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27 August 2012

The Manager
ASX Market Announcements
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney, NSW 2000

UPDATE ON FRONTIER GASFIELDS/FRONTIER OIL INVESTMENT.

BACKGROUND

On June 19 2012, **BioProspect Limited (ASX: BPO)** announced that it had entered into a Share Sale and Exchange Agreement with Frontier Oil Corporation (FOC) to sell BPO's 50% shareholding in Frontier Gasfields Pty Ltd (FGF) in exchange for 430,000,000 newly issued shares in FOC. FOC was finalising the acquisition of a number of oil and gas projects in the Philippines and planning a US$30-50m IPO on the Philippines Stock Exchange (PSE). The issue and allotment of the shares to BPO was subject to FOC shareholder approval as well as those from the Philippines Securities & Exchange Commission ("SEC") and the PSE.

FRONTIER OIL CORPORATION SHAREHOLDER APPROVAL

BPO has been advised that FOC shareholders have approved the acquisition of BPO's 50% interest in FGF and the consequent issue of 430 million new shares in FOC to BPO. FOC shareholders have also approved the acquisition of the final 25% of FGF from their shareholders such that, subject to SEC Approval, FGF is a wholly owned subsidiary of FOC.

BPO's 430 million shares represent approximately 35% of the issued common stock of FOC on a pre-IPO basis. Should the IPO raise the maximum targeted amount of US$50 million, BPO would hold approximately 13% of the issued common stock of FOC on a post IPO basis. (1)

(1) Based on the assumption that the IPO is priced at Par which is the minimum allowable under PSE rules

PHILIPPINES SECURITIES & EXCHANGE COMMISSION (SEC) APPROVAL

FOC has advised that it anticipates that its submission to the SEC for approval will be made in the next 4 weeks with approval anticipated by the end of the current quarter.

FRONTIER OIL MANAGEMENT STRUCTURE

In preparation for its listing on the Philippines Stock Exchange FOC has finalised its Key Management and Board Structure which is outlined in Table 1 below. In addition to the Management Team outlined in Table 1 FOC operates a 15 person team out of its head office in Makati, Manila.

Table 1 – Frontier Oil Corporation Key Management

Name	Position	Experience
Astrolito del Castillo	Chairman	Over 16-years experience in the financial & capital markets. President & Managing Director of First Grade Finance, Inc. Director of the Association of Securities Analysts of the Philippines (ASAP), Executive Director of the Financial and Capital Markets Advisory Council, and Technical Analysts Association of the Philippines.
Kristoffer Fellowes	Managing Director	Managing Director of Middle East Petroleum Services, a privately-owned company with 35 years in the oil and gas sector & the founding shareholder of Frontier Oil. Formerly CEO of Norasian Energy Ltd., which holds various Philippines oil & gas assets. Instrumental in the relaxation of the PSX listing rules for petroleum and renewable energy companies.
James Douglas Parry	Chief Operating Officer	32 years in the upstream oil and gas industry. Managed operations in Asia, Australia and the Middle East for several companies including Apache Energy and Premier Oil. Most recently Operations Superintendent of Galoc Production Company, operating the Galoc Oilfield offshore Palawan, Philippines.
Freddie Rillera	Director & Exploration Manager	30 years experience in the Philippine upstream oil and gas industry. Formerly Director of the Energy Resources Development Bureau of the Philippine Department of Energy. Held senior executive roles in several Philippine oil and gas corporations, i.e. Cophil Exploration Corp., Coplex Energy Corp, E.F Durkee and Associates.

Yours sincerely,

Colin Johnston

COLIN JOHNSTON
Company Secretary