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ASX: FNT

1st December 2016

Dear Shareholder,

AMENDMENT TO LETTER TO ELIGIBLE SHAREHOLDERS AND APPENDIX 3B

Frontier Resources Limited encloses a replacement Letter to Eligible Shareholders amending the calculation of fractions in relation to shareholders entitlements to be rounded up instead of rounded down, as outlined in the Company's Rights Issue Prospectus dated and lodged with ASIC on the 29th November 2016.

Enclosed is also an amended version of the Appendix 3B reflecting the amendment in relation to the rounding up of fractions.

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

FRONTIER RESOURCES LTD

P.A. McNeil, M.Sc., MAIG
Chairman and Managing Director



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Dear Shareholder,

NON-RENOUNCEABLE RIGHTS ISSUE

Frontier Resources Limited (**Company**) has issued a prospectus (**Prospectus**) for a rights issue of one (1) fully paid New Share in the Company (**Share**) for every three (3) existing Shares held by Australian and New Zealand resident shareholders at 5:00pm on 5th December 2016 (the **Record Date**) at an issue price of \$0.03 per Share to raise up to \$469,851 (**Rights Issue**). The Rights Issue will result in the issue of a maximum 15,661,707 New Shares in the Company. The Prospectus was lodged with the Australian Securities and Investments Commission and ASX on 29th November 2016 and is available on the ASX website for inspection. The timetable for the issue is set out below:

TIMETABLE AND IMPORTANT DATES*

Lodgement date	29 November 2016
Notice to Security Holders containing information required by Appendix 3B	1 December 2016
Ex-date – Shares trade ex-Entitlement	2 December 2016
Record date to determine Entitlement *	5 December 2016
Prospectus with Entitlement and Acceptance Form dispatched	8 December 2016
Offer opens for receipt of Applications	8 December 2016
Closing date for acceptances *	9 January 2017
Deferred settlement trading commences	10 January 2017
Notify ASX of under-subscriptions	12 January 2017
Issue of New Shares *	16 January 2017
Deferred settlement trading ends	16 January 2017
Dispatch of shareholding statements	17 January 2017
Normal trading of New Shares expected to commence	17 January 2017
Last date to issue Shortfall Shares	10 April 2017

* The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the New Shares are expected to commence trading on ASX may vary.

The capital structure of the Company on completion of the issue will be as follows:

Shares	Number
Share currently on issue	46,985,121
Shares offered pursuant to the Rights Issue	15,661,707
Total Shares on issue*	62,646,828

*Assumes the offer is fully subscribed

In calculating entitlements under the Rights Issue, fractions will be **rounded up** to the nearest whole number. Full details of the Issue will be contained in the Prospectus that will be mailed to eligible shareholders with a registered address in Australia and New Zealand as at the Record Date. Shareholders eligible to participate should read the Prospectus carefully.

FRONTIER RESOURCES LTD

P.A. McNeil, M.Sc., MAIG
Chairman and Managing Director

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

FRONTIER RESOURCES LIMITED

ABN

96 095 684 389

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 15,661,707 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.03 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ul style="list-style-type: none"> - Funds raised will be used for the continued exploration of the Companies tenements in Papua New Guinea. - Continued working capital.
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>N/A</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	Up to 15,661,707	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	16 January 2017	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number 62,646,828	+Class Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	900,000	Non-transferable Director Options exercisable at \$1.22 cents, expiring 1/11/2017
	500,000	Options exercisable at \$0.22, expiring 2/12/2017	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 new share for every 3 shares held
14	+Class of +securities to which the offer relates	Fully Paid Ordinary
15	+Record date to determine entitlements	5 December 2016
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Round up to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	The offer will not be made to security holders outside of Australia and New Zealand

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	9 January 2017
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	8 December 2016
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	30 November 2016
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a	N/A

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

	broker and accept for the balance?	<input type="text"/>
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	16 January 2017

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	29,099,046
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil 3,470,000 6,830,015 1,697,128
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	41,096,189

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	6,164,428
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	5,888,333
“C”	5,888,333
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	6,164,428
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	5,888,333
Total [“A” x 0.15] – “C”	276,095 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	41,096,189
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	4,109,619
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A

<p>"A" x 0.10 <i>Note: number must be same as shown in Step 2</i></p>	<p>4,109,619</p>
<p>Subtract "E" <i>Note: number must be same as shown in Step 3</i></p>	<p>Nil</p>
<p>Total ["A" x 0.10] – "E"</p>	<p>4,109,619 <i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.