

**ASX Release**

**22 February 2017**

**Request for further suspension of securities from quotation**

Pursuant to ASX Listing Rule 17.2, Frontier Capital Group (Company) (ASX: FCG) requests the voluntary suspension of its securities to continue to 1 March 2017.

The Casablanca Casino has suspended its casino operations pending the settling of an escrow account in the amount of PHP225 million (A\$6.5 million) as required by the Philippine Amusement and Gaming Corporation (**PAGCOR**), the government authority that oversees and regulates privately-owned casinos.

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. Hence, the Company is conducting a capital raising and is confident that this will be finalized shortly. A proportion of the amount required may be subject to shareholder approval.

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

FCG further advises that the service agreement with Elxcite Gaming and Entertainment Inc has been terminated by mutual consent. Discussion are under way with a new manager that will be appointed concurrent with the escrow account funding and the recommencement of operations at the casino. The Company is confident that new management will rapidly achieve the projected casino targets, previously advised. Stotsenberg (hotel and casino) are currently being managed by executive staff.

The Company is of the view that it remains suspended from trading to enable discussions to progress to address these matters and secure funds to meet PAGCOR's requirements.

The Company requests that the voluntary suspension continue until the release of the announcement which is expected no later than COB 1 March 2017.

The Company is not aware of any reason why the voluntary suspension should not be granted.

**For further information, please contact:**

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