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ASX Release

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Status Update

Frontier Capital Group Limited (**FCG** or the **Company**) (ASX: FCG) advises that negotiations to secure funds to meet the escrow requirements of the Philippine Amusement and Gaming Corporation (**PAGCOR**) with respect to the Casablanca Casino are continuing. The Company is conducting a capital raising and is hopeful that this will be finalized shortly.

PAGCOR has suspended the casino operations pending the settling of an escrow account in the amount of PHP225 million (A\$6.5 million).

The operations of the Stotsenberg Hotel (239 rooms) continue uninterrupted.

The escrow account provides security that the casino remains committed to further developments of the casino and compliance of all regulations as determined by PAGCOR. The escrow amount was originally covered by a bank guarantee, which has lapsed. The Company now intends to secure the escrow with a cash deposit.

The Casablanca Casino is owned by the Company's 100% owned subsidiary, Stotsenberg Leisure Park & Hotel Corporation (**Stotsenberg**).

NPAT to 30 December 2017 of Stotsenberg was PHP81,130,985 (~A\$2,100,000). The interim annual accounts are being completed and will be released when completed.

For further information, please contact:

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