

28 July 2017

QUARTERLY ACTIVITIES REPORT

OVERVIEW

During the quarter the Company reviewed a number of potential investment opportunities outside of listed equities. These discussions are still early stage and further updates will be provided to the market should they progress further.

As previously announced the Company continues to work with Cloud Lumen LLC towards their proposed Initial Public Offer ("IPO") on the Australian Securities Exchange ("ASX"). The Company expects Cloud Lumen will seek listing in the 4th quarter of 2017.

On 30 June 2017, Citation Resources Ltd ("CTR") held its Extraordinary General Meeting ("EGM") to consider a number of resolutions including change of activities and the acquisition of Pearl Global Pty Ltd. All resolutions were successfully carried at the EGM. FGF is a noteholder in Pearl Global Pty Ltd and the notes are expected to convert into equity in CTR (to be renamed Pearl Global Limited) following recent Prospectus offer and all relevant ASX approvals being granted. Pearl Global Limited is expected to recommence trading in 3rd quarter of 2017.

INVESTMENTS

As at the end of the quarter, the Company held:

- i. Approximately \$840,325 in cash and receivables; and
- ii. \$1,230,000 in listed securities and convertible notes;

SHAREHOLDINGS

As at the date of this report, the following table represents the total equity instruments on issue in First Growth Funds Ltd

| Equity Category | Details | Number on Issue |
|------------------------|---|-----------------|
| Listed Ordinary Shares | ASX : FGF | 864,768,511 |
| Options | ASX : FGFOA Strike Price of \$0.02 Expiry 17 Feb 2018 | 272,866,800 |
| | ASX : FGFOC Strike Price of \$0.02 Expiry 18 Feb 2018 | 161,757,498 |

+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

First Growth Fund Limited

ABN

Quarter ended ("current quarter")

34 006 648 835

30 June 2017

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|-------------------------------------|
| 1 | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | 0 | 0 |
| 1.2 | Payments for: | | |
| | (a) research and development | 0 | 0 |
| | (b) product manufacturing and operating costs | 0 | 0 |
| | (c) advertising and marketing | 0 | 0 |
| | (d) leased assets | 0 | 0 |
| | (e) staff costs | (46) | (285) |
| | (f) administration and corporate costs | (149) | (407) |
| 1.3 | Dividends received (see note 3) | 0 | 0 |
| 1.4 | Interest received | 3 | 21 |
| 1.5 | Interest and other costs of finance paid | 0 | 0 |
| 1.6 | Income taxes paid | 0 | 0 |
| 1.7 | Government grants and tax incentives | 0 | 0 |
| 1.8 | Other - proceeds from trading | 378 | 1,568 |
| | Other - trading payments | (358) | (2,582) |
| 1.9 | Net cash from / (used in) operating activities | (172) | (1,685) |

| 2 Cash flows from investing activities | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--|---|----------------------------|-------------------------------------|
| 2.1 | Payments to acquire: | | |
| | (a) property, plant and equipment | 0 | 0 |
| | (b) businesses (see item 10) | 0 | 0 |
| | (c) investments | 0 | 0 |
| | (d) intellectual property | 0 | 0 |
| | (e) other non-current assets | 0 | 0 |
| 2.2 | Proceeds from disposal of: | 0 | 0 |
| | (a) property, plant and equipment | 0 | 0 |
| | (b) businesses (see item 10) | 0 | 0 |
| | (c) investments | 0 | 0 |
| | (d) intellectual property | 0 | 0 |
| | (e) other non-current assets | 0 | 0 |
| 2.3 | Cash flows from loans to other entities | 0 | 0 |
| 2.4 | Dividends received (see note 3) | 0 | 0 |
| 2.5 | Other (provide details if material) | 0 | 0 |
| 2.6 | Net cash from / (used in) investing activities | 0 | 0 |

| 3 | Cash flows from financing activities | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|------------|---|------------------------------------|---|
| 3.1 | Proceeds from issues of shares | 0 | 2,100 |
| 3.2 | Proceeds from issue of convertible notes | 0 | 0 |
| 3.3 | Proceeds from exercise of share options | 0 | 0 |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | 4 | (221) |
| 3.5 | Proceeds from borrowings | 0 | 0 |
| 3.6 | Repayment of borrowings | 0 | (13) |
| 3.7 | Transaction costs related to loans and borrowings | 0 | 0 |
| 3.8 | Dividends paid | 0 | 0 |
| 3.9 | Other (provide details if material) | 0 | 0 |
| 3.1 | Net cash from / (used in) financing activities | 4 | 1,866 |

| | | | |
|------------|--|------------|------------|
| 4 | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of quarter/year to date | 1,008 | 659 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (172) | (1,685) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 0 | 0 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 4 | 1,866 |
| 4.5 | Effect of movement in exchange rates on cash held | 0 | 0 |
| 4.6 | Cash and cash equivalents at end of quarter | 840 | 840 |

| | | | |
|------------|---|------------------------------------|-------------------------------------|
| 5 | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
| 5.1 | Bank balances | 840 | 1,008 |
| 5.2 | Call deposits | 0 | 0 |
| 5.3 | Bank overdrafts | 0 | 0 |
| 5.4 | Other (provide details) | 0 | 0 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 840 | 1,008 |

| | | |
|----------|--|------------------------------------|
| 6 | Payments to directors of the entity and their associates | Current quarter \$A'000 |
| 6.1 | Aggregate amount of payments to these parties included in item 1.2 | 60 |
| 6.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | 0 |
| 6.3 | Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |
| | | |

| | | |
|----------|--|------------------------|
| 7 | Payments to related entities of the entity and their associates | Current quarter |
| | | \$A'000 |
| 7.1 | Aggregate amount of payments to these parties included in item 1.2 | 0 |
| 7.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | 0 |
| 7.3 | Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |
| | | |

| | | | |
|----------|--|---|------------------------------------|
| 8 | Financing facilities available | Total facility amount at quarter end | Amount drawn at quarter end |
| | | \$A'000 | \$A'000 |
| 8.1 | Loan facilities | 0 | 0 |
| 8.2 | Credit standby arrangements | 0 | 0 |
| 8.3 | Other (please specify) | 0 | 0 |
| 8.4 | Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |
| | | | |

| | | |
|------------|---|----------------|
| 9 | Estimated cash outflows for next quarter | \$A'000 |
| 9.1 | Research and development | 0 |
| 9.2 | Product manufacturing and operating costs | 0 |
| 9.3 | Advertising and marketing | 0 |
| 9.4 | Leased assets | 0 |
| 9.5 | Staff costs | (50) |
| 9.6 | Administration and corporate costs | (40) |
| 9.7 | Other - trading payments | 0 |
| 9.8 | Total estimated cash outflows | (90) |

| | | | |
|-----------|--|---------------------|------------------|
| 10 | Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above) | Acquisitions | Disposals |
| 10.1 | Name of entity | n/a | n/a |
| 10.2 | Place of incorporation or registration | n/a | n/a |
| 10.3 | Consideration for acquisition or disposal | n/a | n/a |
| 10.4 | Total net assets | n/a | n/a |
| 10.5 | Nature of business | n/a | n/a |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 28 July 2017

Print name: Julie Edwards

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

- 2 If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.