

## Regulatory Announcement

**Company** Frontier Mining Ltd  
**TIDM** FML  
**Headline** CREST Admission  
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### **Frontier Mining Ltd.**

#### **CREST Admission**

Frontier Mining Ltd ("Frontier" or the "Company") is pleased to announce that Frontier shareholders will be able to hold and transfer interests in Frontier's fully paid ordinary shares ("Shares") within the CREST system, provided certain criteria are satisfied.

The Company, through its registrar, Computershare Investor Services PLC (the "Registrar"), has established a depository arrangement whereby depository interests ("DIs") representing Shares will be issued to investors who wish to hold their Shares in electronic form within the CREST system. The DIs are established pursuant to a deed of trust executed by the Registrar acting as depository. The DIs representing Shares were admitted to CREST with effect from 1 March 2006. Accordingly, settlement of transactions in Shares represented by DIs may take place within the CREST system. CREST is a UK electronic paperless share transfer and settlement system which allows shares and other securities (including DIs) to be held in electronic rather than paper form.

Both the Shares and the Depository Interests will be represented by the same ISIN number, US U31444 1093.

#### **Admission to the CREST system**

Shares will be eligible for settlement through CREST only if they satisfy standards established by Frontier (as well as separate standards established by CREST). Among other things, Frontier shareholders must establish, to the satisfaction of Frontier, that their Shares were issued at least twelve months ago in an offering conducted outside the United States pursuant to United States Securities and Exchange Commission Regulation S, that the shareholder is not an affiliate of Frontier and that they are located outside the United States. Alternatively, Frontier shareholders may establish that their Shares were acquired in a transaction under Rule 144 of the United States Securities Act of 1933 ("Securities Act") or that the request for settlement through CREST is at the time of and in connection with a sale under Rule 144, and that in either case the shareholder is not an affiliate of Frontier at such time.

Shareholders should contact the Registrar on +44 (0)1534 825268 to establish whether their Shares are CREST-eligible and to obtain a copy of the declaration form ("Declaration Form") that they must complete in order to deposit their Shares into CREST. The completed Declaration Form should then accompany a CREST stock deposit form and the covering stock certificate when deposited with the CREST counter. Any Stock deposit form and stock certificate received by the Registrar without a duly completed Declaration Form will be rejected and returned to the submitting broker.

## **United States Securities Law Restrictions**

Frontier is organized under the laws of the State of Delaware in the United States. The Shares have not been registered under the Securities Act and are “restricted securities” as defined in regulations of the United States Securities and Exchange Commission. The Shares are subject to the following provisions:

***The Shares have not been registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered, sold, pledged or otherwise transferred unless such transfer is effected (1) in a transaction meeting the requirements of Regulation S under the Securities Act, (2) pursuant to an effective Registration Statement under the Securities Act, or (3) pursuant to an available exemption from the registration requirements of the Securities Act, in each case in accordance with all applicable securities laws. Hedging transactions involving the shares of common stock of the company may not be conducted unless in compliance with the Securities Act.***

Shares issued in certificated form will continue to bear a legend reflecting the foregoing restrictions. Shareholders should contact their broker or the Registrar if they have any questions regarding any applicable restrictions on the transfer of their Shares.

## **Certificated Shares**

Shareholders who do not wish to deposit their Shares into CREST may continue to hold them in certificated form. Further, if a shareholder subsequently desires to remove his Shares from the CREST system, certificates representing the Shares will be re-issued to the shareholder. Such certificates will bear a restrictive legend substantially similar to the legend currently on the Shares.

## **Notifiable Interests**

Shareholders who change through a single percentage (by way of increase or decrease) their legal or beneficial interest, whether direct or indirect, in a holding of Shares where the resultant holding is greater than 3% of the issued share capital of Frontier (a “Notifiable Interest”) are requested to forward details of such Notifiable Interest to Frontier at its office at 4 Park Place, London SW1A 1LP, Fax: +44(0)20 7898 9101.

## **Stamp Duty Reserve Tax**

The DIs will be subject to Stamp Duty Reserve Tax (“SDRT”) because they do not meet all the criteria set out for the SDRT exemption granted in The Stamp Duty Reserve Tax (UK Depository Interests in Foreign Securities) Regulations 1999 (SI 1999/2383 as amended by SI 2000/1871 and SI 2001/3779).

## **Enquiries:**

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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. Frontier has 129,209,931 ordinary shares issued and 10,723,747 outstanding options and warrants, giving 139,933,678 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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