

## Regulatory Announcement

**Company** Frontier Mining Ltd  
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### **Frontier Mining Ltd ("Frontier" or "the Company")**

#### **Frontier Appoints Aker Kvaerner to Lead Benkala Conceptual Study Team**

Frontier Mining Ltd, the AIM-listed Kazakhstan-focused gold mining and copper development company, has appointed an integrated technical consultancy team led by Aker Kvaerner Chile S.A., headquarters of their Metals business ("Aker Kvaerner"), to complete the Conceptual Study for its Benkala copper porphyry deposit in north-western Kazakhstan ("Benkala" or "the Project"). Frontier acquired a 50% stake in the Project in November 2007, and announced on 23 January 2008 the appointment of a joint technical and financial advisory team ("the Advisor") to oversee and coordinate the fast-tracked development of Benkala with the Company's joint-venture partner.

The Conceptual Study is designed to provide a preliminary evaluation of the various "trade-off" options for economic development of the Project, and to form the basis for the Pre-Feasibility Study, which will commence in Q2 2008. The Advisor has selected and mobilised well-respected, "bankable" industry consultants with extensive copper porphyry experience to conduct the Conceptual Study:

- Aker Kvaerner, a leading global provider of engineering and construction services, will act as Conceptual Study author to synthesise underlying study components, and evaluate the economics of various mining, processing, and infrastructure options for the Project;
- NCL Ingeniería y Construcción S.A., an international mineral consultancy firm based in Chile, with substantial experience of large copper porphyry projects, will be responsible for mine planning and optimisation studies, and;
- Brook Hunt, an industry-leading metals economics and price forecasting firm, will provide insight on copper marketing options, including analysis and outlook for the local copper concentrates market.

Brian Savage, CEO of Frontier, commented: "Over the past five months, the team has worked hard to ensure we create a strong foundation from which to develop the Benkala project. With the appointment of such a high calibre group of advisers, we are now well poised to accelerate development of the project and increase our production profile."

#### **Information on the Conceptual Study Consultants**

Aker Kvaerner ASA, through its subsidiaries and affiliates ("Aker Kvaerner"), is a leading global provider of engineering and construction services, technology products and integrated solutions. The business within Aker Kvaerner comprises several industries, including Oil & Gas, Refining & Chemicals, Mining & Metals and Power Generation. The Aker Kvaerner group is organised in a number of separate legal entities. Aker Kvaerner is used as the common brand/trademark for most of these entities.

The parent company in the group is Aker Kvaerner ASA. Aker Kvaerner has aggregated annual revenues of approximately USD 10 billion and employs approximately 24,000 people in about 30 countries.

Aker Kvaerner Metals provides design, engineering, procurement, construction and project management services for mining and metals processing facilities on every continent. With its Metals Headquarters based in Santiago, Chile, and other metals offices located in Toronto, Canada, Tucson, Arizona, U.S.A., combined with regional metals capabilities in Perth, Brisbane and Melbourne, Australia, Mumbai, India and Stockton-on-Tees, U.K, Aker Kvaerner provides global capability to serve its clients across the full project cycle from studies through to design engineering, procurement, construction, commissioning and startup. Specialised expertise spans Precious Metals, Nickel, Copper, Molybdenum, Iron Ore, Zinc, Uranium, Evaporites and Industrial Minerals.

NCL Ingeniería y Construcción S.A. (“NCL”) is a consulting company based in Chile which provides specialised advice and solutions for mining companies in the areas of mineral resource estimation, mine design and planning, mine equipment selection, optimisation of mine operations and mining capital and production costs estimation. Since forming some 30 years ago, NCL has developed projects in more than 20 countries on five continents. Of particular benefit to Frontier and its joint-venture partner is NCL’s specific track record in the development of large copper porphyry projects, such as:

- Collahuasi, Chile (Anglo/XStrata/Mitsui);
- Escondida, Chile (Codelco); El Teniente, Chile (Codelco);
- El Pachon, Argentina (XStrata);
- Andina, Chile (Codelco);
- Los Pelambres, Chile (Antofagasta);
- El Morro, Chile (XStrata);
- Afton, Canada (New Gold);
- Rio Blanco, Peru (Monterrico Metals).

Brook Hunt & Associates (“BH”) is a leading consulting firm serving the mining and metals sector. Established in 1975, the company has earned a global reputation for detailed, high quality research and consultancy in the base and precious metals mining and smelting industries. The firm’s senior analysts and consultants are each recognised as a leading authority within their area of expertise, serving a client base which includes investment banks, mining and smelting companies, industry consumers and governments. BH will provide detailed metal markets insight for inclusion in the Conceptual Study, including copper supply and demand analysis, long-term metals price forecasts, treatment charges and refining charges, and analysis of the local concentrate smelting markets.

### **The Benkala Project**

The Benkala Project will develop a significant porphyry copper deposit, situated in north-western Kazakhstan in the Urals gold/copper ore belt, north east of Aktobe Oblast and 100km south east of the Zhetikara Mountains, an area close to the Russian border with a long regional mining history. Benkala is in a highly attractive position for mine development given that it already contains developed infrastructure, including a main line railway, an all weather highway and excellent power supply to the site.

The property was discovered in 1968. Between 1976 and 1980, 70 holes totalling 21,800 metres of core drilling on a 200 metre by 200 metre and 200 metre by 100 metre grid, some to a depth of 700 metres with core recovery between 70% and 75%. Metallurgical test work was conducted between 1973 and 1979 and determined that the near surface chalcocite ores were amenable to heap leaching using sulphuric acid as well as flotation. The sulphide ores were amenable to flotation.

A Competent Person Report ('CPR') on the Benkala Project completed by Wardell Armstrong International ("WAI") in March 2007 estimates 47.75 Mt at an average grade of 0.36% Cu for the oxide mineralisation, and 873.75 Mt at an average grade of 0.30% Cu for the sulphide mineralisation.

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**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 three licenses in Kazakhstan. They are the Naimanjal exploration and mining licence, held by FML Kazakhstan, the Baltemir exploration licence, held by Baltemir LLP and, 50% of U.S. Megatech Inc. which holds the Benkala licence. FML Kazakhstan and Baltemir LLP are wholly-owned subsidiaries of Frontier Mining Ltd. Frontier has one producing gold mine, Naimanjal; one pre-feasibility stage gold project, Koskuduk; and one exploration stage gold prospect, Baltemir.

Frontier also has a 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.

Frontier owns a 50% interest in the joint venture Company that owns the Benkala copper-molybdenum-gold deposit located in north-western Kazakhstan within the Urals gold/copper ore belt. A Competent Persons Report ("CPR") on the Benkala project completed by Wardell Armstrong International ("WAI") in March 2007 estimates 47.75 Mt at an average grade of 0.36% Cu for the oxide mineralization, and 873.75 Mt at an average grade of 0.30% Cu for the sulphide mineralisation, representing some 2.8 million tonnes of contained copper.

**Issued and Fully Diluted Ordinary Shares**

Frontier shares are traded on the AIM market of the London Stock Exchange.

Frontier currently has 218,120,082 and 6,057,091 reserved and outstanding options giving 224,177,173 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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