

## Regulatory Announcement

Company [Frontier Mining Ltd](#)  
TIDM FML  
Headline Placing to Raise up to GBP 10m  
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Frontier Mining Ltd

("Frontier" or the "Company")

Placing to raise up to £10 million

The Company announces that it has today completed a placing, arranged by Evolution Securities Limited ("Evolution"), to raise up to £10 million before expenses (of which £8 million has been underwritten by Evolution) (the "Placing") by the issue of up to 50,000,000 shares of common stock of \$0.01 each ("New Shares") with institutional and other investors at a price of 20p.

The net proceeds of the Placing will be used to fund equipment purchases, reserve development at Naimanjal and Kotansor, pre-feasibility studies at Baitimir, Beschoku, Koskuduk and Yubileiny, further exploration work at Baltimir and to provide general working capital for the group.

Brian Savage, CEO of Frontier, comments, "This Placing marks an important stage in Frontier's development and we are very pleased with the support that we have received from investors. We have made significant progress on a number of our projects this year and commenced production at Naimanjal. We look forward to applying these funds to further prove up our assets so that we can fully realise their value."

The Placing is conditional on admission of the New Shares to trading on the AIM market of the London Stock Exchange ("Admission"). These applications have been made and it is expected that Admission will occur on 28 December 2005.

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About Frontier

Frontier Mining Ltd. is a mineral exploration and development company that was incorporated in the state of Delaware, USA, on August 5, 1998 for the purpose of exploring and developing gold and copper deposits in the Republic of Kazakhstan. Through its subsidiaries and affiliates, Frontier locates, evaluates, acquires, explores and develops mineral properties.

Frontier has two licenses owned by its wholly owned subsidiaries in Kazakhstan. They are the Naimanjal exploration and mining licence, held by FML Kazakhstan, and the Baltemir exploration licence, held by Baltemir LLP. Frontier has one producing gold mine, Naimanjal; one pre-feasibility stage gold project, Koskuduk; and one exploration stage gold prospect, Baltemir. Naimanjal is forecast by management to produce 25,000 ounces of gold in 2006 at a cash cost of \$250 per ounce. Frontier currently intends to double its gold production to 50,000 ounces in 2007 and double it again to 100,000 ounces in 2008. Management believes its gold projects contain more than two million ounces of oxide gold resource.

Frontier also has one pre-feasibility stage copper porphyry deposit with associated gold and molybdenum, Baitimir; and several copper/gold prospects along a 25-km trend including both VMS and porphyry types. Metallurgical tests on its Beschoku and Yubileiny copper projects confirm the oxide copper ore is amenable to extraction using low cost SX-EW technology. Management believes the copper projects contain more than 1,000,000 tonnes (2.2 billion pounds) of copper (P1) resource with significant potential for increase. Frontier is currently evaluating acquisition opportunities in uranium, gold, and copper in Kazakhstan and the CIS countries.

Frontier shares are traded on the AIM market of the London Stock Exchange. Following the Placing, Frontier will have up to 139,209,931 ordinary shares issued and 10,723,747 outstanding options and warrants, giving 149,933,678 fully diluted ordinary shares.

Further company information may be accessed at the Frontier Mining Ltd. website at: [www.frontiermining.com](http://www.frontiermining.com)

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