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The Manager
Company Announcements
Australian Stock Exchange
Level 4, 20 Bridge Street
Sydney, NSW 2000

BioProspect Limited (ASX: BPO) and Frontier Gasfields Pty Ltd extend exclusivity period

BioProspect Limited (ASX: BPO) wishes to advise that, pending shareholder approval for the proposed investment in oil & gas explorer, Frontier Gasfields Pty Ltd ("Frontier"); **BPO and Frontier have agreed to vary the definition of Exclusivity Period in the Heads of Agreement (the subject of previous announcements dated 3, 10, 31 March and 19 April, 2011) (HOA) to allow for an extension of that period until seven days after the next BPO General Meeting currently scheduled for the 8th of July.** The date of the General Meeting has been defined in a Notice of Meeting currently being reviewed for approval by ASIC and ASX.

The extension of the Exclusivity Period was re-negotiated to preserve BPO's position in relation to the proposed transaction pending consideration by its shareholders. BPO will pay a fee of \$375,000 for the extension of the Exclusivity Period. During the Exclusivity Period, Frontier is precluded from entering into any transaction which in the opinion of BPO will adversely effect the arrangements contemplated by the HOA. In the event shareholders approve the transaction the extension fee will be set-off against the \$1,000,000 exercise price of the first option under the HOA, being an option to subscribe for a 25 % shareholding in Frontier.

In commenting on the extension Mr. Charles Pellegrino, Managing Director of BPO, said "BPO's agreement to acquire up to a 75% interest in Frontier remains on track and in good standing. Subject to shareholder approval, we intend to proceed with the investment in Frontier."

About Frontier Gasfields

Frontier Gasfields is a Philippines based oil and gas Exploration Company with projects in the Philippines and China. Among Frontier's assets is an option to acquire the 5% participating interest in Service Contract 55 (SC55) full details of which are provided in BPO's ASX release dated March 10, 2011. BPO draws shareholders attention to the ASX release made today by Otto Energy (ASX: OEL) where Otto announced "*that BHP Billiton has exercised the option to farm-in to Service Contract 55 (SC55)*".

Yours sincerely,

A handwritten signature in black ink, appearing to read "Colin Johnston". The signature is written in a cursive, flowing style.

COLIN JOHNSTON
Company Secretary