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# FRONTIER RESOURCES LIMITED

ACN 095 684 389

## NOTICE OF GENERAL MEETING

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**TIME:** 10.00am (WST)  
**DATE:** 12 May 2017  
**PLACE:** Unit 5, Ground Floor, 1 Centro Avenue Subiaco WA 6008

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9486 4036.

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### CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	2
Explanatory Statement (explaining the proposed Resolutions)	4
Glossary	9
Proxy Form	Enclosed

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### IMPORTANT INFORMATION

#### Time and place of Meeting

Notice is given that the Meeting will be held at 10:00am (WST) on 12 May 2017 at Unit 5, Ground Floor, 1 Centro Avenue Subiaco WA 6008

#### Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

#### Voting eligibility

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 10 May 2017.

#### Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

#### Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

#### **Proxy vote if appointment specifies way to vote**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

**Transfer of non-chair proxy to chair in certain circumstances**

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

**BUSINESS OF THE MEETING**

**AGENDA**

**1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE - SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,521,667 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SPP SHORTFALL SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,366,667 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE - SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,456,488 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE - SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,210,179 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE - SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,137,083 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**6. RESOLUTION 6 – ISSUE OF SHARES IN LIEU OF DEBT TO A DIRECTOR – MR PETER MCNEIL**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 3,100,000 Shares at a deemed issue price of \$0.03 in part satisfaction of \$93,000 of unpaid accrued consulting fees as at 31 December 2016 to Mr Peter McNeil (or his nominee), on the terms and conditions set out in the Explanatory Statement”*

**Voting exclusion:** The Company will disregard any votes cast on this Resolution by Mr Peter McNeil (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:** A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**7. RESOLUTION 7 – APPROVAL TO ISSUE SECURITIES – NIUGINI HELICOPTER SHARES**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 2,666,667 Shares to Niugini Helicopters (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**Dated: 12 April 2017**

**By order of the Board**  
**Matthew Foy**  
**Company Secretary**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE - SHARES

#### 1.1 General

On 3 August 2016, the Company announced it had issued 2,521,667 shares at a deemed issued price of 3¢ per share to consultants in lieu of outstanding fees totalling \$75,650 (**Consultant Shares**). The Consultant Shares were issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 2,521,667 Consultant Shares.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) The Company issued a total of 2,521,667 Consultant Shares.
- (b) The Consultant Shares are fully paid ordinary shares in the capital of the Company and rank pari passu with the Company's existing Shares.
- (c) The Consultant Shares were issued to the following unrelated consultants to the Company.

Mr J. Idigel
Mr M. Aldan
Mr G. McDonald
Mr G. Stephenson
Mr J. Kirakar
Ms. M McNeil
Minerva Corporate Pty Ltd

- (d) No funds were raised from the issue of the issue of the Consultant Shares as they were issued in lieu of fees.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

***The Directors recommend Shareholders vote in favour of Resolution 1***

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## 2 RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE - SPP SHORTFALL SHARES

### 2.1 General

On 17 June 2016 the Company launched a share purchase plan that provided eligible shareholders the opportunity to purchase up to \$15,000 worth of fully paid ordinary shares in the Company at 3¢ per share (the **Plan**). The Plan closed on 14 July 2016 with applications for 6,830,015 shares totalling \$204,900. On 3 August 2016 the Company advised it had shares pursuant to the Plan shortfall totalling 3,366,667 shares at 3¢ per share to raise \$101,000 for drill testing the porphyry copper-gold targets at the Company's Swit Kai prospect, Bulago in Papua New Guinea (**SPP Shortfall Shares**). The SPP Shortfall Shares were issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 3,366,667 SPP Shortfall Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### 2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) The Company issued a total of 3,366,666 SPP Shortfall Shares.
- (b) The SPP Shortfall Shares are fully paid ordinary shares in the capital of the Company and rank pari passu with the Company's existing Shares.
- (c) The SPP Shortfall Shares were issued to professional and sophisticated investors all of whom are unrelated parties to the Company.
- (d) A total of \$101,000 was raised from the issue of the issue of the SPP Shortfall Shares to drill test the porphyry copper-gold targets at the Swit Kai prospect, Papua New Guinea.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

### *The Directors recommend Shareholders vote in favour of Resolution 2*

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## 3 RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE - SHARES

### 3.1 General

On 10 February 2017 the Company advised it had settled a total of \$200,000 of contractor fees by way of issuing 6,666,667 Shares at a conversion price of 3¢ per share (**Contractor Shares**). The issue of the Contractor Shares represented between six and twelve months of professional fees including \$120,000 (or 35 hours) of helicopter service in Papua New Guinea to be utilised in the mobilisation for the Bulago high-grade gold and porphyry copper-gold drilling program. The Contractor Shares were issued utilising the Company's existing placement capacities under Listing Rules 7.1 and 7.1A in the following proportions:

- 1,456,488 Shares were issued at a deemed issue price of 3¢ per Share under ASX Listing Rule 7.1; and
- 5,210,179 Shares issued at a deemed issue price of 3¢ per Share under ASX Listing Rule 7.1A

On 23 November 2016 held its annual general meeting where shareholder approval was sought and obtained to, amongst other things, refresh its placement capacity pursuant to Listing Rule 7.1 and approve an additional 10% placement capacity pursuant to Listing Rule 7.1A.

The Company issued the Contractor Shares without prior Shareholder approval pursuant to both its 15% annual placement capacity pursuant to ASX Listing Rule 7.1 and additional 10% placement capacity pursuant to ASX Listing Rule 7.1A.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 1,456,488 Contractor Shares issued on 10 February 2016 issued pursuant to ASX Listing Rule 7.1. Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 5,210,179 Contractor shares issued on 10 February 2016 issued pursuant to ASX Listing Rule 7.1A.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.1 above.

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to have the additional capacity to issue equity securities during any 12 month period up to that amount which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period, subject to that issue satisfying certain criteria.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 and up to the 10% additional placement capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

### 3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

- (a) The Company issued a total of 6,666,667 Contractor Shares.
- (b) The Contractor Shares are fully paid ordinary shares in the capital of the Company and rank pari passu with the Company's existing Shares.
- (c) The Contractor Shares were issued to the following unrelated consultants to the Company.

Niugini Helicopters
Mr M. Aldan
Mr G. McDonald
Mr G. Stephenson
Minerva Corporate Pty Ltd

- (d) No funds were raised from the issue of the issue of the Contractor Shares as they were issued in lieu of fees.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 3 and 4.

### *The Directors recommend Shareholders vote in favour of Resolutions 3 and 4*

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## 4 RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE - SHARES

### 4.1 General

On 30 November 2016 the Company launched a non-renounceable entitlements issue of one fully paid new share for every three existing shares held on the record date of 5 December 2016 to raise up to a total of \$469,851 (**Rights Issue**). The Rights Issue closed on 16 January 2017 with valid applications for 11,005,001 Shares totalling \$330,150.16. On 17 February 2017 the Company advised it had placed a total of 5,794,947 Shares in the Company to raise \$173,848 at an issue price of 3¢ per Share comprised of a placement of 1,137,083 Shares (**February Placement Shares**) and 4,657,864 shortfall shares from the Rights Issue. The February Placement Shares were issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 1,137,083 February Placement Shares.

Summaries of ASX Listing Rules 7.1 and 7.4 are set out in section 1.1 above. By ratifying the issue of the February Placement Shares, the Company will retain the flexibility to issue equity securities in the future up to the 15%

annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **4.2 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) The Company issued a total of 1,137,083 February Placement Shares.
- (b) The February Placement Shares are fully paid ordinary shares in the capital of the Company and rank pari passu with the Company's existing Shares.
- (c) The February Placement Shares were issued to professional and sophisticated investors all of whom are unrelated parties to the Company.
- (d) A total of \$34,112 was raised from the issue of the issue of the February Placement Shares to drill test the porphyry copper-gold targets at the Swit Kai prospect, Papua New Guinea.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5.

#### ***The Directors recommend Shareholders vote in favour of Resolution 5***

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### **5 RESOLUTION 6 – ISSUE OF SHARES IN LIEU OF DEBT TO A DIRECTOR – MR PETER MCNEIL**

#### **5.1 General**

Resolution 6 seeks Shareholder approval for the Company to be able to issue up to 3,100,000 Shares to Mr Peter McNeil, the Company's Chairman (**Related Party**) in lieu of partial outstanding consulting fees owed to him (**Director Shares**) equivalent to \$93,000.

As at 31<sup>st</sup> December 2016 the Company had unpaid accrued consulting fees of \$252,375.07 owed to Mr Peter McNeil (**Outstanding Fees**). During the financial year to 30 June 2016 the Company had paid Mr Peter McNeil fees totalling \$150,525. The Related Party has agreed, subject to shareholder approval, to settle a portion of the Outstanding Fees in shares at a price that is equal to the price of the Rights Issue that closed on 16 January 2017 and subsequent shortfall placement of 3¢ per Share. Mr McNeil was unable to participate in the Rights Issue Shortfall without shareholder approval. If Shareholders approve Resolution 6, the issue of the Director Shares pursuant to Listing Rule 10.11, Shareholder approval is not required under Listing 7.1. Resolution 6 is an ordinary resolution.

#### **5.2 Chapter 2E and ASX Listing Rule 10.11**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Shares constitutes giving a financial benefit and Mr Peter McNeil is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Peter McNeil and Mrs Paige McNeil who have a material personal interest in the Resolution) consider that the exceptions set out in Sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Shares in lieu of the partial Outstanding Fees to the Related Party.

#### **5.3 ASX Listing Rule 10.11**

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

#### 5.4 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.13)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and Listing Rule 10.13, the following information is provided in relation to the issue of the Director Shares is provided as follows:

- (a) The related party is Mr Peter McNeil by virtue of being a Director of the Company.
- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued to the Related Party (or his nominees) is 3,100,000 Shares at the Rights Issue price of \$0.03 (because he could not participate in shortfall without shareholder approval) equivalent to \$93,000 for Mr McNeil of deferred consulting fees each. The maximum number of Shares to be issued to each of the Related Parties (or their nominees) must not in any case exceed 3,100,000 Shares, subject to the Related Party not exceeding a relevant interest in the Company's voting securities of 19.99%.
- (c) The Company will issue the Director Shares no later than one month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (d) the relevant interests of the Related Parties in securities of the Company is set out below:

Related Party	Shares*	Options**
Mr Peter McNeil	11,605,649	2,000,000 <sup>1</sup>

\* Shares and Options held personally and in entities jointly controlled by Peter McNeil and his spouse Paige McNeil. As such, shares and options attributed to Paige and Peter include the relevant interest they jointly control.

\*\*Comprising: 500,000 options exercisable at \$0.22 on or before 2 December 2017 and 1,500,000 options exercisable at \$0.034, expiring 10/02/2020.

- (e) the remuneration and emoluments from the Company to the Related Party for the previous three financial years are set out below:

Related Party	30 June 2016	30 June 2015	30 June 2014
Mr Peter McNeil	\$150,525	\$411,477	\$225,113

- (f) if Resolution 6 is approved, a total of 3,100,000 Shares would be allotted and issued, representing a total conversion of debt of \$93,000 and resulting in the relevant interests of the Related Parties being increased from 16.47% to 19.99%. This will increase the number of Shares on issue from 70,451,737 to 73,551,737 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 4.40%.
- (g) The highest and lowest market price of the Company's shares in the previous twelve months is 8.7¢ on 2 September 2016 and 1.6¢ on 8 April 2016 respectively. The current market value of the 3,100,000 Shares the subject to Resolution 6 is \$151,900 as at 7 April 2017.
- (h) the primary purpose of the issue of Director Shares to the Related Party is to preserve Company funds by converting outstanding Director and Consulting Fees to shares.
- (i) The Director Shares will be issued for nil cash consideration in lieu of outstanding Consulting Fees and accordingly no funds will be raised from the issue of the Director Shares.
- (j) The Director Shares will comprise fully paid ordinary shares ranking equally with all other fully paid ordinary shares of the Company.
- (k) A voting exclusion statement is included in the Notice.

#### 5.5 Directors' Recommendation

Mr Peter McNeil and Mrs Paige McNeil decline to make a recommendation to Shareholders in relation to Resolution 6 due to their material personal interest in the outcome of the Resolutions. However, in respect of Resolution 6, Mr Peter Swiridiuk recommends that Shareholders vote in favour of Resolution 6 for the following reasons:

5.5.1 the purpose set out in Section 5.3(h) above; and

5.5.2 the issue of the Director Shares to Mr Peter McNeil to extinguish debt owed for Consulting Fees is reasonable in the circumstances.

In forming his recommendation, Peter Swiridiuk has considered the circumstances of the Related Party when determining the method of conversion of debt to equity.

## 6 RESOLUTION 7 – APPROVAL TO ISSUE SECURITIES – NIUGINI HELICOPTER SHARES

### 6.1 General

Resolution 7 seeks Shareholder approval for the Company to be able to issue up to 2,666,667 Shares to Niugini Helicopters Limited in satisfaction of \$120,000 of future helicopter service in Papua New Guinea, to be utilised in the exploration of the Bulago and Muller high-grade gold and porphyry copper-gold projects (**Niugini Helicopter Shares**).



ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. The effect of Resolution 7 will be to allow the Company to issue the Niugini Helicopter Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

#### **6.2 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the maximum number of Niugini Helicopter Shares to be issued is 2,666,667;
- (b) the Niugini Helicopter Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the issue price of the Niugini Helicopter Shares will be nil as they will be in satisfaction of up to \$120,000 of helicopter services at a deemed issue price of \$0.045 per Niugini Helicopter Share;
- (d) the Niugini Helicopter Shares will be issued to Niugini Helicopters Limited (or their nominee), an unrelated party to the Company; and
- (e) no funds will be raised from the issue of the Niugini Helicopter Shares however \$120,000 of helicopter service will be secured.

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Ltd (ACN 008 624 691) or the financial market operated by ASX Ltd, as the context requires.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Frontier Resources Limited (ACN 095 684 389).

**Constitution** means the Company's constitution.

**Contractor Shares** has the meaning set out in section 3.1.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director Shares** has the meaning set out in section 5.1.

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**February Placement Shares** has the meaning set out in section 4.1.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Managing Director** means the managing director of the Company who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office.

**Niugini Helicopters** means Niugini Helicopters Limited (PNG).

**Niugini Helicopter Shares** has the meaning set out in section 6.1.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Outstanding Fees** has the meaning set out in section 5.1.

**Plan** has the meaning set out in section 2.1.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Rights Issue** has the meaning set out in section 4.1.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**SPP Shortfall Shares** has the meaning set out in section 2.1.

**WST** means Western Standard Time as observed in Perth, Western Australia.

**APPOINTMENT OF PROXY FORM**

**FRONTIER RESOURCES LIMITED**  
**ACN 095 684 389**

**GENERAL MEETING**

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:**  the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair’s nominee, to vote in accordance with the following directions, or, if no directions have been given the Chairman intends to vote in favour of Resolutions 1 to 5 and Resolution 7 (refer to \*important information below in relation to Resolution 6), and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00am (WST), on 12 May 2017 at Unit 5, Ground Floor, 1 Centro Avenue Subiaco WA 6008, and at any adjournment thereof.

<b>Voting on business of the Meeting</b>		<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1	Ratification of Previous Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Previous Issue – SPP Shortfall Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Previous Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Previous Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Previous Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6*	Issue of Shares in Lieu of Debt to a Director – Mr Peter McNeil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to Issue Securities – Niugini Helicopter Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**THE CHAIR INTENDS TO VOTE UNDIRECTED PROXIES IN FAVOUR OF RESOLUTIONS 1 TO 5 AND RESOLUTION 7 IN WHICH THE CHAIR IS ENTITLED TO VOTE. REFER TO \*IMPORTANT INFORMATION BELOW IN RELATION TO RESOLUTION 6.**

**\*Important for Resolution 6**

If you have not directed your proxy how to vote as your proxy in respect of Resolution 6 you must mark the box below acknowledging that your proxy, being a person/entity nominated by you, or the Chair (either by election or appointed by default) may still vote your undirected proxy.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolution 6 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair (appointed by election or by default) may exercise my/our proxy even though Resolution 6 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel and acknowledge that the Chair may exercise my/our proxy even if the Chair has an interest in the outcome of Resolution 6 and that votes cast by the Chair for Resolution 6, other than as proxy holder, will be disregarded because of that interest. The Chair intends to vote proxies that have not directed their proxy how to vote but have marked this box in FAVOUR of Resolution 6.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will NOT cast your votes on Resolution 6 and your votes will NOT be counted in calculating the required majority if a poll is called on Resolution 6.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail in relation to this Proxy Form:** YES  NO

## Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Frontier Resources Limited, PO Box 510, Subiaco WA 6904; or
  - (b) facsimile to the Company on facsimile number +61 8 9486 4799; orso that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**