59	0.56	101	6.0	283.0
	plus 61.6m	0.43	0.26	0.10	176	283.0	344.6
KFD004	162.0m	0.56	0.36	0.36	112	4.0	162.0
	incl. 26m	1.13	0.80	0.94	68	4.0	30.0
	plus 132m	0.45	0.28	0.25	121	30.0	162.0
KFD004 ext.	Results	Awaited					
KFD005	Results	Awaited					
KFD006	174.8m	0.43	0.27	0.22	117	2.0	176.8
	incl. 88m	0.52	0.34	0.32	103	2.0	90.0
	plus 86.8m	0.32	0.18	0.10	131	90.0	176.8

## 4km<sup>2</sup> COPPER - GOLD - MOLYBDENUM MINERALISED PORPHYRY SYSTEM DOCUMENTED AT THE ELO PROSPECT BY RECONNAISSANCE SOIL GEOCHEMISTRY AND FURTHER INVESTIGATED WITH DETAILED GRID BASED SOIL SAMPLING AND GROUND MAGNETIC SURVEYS

- On February 7<sup>th</sup>, it was announced that exploration and on site reconnaissance confirmed a major precious/base metal mineralised porphyry system at the Elo Prospect, EL 1348 - Mt Bini, Papua New Guinea and that this system will be targeted for drilling as soon as practical.
- Gold geochemistry in reconnaissance ridge and spur soil sampling from previous exploration shows that the Elo anomaly covered an area of at least 4km<sup>2</sup> (2,200m x 1,800m - as defined by gold in soil assays >20ppb). When considering comparable intensity copper in soil geochemistry, Elo's mineralised surface area is approximately 6 times larger than that associated with the Kodu Deposit.
- The Company initiated exploration on this highly prospective target in October 2006 and completed a large, detailed grid-based soil sampling program (about 21 linear kilometres), plus a ground magnetic survey.
- 76% of the 660m previously trenched/sampled was anomalous, including: 84m of 0.1% copper + 0.169g/t gold and 2m peak assays of 0.50% copper, 1.39g/t gold and 197ppm molybdenum.
- The large relative size of the Elo system could reasonably reflect significant prospectivity for the discovery of a major body of copper-gold-molybdenum mineralisation.

- The Elo porphyry copper-gold-molybdenum system is located approximately 54km NNE of the national capital Port Moresby and about 18km to the NW of the Kodu Deposit; it is far removed from the Kokoda Track (which is located about 13km to the SE). The project area is within 5km of existing logging tracks, that provide good access and logistics during exploration and for any possible future development.

FIGURE 1.



#### Details

Porphyry copper deposits generally occur in defined 'districts' or permissive geologic terranes and have densities that vary from 2 to 128 deposits (not just occurrences) per 100,000km<sup>2</sup> and are generally skewed to the higher values (Singer et al, 2005). This basically means there is a good chance to define more than 1 porphyry copper-gold-molybdenum deposit in the right geologic area if enough ground is held.

EL1348 - Mt Bini covers 540 km<sup>2</sup> and all of it is anomalous in relation to gold in drainages and much of it in relation to copper. Compilation and analysis of historic data for the Mt Bini EL has shown it to host at least 5 areas of porphyry copper-gold-molybdenum mineralisation, including the Kodu Deposit and Oomargi occurrence (details of which have been released previously). The additional prospects (in order of the relative amount of exploration that has been completed) are the Elo, Tamala and Ua-Ule Prospects (See Figure 2). The Elo Prospect is discussed here and Tamala and Ua-Ule will be described at a later date when exploration on them commences.

The Elo project area is prospective for porphyry copper-gold-molybdenum and epithermal gold deposits. The exploration target is 300 to 500M tonnes grading 0.8% to 1.0% copper equivalent, from near surface. This target is based on the size and tenor of the soil geochemical anomaly, plus alteration noted. The regional example is the Kodu porphyry copper Deposit (also within EL 1348 and located 18km to the SE) with an Inferred Resource of 507,000 tonnes of copper equivalent in 108Mt grading approximately 0.47% copper equivalent [see ASX release 11 August 2006]).

The Elo Prospect is a large porphyry copper-gold-molybdenum mineralised system centred on an approximately 2km x 3km elliptical topographic high. Landsat imagery interpretation has shown a marked change in lineament/fault-fracture patterns in the central part of EL 1348, with Elo occurring on a major NE/SW trending lineament/structural zone that marks a change from a dominant NW fracture trend in the West to a NE trend in the East.

The lineament is approximately 15km wide and contains the 5 known copper-gold-molybdenum mineralised occurrences (Kodu, Oomargi, Elo, Tamala and Ua-Ule). It is apparently a transfer fault or a highly prospective, long lived and deeply extending structural corridor that has served as a conduit for mineralisation.



Porphyry copper style mineralisation was observed in several creeks draining the sub-circular topographic high and in very limited hand dug trenching. These trenches were channel sampled on a 2m basis and considering the high probability of surface leaching of copper, the results are highly encouraging. 76% of the 660m trenched and sampled was anomalous (trenches 1,2 5, 7 and 8) and included:

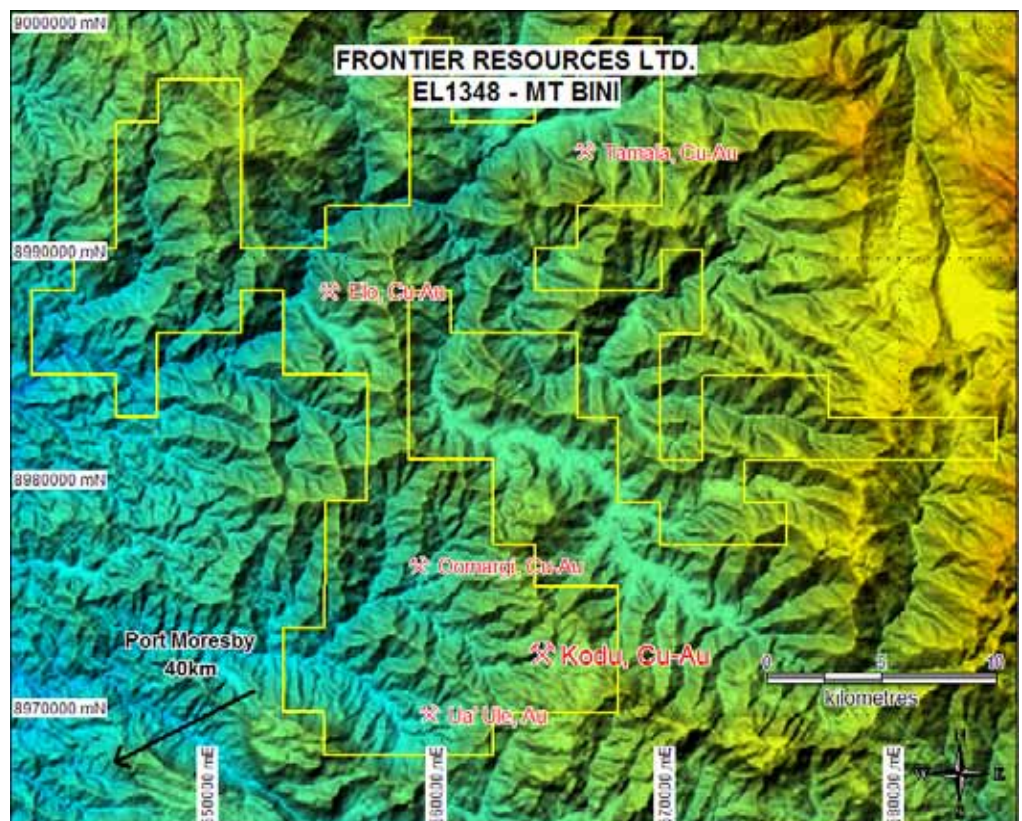
Trench Number	Peak 2m Assays			Entire Trench Length	Weighted Assay Averages		
	Au (g/t)	Cu (ppm)	Mo (ppm)		Au (g/t)	Cu (ppm)	Mo (ppm)
1	0.085	2117	136	90m	0.033	732	19
2	0.387	4967	99	212m	0.102	811	32
				incl. 84m	0.169	1001	27
3	0.208	124	197	68m	0.034	43	7
4	0.296	325	32	84m	0.037	107	4
5	0.532	686	10	44m	0.125	269	4
6	0.412	303	9	52m	0.089	122	2
7	1.390	181	0	60m	0.122	51	0
				incl. 16m	0.308	66	0
8	0.744	116	0	50m	0.163	70	0
				incl. 6m	0.502	91	0

Gold mineralisation was noted in several trenches related to quartz /pyrite (limonite) veining and supergene copper mineralisation was seen in several outcrops and in trenches 1 and 2. Quartz vein related mineralisation was also observed in trenches 1 and 2, with chalcopyrite, pyrite and molybdenite. Magnetite was noted at the NE end of trench 1 (which could indicate stronger mineralisation in that direction) and rock chip sampling in creeks has returned up to 625 ppm molybdenum.

Soil samples were collected by BHP in the early 1990s from 12 reconnaissance ridge and spur lines radiating from the central topographic high, but with a relatively low overall sample density at their ends. Highly significant gold, copper, molybdenum and zinc anomalies were documented but these have never been systematically evaluated or drilled.

The gold in soil anomaly (as presently known) is approx. 2,200m long and up to approx. 1,800m wide and broadly elliptical (as defined by a 20ppb gold cut-off). Within this zone is a wedge shaped approx. 1,000m x 400m area containing greater than 0.1 g/t gold, whose internal cohesiveness is being evaluated.

Copper in soils is broadly coincident with the gold in soils, but not as areally extensive, covering an eluant area approx. 1,600m long by approx. 1,200m wide (at >75 ppm copper). Molybdenum is also anomalous in soil geochemistry and generally coincident with the gold and copper; it contains a stronger core zone (>15ppm Mo) that is approx. 600m long and





approx. 400m wide. Zinc also displays the classical porphyry copper - gold zonation, from a zinc poor core that corresponds to the strongest copper and molybdenite zones to a zinc rich halo or periphery. Overall peak soil values were 931ppm copper, 1.74g/t gold and 40ppm molybdenum.

The local geology at Elo is similar to that at the Kodu Deposit, being lower amphibolite facies phyllites and metabasalts (metamorphic rocks) that are intruded by multiphase intrusives with compositions that vary from diorite, microdiorite, monzonite (latite), to quartz diorite and locally apparently granodiorite and hornblende shoshonite.

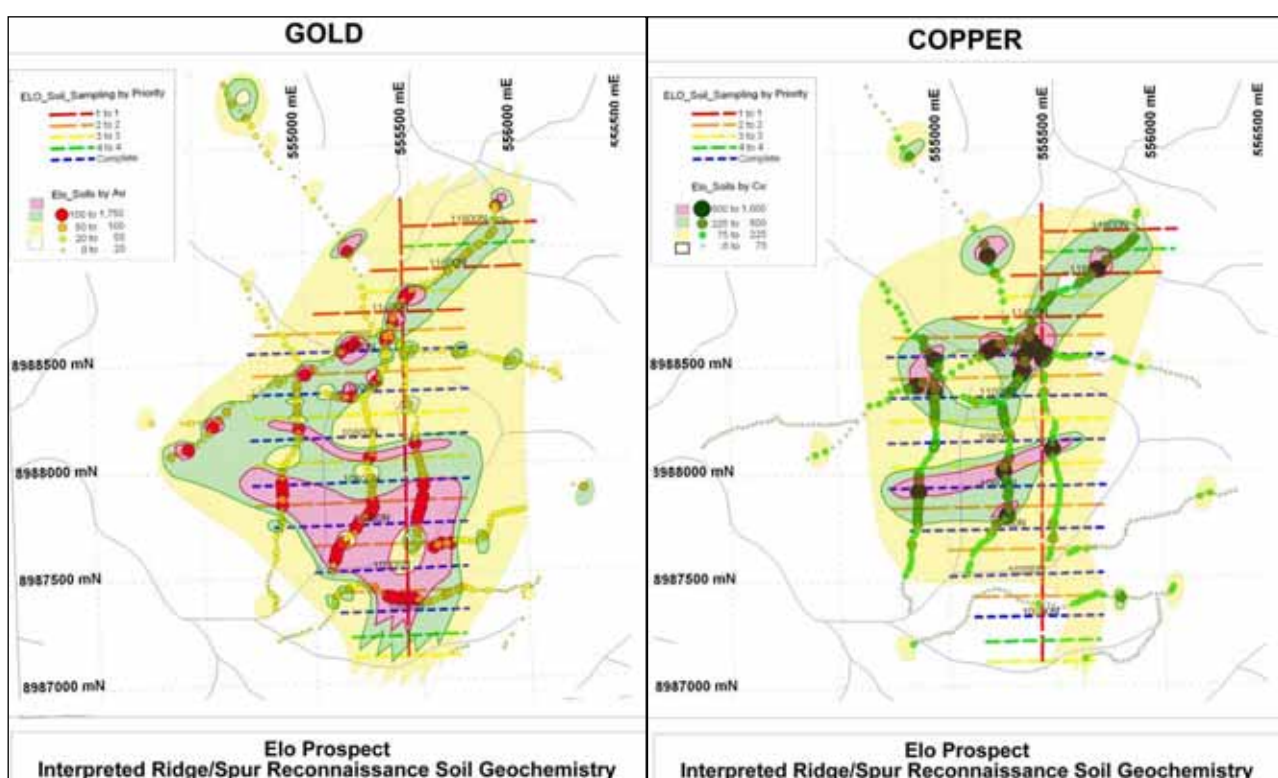
The intrusive complex appears to consist of a composite stock with dikes on the margin or periphery. It is presently inferred to be about approx. 1,500m long in a north-south orientation and approx. 700m wide east-west, occupying the bulk of the associated hill. The dykes appear to strike pre-dominantly NE (as at Kodu) and NW, with steep dips.

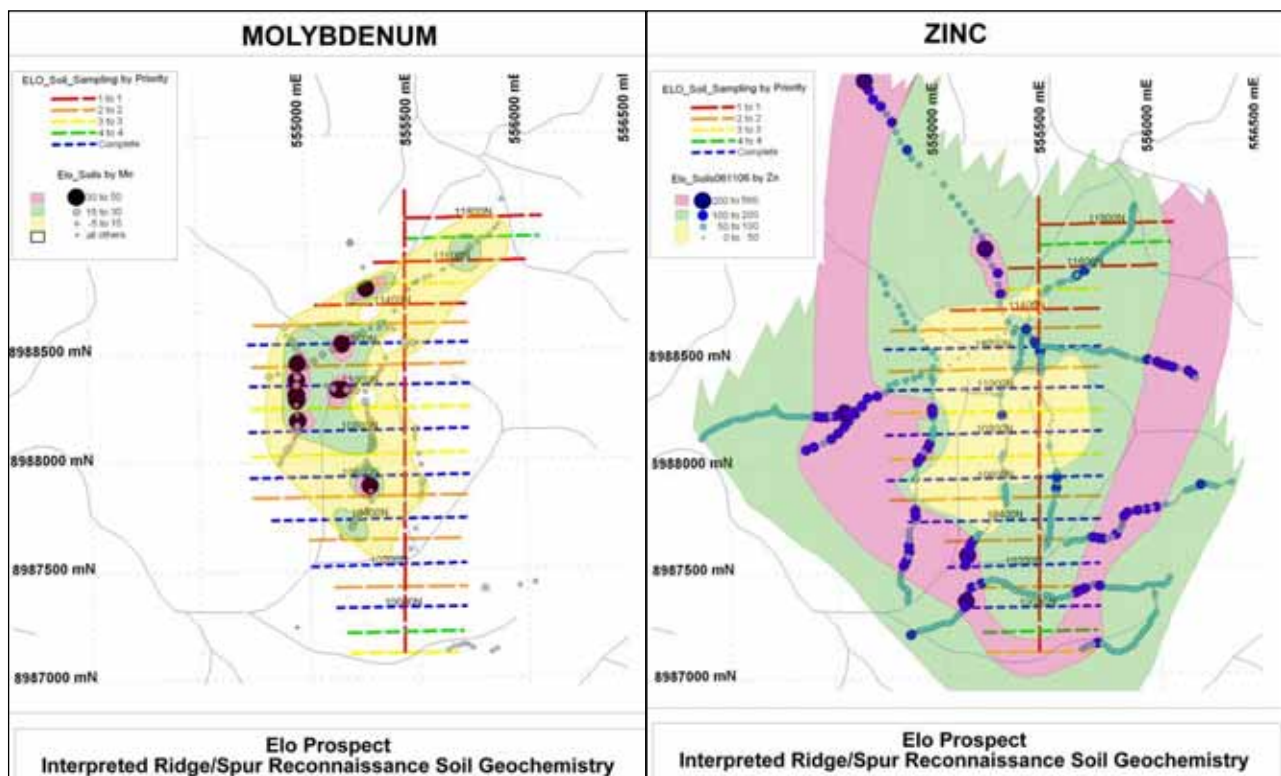
Alteration is widespread and a large zone of argillic alteration has been noted on the south side of the 'hill', with up to 5% disseminated pyrite and significant pannable gold (many colours at 5 sites in several drainages and copper drainage anomalies). It is encompassed by a broader propylitic alteration zone that extends up to 2.5km south of the centre of the prospect. This may be important given the association of significant copper mineralisation with propylitic alteration at Kodu. Potassic alteration has not been recognised, however, albitisation of feldspars has occurred. To the north of the 'hill', the alteration consists of pyritisation and silicification of the phyllites and quartz-carbonate-pyrrhotite stockwork veining of metabasalts.

A 2 month grid-based soil sampling program was completed in late 2006 by Frontier to confirm and refine the copper, gold and molybdenum in soil anomalies that were documented by BHP in the early 1990's.

In addition, a ground magnetic geophysical survey was completed over a major section of the prospect (on 7 lines at 200m spacing from 10000N to 11200N). The geochemical and geophysical data should provide excellent targeting vectors to potentially mineralised zones and it is anticipated that drill testing will be undertaken early in the second quarter of 2007, after the anomalies are confirmed by the grid based sampling and required preparations concluded.

Figures 3a-d. Gold, copper, molybdenum and zinc in reconnaissance ridge and spur soil samples and the recently completed soil sampling / ground magnetics grid. Soil sampling was conducted by relative priority and ultimately all lines were completed. Grid spacing is 500m.





## EL 1351 - Mt LIKURUANGA

- Bukuam copper - gold - silver -molybdenum mineralised system in soils expanded 33% to over 2,000m total length and is still open to the north and south along strike
- Ground magnetic survey and hand trenching completed to define drilling targets
- Grid soil sampling completed over the remainder of the 5.5km long anomaly

The Bukuam mineralised system is located in a 5.5km long x 1.2km wide copper and gold in stream sediment anomaly in EL 1351, East New Britain, Papua New Guinea. Major targets are near surface copper-gold-molybdenum-silver mineralised porphyries, high-grade base/precious metal skarns and epithermal gold deposits.

### Bukuam Soil Sampling

Grid-based along strike soil sampling at the Bukuam Prospect has extended the base and precious metal mineralised zone by 500m (or 33%), to more than 2,000m in overall length. A new peak value for gold in soils of 1.18 g/t, was located along the trend of the Kapea Creek Shear Zone. The system is still completely open to the north and at the far southern end of the anomaly, Costean 1 has trench samples grading up to 20m of 6.99 g/t gold (announced 5/12/2006), indicating probable additional extensions in that direction.

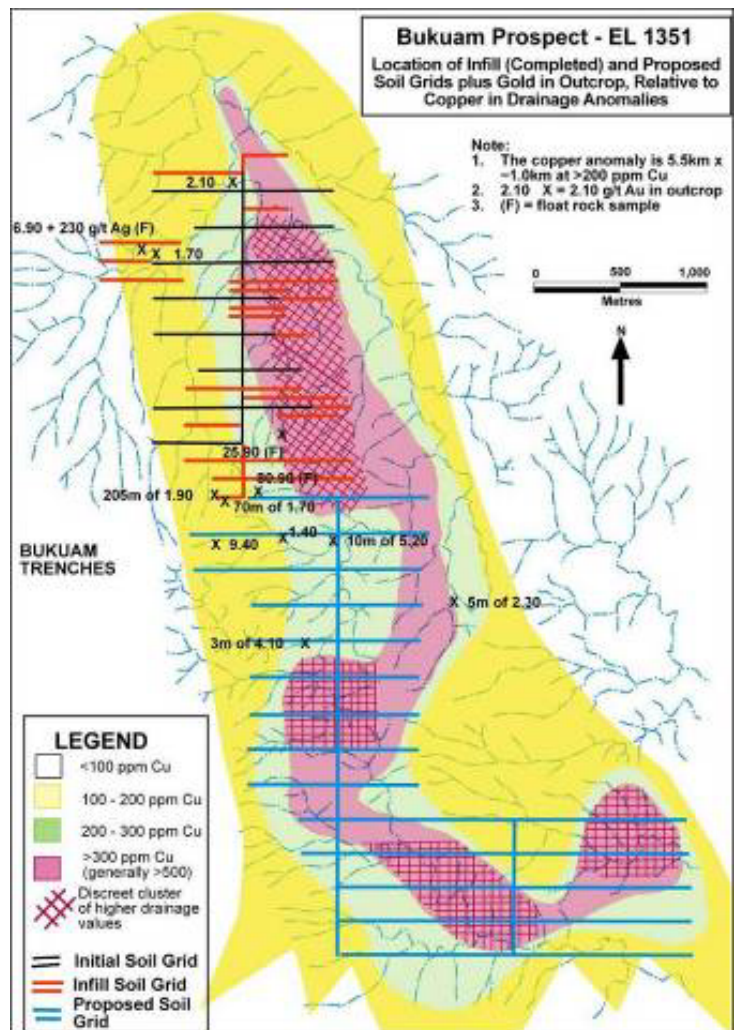




Detailed infill grid-based soil sampling was also conducted within the grid and on its eastern and western margins for 7.425 extra line kilometres in total. This exploration has refined and improved our spatial understanding of this system, and located significant new anomalies.

A new peak molybdenum in soil value of 124 ppm occurs at the northern most point of the soil grid. Soil anomalism for copper, molybdenum, gold and silver are all variably open in this direction and also to the south. Copper in soil maxima are located coincident with the new gold target in the SE of the grid and in the west of the grid near rock chip samples containing visible copper minerals.

A strong correlation is noted between copper, molybdenum and silver (with less cohesive, but still highly significant gold) in soils in the area of the postulated porphyry mineralisation. This geochemistry is supported by an appropriate style of alteration, being phyllic alteration with overprinting propylitic veins. Mapping has indicated the presence of dykes of intrusive rock penetrating and altering the volcanic andesites and limestone country rocks. Frontier has previously documented porphyry copper - molybdenum style mineralisation in outcrop in creeks draining the relatively linear, cohesive and coherent soil anomalies.



Zinc has now been analysed for all the soil samples and forms a distinctive halo around the copper-molybdenum anomalism. This alteration pattern is typical of porphyry copper systems and also indicates zinc-gold-silver skarn targets. The possibility of skarn targets have been confirmed by the location of these anomalies relative to the known mineralisation in Costean 1. The strongest zinc in soils with a peak value of 0.55% (which is strongly anomalous) occurs peripheral to the gold mineralisation sampled in Costean 1. This costean returned a 6m zone of mineralisation containing 3.12% zinc and 7.06g/t gold, with sampling terminated to the west in 0.8% zinc and 0.93g/t gold (see release dated 5/12/2006 for full Costean 1 results).

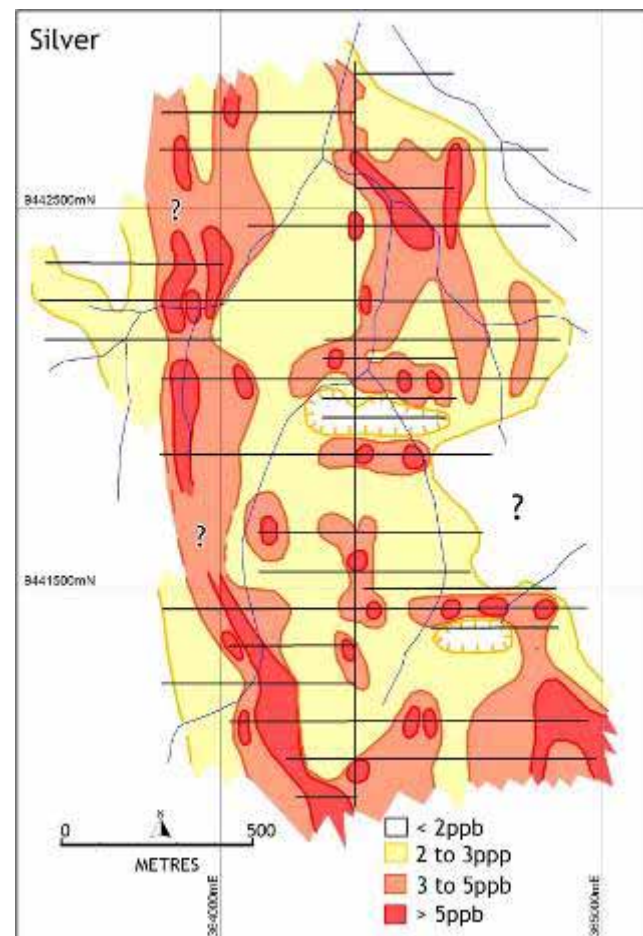
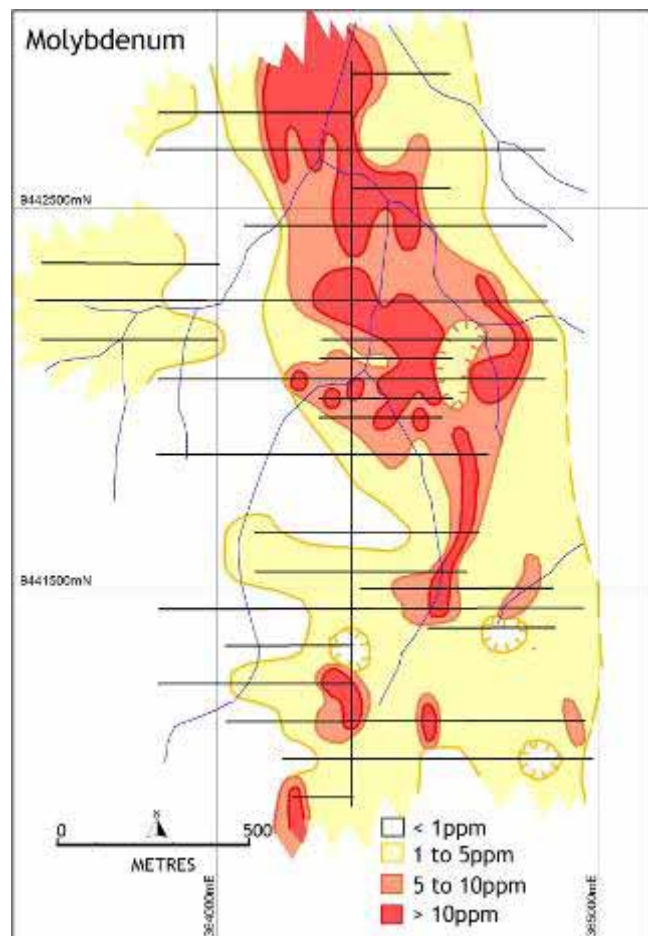
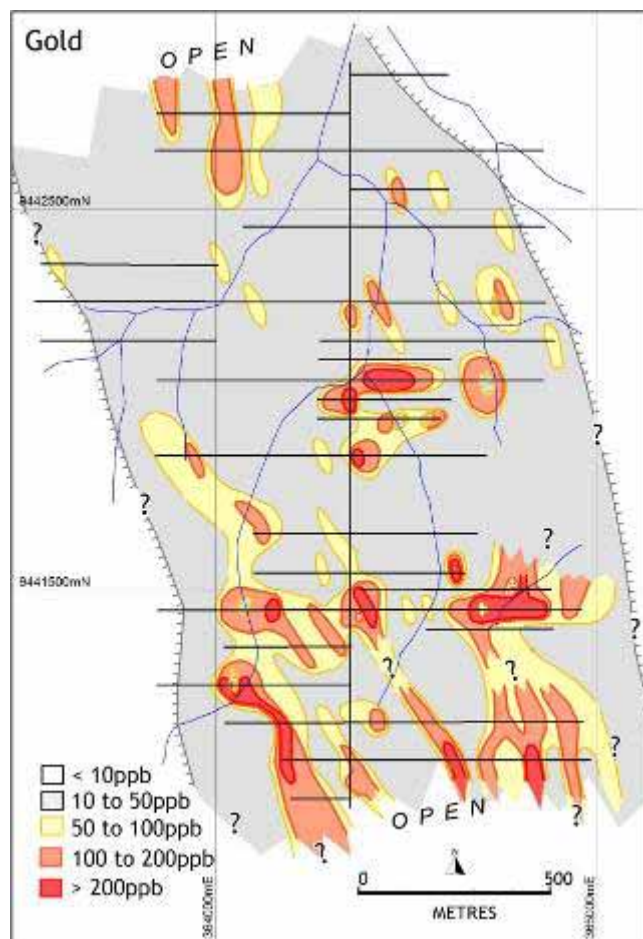
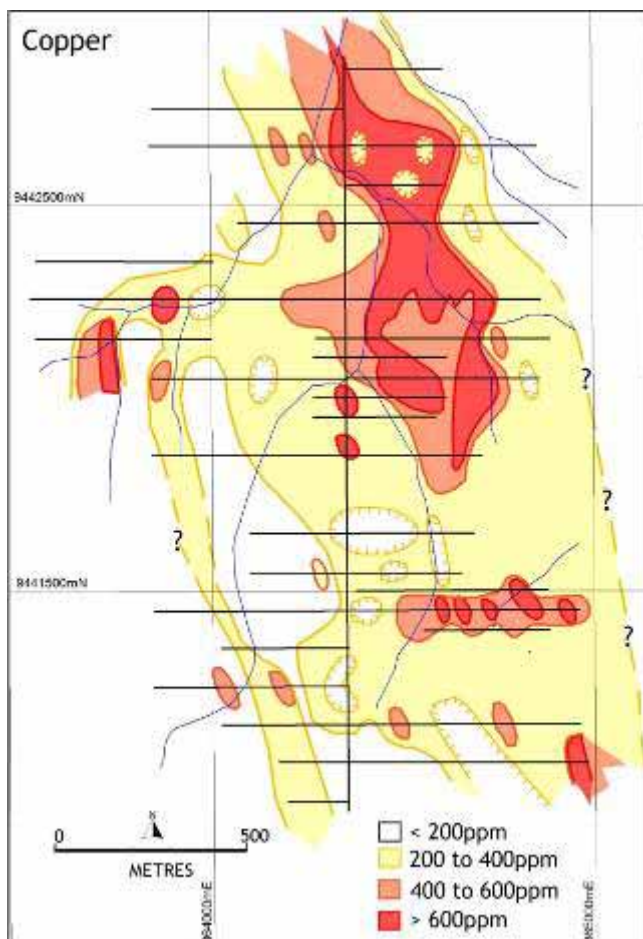
#### Bukuam Ground Magnetics and Additional Grid Based Soil Sampling

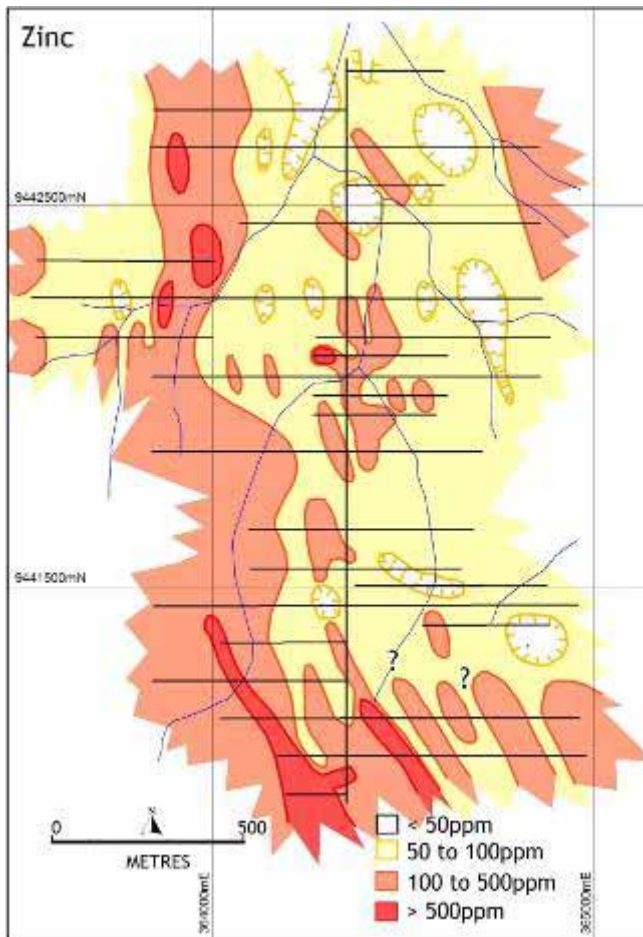
Follow-up exploration included:

- Extensive hand trenching in the two discrete known gold, copper, silver +/- molybdenum geochemical anomalies, plus a ground magnetic survey to assist in defining the porphyry copper mineralisation and to track/direct detect the gold auriferous magnetite skarns to define drilling targets and
- A major soil geochemical grid extension (covering about 2.6 kilometres of drainage anomaly strike length) over the southern unsampled approximately two-thirds of the drainage anomaly, with the goal of significantly extending the already known laterally extensive zone of base and precious metal mineralisation.

The trenching, ground magnetic survey and additional soil sampling will enable a thorough evaluation of the area and provide good targeting vectors to potentially mineralised zones for drill testing with one of Frontier's diamond drilling rigs (scheduled to commence in the second or third quarter of 2007).







The large (and increasing) relative size of the Bukuam system, which is completely open to the north and the south, could reasonably reflect highly significant prospectivity for the discovery of a major body of copper - gold - molybdenum mineralisation, base and precious metal skarns and/or high grade shear hosted gold.

#### ENTITLEMENTS ISSUE RAISES \$1.275 MILLION AND PLACEMENT OF SHORTFALL RAISES \$1.209 MILLION

The Entitlements Issue that closed on Wednesday 28 March 2007 received applications for 9,813,046 shares, with 9,813,046 free attaching options, raising \$1,275,695.98.

The capital raised will enable the Company to:

- continue resource delineation and expansion drilling with 2 company owned rigs at the Kodu copper - gold - molybdenum Deposit. The Inferred Resource currently contains 604,000 tonnes of copper equivalent grading 0.56%, within 108M tonnes grading 0.33% copper + 0.42 g/t gold + 60ppm molybdenum (copper equivalent was estimated using late February 2007 metal prices);
- produce an Indicated and Inferred Resource estimate that is anticipated for release in early August 2007; and
- commence a Pre-Feasibility Study to evaluate possible development paths and requirements forward.

In addition, a total of \$1,209,000 was raised via placements of the shortfall, with 9,300,000 shares and 9,300,000 November 2007 free attaching options issued.

For additional information relating to the Company and its projects please visit our website at [www.frontierresources.com.au](http://www.frontierresources.com.au) or feel free call me on +61 (0) 8 9295 0388.

**FRONTIER RESOURCES LTD**

P.A. McNeil, M.Sc.  
**MANAGING DIRECTOR**

The information in this report that relates to Exploration Results, Mineral Resources is based on information compiled by, or compiled under the supervision of Peter A. McNeil, Member of the Aust. Inst. of Geoscientists, Robert D. McNeil Fellow of the Aust. I.M.M. and Anson Griffiths Member of the Aust. I.M.M. Peter McNeil and Robert McNeil are Managing Director and Chairman of Frontier Resources, respectively and neither is a staff employee of Frontier and Anson Griffiths is Chief Geologist, Mine Development for New Guinea Gold Corporation. Peter McNeil, Robert McNeil and Anson Griffiths have collectively 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, Robert McNeil and Anson Griffiths consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**FRONTIER RESOURCES LTD**

ACN OR ARBN

**095 684 389**

Quarter ended ("current quarter")

**31 March 2007**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year To Date (9 Mths) \$A'000
1.1 Receipts from product sales and related debtors	-	88
1.2 Payments for (a) exploration and evaluation	(514)	(1,622)
(b) development	-	-
(c) production	-	-
(d) administration	(128)	(475)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	20
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Expenditure reimbursable by JV partner	-	-
Other - Expenditure reimbursable by others	(272)	(279)
<b>Net Operating Cash Flows</b>	(906)	(2,268)
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchase of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(68)	(353)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	29	478
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Mines Dept deposits	-	-
<b>Net Investing Cash Flows</b>	(39)	125
1.13 Total operating and investing cash flows (carried forward)	(945)	(2,143)



1.13	Total operating and investing cash flows (brought forward)	(945)	(2,143)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issue of shares, options, etc.	12	1,950
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 - Subscriptions re Rights issue	959	959
<b>Net financing cash flows</b>		971	2,909
<b>Net increase (decrease) in cash held</b>		26	766
1.20	Cash at beginning of quarter/year to date	1,040	300
1.21	Exchange rate adjustments to 1.20		
1.22	<b>Cash at end of quarter</b>	<b>\$1,066</b>	<b>\$1,066</b>

**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	62
1.24	Aggregate amount of payments to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors: salaries and consulting fees

**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.

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

**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 outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	800
4.2 Development	-
<b>Total</b>	800

**Reconciliation of cash**

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

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,066	1,040
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other : fixed term deposits		
<b>Total: cash at end of quarter</b> (item 1.22)	1,066	1,040

**Changes in interests in mining tenements**

	Tenement Reference	Nature of Interest (note(2))	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*

		<b>Total number</b>	<b>Number quoted</b>	<b>Issue price per security (see note 3) (cents)</b>	<b>Amount paid up per security (see note 3) (cents)</b>
7.1	<b>Preference +securities</b> <i>(description)</i>	Nil	Nil		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs redemptions				
7.3	<b>+Ordinary securities</b>	88,268,608	88,268,608		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	190,000	190,000	\$0.100	
7.5	<b>+Convertible debt securities</b> <i>(description)</i>	Nil	Nil		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	38,958,516 1,600,000 1,975,000 1,630,000	38,958,516	<i>Exercise price</i> 20 cents 20 cents 10 cents 14 cents	<i>Expiry date</i> 30-Nov-07 31-Dec-07 01-Dec-08 20-Oct-11
7.8	Issued during quarter				
7.9	Exercised during quarter	190,000		10 cents	01-Dec-08
7.10	Expired/cancelled during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>	Nil	Nil		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	Nil	Nil		



## 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: ..... Date: .....  
(Director/Company secretary)

Print name: Garry M. Edwards .....

## 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. Any 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 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 a topic, the Australian standard on that topic (if any) must be complied with.

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