

8 November 2011

Frontline Gold

Year End	Revenue (C\$)	PBT* (C\$m)	EPS* (c)	DPS (p)	P/E (x)	Yield (%)
12/09	0.0	(0.4)	(0.7)	0.0	N/A	N/A
12/10	0.0	(1.1)	(1.2)	0.0	N/A	N/A
12/11e	0.0	(1.0)	(1.1)	0.0	N/A	N/A
12/12e	0.0	(1.0)	(1.2)	0.0	N/A	N/A

Note: *PBT and EPS are normalised, excluding intangible amortisation and exceptional items.

Investment summary: Turkey drilling approved

Frontline Gold has received a drill permit for up to 2,500m of diamond drilling on its Menderes gold project in western Turkey. Initial drilling is planned for early December to follow up recent geochemical and geophysical surveys. Drilling will test the extension of the gold-bearing Kokarpinar vein and other potentially mineralised epithermal veins within the company's 62km² of exploration permits.

On 7 November 2011 Frontline Gold announced that it has approval of a diamond drilling permit for up to 2,500m on its Turkish gold project. The Menderes gold project is a 62km² contiguous land package near Eldorado Gold Corporation's Efemcukuru gold mine. Frontline is reviewing several drill contract proposals and expects to start drilling in early December. The initial drill program will focus on extending the Kokarpinar vein, which is a known gold-bearing epithermal vein system, and other, newly-discovered vein systems. Other targets will test IP and geochemical anomalies that correlate with an old adit. All drill targets are based on an independent review of the IP/resistivity survey data by JVX, which recommended seven drill holes totalling 2,359m.

On 3 November Frontline announced a private placement offering for gross proceeds of up to C\$800,000, which is expected to close before 25 November 2011. Proceeds from this placement will be used to fund the initial drill program on the Menderes gold project. We will update our model once closed.

Price C\$0.09
Market Cap C\$5m

Share price graph

Share details

Code FGC
Listing TSX-V
Sector Metals and Mining
Shares in issue 87.8m

Price

52 week High Low
20c 6c

Business

Frontline Gold is a junior gold company with assets spread across Mali, Turkey and Canada. Between 2009 and 2011, the company raised more than C\$7m in financing that was subsequently spent on asset acquisitions and exploration. Frontline's flagship Niaouleni gold project is the most advanced of its projects.

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