Australian Stock Exchange
Company Announcements Office

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Announcement

**COPPER – MOYBDENUM +/- GOLD - SILVER CORE OF THE ELO PORPHYRY SYSTEM EXPANDED TO ABOUT 750M x 250M**

Frontier Resources is pleased to announce:

- The core zone of the major precious / base metal mineralised porphyry system at the Elo Prospect (EL 1348 - Mt Bini, Papua New Guinea) has been upgraded by 21 kilometres of recently finalised grid-based soil sample assays.

- The NE oriented core zone of mineralisation is quite cohesive and is now roughly 750m x 250m, with semi coincident copper and molybdenum (at >500ppm and >30ppm, respectively). This area expands rapidly at lower thresholds, with the entire anomaly covering an area of at least 4km².

- Gold and silver are locally coincident with the copper and molybdenum, but less cohesive. They occur peripherally to the copper and molybdenum and are more widely distributed over the entire grid.

- A major, but less cohesive triangular gold only zone (about 1,000m on edge) was documented on the south side of the prospect area, with minimal associated copper and molybdenum.

- Peak soil assay values were: 0.12% copper, 90 ppm molybdenum and 0.54 g/t gold, with intervals such as 600m of 456ppm copper + 35ppm molybdenum + 0.055g/t gold in the main copper zone and 275m of 0.19g/t gold in the southern gold only zone.

- The ground magnetic survey was resumed last week to obtain coverage over the northern sector of the prospect.

- Exploration Manager, Rob Reid, is now on site organising pads for the proposed drilling of this ‘virgin’ prospect (scheduled to commence mid to late May 2007).

- Elo is located 54km NNE of the national capital, Port Moresby, and 18km to the NW of the Kodu Deposit; it is far removed from the Kokoda Track (which is located 13km to the SE). The project area is within 5km of existing logging tracks, that provide good access and logistics during exploration and for any possible future development.

- The large relative size of the Elo system could reasonably reflect significant prospectivity for the discovery of a major body of copper- gold- molybdenum mineralisation.
Details
The Elo project area is prospective for porphyry copper–gold–molybdenum and epithermal gold deposits. The exploration target is 300 to 500M tonnes grading 0.8% to 1.0% copper equivalent, from near surface. This target is based on the size and tenor of the soil geochemical anomaly, plus alteration noted. The regional example is the Kodu porphyry copper deposit (in respect to the above Target we caution that the potential quantity and grade is conceptual in nature, no mineral resource has been defined on the property and it is uncertain if a mineral resource will be defined on the property).

A 2km x 3km elliptical topographic high hosts the large Elo porphyry copper-gold-molybdenum-silver mineralised system. Landsat imagery interpretation has shown a marked change in lineament/fault-fracture patterns in the central part of EL 1348, with Elo occurring on a major NE/SW trending lineament/structural zone that marks a change from in dominant fracture trends.

Figure 1. Terrain plan of the Mt Bini EL showing project areas.

The lineament is approximately 15km wide and contains the 5 known copper-gold-molybdenum mineralised occurrences (Kodu, Oomargi, Elo, Tamala and Ua-Ule). It appears to be a transfer fault, which is a highly prospective, long-lived and deeply extending structural corridor that has served as a conduit for mineralisation.

Porphyry copper style mineralisation has been observed in several creeks draining the elliptical topographic high and in the very limited, previously announced, historic hand dug trenching. Trench 2 was 212m of 0.08% copper, plus 0.10g/t gold (its entire length), including 84m of 0.10% copper plus 0.17g/t gold. There is a high probability of surface leaching of copper, as at Kodu, making these results highly encouraging. Gold was previously noted in the southern gold only zone in several trenches related
to quartz/pyrite veining, with 50m of 0.163g/t gold and 60m of 0.122g/t gold. This is a separate target to be evaluated.

Figure 2a-d. Copper, gold, molybdenum and silver in grid and ridge/spur soil samples (grid is 500m).
Figures 3a and 3b are thematic plans showing the spot samples of copper and molybdenum on ‘contoured’ gold in soils. Grid spacing is 500m.

Figure 3c is a thematic plan showing the spot samples of gold on ‘contoured’ copper in soils. Figure 3d is the ground magnetics (RTP) completed to date, with copper in spot soil samples.
Peak soil assay values were: 0.12% copper, 90 ppm molybdenum and 0.54 g/t gold. Intervals such as 600m of 456ppm copper + 35ppm molybdenum + 0.055g/t gold in the main copper zone and 275m of 0.19g/t gold in the southern gold only zone.

Frontier is focused on the Kodu Deposit, plus the Bukuam, Elo and Andewa Projects in PNG.

- The Company has a 100% interest in an approx. 7,500km² portfolio of quality copper and gold properties in PNG, with 3 Exploration Licences (Kodu, Likuruanga and Andewa) and 8 applications, plus 5 Exploration Licences and 2 Retention Licences covering 210 km² in Tasmania.
- The portfolio offers excellent mineral deposit potential, with primary Targets being World Class copper/gold/molybdenum porphyry, gold/silver epithermal and polymetallic - zinc/lead/silver VHMS deposits.
- The projects all have high-grade exploration results in rock, trenches and/or drill hole and are in the same or similar geological terranes as existing World Class and/or major mines.
- Frontier is an ASX listed junior mineral explorer whose shares also trade on the Frankfurt, Berlin and Munich Stock Exchanges.
- The Company operates with a general policy of ‘DRILLING’ our quality projects using our self manufactured, cost effective, environmentally friendly, man-portable diamond core rigs.
- Frontier’s Director/Management team have more than 100 years combined experience in PNG.

For additional information relating to the Company and its projects please visit our website at www.frontierresources.com.au or feel free call me on +61 (0) 8 9295 0388.

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Managing Director

The information in this report that relates to Exploration Results 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 Managing Director of Frontier Resources and is a consultant to Frontier Resources; he 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 and consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.