

Regulatory Announcement

Company Frontier Mining Ltd
TIDM FML
Headline Benkala Update
Released 11:38 24-Sep-07
Number 3533E



24th September 2007

AIM:FML

Frontier Mining Ltd. (the “Company”)

Benkala Update

On 6 September, Frontier Mining Ltd (“Frontier” or “the Company”), the AIM listed Kazakhstan focused gold mining and exploration company, announced that it had entered into a conditional purchase agreement with Coville Intercorp Ltd (“Coville”) to acquire a 50 percent interest in the Benkala copper-molybdenum-gold deposit (“Benkala”, or “the Benkala Project”) located in northwestern Kazakhstan within the Urals gold/copper ore belt. The aggregate consideration payable for the interest in Benkala is US\$21 million comprising \$18.5m payable in cash and the issue of 6,250,000 shares of Frontier common stock of US\$0.01 each (“Ordinary shares”).

Rights to the Benkala deposit were won in January 2006 by a subsidiary of Coville in an open government tender. Upon government approval, the contract will cover an area of 1.194 km² and will be effective for a four year exploration period followed by a 25 year mining licence.

Completion of the Frontier deal to acquire Benkala was conditional on a number of conditions, including completion of an attendant Placing of new ordinary shares, and receipt of all necessary Government approvals, specifically the registration of the transfer of ownership of the mining rights to Benkala, (the Subsoil Use Contract, or “SUC”) being received before 21 September 2007. Frontier is currently finalizing an extension of the Placing.

License (SUC) Registration Update

To date Frontier has received approval from all of the Ministries required to approve the transaction, including the Ministry of Energy and Mineral Resources (“MEMR”), and awaits the contract to be signed by the Minister of Energy and Mineral Resources in order to be able to proceed to the stage of formal registration of their SUC.

On 27 August, three days before Frontier’s SUC was due to be approved, the Republic of Kazakhstan announced the appointment of a new Minister of Energy and Mineral Resources. Unfortunately, as with any new Ministerial appointment, this has resulted in some unavoidable administrative delays.

Furthermore, the Republic of Kazakhstan’s Parliament is due to hold hearings soon on new legislation affecting subsoil use. Frontier believes this new legislative initiative may lead to further delays in the administrative processing of SUC transfers. However, because Frontier's application is in an advanced state of approval, the company expects that any further delay will be minimal.

Management comment

Brian Savage, CEO of Frontier, commented “Although these delays are unforeseen, Frontier is by no means the only company to be impacted by this situation. I am informed by our Kazakh partners that

all resource companies with operations in Kazakhstan are also experiencing similar administrative delays. We intend to proceed with the various preparatory tasks that do not require Government approval in order to keep the Benkala project as close to the original schedule as possible. Our goal is to progress to the stage of being able to confirm the near surface oxide resource base at Benkala to a JORC standard as soon as possible, continue to test the deeper sulphide ore resource, and undertake additional metallurgical testwork with the intent of putting Benkala into production as soon after Government approval is received as we can”.

Enquiries:

Frontier Mining Ltd	Brian Savage	+44 (0)20 7898 9019
Parkgreen Communications	Louise Goodeve / Samantha Dunning	+44 (0)20 7851 7480
Zimmerman Adams	Ray Zimmerman / Jonathan Evans	+44 (0)20 7060 1760

About Frontier Mining Ltd:

Frontier Mining Ltd. is a mineral exploration and development company that was incorporated in the state of Delaware, USA, on 5 August 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.

Frontier also has one potential 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.

Issued and Fully Diluted Ordinary Shares

Frontier shares are traded on the AIM market of the London Stock Exchange. Frontier has 132,581,587 ordinary shares issued and 6,057,091 reserved and outstanding options and warrants, giving 138,638,678 fully diluted ordinary shares.

Further company information may be accessed at the Frontier Mining Ltd. website at:
www.frontiermining.com

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. Terms and conditions, including restrictions on use and distribution apply. ©2007 London Stock Exchange plc. All rights reserved.