

FRONTIER CAPITAL GROUP LIMITED - AUDIT COMMITTEE CHARTER

Audit committee

Membership

The Company has not established a separate audit committee but the Board as a whole acts in this capacity in order to discharge its duty of safeguard the integrity of the Company's financial reporting (the **Audit Committee**).

Members of the Board have appropriate and relevant financial experience to act in this capacity.

Function

The responsibilities of the Audit Committee include:

- reviewing the annual and half year financial reports to ensure compliance with Australian Accounting Standards and generally accepted accounting principles;
- monitoring corporate risk management practices;
- review and approval of the Consolidated Entity's accounting policies and procedures; and
- reviewing the nomination, performance and independence of the external auditors.

The Audit Committee requires a declaration to be made by the Chief Executive Office and Chief Financial Officer that the Company's annual financial reports and interim half year financial reports present a true and fair view in all material respects of the Company financial position and operational results and are in accordance with the *Corporations Act 2001*, relevant accounting standards, the Corporations regulations and other mandatory professional reporting requirements.

Meetings

The Board acting in its Audit Committee capacity meets as often as it considers necessary but in any case not less than twice per year.

Authority

The primary responsibility of the Board acting in its capacity as an Audit Committee is to oversee the Company's financial reporting process ensure the entity's accounting policies and practise comply with relevant legislative and regulatory requirements.

The Board has unrestricted access to information and reports relevant to fulfilling its responsibilities. The Board has the authority to seek any information of requires from any employee of the Group and the external auditors in order to perform its duties.

Compliance with ASX principles of good corporate governance and best practice recommendations.

The Board is mindful that structure of the audit committee does not comply with recommendation 4 of the Principles of Good Corporate Governance and Best Practice recommendations set by the ASX Corporate governance Council. The Board considers the current structure of the Audit Committee appropriate to the Company's relatively early developmental stage.

This matter continues to be under review and as circumstances allow consideration will be given to the appropriate time to adopt the ASX Corporate Governance Guideline.