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ASX LIMITED  
COMPANY ANNOUNCEMENTS OFFICE

29<sup>th</sup> April, 2008

## TECHNICAL REPORT - QUARTER ENDED 31<sup>st</sup> MARCH 2008

### HIGHLIGHTS

- **ANDEWA PROJECT** -- Frontier's diamond core drilling at the Komsen Prospect, New Britain Province, Papua New Guinea, has documented the existence of near surface and deeper primary high grade gold (+/- base metals) in the Komsen structure and confirmed the previous high grade trench gold results. Komsen is located about 400 km from the Kokoda Track.
  - Drill results returned during the quarter included hole AFD010, that targeted and confirmed the continuity of higher gold grades at a moderate depth (approx. 85m vertically) in the main mineralised structure, returning 3.0m of 10.97g/t gold.
  - Previous quarter higher grade drill results have included 7.9m of 10.01g/t gold (AFD007), 1m of 29.05 g/t gold equivalent (AFD005) and 0.9m of 10.55 g/t gold (AFD006). Previous surface trenches included 5.0m of 18.5 g/t gold (with 1m grading 70 g/t), 3.7m of 12.6 g/t gold, 3m of 14.3 g/t gold and 21.65m of 4.4 g/t gold.
  - Continuity of gold (+/- silver/zinc/lead & copper) has been confirmed by drilling over a 100+m strike length and to 320+m vertical depth. Holes AFD 002, 004, 006, 007 & 009 document the near surface primary higher grade gold and/or zinc in the Komsen structure and AFD005, 010 and 016 confirm it at depth.
  - The drilling program has defined a high grade mineralised zone at the NW end of the Komsen structure that appears to have a steep plunge in that direction. The high grade zone is open along strike to the NW and down dip, increasing in width at depth in several cases.
  - Nineteen diamond core holes have been drilled to date for 2,136.3m, with one still underway. Six fences or orientations of drilling have been undertaken, with varying intersection depths vertically in the main gold and zinc mineralised structure. Gold highlights are located in table 1 and all results to date together with hole information are in Table 2. Assay highlights (true width yet to be determined) also include:

AFD016 - 3.8m of 3.17 g/t gold equivalent, from 80.5m downhole  
 AFD009 - 1.0m of 3.45g/t gold equivalent, from 52.8m downhole  
 AFD011 - 4 zones >1g/t gold equivalent (1.16 to 3.22g/t) through the hole

- Two holes have been drilled from drill pad three (the third hole is underway-AFD020), targeting the widest part of the Komsen structure where it assayed 4.4 g/t gold over 21.65m in a trench sample, with the only known visible gold. The rig will then move to the western end of the Komsen structure to further test /delineate the high grade zone.
  - Drilling is continuing to document gold mineralisation. It is successfully determining the plunge of the high grade mineralisation and is also tracking it further along strike.
  - The primary focus of Frontier's exploration work at Komsen is to increase the number of drill intersections (and thus tonnage) in the gold mineralised structure both along strike and at depth, with the ultimate goal of determining a resource estimation.
- **KODU DEPOSIT** -- No field work was conducted at the Kodu Deposit while awaiting a decision from the Minister regarding the awaited renewal of the Exploration Licence.
- To assist the renewal and in a one sided spirit of compromise, Frontier proposed to relinquish effectively all the Kokoda Track from EL1348 without significantly affecting the possible development of the Kodu Deposit.
  - The Board of Directors also offered a total seven % equity interest to PNG stakeholders, including the 'Kokoda Track Authority', if the Kodu Deposit is mined (probably in the Mining Lease holding Company).
  - Political obfuscation was rife during the quarter, however, no decision or other correspondence regarding the renewal of the EL has been received from the Minister.
- **SMRV PROJECT** -- Frontier commenced a diamond core drilling on the Wart Hill Deposit and other prospects, located in the Southern Mount Read Volcanics (SMRV) Project, in under-explored, highly prospective, southwest Tasmania. The target is massive sulphide, zinc-lead-silver-gold mineralisation and 2,603m have been completed to date in 8 holes. The final hole is now being drilled and initial assay results will be reported forthwith.
- **CORPORATE** -- A capital raising was commenced in April and significant directorial expertise was added to the Board of Frontier early in the quarter.
- The Company has adopted a share purchase plan with the offer made to all shareholders registered at 5pm on April 14<sup>th</sup>, 2008. Eligible shareholders are entitled to apply for between \$2,000 and \$5,000 of new fully paid shares at a price of \$0.085 each, representing a 19.5% discount to the preceding 5 days average trading price. Closing date for the offer is May 14, 2008.

- H. David Swain has been appointed the role of Director - Mine Development. Mr Swain is an accomplished Mining / Civil Engineer with Masters degrees in Mining and Civil engineering and 44 years experience, including 7 years as Chief Mining Engineer at Bougainville Copper Limited in Papua New Guinea. David was the author of the Kodu Deposit Conceptual Mining Study released to the ASX 19/11/07 and Frontier management believes his acceptance reflects very positively on the potential of Kodu and other Frontier Projects.
- Ces E lewago was appointed a Non-executive Director. Ces trained as an accountant, holds a Master of Business Administration, is a Fellow of the Australian Institute of Company Directors and has over 20 years experience in business banking, financial services and investments sectors in Papua New Guinea.
- Jay Stephenson was appointed Company Secretary and he holds a Master of Business Administration (UK), is a Certified Management Accountant (Canada), is a Fellow of the Australian Institute of Chartered Secretaries and a Member of the Australian Institute of Company Directors. He has been involved in manufacturing and business development for 20 years including the past 14 years as Director, Chief Financial Officer and Company Secretary in both Australia and Canada for various listed and unlisted entities in resources, manufacturing, wine, hotels, and property (including business acquisitions, mergers, initial public offerings, capital raisings, business restructuring as well managing all areas of finance for companies).

## ADDITIONAL DETAILS

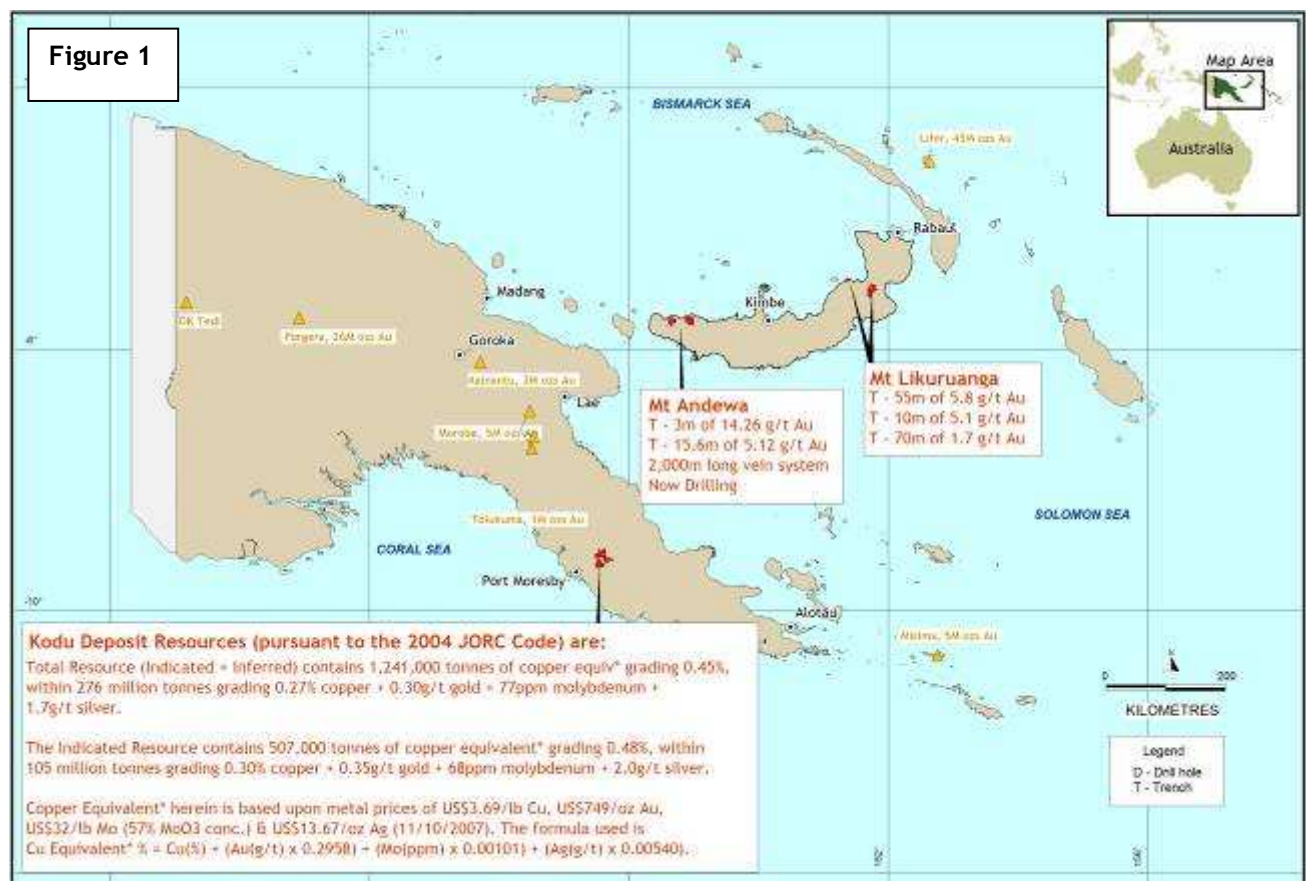


Figure 1. Location of Frontier Resource Ltd's PNG Exploration Licences.

## ANDEWA PROJECT

All assays have been received for holes AFD-001 to AFD-016 and are summarised in the Table 1. Hole AFD017 has also been received and will be reported forthwith.

Figure 2 is a plan of part of the Komsen Prospect, showing surface traces of holes drilled to date (except AFD018-019 on the eastern end), the approximate true width of hand trenched gold mineralised intervals and their locations and the surface traces of/spatial relationships between the known gold mineralised structures.

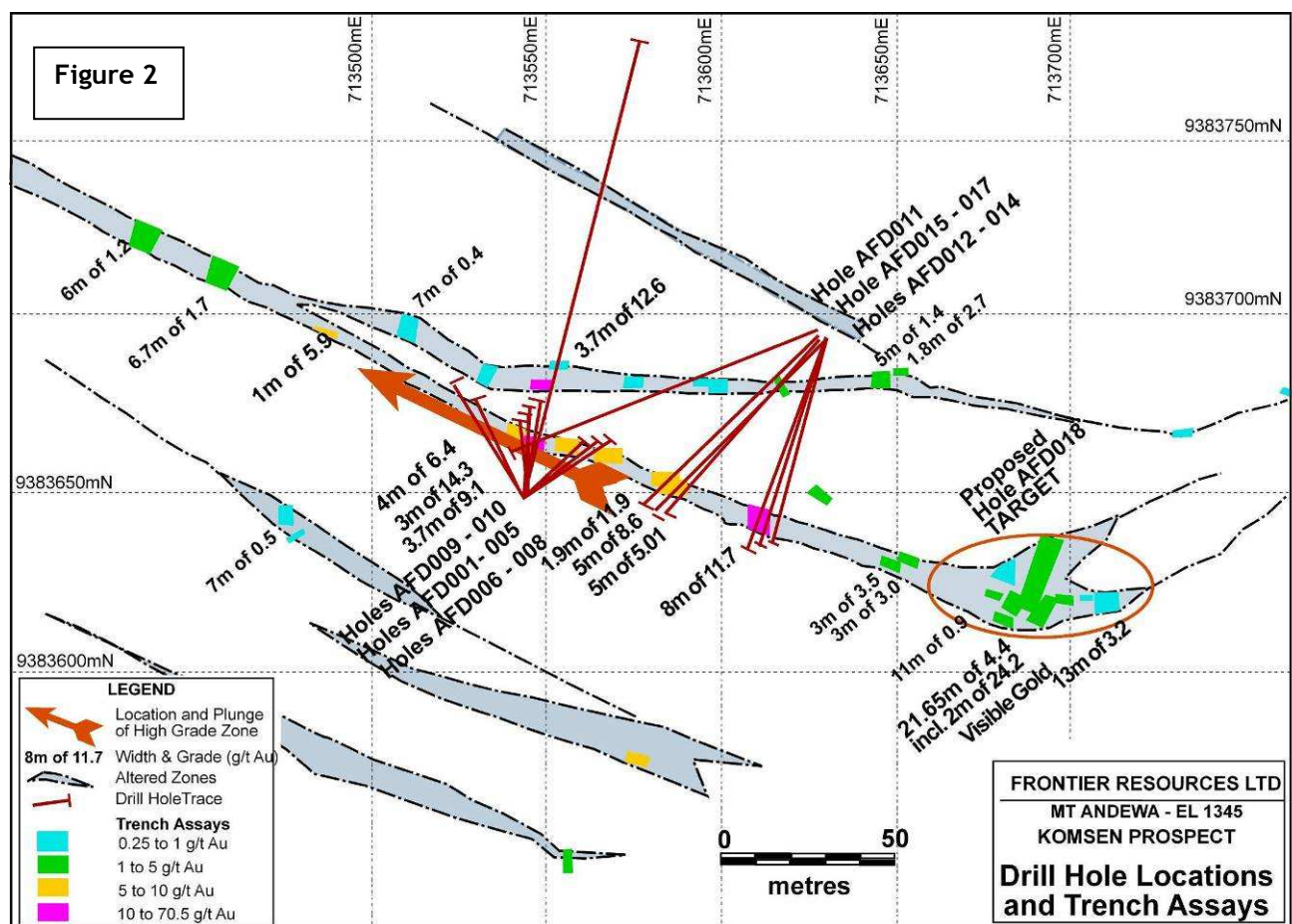
The north west plunging high- grade gold mineralised zone at the Komsen Prospect is looking very promising and warrants a substantial amount of additional work to determine its ultimate potential.

See ASX releases dated 31/3/08, 29/10/07, 12/10/07, 3/10/07, 25/9/07, 31/7/07, 24/11/06 & 28/9/05.

Table 1. Komsen Prospect - Complete Weighted Drill Hole Assay Results and Hole Information

| Hole Number | Interval Length                  | Weighted Assay Grades |            |              |          |          |            | Downhole Interval |        | Hole Information |         |          |     |              |               |
|-------------|----------------------------------|-----------------------|------------|--------------|----------|----------|------------|-------------------|--------|------------------|---------|----------|-----|--------------|---------------|
|             |                                  | Gold Equivalent (g/t) | Gold (g/t) | Silver (g/t) | Zinc (%) | Lead (%) | Copper (%) | From (m)          | To (m) | EOH Depth (m)    | Easting | Northing | RL  | Azimuth (TN) | Incl. Degrees |
| AFD001      | 1.2 m                            | 4.06                  | 4.06       | -            | -        | 0.00     | 0.01       | 20.6              | 21.8   | 197.9m           | 713542  | 9383645  | 374 | 14           | -45           |
| plus        | 0.5 m                            | 3.58                  | 2.55       | 36.0         | 0.48     | 0.14     | 0.19       | 165.4             | 165.9  |                  |         |          |     |              |               |
| AFD002      | 0.2 m                            | 17.07                 | 5.52       | 95.0         | 11.10    | 2.30     | 0.12       | 35.7              | 35.9   | 55.6             | 713542  | 9383645  | 374 | 14           | -55           |
|             | 0.9 m                            | 2.62                  | 2.62       | -            | 0.08     | 0.01     | 0.02       | 38.7              | 39.6   |                  |         |          |     |              |               |
| AFD003      | 2.5 m                            | 1.74                  | 1.43       | 16.4         | 0.25     | 0.05     | 0.10       | 60.8              | 63.3   | 81.2             | 713542  | 9383645  | 374 | 14           | -65           |
| AFD004      | 6.9 m                            | 1.88                  | 1.60       | 4.6          | 0.12     | 0.02     | 0.03       | 76.8              | 83.7   | 97.8             | 713542  | 9383645  | 374 | 14           | -70           |
| incl.       | 0.7 m                            | 6.34                  | 6.28       | 3.0          | 0.39     | 0.07     | 0.02       | 76.8              | 77.5   |                  |         |          |     |              |               |
| plus        | 3.0 m                            | 1.57                  | 1.46       | 5.6          | 0.05     | 0.02     | 0.03       | 80.7              | 83.7   |                  |         |          |     |              |               |
| AFD005      | 1.0 m                            | 2.76                  | 0.09       | 1.0          | 3.20     | 0.49     | 0.05       | 115.5             | 116.5  | 153.4            | 713542  | 9383645  | 374 | 14           | -75           |
| plus        | 4.5 m                            | 7.98                  | 5.81       | 27.8         | 2.34     | 0.06     | 0.06       | 121.4             | 125.9  |                  |         |          |     |              |               |
| incl.       | 1.0 m                            | 29.05                 | 19.00      | 119.0        | 10.30    | 0.24     | 0.22       | 122.4             | 123.4  |                  |         |          |     |              |               |
| AFD006      | 2.9 m                            | 6.51                  | 6.39       | 6.2          | -        | -        | -          | 30.4              | 33.3   | 56.9             | 713547  | 9389648  | 374 | 60           | -45           |
| including   | 0.9 m                            | 10.55                 | 10.55      | -            | -        | -        | -          | 32.4              | 33.3   |                  |         |          |     |              |               |
| AFD007      | 7.9 m                            | 10.10                 | 10.01      | 4.5          | 0.11     | -        | -          | 31.5              | 39.4   | 49.5             | 713547  | 9389648  | 374 | 60           | -55           |
| including   | 5.9 m                            | 13.19                 | 13.07      | 6.0          | 0.14     | -        | -          | 33.5              | 39.4   |                  |         |          |     |              |               |
| including   | 2.0 m                            | 32.67                 | 32.55      | 6.0          | 0.22     | -        | -          | 37.4              | 39.4   |                  |         |          |     |              |               |
| AFD008      | 0.9 m                            | 0.21                  | 0.21       | -            | -        | -        | -          | 71.2              | 72.1   | 82.4             | 713547  | 9389648  | 374 | 60           | -65           |
| AFD009      | 1.0 m                            | 3.45                  | 2.44       | 16.0         | 1.00     | 0.20     | 0.11       | 52.8              | 53.8   | 82.3             | 713544  | 9389652  | 374 | 328          | -42.5         |
| AFD010      | 3.0 m                            | 10.97                 | 10.97      | -            | -        | -        | -          | 99.0              | 102.0  | 108.7            | 713544  | 9389646  | 374 | 328          | -57.5         |
|             | 2.0 m                            | 15.25                 | 15.25      | -            | -        | -        | -          | 99.0              | 101.0  |                  |         |          |     |              |               |
|             | 1.0 m                            | 3.01                  | 3.01       | -            | -        | -        | -          | 107.0             | 108.0  |                  |         |          |     |              |               |
| AFD011      | 2.0 m                            | 2.39                  | 2.39       | -            | 0.17     | -        | -          | 78.4              | 80.4   | 321.6            | 713617  | 9383704  | 322 | 248.5        | -75           |
|             | 1.3 m                            | 1.16                  | 1.06       | 5.0          | -        | -        | -          | 174.3             | 175.6  |                  |         |          |     |              |               |
|             | 1.0 m                            | 3.22                  | 2.73       | 7.0          | 0.51     | -        | -          | 279.6             | 280.6  |                  |         |          |     |              |               |
|             | 2.0 m                            | 2.03                  | 1.39       | 7.5          | 0.71     | 0.28     | -          | 282.4             | 284.4  |                  |         |          |     |              |               |
| AFD012      | 3.0 m                            | 2.15                  | 2.10       | 2.3          | 0.34     | -        | -          | 65.7              | 68.7   | 100.3            | 713617  | 9383704  | 322 | 194          | -45           |
|             | 1.0 m                            | 3.02                  | 3.02       | -            | -        | -        | -          | 67.7              | 68.7   |                  |         |          |     |              |               |
| AFD013      | 1.2 m                            | 0.12                  | 0.12       | -            | -        | -        | -          | 97.9              | 99.1   | 151.5            | 713617  | 9383704  | 322 | 194          | -60           |
| AFD014      | 2.6 m                            | 2.10                  | 2.10       | -            | -        | -        | -          | 109.0             | 111.6  | 170.4            | 713617  | 9383704  | 322 | 194          | -70           |
| AFD015      | 2.4 m                            | 2.24                  | 2.14       | 5.0          | 0.14     | -        | -          | 70.0              | 72.4   | 107.6            | 713617  | 9383704  | 322 | 217          | -45           |
| AFD016      | 3.8 m                            | 3.17                  | 3.06       | 5.5          | 0.17     | -        | -          | 80.5              | 84.3   | 142.5            | 713617  | 9383704  | 322 | 217          | -55           |
|             | 1.0 m                            | 6.44                  | 6.41       | 1.5          | -        | -        | -          | 80.5              | 81.5   |                  |         |          |     |              |               |
| AFD017      | Results to be reported forthwith |                       |            |              |          |          |            |                   |        | 183.9            | 713617  | 9383704  | 322 | 217          | -70           |

NB: Hole AFD009 is awaiting a final zinc assay that is >1%, but 1% was used in the Au equiv. calculation



### KODU COPPER-GOLD-MOLYBDENUM DEPOSIT

Frontier noted to the ASX on 24<sup>th</sup> April 2008 that according to Papua New Guinea's 'The National' newspaper, the "PNG and Australian governments yesterday agreed to preserve Kokoda" (Track). "Mining Minister Dr Puka Temu told The National from Madang yesterday it is unlikely that the exploration licence currently held by Australian mining company, Frontier Holdings, will be renewed now that the agreement has been signed" (the company that holds the EL is actually Frontier Copper PNG Ltd). Frontier Resources has not received any verbal or written communications from the PNG government to confirm or deny these statements.

The Company believes that the Mining Act of 1992 provides the Minister with NO grounds whatsoever to refuse to renew the EL and this is reflected by his use of the equivocal word "unlikely". As Minister for Mining, Dr Temu could refuse to renew the EL immediately if that was his position. All stakeholders in the project to date have supported the renewal, including the Mining Advisory Council (part of the PNG Mineral Resource Authority) whose function is to provide the Minister with 'recommendations and advice' in these matters.

However, if the EL is ultimately not renewed by the Minister, then Frontier will likely seek a Judicial Review in the PNG courts. If the (hypothetical) non-renewal is upheld in the courts, then Frontier will seek adequate compensation, including recoupment of expenditure to date plus lost potential future profit. Failure to renew the EL would be deemed by Frontier to be expropriation by the government of PNG of a significant asset from Frontier for its own alternate purposes (tourism). This should/would have a negative impact on PNG's sovereign risk profile, particularly coupled with flow on from the proposed World Heritage area (which would affect several ASX listed companies in addition to Frontier).

Frontier has received a very encouraging Draft Initial Environmental Assessment from Douglas Environmental Services in Port Moresby that has evaluated normal environmental issues relating to a project such as Kodu and Port Moresby's future water supply issues. The report will be finalised and reported on forthwith.

The Company are working towards and remain committed to the renewal of EL1348 and the future development of the Kodu copper-gold-molybdenum Deposit.

Frontier has made highly significant and unprecedented (in PNG) compromises in relation to the issue of EL renewal and possible future mining so the possible Kodu Mine can co-exist with tourism. The Company has previously stated that mining would not physically impact the original WWII Kokoda Track as located by Track historian Soc Kienzle and we maintain this statement.

The most recent compromise was an offer to relinquish all remaining Kokoda Track within the EL (after the EL is renewed), except for an approximately 250m long section for a possible future road crossing. The Company originally held about 40km of Kokoda Track within the EL and has offered to reduce it to effectively zero, so a heritage Park can be created covering the tourist destination for the future benefit of affluent Australian tourists and PNG.

Frontier very generously has offered Papua New Guinean stakeholders a free 7% stake in the possible Kodu mine and they (and the country) would all benefit greatly from its development. Kodu Deposit landowners would receive a 4% equity, all other Kokoda Track/ nearby landowners would receive 1% equity, the 'Kokoda Trail Authority' /Koiari LLG would receive 2% equity (with 1% to an education fund for all Track landowners and 1% for heritage to fund the preservation and improvement of the Kokoda Track), demonstrating that the possible wealth would be equitably distributed in the region to all associated parties.

'Blessing' for the renewal of the EL and responsible development of Kodu was given by RSL President Maj. Gen. Bill Crews (Rtd) (see RSL website), after discussions with myself and Barney Jack (Landowner Spokesman) in February.

The Australian Government has influenced the EL renewal process for its own purposes, to deny the possible development of Kodu and all mineral exploration in an additional large part of the Owen Stanley Mountains in PNG, through a proposed World Heritage listing. As stated above, this would impact on many other Australian companies apart from Frontier.

The Company has spent more than K8.5 million (~A\$3.5M) on the EL since 2004 and has greatly exceeded the required financial and work program obligations. The Company plans to complete a Feasibility study to confirm the deposit is economically viable when/if the EL is renewed.

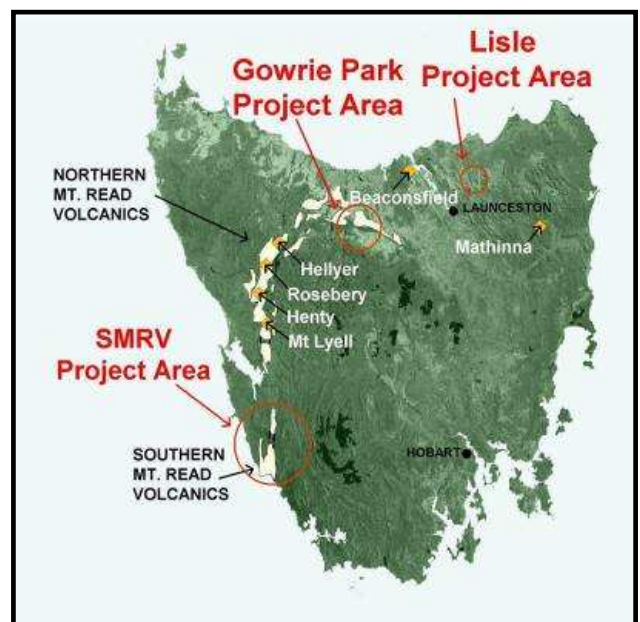
Please refer to ASX releases dated 24/4, 2/4, 25/3, 11/3 and 29/2 for additional information regarding the Kodu Deposit renewal.

### **SOUTHERN MOUNT READ VOLCANIC (SMRV) PROJECT, TASMANIA**

Frontier commenced an approximate 2,900m diamond core drilling program on the Wart Hill Deposit, located in the Southern Mount Read Volcanics (SMRV) Project, in under-explored, highly prospective, southwest Tasmania. The target is massive sulphide, zinc-lead-silver-gold mineralisation. The location of Frontier's Tasmanian Projects are shown in Figure 3.

The reconnaissance exploration program was completed in late January at the NE Osmund area and consisted of power auger soil sampling, rock chip sampling, ground magnetic surveys and geological mapping. Results have been returned, but are yet to be reported.

The base and precious metal mineralised horizon at Wart Hill was tracked plunging southerly for 290m by Frontier's previous drilling, before being faulted off at the southern end. The Company is attempting to locate the



fault offset mineralised horizon, undertake infill resource definition drilling and also test the width of the mineralised zone.

The target is a Rosebery / Hellyer / Eskay Creek type high-grade, high tonnage, zinc-lead-silver-gold, volcanic hosted massive sulphide deposit. Previous Frontier high grade drill results at Wart Hill have included 3.9m of 12.6% zinc + 7.2% lead + 123 g/t silver + 0.60 g/t gold, with historic trench values such as 3m of 21.9% zinc + 13.9% lead + 680g/t silver + 0.84g/t gold.

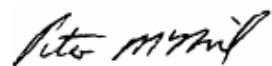
The primary focus of Frontier's exploration work for the 2008 field season has been to locate the 'faulted off' high grade Volcanic Hosted Massive Sulphide zinc-lead-silver-gold mineralisation at depth in the south of the Wart Hill Prospect.

**PLEASE REFER TO THE FOLLOWING ASX ANNOUNCEMENTS RELEASED DURING THE MARCH 2008 QUARTER FOR ADDITIONAL DETAILED INFORMATION**

- 24<sup>th</sup> April - Comment on the Status of the Renewal of EL 1348 (Kodu Deposit), Papua New Guinea
- 4<sup>th</sup> April - Share Purchase Plan
- 2<sup>nd</sup> April - Frontier Proposes to Relinquish the Kokoda Track from EL1348 without Significantly affecting the Kodu Deposit
- 31<sup>st</sup> march - Additional High Grade Gold Drilled at Komsen Gold Prospect Andewa Project, Papua New Guinea
- 25<sup>th</sup> March - Kodu Deposit EL Renewal
- 14<sup>th</sup> March - Half Yearly Report and Accounts
- 11<sup>th</sup> March - Response to ASX Price Query
- 29<sup>th</sup> Feb - Altruistic Equity in Kodu Project Increased to Stakeholders
- 14<sup>th</sup> Feb - RIU Conference Presentation
- 12<sup>th</sup> Feb - Initial Directors Interest Notice
- 6<sup>th</sup> Feb - Corporate and Strategy Update
- 5<sup>th</sup> Feb - Drilling Commences at Wart Hill Deposit
- 31<sup>st</sup> Jan - Quarterly Activity and Cash Flow Statements
- 15<sup>th</sup> Jan - Company Secretary Appointment/Resignation
- 4<sup>th</sup> Jan - Appendix 3B

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 to contact me.

**FRONTIER RESOURCES LTD**



P.A. McNeil, M.Sc.

**MANAGING DIRECTOR**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by, or compiled under the supervision of Peter A. McNeil - Member of the Aust. Inst. of Geoscientists. Peter McNeil is the Managing Director of Frontier Resources, who consults to the Company. Peter McNeil has sufficient experience which is relevant to the type of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Resources. Peter McNeil consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

## About Frontier Resources

- Frontier is focused on exploring the highly mineralised Pacific 'Rim of Fire', Papua New Guinea and the major Kodu copper - gold - molybdenum Deposit. The Company is also successfully exploring the Andewa gold Project, Elo and Bukuam copper +/- gold/moly porphyries, plus the SMRV zinc-lead-silver-gold Project in the highly prospective Mt Read volcanics of Tasmania.
- Frontier's objective is to advance, develop and mine the Kodu Deposit rapidly and cost effectively. The Company is presently advocating and awaiting the renewal of the Kodu License (EL 1348).
- The Company has a 95% effective interest in 3 Exploration Licences (Kodu, Likuruanga and Andewa) covering approx. 804 km<sup>2</sup> of quality copper and gold properties in PNG and 5 Exploration Licences + 2 Retention Licences covering 211 km<sup>2</sup> in Tasmania.
- The portfolio offers excellent mineral deposit potential, with primary Targets being World Class copper/gold/molybdenum porphyry, gold/silver epithermal and polymetallic VMS (zinc/lead/silver/gold) deposits.
- The projects all have high-grade exploration results in rock, trenches and/or drill hole and are in the same or similar geological terranes as existing World Class and/or major mines.
- **Kodu copper- gold -molybdenum Deposit Resources:**
  - o The Total Resource (Indicated + Inferred) at the 0.2 % copper equivalent cutoff contains 1,241,000 tonnes of copper equivalent\* grading 0.45%, within 276 million tonnes grading 0.27% copper + 0.30g/t gold + 77ppm molybdenum + 1.7g/t silver. This equals 754,000 tonnes of copper, 83.4 tonnes of gold, 21,200 tonnes of molybdenum and 475 tonnes of silver (or 1.66 billion pounds of copper, 2.68 million ounces of gold, 46.7 million pounds molybdenum and 15.3 million ounces of silver).
  - o An Indicated Resource has now been estimated for the first time at Kodu at the 0.2 % copper equivalent cutoff and it contains 507,000 tonnes of copper equivalent\* grading 0.48%, within 105 million tonnes grading 0.30% copper + 0.35g/t gold + 68ppm molybdenum + 2.0g/t silver.
  - o The revised Inferred Resource contains 171 million tonnes (in addition to the Indicated Resource), at the 0.2 % copper equivalent cutoff and it contains containing 734,000 tonnes of copper equivalent\* grading 0.43%, consisting of 0.26% copper + 0.27g/t gold + 82ppm molybdenum + 1.6g/t silver.
  - o The Total Resource (Indicated + Inferred) at the 0.3% copper equivalent cutoff contains 1,080,000 tonnes of copper equivalent\* grading 0.51%, within 213.6 million tonnes grading 0.31% copper + 0.35g/t gold + 78ppm molybdenum + 1.8g/t silver.
- Frontier's Directors and management team have more than 300 years combined experience in PNG and Australia to serve the interests of the Company and its shareholders.
- Frontier operates with a general policy of 'DRILLING' our quality projects using our purpose built and self manufactured, cost effective, environmentally friendly, man-portable diamond core rigs. We 'own' and operate all the major required means of exploration including a long term and very competent human resources team, drilling, earth moving and transport equipment, magnetic surveys, to maximise exploration success, while minimising costs in a very competitive environment.
- The Company is an ASX listed junior mineral explorer whose shares also trade on the Frankfurt, Berlin and Munich Stock Exchanges.

### Notes:

- o Copper Equivalent\* is the contained copper, gold, silver and molybdenum that are converted to an equal amount of pure copper and summed (based on assays of mineralised rock and actual metal prices).
- o Zinc\* or Gold\* Equivalents are the same, except metals are converted to the equivalent amount of zinc or gold, respectively.
- o Equivalents are used to allow interpretation of the possible theoretical 'value' of mineralised rock, without consideration of the ultimate extractability any of the metals.
- o Copper Equivalent\* herein is based upon metal prices of US\$3.69/lb Cu, US\$749/oz Au, US\$32/lb Mo (57% MoO<sub>3</sub> conc.) & US\$13.67/oz Ag (11/10/2007). The formula used is Cu Equivalent\* % = Cu(%) + (Au(g/t) x 0.2958) + (Mo(ppm) x 0.00101) + (Ag(g/t) x 0.00540).
- o Island Arc porphyry copper- gold- molybdenum deposits such as Kodu typically recover contained Cu, Au, Mo and Ag (subject to metallurgical characteristics and prevailing metal prices).
- o It is the Company's opinion that each of the elements included in the copper metal equivalents calculation has good potential to be recovered if the project proceeds to mining, as per extraction rates documented in the Conceptual Mining Study (ASX release dated 19/11/2007).
- o Gold Equivalent\* is the contained gold, silver and lead that are converted to an equal amount of pure gold and summed (based on assays of mineralised rock and actual metal prices).
- o Gold Equivalent is based upon metal prices of US\$931/oz Au, US\$17.90/oz Ag, US\$1.04/lb Zn and US\$1.28/lb Pb (29/3/2008). In terms of value at those prices, 1g/t Au = 52.01 g/t Ag, 1g/t Au = 1.432% Zn/t, 1g/t Au = 1.164%Pb/t and 1g/t Au = 0.385% Cu/t.

The formula used to calculate Au Equivalent\* g/t =  $Au(g/t) + (Ag(g/t)/52.01) + (Zn(\%)/1.432 + (Pb(\%) /1.164) + (Cu(\%)/0.385)$ . In any particular interval, all silver was utilised in the estimation, however, zinc and lead were only utilised if >0.5% and Cu >0.2%.

- o Island Arc epithermal gold- silver -basemetal deposits such as apparent at Komsen typically recover contained Au, Ag and basemetals if in sufficient quantities (subject to metallurgical characteristics and prevailing metal prices).
- o The ASX requires a metallurgical recovery be specified for each metal, however, no testwork has ever been undertaken at Komsen or Wart Hill and recoveries can only be assumed to be typical for Island Arc epithermal gold- silver -basemetal deposits.
- o It is the Company's opinion that each of the elements included in the metal equivalents calculation have a reasonable potential to be recovered if the project proceeds to mining.
- o Laboratory quality control reported good repeatability for in-house standards.
- o Andewa assaying was carried out at SGS Laboratories in Townsville using the ICP technique with analysis for silver, arsenic, copper, molybdenum, lead, antimony, zinc and 25 gram fire assays for gold.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

FRONTIER RESOURCES LIMITED

ACN

095 684 389

Quarter ended ("current quarter")

March 2008

### Consolidated statement of cash flows

| Cash flows related to operating activities        |                                                            | Current quarter<br>\$A'000 | Year to date<br>9 Months<br>\$A'000 |
|---------------------------------------------------|------------------------------------------------------------|----------------------------|-------------------------------------|
| 1.1                                               | Receipts from product sales and related debtors            |                            |                                     |
| 1.2                                               | Payments for (a) exploration and evaluation                | (944)                      | (3,260)                             |
|                                                   | (b) development                                            |                            |                                     |
|                                                   | (c) production                                             |                            |                                     |
|                                                   | (d) administration                                         | (174)                      | (407)                               |
| 1.3                                               | Dividends received                                         |                            |                                     |
| 1.4                                               | Interest and other items of a similar nature received      | 14                         | 95                                  |
| 1.5                                               | Interest and other costs of finance paid                   |                            |                                     |
| 1.6                                               | Income taxes paid                                          |                            |                                     |
| 1.7                                               | Other Expenditure reimbursable by others                   |                            | (143)                               |
|                                                   |                                                            | (1,104)                    | (3,715)                             |
| <b>Net Operating Cash Flows</b>                   |                                                            |                            |                                     |
| <b>Cash flows related to investing activities</b> |                                                            |                            |                                     |
| 1.8                                               | Payment for purchases of:                                  |                            |                                     |
|                                                   | (a)prospects                                               |                            |                                     |
|                                                   | (b)equity investments                                      |                            |                                     |
|                                                   | (c) other fixed assets                                     | (53)                       | (119)                               |
| 1.9                                               | Proceeds from sale of:                                     |                            |                                     |
|                                                   | (a)prospects                                               |                            |                                     |
|                                                   | (b)equity investments                                      |                            |                                     |
|                                                   | (c)other fixed assets                                      |                            | 42                                  |
| 1.10                                              | Loans to other entities                                    |                            |                                     |
| 1.11                                              | Loans repaid by other entities                             |                            |                                     |
| 1.12                                              | Other (provide details if material)                        |                            |                                     |
|                                                   | <b>Net investing cash flows</b>                            | (53)                       | (77)                                |
| 1.13                                              | Total operating and investing cash flows (carried forward) | (1,157)                    | (3,792)                             |

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

|      |                                                            |         |         |
|------|------------------------------------------------------------|---------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (1,157) | (3,792) |
| 1.14 | <b>Cash flows related to financing activities</b>          |         |         |
| 1.14 | Proceeds from issues of shares, options, etc. net of costs |         |         |
| 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 (provide details if material)                        |         |         |
|      | <b>Net financing cash flows</b>                            | -       | 130     |
|      | <b>Net increase (decrease) in cash held</b>                | (1,157) | (3,662) |
| 1.20 | Cash at beginning of quarter/year to date                  | 1,655   | 4,160   |
| 1.21 | Exchange rate adjustments to item 1.20                     |         |         |
| 1.22 | <b>Cash at end of quarter</b>                              | 498     | 498     |

**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<br>\$A'000 |
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 132                        |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10   |                            |

1.25 Explanation necessary for an understanding of the transactions

Director 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 share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

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

### Estimated cash outflows for next quarter

|                                | \$A'000    |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 250        |
| 4.2 Development                |            |
| <b>Total</b>                   | <b>250</b> |

### 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<br>\$A'000 | Previous quarter<br>\$A'000 |
|--------------------------------------------------|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank                     |                            |                             |
| 5.2 Deposits at call                             |                            |                             |
| 5.3 Bank overdraft                               |                            |                             |
| 5.4 Other (provide details)                      |                            |                             |
| <b>Total: cash at end of quarter</b> (item 1.22) |                            |                             |

### Changes in interests in mining tenements

|                                                                   | Tenement<br>reference | Nature of interest<br>(note (2)) | Interest at<br>beginning<br>of quarter | Interest at<br>end of<br>quarter |
|-------------------------------------------------------------------|-----------------------|----------------------------------|----------------------------------------|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed |                       |                                  |                                        |                                  |
| 6.2 Interests in mining tenements acquired or increased           |                       |                                  |                                        |                                  |

+ See chapter 19 for defined terms.

**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 per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|-----|----------------------------------------------------------------------------------------------------------------------------|--------------|---------------|-----------------------------------------------|--------------------------------------------------|
| 7.1 | <b>Preference securities</b><br><i>(description)</i>                                                                       | Nil          | Nil           |                                               |                                                  |
| 7.2 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |              |               |                                               |                                                  |
| 7.3 | <b>*Ordinary securities</b>                                                                                                | 133,581,884  | 133,581,884   |                                               |                                                  |
| 7.4 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs              |              |               |                                               |                                                  |
| 7.5 | <b>*Convertible debt securities</b><br><i>(description)</i>                                                                | Nil          | Nil           |                                               |                                                  |
| 7.6 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted              |              |               |                                               |                                                  |
| 7.7 | <b>Options</b><br><i>(description and conversion factor)</i>                                                               |              |               | <i>Exercise price</i>                         | <i>Expiry date</i>                               |
|     |                                                                                                                            | 1,330,000    |               | 10 cents                                      | 01-Dec-08                                        |
|     |                                                                                                                            | 1,560,000    |               | 14 cents                                      | 20-Oct-11                                        |
|     |                                                                                                                            | 2,830,000    |               | 16 cents                                      | 19-Oct-10                                        |
|     |                                                                                                                            | 3,200,000    |               | 20 cents                                      | 30-Nov-10                                        |
|     |                                                                                                                            | 740,000      |               | 15 cents                                      | 11-Dec-10                                        |
| 7.8 | Issued during quarter                                                                                                      |              |               |                                               |                                                  |

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+ See chapter 19 for defined terms.

|      |                                             |     |     |  |  |
|------|---------------------------------------------|-----|-----|--|--|
| 7.9  | Exercised during quarter                    |     |     |  |  |
| 7.10 | Expired during quarter                      |     |     |  |  |
| 7.11 | <b>Debentures</b><br><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 Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: .....  
(Director/Company secretary)

Date: 28 April 2008

Print name: Jay Stephenson

## 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.

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+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity quarterly report

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- 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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+ See chapter 19 for defined terms.