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Market Announcements Platform

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2017 Bulago Exploration to Focus on Copper in Addition to High Grade Gold

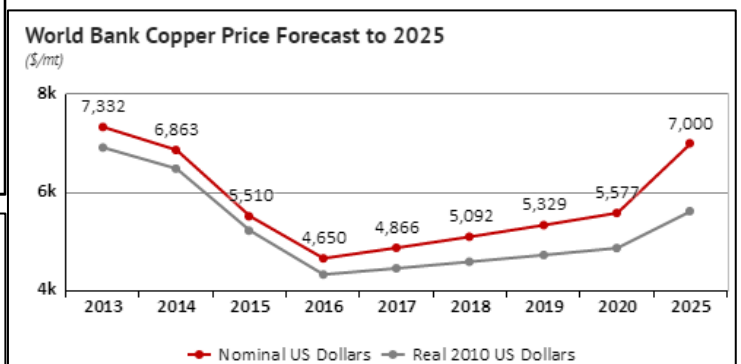
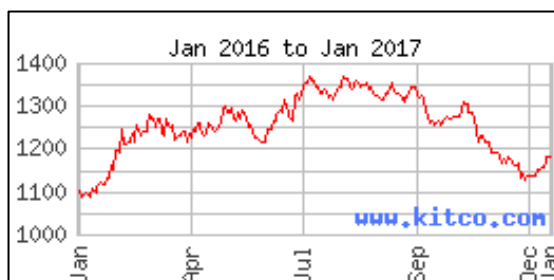
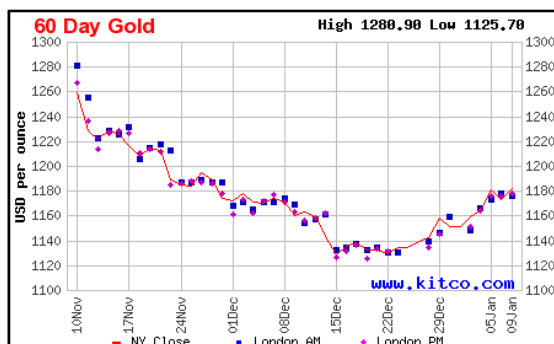
Frontier Resources Limited (**Frontier**) is pleased to announce that its drilling strategy at EL 1595, Papua New Guinea (PNG) this year will focus on evaluating the porphyry copper- gold potential of the Bulago Valley in addition to the high-grade gold potential at the Swit Kai Prospect.

The porphyry copper-gold targets in the Bulago Valley include in its NW, strong gold in soils located to the west of hole BUL001 and also in the SW, strong copper + gold soils located to the east of hole BUL007.

The Company intended to drill a hole on a copper target last year, but funding was ultimately inadequate to enable the mobilisation of the required drill rods, fuel and consumables to the site. This goal was somewhat prescient, as the copper price started to rapidly move up on October 28th to peak approximately 30% up and then retract slightly.

The copper price versus time graphs depicted show the 1 year copper price to the end of 2016, the World Bank forecast for copper to 2025 and the historical copper prices since 1975. The trends are positive and the World Bank plot projects improvement in the future copper price.

It is also encouraging to see that plots of the gold price versus time (attached) show that the price decline appears to have bottomed and have started to rise.



The Bulago regional image below shows the >4 square kilometre area of anomalous copper in soil geochemistry, with a significantly stronger northerly/north-north-easterly trending zone (located to the west of holes BUL007) and a north-north-westerly zone (located to the west of hole BUL001). Both trends could contain significant copper mineralisation at depth. The main intrusive related gold anomaly in the valley appear to trend dominantly north-north-easterly and traverse the entire eastern sector of the copper anomaly.

**UPPER BULAGO RIVER
COPPER GEOCHEMISTRY (MAGNETICS IMAGE)**

**SOILS
COPPER ppm**

- 1 000 to 1 480
- 600 to 1 000
- 300 to 600
- 150 to 300
- 0 to 150
- all others

**Rocks and Trench
COPPER ppm**

- ▲ 1 000 to 3 240
- △ 500 to 1 000
- 200 to 500
- ★ -10 to 200

**DRILLHOLE LEGEND
COPPER (PPM)**

- 0 - 200
- 200 - 500
- 500 - 1000
- 1000 - 5000

**UPPER BULAGO RIVER
POTASSIC ZONE**

9,400,000 mN

9,399,000 mN

639,000 mE

640,000 mE

BUL001

BUL002

BUL003

BUL004

BUL005

BUL006

BUL007

[illegible]

The skarn potential of the Bulago region had never been systematically evaluated, except for the collection of some float and outcrop rock samples and a brief evaluation of the Funutu area by Frontier

in 2009 and further evaluation by former Joint Venture Partner OK Tedi Mining Ltd (OTML) (which demonstrated a high percentage of samples collected with between 0.1% and 0.2% copper and up to 0.2 g/t gold). These are significant values for initial reconnaissance.

Ten possible skarn mineralised areas were interpreted by Frontier through the aeromagnetics, proximal to the overlying limestone contact and spaced relatively consistently all around the Bulago basin. These hypothesised skarns will be evaluated if possible, for copper-gold-zinc mineralisation (the higher prospectivity northern and eastern skarn targets show variable copper and gold in rocks up to the contact, but are difficult to access by foot due to the steep topography).

The EL scale image below shows the aeromagnetic susceptibility, drillhole collars and possible skarn locations.

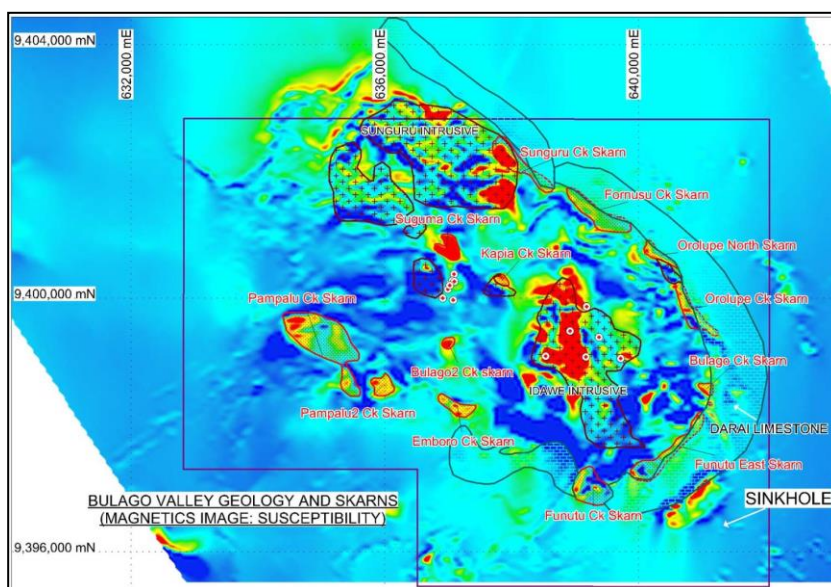
Known skarn mineralisation includes an historic float 'boulder' sample by Kennecott of pyrrhotite (magnetic!) skarn (that was probably sourced from the Funutu Skarn area in the far SE corner of the basin) that assayed 145g/t gold + 11g/t silver + 0.78% copper+ 8.6% zinc + 2.08% arsenic (released to ASX on 21st April 2016, p16).

The Funutu Prospect is located four kilometres to the SE of the Swit Kai Prospect and is defined by extremely consistent and high-grade gold in stream sediment silt and panned concentrate samples, up to 2.09 g/t gold and 180 g/t gold (respectively). There is zinc/ lead/ gold anomalous stream sediment geochemistry at Funutu and a significant lead in stream sediment anomaly (>56ppm) occurs proximal to its west, associated with very strong gold anomalous drainages. Frontier's grid based soil sampling in the central south of the grid (which did not extend quite far enough upslope to the south to cover the Skarn anomalies), have significant zinc/ lead and spotty gold anomalies.

The 1.5sq km area downslope from the Funutu skarn outcrop and to the west contains the strongest, most

EL 1595 - Significant Bulago Gold and Copper Drill Results						
Hole ID		Intercept Length	Gold (g/t)	Copper (ppm)	From (m)	To (m)
BUL001		9.5m	0.32	137	29.5	39.0
plus		224.1m	0.06	1255	119.0	343.1
incl		76.1m	0.16	1510	267.0	343.1
plus		9.7m	0.21	124	359.5	369.2
plus		12.7m	0.10	1061	371.8	384.5
plus		2.4m	0.54	550	385.6	388.0
plus		21.0m	0.42	100	407.0	428.0
incl		3.0m	2.04	101	422.0	425.0
plus		1.3m	0.10	828	439.0	440.3
BUL002		63.2m	0.10	1152	27.8	91.0
incl		0.9m	1.32	585	86.1	87.0
BUL003		370.5m	0.06	347	19.1	389.6
incl		75.9m	0.04	674	63.5	139.4
plus		5.9m	1.71	92	367.1	373.0
plus		2.0m	0.50	178	379.0	381.0
BUL004		1.5m	1.22	280	80.0	81.5
BUL005		363.1m	0.09	95	0.0	363.1
incl		2.0m	1.80	173	197.0	199.0
BUL006		1.5m	3.19	158	20.5	22.0
plus		1.6m	2.57	199	83.9	85.5
BUL007		346.0m	0.11	771	235.0	581.0
incl		9.1m	0.13	720	62.0	71.1
plus		5.1m	0.22	327	113.9	119.0
plus		12.0m	0.14	619	133.0	145.0
plus		8.0m	0.14	320	175.0	183.0
plus		103.3m	0.15	639	235.0	338.3
plus		61.0m	0.16	1017	350.0	411.0
plus		5.3m	0.15	763	432.7	438.0
plus		37.0m	0.08	1160	490.0	527.0
plus		44.2m	0.11	1352	538.8	583.0

NB: BUL007 has very low Ag and As, with Mo increasing downhole.



The 1.5sq km area downslope from the Funutu skarn outcrop and to the west contains the strongest, most

consistent and coherent area of both panned concentrate and stream sediment assays in the entire EL. Many samples have greater than 10g/t gold in panned concentrate and >1.0g/t gold in stream sediments.

The Jabaru Prospect has the highest panned concentrate anomalies in the entire Bulago EL and is contiguous with, and located to the WNW of Funutu. The Funutu-Jabaru area is a highly consistent and strong zone of stream sediment and panned concentrate anomalism over a 3km strike length.

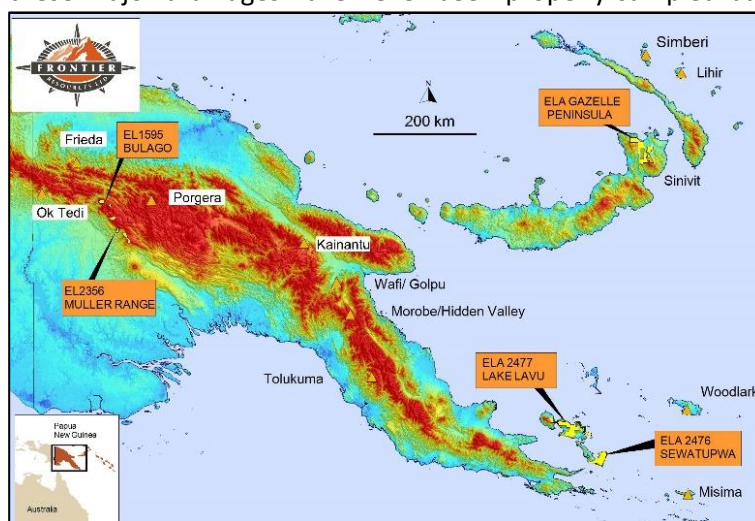
Downslope from the Funutu skarn outcrop, Equatorial gold discovered a 50m wide mineralised zone within intrusive with narrow veins that returned up to 20cm grading 197g/t gold + 363 g/t silver + 0.55% copper + 5.5% lead + 5.7% zinc, also 73.0g/t gold (repeat = 108g/t) + 200g/t silver + 0.38% copper + 2.63% lead + 4.8% zinc and 34.4g/t gold + 120g/t silver + 0.86% lead + 1.71% zinc (released to ASX on 21st April 2016, p17). These assays are similar to the Kennecott boulder but the lack of silver in the later; also, the narrow nature of these outcrop samples indicates the boulder came from elsewhere and probably upslope. Frontier failed to re-locate this particular zone in 2009, but Ok Tedi sampled it and confirmed similar grades.

Frontier in 2009, located highly mineralised skarn outcrop and float in the headwaters of Funutu Creek, just to the south of Funutu Prospect, proving the existence of in-situ skarn mineralisation. The skarn mineralisation consisted of massive sphalerite (zinc) and galena (lead), plus lesser chalcopyrite (copper). Massive magnetite (iron) skarn was also located. A semi massive sulphide outcrop that assayed 0.3m of 2.85 g/t gold + 230 g/t silver + 1.0% copper + 8.29 % zinc + 6.64 % lead (released to ASX on 21st April 2016, p17).

No meaningful exploration has previously been conducted at the Funutu Skarn Prospect; it has never been systematically mapped, outcrop rock or soil sampled, trenched or drilled.

Drainages located to the northwest and north of the Swit Kia Prospect will be evaluated by panned concentrate sampling for gold; inexplicably these major drainages have never been properly sampled but what exists has demonstrated very good gold pan concentrate and stream sediment anomalies to the immediate west of Swit Kia Prospect and the soil sample grid.

All exploration information / results noted herein were previously announced to the ASX on 23/11/16, 23/11/16, 10/11/16, 27/10/16, 12/10/16, 1/9/16, 31/8/16, 31/8/16, 16/6/16, 11/6/16, 10/5/16, 21/4/16, 12/12/14, 5/12/14, 4/7/14, 11/6/14, 9/5/14, 1/4/14, 26/3/14, 18/10/12, 24/5/12, 17/5/12, 28/2/11 or 16/3/10.



For technical reports relating to EL 1595, please visit our website at www.frontierresources.com.au

FRONTIER RESOURCES LTD

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

The information in this report that relates to Exploration Results is based on information compiled by Peter A. McNeil - Member of the Aust. Inst. of Geoscientists. Peter McNeil is the Chairman/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 2012 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 the information in the form and context in which it appears.