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ASX Limited
Market Announcements Platform

30th August 2016

Proposal to Partner with the Hela Provincial Government to Cut a Track from Kopiago to Bulago

Frontier Resources Limited (**Frontier**) is pleased to announce that it has submitted a proposal to the Hela Provincial Government to partner with it, to cut a track from the end of the Highlands (Okuk) Highway to the Bulago Valley. This distance is about 30 linear or perhaps 50 to 60 ground kilometres of track, depending on the starting location (that will be decided in consultation with the Acting Governor of Hela, Provincial Government public servants (engineers and administrators) and MPs).

Frontier has offered the use of its dozer, excavator, crawler and crane truck, with the Provincial Government proposing to pay the actual operating costs (fuel, oil, mobilisation, personnel wages, compensation to landowners and agreed 'consumable' machine parts etc).

The proposed partnership has been well received by the Acting Governor of Hela, the Hon Philip Undialu MP, but is still in the very early stages and requires significant discussion and future funding assistance to accomplish. Senior Consultant John Kirakar, will attempt to meet with the Hon Philip Undialu and discuss the proposal prior to his mobilisation to the bush for the Bulago drilling.

Air support is Frontier's largest exploration cost centre (about 50% of each budget) and if it can be significantly reduced, then more exploration can be conducted at the Bulago EL for the same cost. The track would likely follow much of what the Bulago landowners refer to as the 'lapun' or old peoples walking track out of the valley, as the 'young' peoples track is rather difficult.

Chairman Peter McNeil stated:

The proposed track would be very good for Frontier's exploration in PNG, the people of the Bulago Valley and the route in, plus the Provincial Government, as the Bulago Valley is one of the most isolated regions in PNG.

The proposed route would traverse the Eastern Block of the Bulago EL that covers the Tumbudu Intrusive, that has not been explored (not by FNT or virtually at all, with only very basic porphyry reconnaissance in ~1970).

The Bulago landowners are ecstatic with the track proposal and the possible partnership markedly strengthens Frontier's social licence to operate in the region. It could be a 'Win – Win' undertaking for all involved.

The Company hopes that this partnership can be achieved after agreement is reached and when/after the Provincial Government receives its next round of infrastructure funding.

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

FRONTIER RESOURCES LTD

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