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## **Sudest Exploration Proceeding Well with Visible Gold Discovered in Trench Outcrop**

Frontier Resources Ltd is pleased to announce that exploration is proceeding well at the 100% owned EL 1594 - Sudest, located in the World Class Misima Mine Gold Corridor in Milne Bay Province of Papua New Guinea.

Frontier have mobilised an exploration team of 2 geologists, 5 field technicians and a Public Relations Officer to Sudest to complete trenching and 2 soil grids covering 6 sq km that will help to define future trenching and drilling targets.

The Senior Geologist's first report is attached unedited as Appendix 1, as it details the progress well (including some of the difficulties) and some shareholders will find it to be interesting reading.

Frontier intend to aggressively pursue the attractive exploration targets demonstrated by the high grade gold in trenches/float rocks, abundant alluvial gold in drainages plus variably altered intrusives with compositions commonly associated with mineralised porphyry systems.

No drilling has ever been undertaken on Sudest and less than 5% of the strike of the 45 km anomalous zone has been only cursorily evaluated by soil geochemistry or trenching, yet results outlined to date are very promising, including up to 2m of 104.5 g/t along with 2m of 15.35 g/t, 6m of 10.96 g/t gold, 2m of 16.0 g/t, 2m of 11.6 g/t gold and lesser values. Frontier has demonstrated rock assays up to 256 g/t gold with 19 g/t silver

Refer to the ASX release dated 16th April 2012 for details relating to the Sudest Gold Project. For additional information relating to Frontier Resources, please visit the Company's 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.  
CHAIRMAN / 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 the information in the form and context in which it appears.

## **Frontier Gold Ltd - Sudest Island EL1594**

### **Summary progress report ending 30/04/2012**

#### **Safety**

Safety toolbox talks are held every morning. No major or serious injuries encountered to date except for minor first aid cases.

#### **Community relations**

Edmond and I visited the district office at Misima on 16/04/12 whilst waiting for Flynn to arrive and briefed them on the company's work program. We also queried on the Tagula airstrip status. The airstrip sits on state land but there is still some dispute between the government and the local land owners. We visited the Tagula sub district office on the 19/04/12 and briefed them on the company's exploration work program whilst ferrying the cargo from Nimowa station to Vuwo village.

Some locals still raised concerns on our purpose of work with their minds still fixed on previous Alluvial miners so Edmond and I decided to hold a meeting again at Vuwo village on 28/04/12 and clearly explained our way of exploration (data collection, purpose etc.). A few raised questions like copies of granted exploration license, not being notified of our coming etc. etc. The meeting generally went well with the majority, immediate landowners allowing us to continue work.

#### **Major downtime issues**

There was an oil leak with the chartered boat when the crew was on their way from Alotau to Misima on the 13/04/12. The crew spent about 3 days at Tubetube island before a new boat was arranged. The boys arrived at Misima just before mid-night on 15/04/12. This coincided with Flynn's delay in Air Niugini flight from Lae-POM and we all departed from Misima together on 17/04/12 early hours.

The shaft of the second chartered boat unfortunately broke around mid-day as we were approaching Nimowa station (~1km away). We used the 60hp dingy to tow the boat slowly to Nimowa, unloaded some of the cargo in the afternoon and offloaded them at a locals hut near Griffin point. The crew spent 2 nights there.

#### **Crew mobilization**

In the process of transferring the rest of the cargo on the 60 Hp dingy from Nimowa station to Vuwo village which takes about 1-2 hrs., we also visited Tagula sub-district office and briefed them on the company work program and the possibility of upgrading and using the Airstrip in the future. The district admin gave the ok except there is a land dispute issue between them and the local landowners. We also visited the priest at Nimowa station and requested permission to use the VSat in case of emergency or to send a quick progress report if required. The mission station has an ambulance boat available too.

An attempt was made to move into site with little cargo on Fri 20/04/12, however due to heavy rainfall that day we only inspected the camp site and returned to Vuwo village. Concern was raised by the locals on our purpose of work so we explained clearly our work program and estimated duration of the program. The village was happy and granted us ok to start work. The locals kindly accommodated us too.

The crew managed to move into site and erected a camp on Fri 20/04/12. Some extra women were hired to help carry the cargo. Majority of the locals left on Sun for church service and a few (5 boys) stayed back. Gebi and Edmond left for Misima on Sat 21/04/12 to pick up Stanley. They returned on Sun 22/04/12 to Vuwo village and

walked into camp site on Mon 23/04/12. The locals requested to take Sundays off to attend to church commitments. We are temporarily hiring a local village hut to store the bulk of the cargo (food stuff etc.) before being brought up to camp site on a regular basis, usually Sunday afternoons when the crew return to camp.

## Trenching

### 1) Adelaide

We managed to locate and tag the old trenches with the help of local experts. According to the locals involved in the trench digging and sampling, most of the trenches were dug not more than 2m deep and most sampling was done on altered schists with minor loose Qtz fragments within the wall, unlike T-10 where there is a massive outcrop (Qtz vn) pinching out <2m from surface. We briefly cleaned T-9 and T-10 (>100 g/t Au) and deepened T-11 (~3m) more than twice previous depth to see if the massive Qtz vein observed along strike at T-10 still continues or pinches out. However it does not and narrows out (discontinues?) and we observed only 1-2cm wide stringers of highly metamorphosed Qtz veins within a zone (~2-3m wide) of altered schists.

As per your proposed trench infill's, we dug a new trench ~N-S, normal to T-10 (high grade trench) and directly over the crest of the massive Qtz vein also to determine if there is more than one series of pinch out. We are keeping it closer (sub parallel ~1-2m) away from T-9 as there is a some evidence of ~5cm wide highly metamorphosed Qtz vein observed towards the end (north) of T-9.

We are cheaply hiring 2x crowbars from the locals to speed up the trenching. Banana spades and mattocks alone are inefficient to do the job. Resampling mostly on altered/veined sections will commence on T9, T11 and the new trench (crossing T10) once completed. The next order of trenches to do will be 2x infill between T11 and T12

where some evidence of metamorphose Qtz stringer veins within altered schists has been spotted in previous old short trenches ~5m long (not recorded??). We might just expand on these.

Fig 1 Massive vuggy milky-sugary Qtz vein (~1m wide) partly weathered with mm wide dark bands (carbonaceous?) and traces of fine visible gold within the vugs. Sample from T-10.



### 2) Cornucopia

A fly camp has been set up on an old camp site and the crew started doing infill trenches as planned on the known anomaly. We located the old trench and the section that possibly carried the 6m of >10g/t Au, mostly metaseds within highly oxidised regolith. The crew dug a few meters deep and into the wall to fully expose it for sampling. However, a 4-5cm thick milky Qtz vn trending 300° and steeply dipping, slightly towards south was observed 2-3m away from the other old trench (assumed previously dead) which was partly exposed by a recent small landslide. The Qtz vn is in contact with steeply dipping (80-90°) metaseds that are lined by brassy sheets of covellite within the highly sheared/fracture planes. We are giving this our second priority for now. The crew dug a short trench and fully exposed the altered zone which is 4-5m wide.



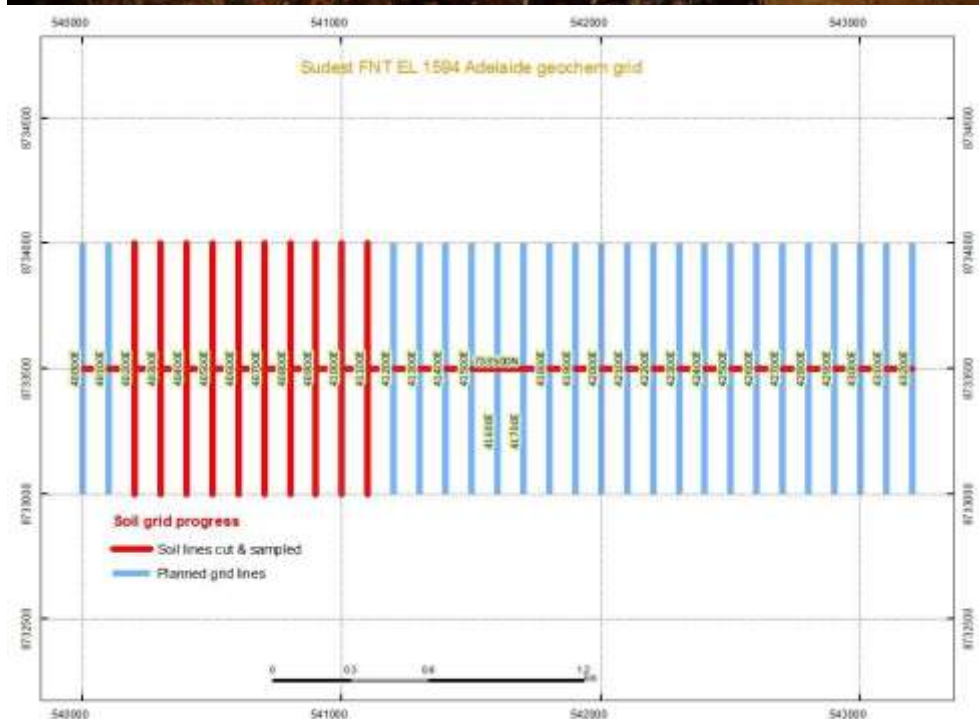
Our next plan after we do more infill trenches at the known anomaly is to do some more trenching (N-S) to track its strike upslope. It is located on the next spur W of the known anomaly and both trend in the same direction (~NW). The fly camp will also serve the soil sampling crew to temporarily store soil samples or sleep over as they advance Cornucopia.

Fig 2 ~5cm Vuggy-milky Qtz vn (300°/80°SW) partly exposed by a recent land slip ~2m away from old trench. Qtz vn is also highly fractured in places.

Fig 3 Brassy sheets of covellite lining the sheared planes of the metaseds.

### Soil grid cutting and sampling

Baseline has been cut (corrected) and sampled. The crosslines (uncorrected) crews are advancing cutting and sampling at Adelaide. Fig 1 shows the progress of soil sampling. The crew will do some infill soil sampling (12.5m) on the soil line that crosses over high grade T-10 to pick up any stringer veins on the spurs. Similar infill will be done on a line that will cross over the high grade intercept Trench and possibly Qtz vein observed at Cornucopia.



### Crew break up

Table 1 below shows the crew break up. We have a total of 34 casuals. 2x female cook meals for the casuals, do laundry and clean around the camp.

Crew Type	Prospect	Number of crew in operation	Casual per crew	Total number of casuals
Trenching	Adelaide (x1) & Cornucopia (x1)	2	5/6	10 (+2 female)
Soil grid cutting (x2) & sampling (x2)	Adelaide	4	5	20

### Total people on site

Table 2 shows the number of Frontier personnel on site.

Frontier	Title	Casuals
Kledy Koloa and Flynn Moses	Geologists (2)	34
Stanley Isikel , Gebi Noel , Steedy Joseph, Anthony Noel , Kevin Stevens Edmond Ede Ede	Field Assistants (5) Public Relations Officer (1)	

### Forward plans

Stanley will move over to Feiori grid with 2x casuals from Adelaide camp who are from the Feiori area, pick up 2-3 more extra local boys at that area and commence baseline cutting and crosslines afterward. I planned to keep Gebi for another week or two to boost the cross line (just cutting) together with Anthony and Steedy's crew (cutting + sampling) before moving him over to assist Stanley to just cut the Feiori grid. Kevin's crew is concentrating only on sampling of Gebi's cross lines. Once the crossline and sampling crew are done with Adelaide, they will move over to Feiori to concentrate on sampling alone and cut/sample remaining crosslines.

*Regards*

*Kledy on behalf of Sudest crew*

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