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3 December 2012

The Manager
Company Announcements
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney, NSW 2000

UPDATE ON FRONTIER OIL

BioProspect Limited (ASX: BPO) provides the attached update received from Frontier Oil Corporation ("Frontier Oil") and provided today to the Philippines Department of Energy in relation to the acid stimulation program at Nassiping-2 (SC52).

As previously announced BioProspect has entered into a Share Sale and Exchange Agreement with Frontier Oil to sell BPO's 50% shareholding in Frontier Gasfields Pty Ltd ("FGF") in exchange for 430,000,000 newly issued shares in Frontier Oil. The issue and allotment of the shares to BPO is currently subject to approval by the Philippines Securities & Exchange Commission ("SEC").

For further information please contact:
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The Directors
BioProspect Limited
Suite 25, 145 Stirling Highway
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Attention: Mr Winton Willesee, Chairman
2 December 2012

By Email: winton@azc.com.au

Dear Mr. Willesee,

FRONTIER OIL - ACID STIMULATION PROGRAM - NASSIPPING-2

Frontier Oil Corporation advises that it has temporarily suspended the Nassipping-2 acid stimulation operation on SC52 located in the Philippines due to an obstruction in a section of the well. Down-hole imaging of the well bore indicates that the likely obstruction is a bent 'packer' caused during completion of the earlier re-entry program. The blockage has consequently restricted the access of the acid stimulation equipment to the relevant sections of the well bore. During the operations gas flows were consistently detected at the surface.

Frontier now intends to mobilize a rig to the project site to remove the obstruction and to implement and complete the stimulation program. Discussions with potential rig-suppliers have commenced in preparation for an early 2013 operation continuation. At that time, Frontier will utilize the rig to test a prospective gas-bearing horizon of significance, lying below the currently identified zone.

Frontier's CEO Kris Fellowes stated:

"While the down-hole obstruction and resulting inability to complete the acid stimulation operation is particularly frustrating, it is expected to have little material impact on our exploration program or production scheduling in the event of a commercial gas flow from the stimulation program. It was always Frontier's intention to return to site with a rig in the first part of 2013 in order to complete the upper sections for production (given a successful gas discovery) and to test the highly prospective deeper zones of the well. Results and gas-flows observed during the operations, have strongly increased our confidence in the potential for a gas discovery at Nassipping".

Yours faithfully,



Kris Fellowes,
Managing Director
Frontier Oil
Corporation