FirstGrowthFunds Limited

ABN 34 006 648 835

Annual Report - 30 June 2019

First Growth Funds Limited
Corporate Directory
30 June 2019

Directors	Mr Anoosh Manzoori (Chairman) Mr Athan Lekkas Mr Geoff Barnes Mr Michael Clarke
Company Secretary	Mrs Julie Edwards
Registered and principal office	Level 6 412 Collins Street Melbourne VIC 3000
Share register	Automic Registry Services Level 5, 126 Phillip Street Sydney NSW 2000
Auditor	Pitcher Partners Level 38, Central Plaza, 345 Queen Street Brisbane QLD 4000
Stock exchange listing	ASX Code: FGF
Website address	www.firstgrowthfunds.com

Financial Performance

The net consolidated operating loss of the economic entity for the financial year, after providing for income tax, was ($3,514,238) compared with a loss for the 2018 year of ($823,090). Total assets are $8,769,142 as at 30 June 2019 ($11,762,313 as at 30 June 2018) and net assets are $8,620,072 as at 30 June 2019 ($11,650,164 as at 30 June 2018).

Our Business

First Growth Funds (FGF) is an ASX listed investment company that manages a diversified portfolio of different asset classes including large and small cap listed equities, private equity and pre-IPO investments, blockchain equity investments, and Initial Coin Offerings.

The Board of Directors has been appointed to ensure an experienced and complimentary skillset exists for the benefit of the Company. The Directors have experience in seeking and managing investment opportunities, capital raisings, initial public offerings, blockchain and Initial Coin Offerings. The number of holdings in the portfolio will depend on market conditions, investment opportunities and investment strategy. The selection of stocks in the portfolio is based on attractive valuations along with suitable growth prospects.

Our Business Strategy

First Growth Funds invests in a broad range of asset classes, investment stages, industries and geographies. Its strategy is to look for ways to add value to its investments through deal structuring and by leveraging First Growth Funds' partner network. Additionally, First Growth Funds invests on the basis that it has some line of sight to liquidity for most of its investments, over a 24-month period, to return cash to the Company to support future investments.

First Growth Funds proactively manages each investment, from deal structure & negotiation, investment holding period, and facilitating the exit. This is particularly important for private investments and strategic placements in small cap listed companies.

Unlisted Equities

First Growth Funds made four unlisted investments, successfully exited one investment and expects to IPO two investments in FY2020. Investments include:

SQID Technologies Limited
SQID is a profitable payment aggregator connecting to the banking system via Westpac bank and providing ecommerce and mobile payment solutions. SQID has been growing transaction volumes, revenue and profitability every year for the past few years. Its transaction volumes reached over $150 Million by end of the financial year, representing a 100% growth rate for the past 12 months.

SQID expects to list on the Canadian Securities Exchange in October 2019.

Helbiz Inc
Headquartered in New York City and founded in 2016, Helbiz is an intra-urban transportation company with a mission to solve the first and last-mile transportation problem of high-traffic urban areas around the world.

Helbiz's proprietary software and hardware is integrated into the scooters to maximize vehicle life, minimize operational costs and potentially improve safety. Helbiz utilizes a customised fleet management platform, artificial intelligence, and environmental mapping to optimize operations and profitability. The company constantly monitors the platform and captures the data of all rides, riders, scooters, and personnel with advanced analytics. This data is then used to properly deploy, monitor and reposition the fleet to meet demand in different areas and maximize ridership.

Helbiz completed a US$10M pre-IPO funding in August 2019 and is expecting to list on the NASDAQ in FY2020.

GlobexUS Holdings Corp
Globex is a technology company, with offices in Europe and USA, providing a software platform for issuing, managing and trading of regulated security tokens that are fully compliant and operate under financial services licence.

As a software company, Globex business model is to license its technology to those wanting to operate a regulated securities exchange. First Growth Advisory has an exclusive agreement to license the technology in Australia and NZ.

LINCD HQ Pty Ltd
LINCD is a software and services company operating in the blockchain sector. First Growth Funds acquired 100% of LINCD in July 2018 and successfully sold it to Harris Technologies Limited in May 2019.

Listed Equities

First Growth Funds holds an active portfolio if listed equities across including technology, medical, mining and oil and gas sectors. First Growth Funds activity manages and adjusts the portfolio on a monthly basis.

First Growth Funds Limited
Chairman's Report
30 June 2019

Cryptocurrency and Digital Assets
First Growth Funds has undergone a restructure of its crypto and digital assets investment portfolio and also terminated a number of partnerships that no longer align with our strategy. Additionally, during the financial year FGF had impaired a number of its crypto investments.

As previously announced the Company will focus on more established investments to ensure our investments have high liquidity on well established and large digital currency exchanges.

First Growth Advisory
First Growth Funds launched its advisory business, First Growth Advisory, to complement its investment returns with fee revenue. First Growth Advisory appointed two executives in NY, Jeff Pulver and James Haft, who have extensive investment experience across all asset classes. Development of First Growth Advisory had slowed with recent ASX queries but the board is accelerating activity in FY2020, particularly in North America.

Prospects for future financial years

First Growth Funds will continue to look for quality strategic and sometimes situation based investment opportunities where it can add value. It will continue to invest across multiple asset classes and ensure diversity of its portfolio.

First Growth Funds has established a large percentage of its portfolio from North America and expects to continue to invest in this region and to use First Growth Advisory to help multiply investment returns whilst providing additional revenue.

On behalf of the directors

____
Anoosh Manzoori
Executive Chairman
1 October 2019

The directors present their report on the consolidated entity consisting of First Growth Funds Limited (the parent entity) and the entities that it controlled for the reporting year ended 30 June 2019. These Financial Statements cover the period from 1 July 2018 to 30 June 2019.

Principal activities

The Consolidated entity manages a diversified portfolio of different assets and classes including large and small cap listed equities, private equity and pre-IPO investments, convertible notes, loans and cryptocurrencies investments.

Directors

The following persons were directors of First Growth Funds Limited during the financial year and up to the date of this report unless otherwise stated:

Anoosh Manzoori
Athan Lekkas
Geoff Barnes
Michael Clarke
Daniel Zhang (resigned 5 July 2019)

Operating Results

The operating loss of the consolidated entity after providing for income tax was $3,514,238 (2018: loss $823,090). Refer to the Chairman's Report for further details.

Dividends

There were no Dividends declared or paid during the reporting year.

Information on Directors

Set out below is information on all the Directors of the Company.

Mr. Anoosh Manzoori (Executive Chairman: Appointed 08 December 2018)

Anoosh was appointed as the entity's Executive Chairman on 8 December 2018 in accordance with the amendment to his previous appointment dated 20 December 2017.

Anoosh has extensive investment and corporate advisory experience across many verticals with a particular interest in the technology sector. His experience includes capital raising and M&A in private equity, capital markets and crypto currency and digital asset markets. Anoosh is also an Expert Network Member at the Department of Industry, Innovation and Science supporting innovative new startups.

Anoosh was previously awarded the 'Entrepreneurial Scholarship' sponsored by Ernst & Young, The American Chamber of Commerce and Playford Capital before founding one of Australia's largest cloud hosting companies reaching over 75,000 customers before selling the company to MYOB Limited in 2008. Anoosh holds a Bachelor of Science degree and a Graduate Diploma of Business Enterprise and is also a member of the Australian Institute of Company Directors.

Other Current Directorships:
CCP Technologies Ltd

Former Directorships in last three years:
YPB Group Limited (resigned 4 June 2019)

Mr. Athan Lekkas (Non-Executive Director: Appointed 16 July 2012)

Mr. Lekkas has participated in a broad range of business and corporate advisory transactions, and is a former founding Director of Energio Limited, an Iron Ore company in West Africa. Mr. Lekkas has more recently focused and specialised on the restructure and recapitalisation of a wide range of ASX Listed companies with a specific interest in the resources sectors and is also a Member of the Australian Institute of Company Directors.

Mr. Lekkas fulfils the role of an independent director as he is free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with the independent exercise of judgement.

Other Current Directorships:
Nil

Former Directorships in last 3 years:
Xped Limited (resigned 26 March 2018)

Mr. Geoff Barnes (Non-Executive Director: Appointed 16 May 2014)

Mr. Barnes is a Founder and Director of Peloton Capital Pty Ltd ("Peloton"), where he has responsibility for equity markets, stockbroking operations and corporate transactions. Prior to that he was employed for 9 years at Macquarie Private Wealth (Sydney) as an investment adviser and then Division Director, specialising in all commercial aspects of bringing projects to market, predominantly in the energy sector.

Mr. Barnes does not fulfil the role of an independent director as he is a major shareholder of the Company.

Other Current Directorships:
Nil

Former Directorships in last 3 years:
Nil

Mr. Michael Clarke (Non-Executive Director: Appointed 19 May 2014)

Mr. Clarke has over 18 years' experience in the IT industry and has worked across both public and private enterprise during his career. Mr. Clarke has broad experience in the development and management of enterprise and complex systems and worked at many senior levels during this time. He has consulted and provided services to a variety of industries including manufacturing, mining and resources, government and education.

Mr. Clarke fulfils the role of an independent director as he is free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with the independent exercise of judgement.

Other Current Directorships
Nil

Former Directorships in last 3 years
Xped Limited (resigned 31 August 2016)

Mr. Daniel Zhang (Non-Executive Director: Appointed 13 March 2018 and resigned 5 July 2019)

Daniel holds a Bachelor Engineering (University of Birmingham (UK)) and a Masters Information Systems & Management (University of Warwick (UK)).

Daniel is currently the Chief Operations Officer (COO) of Blockshine, a leading China based communications company specialising in Blockchain Technology. His experience and background in Internet service history includes Big Data, Supply Chain, Retail Industry, Internet Product Manager & Operation Management, Finance & Accounting, Computer Networking Engineering and also Information System management. Mr. Zhang joined the cryptocurrency world in early 2017 and started to work in the Blockchain industry and related business including Initial Coin Offers (ICOs). He runs the End-to-End ICO solutions for all clients globally. Daniel's experience includes founder and CEO of TagU Social Network media platform for sharing of photos, Project Manager of Big Data program at Tesco China and Product Director of Penguin Guide, a Chinese Food, wine and lifestyle social media platform.

Mr. Zhang fulfils the role of an independent director as he is free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with the independent exercise of judgement.

Other Current Directorships
Nil

Former Directorships in last 3 years
Nil

Mrs. Julie Edwards (Company Secretary: Appointed 1 September 2016)

Julie Edwards holds a Bachelor of Commerce degree, is a member of CPA Australia and holds a Public Practice Certificate. Ms Edwards is a director and manager of Lowell Accounting Services and also provides Company Secretarial services for a number of other ASX listed companies and unlisted companies.

Auditors

Pitchers Partners continues as the auditors for the company since last year's appointment. The Board selected Pitcher Partners as the Company's auditors based on the outcome of an audit tender process undertaken by the Director's.

Meetings of directors

The numbers of meetings of the company's Board of Directors and of each board committee held during the year ended 30 June 2019, and the numbers of meetings attended by each director were:

	Full Board	
	Attended	Held*
Geoff Barnes	3	4
Michael Clarke	4	4
Athan Lekkas	3	4
Anoosh Manzoori	4	4
Daniel Zhang	2	4

* Held represents the number of meetings held during the time the director held offices or was a member of the relevant committee. Remuneration and Audit Committees have been incorporated in the Board of Directors.

Directors' Options

Details of options over ordinary shares issued to directors and other key management personnel during the year ended 30 June 2019 are set out below:

Directors' Listed Options:
As at the reporting date, there was no listed options issued by the entity.

Directors' Unlisted Options:

	Balance at the start of the year	**Increase during the year**	**Exercised, Lapsed or Excluded during the year**	**Balance at the end of the year**
Geoff Barnes	-	-	-	-
Michael Clarke	-	-	-	-
Athan Lekkas	-	-	-	-
Anoosh Manzoori *	10,000,000	-	-	10,000,000
Daniel Zhang	-	-	-	-

* These Options were share based payments and granted to Mr Manzoori as part of his director's remuneration as approved by the Extraordinary General Meeting in February 2018. Their exercise price is $0.03 and expire 31 March 2020.

Remuneration Report (audited)

The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the consolidated entity in accordance with the requirements of the Corporations Act 2001 and its regulations.

The Board remains confident that its remuneration policy and the level and structure of its executive remuneration are suitable for the company and its shareholders.

Details of the remuneration of the directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) and specified executives of First Growth Funds Limited are set out in the following tables.

The key management personnel of the consolidated entity consisted of the directors of First Growth Funds Limited (the parent entity) only.

	Short-term benefits			**Post-employment benefits**	**Long-term benefits**	**Equity based payments**		**Proportion of remuneration that is performance based %**
Name	Cash fees	Bonus	Non-monetary	Super-annuation	Long service leave	Equity settled	Total	
	$	$	$	$	$	$	$	
2019								
Executive Directors								
Anoosh Manzoori	175,007	-	-	-	-	360,000	535,007	67%
Non -Executive Directors:								
Geoff Barnes	60,000	-	-	-	-	-	60,000	-
Athan Lekkas	60,000	-	-	-	-	-	60,000	-
Michael Clarke	60,000	-	-	-	-	-	60,000	-
Daniel Zhang	60,000	-	-	-	-	-	60,000	-
2018								
Executive Directors								
Anoosh Manzoori	49,694	-	-	-	-	544,156	593,850	88.40%
Non -Executive Directors:								
Geoff Barnes	95,000	-	-	-	-	-	95,000	-
Athan Lekkas	95,642	-	-	-	-	-	95,642	-
Michael Clarke	76,980	-	-	-	-	-	76,980	-
Daniel Zhang	18,065	-	-	-	-	-	18,065	-

Anoosh's last share based performance payment of $360,000 completed in this reporting year for 30,000,000 milestone shares. Other directors' remuneration is fixed.

Directors' Shares

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2019	Balance at the start of the year	Received as part of remuneration	Additions	Disposals	Balance at the end of the year
Ordinary shares					
Geoff Barnes	128,000,000	-	-	-	**128,000,000**
Michael Clarke	15,030,302	-	-	-	**15,030,302**
Athan Lekkas	40,745,454	-	-	-	**40,745,454**
Anoosh Manzoori	60,000,000	-	-	-	**60,000,000**
Daniel Zhang	-	-	-	-	**-**

2018	Balance at the start of the year	Received as part of remuneration	Additions	Disposals	Balance at the end of the year
Ordinary shares					
Geoff Barnes	128,750,000	-	34,356,848	(35,106,848)	128,000,000
Michael Clarke	9,272,727	-	5,757,575	-	15,030,302
Athan Lekkas	40,745,454	-	-	-	40,745,454
Anoosh Manzoori	-	60,000,000	-	-	60,000,000
Daniel Zhang	-	-	-	-	-

Remuneration Strategy

The remuneration strategy of FGF is critical to achieving the Group's overall objective of profitable growth and quality of product through a strong performance culture. The directors consider that the structure adopted is designed to be competitive in the listed investment market so as to attract, motivate and retain the best executives available.

The core of FGF's remuneration philosophy seeks to focus on:

- Driving performance over and above shareholder and market expectations;
- Ensuring variable pay is very closely linked to the Group's performance and that individuals who contribute to this performance are appropriately rewarded; and
- Providing incentives for high performing individuals to align personal and corporate objectives over the medium to long-term through equity ownership;

The FGF remuneration framework will be structured in such a way as to drive ongoing superior performance and align executive and shareholder interests using other Listed Investment Companies as benchmarks. Key features of the proposed FGF remuneration structure include:

- **Fixed remuneration:** The level of fixed remuneration will be set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

- **Incentive Plans:** First Growth Funds does not currently have either a Short-Term Incentive Plan or a Long-Term Incentive Plan in place, however the Company may look to introduce these in future years.

Service Agreements

Anoosh Manzoori (Executive Chairman)
The Company entered into a consultancy agreement with Polygon Fund Pty Ltd Pty Ltd and Mr Manzoori which commenced on 14 December 2017 with a remuneration package of $90,000 per annum. This agreement was amended on 6 December 2018 and the remuneration package has been increased from the above $90,000 to $240,000. This agreement can be terminated either party with three months' notice or three months payment is lieu of such notice.

Athan Lekkas (Non-executive Director)
The Company entered into a consultancy agreement with Dalext Pty Ltd and Mr Lekkas which commenced on 1 June 2016 with a remuneration package of $60,000 per annum. This agreement can be terminated by written agreement between the parties or on cessation of directorship.

Geoff Barnes (Non-executive Director)
The Board agreed to a remuneration package of $60,000 per annum for non-executive directors' fees Mr Barnes may be awarded additional remuneration for any work performed outside of his non-executive duties.

Michael Clarke (Non-executive Director)
The Company entered into a consultancy agreement with Sparke Enterprises Pty Ltd and Mr Clarke which commenced on 1 June 2016 with a remuneration package of $60,000 per annum. The agreement can be terminated by written agreement between either parties or on cessation of directorship. Mr Clarke may be awarded additional remuneration for any work performed outside of his non-executive duties.

Daniel Zhang (Non-executive Director)
The Board agreed to a remuneration package of $60,000 per annum for non-executive directors' fees. This agreement was terminated on cessation of directorship.

Other Related Party Transactions

During the year, FGF paid the following amounts to related party entities:

Athan Lekkas
An agreement was entered into on 6 December 2018 for consultancy services of $90,000 per annum. Under the consultancy agreements a related entity of Mr. Lekkas was paid $50,918 (2018: $nil). This agreement can be terminated by either party with six months' notice.

Geoff Barnes
During the year Australian Financial Service Licence (AFSL) fees were paid to a related entity of Mr. Barnes of $68,000 (2018: $59,000).

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Earnings

The earnings of the consolidated entity for five years to 30 June 2019 are summarised below:

Year Ended 30th June	2019	2018	2017	2016	2015
EBITDA	(3,713,386)	(823,090)	(912,539)	(491,202)	(181,622)
EBIT	(3,713,386)	(823,090)	(912,539)	(491,202)	(181,622)

The factors that are considered to affect total shareholders return ("TSR") are summarised below:

Year Ended 30th June	2019	2018	2017	2016	2015
Share's Price in cents	0.009	0.008	0.004	0.007	0.006
Dividends Declared	Nil	Nil	Nil	Nil	Nil
EPS in cents	(0.293)	(0.076)	(0.106)	(0.106)	(0.054)

Options

First Growth Funds Limited's unexpired option at the date of this report are as follows:

Allocation Date	Expiry Date	Ex Price $	Option Class	No. under Option
13 March 2018	12 March 2020	0.03	Unlisted	292,257,907

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

During the reporting year there were no options exercised and no shares issued on the exercise of these options.

This concludes the remuneration report that has been audited.

Indemnity and insurance of officers

The consolidated entity has indemnified its directors for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the reporting year, the consolidated entity has received an invoice for a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001 which expired in April 2019 and was renewed effective 1 July 2019. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The consolidated entity has not, during or since the reporting year, indemnified or agreed to indemnify its auditor or any related entity against a liability incurred by the auditor.

During the reporting year, the consolidated entity has not paid a premium in respect of a contract to insure the auditor or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the consolidated entity, or to intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or part of those proceedings.

Non-audit services

The Board of Directors, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for as the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 20 to the financial statements.

A copy of the auditor's independence declaration as required under 307C of the *Corporations Act 2001* is attached to this report.

Likely Developments and Expected Results from Operations

The Company does not expect a change in the nature of its operations and will continue as a Listed Investment Company (LIC), and to seek additional investment opportunities in a variety of asset classes, listed or unlisted companies, which it either believes are significantly undervalued, or where it believes it can add value through investment and management expertise.

Significant changes in the state of Affairs

There has been no significant change in the state of Affairs other that set out in the Operating Financial Report.

Matters subsequent to the end of the financial year

- On 4 July 2019, the company announced its further responses to ASX's queries raised on 1 July 2019 regarding Acudeen investment in accordance with ASX Listing Rules.

- On 8 July 2019, the company announced Daniel Zhang's resignation as a director of the company and also Blockchain Global Ltd renounced its right to nominate another director to the company's Board. The company also announced that it has tendered written documentations to terminate the following agreements:

  - Acudeen Token Agreement
  - Blockshine Japan Corporation Alliance Agreement
  - MOU with Blockchain Global Ltd and HCash Tech Pty Ltd

- On 11 July 2019, the company announced that the company will not issue and, Blockchain Global Ltd has agreed not to receive, any milestone shares, regardless of whether the milestones (per the agreement dated 1 March 2018) were met. The company did not issue any such shares since the signing date of this agreement.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected or may have a significant effect on the financial operations of the company, the financial performance of those operations or the financial position of the company in the subsequent financial year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 14.

Rounding of amounts

Amounts in this report have been rounded off in to the nearest dollar in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 which permits amounts to be rounded at least to the nearest dollar.

This report is made in accordance with a resolution of directors.

On behalf of the directors

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Anoosh Manzoori
Executive Chairman
1 October 2019

Corporate Governance Practices and Conduct

First Growth Funds Limited has published its Corporate Governance Statement on its website. It can be found at www.firstgrowthfunds.com/about/corporate-governance

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Auditor's Independence Declaration

In relation to the independent audit for the year ended 30 June 2019, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants*.

PITCHER PARTNERS

NIGEL BATTERS
Partner

Brisbane, Queensland
1 October 2019

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First Growth Funds Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

	Note	Consolidated 2019 $	2018 $
Income			
Revenue from continuing operations	4	**253,631**	678,827
Interest revenue calculated using the effective interest method		**199,148**	106,356
Expenses			
Cost of sales (inventories)	5	**(224,030)**	-
Losses on financial assets at fair value through profit or loss	4	**(1,077,265)**	-
Commissions		**(65,736)**	-
AFSL support and secretarial fees		**(89,823)**	(43,474)
Director related costs		**(806,308)**	(879,537)
Impairment losses	5	**(1,563,435)**	(20,000)
Fair value adjustments	5	**(250,000)**	-
Insurance and professional fees		**(484,624)**	(351,312)
ASX and share registry fees		**(44,435)**	(93,296)
Brokerage costs		**(51,762)**	(24,527)
Travel expenses		**(218,957)**	(153,866)
Other expenses		**(116,940)**	(42,262)
Loss before income tax expense from continuing operations		**(4,540,536)**	(823,090)
Income tax expense	6	**-**	-
Loss after income tax expense from continuing operations		**(4,540,536)**	(823,090)
Profit from discontinued operation after tax	25	**1,026,298**	-
Loss for the period after tax		**(3,514,238)**	(823,090)
Total comprehensive income for the period attributable to owners of First Growth Funds Limited arises from:			
Continuing operations		**(4,540,536)**	(823,090)
Discontinued operations	25	**1,026,298**	-
		(3,514,238)	(823,090)

	Note	2019 Cents	2018 Cents
Earnings / (losses) per share attributable to the owners of First Growth Funds Limited			
Basic and diluted earnings / (losses) per share	29	**(0.293)**	(0.076)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

First Growth Funds Limited
Statement of Financial Position
For the year ended 30 June 2019

	Note	Consolidated 2019 $	2018 $
Assets			
Current Assets			
Cash and cash equivalents	7	**2,255,897**	8,024,964
Trade and other receivables	8	**304,918**	15,694
Inventories (cryptocurrencies)	9	**638,252**	224,880
Financial assets	10	**2,560,894**	2,034,326
Intangible assets (cryptocurrencies)	11	**357,208**	-
Other assets	12	**-**	214,834
Total current assets		**6,117,169**	10,514,698
Non-current Assets			
Financial assets	10	**2,451,486**	-
Investments accounted for using the equity method	13	**-**	332,866
Intangible assets (cryptocurrencies)	11	**200,487**	914,749
Total non-current assets		**2,651,973**	1,247,615
Total assets		**8,769,142**	11,762,313
Liabilities			
Current liabilities			
Trade and other payables	14	**149,070**	112,149
Total current liabilities		**149,070**	112,149
Total liabilities		**149,070**	112,149
Net Assets		**8,620,072**	11,650,164
Equity			
Contributed equity	15	**67,635,788**	67,155,788
Share option reserve	16	**19,156**	139,156
Accumulated losses		**(59,034,872)**	(55,644,780)
Total equity		**8,620,072**	11,650,164

The above statement of financial position should be read in conjunction with the accompanying notes.

First Growth Funds Limited
Statement of Changes in Equity
For the year ended 30 June 2019

	Contributed equity $	Share option reserve $	Accumulated losses $	Total equity $
Consolidated				
Balance at 1 July 2018	**67,155,788**	**139,156**	**(55,644,780)**	**11,650,164**
Loss after income tax expense for the year	-	-	(3,390,092)	**(3,390,092)**
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(3,390,092)	**(3,390,092)**
Transactions with owners in their capacity as owners:				
Milestone shares issued to key management personnel	-	360,000	-	**360,000**
Milestone shares converted to ordinary shares	480,000	(480,000)	-	
Balance at 30 June 2019	**67,635,788**	**19,156**	**(59,034,872)**	**8,620,072**

	Contributed equity $	Share option reserve $	Accumulated losses $	Total equity $
Consolidated				
Balance at 1 July 2017	**56,863,383**	**296,347**	**(55,118,037)**	**2,041,693**
Loss after income tax expense for the year	-	-	(823,090)	**(823,090)**
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(823,090)	**(823,090)**
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	10,052,405	-	-	**10,052,405**
Options issued to key management personnel	-	19,156	-	**19,156**
Milestone shares issued to key management personnel	-	360,000	-	**360,000**
Milestone shares converted to ordinary shares	240,000	(240,000)	-	-
Transfer of expired Options' value	-	(296,347)	296,347	-
Balance at 30 June 2018	**67,155,788**	**139,156**	**(55,644,780)**	**11,650,164**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

First Growth Funds Limited
Statement of Cash Flows
For the year ended 30 June 2019

	Note	Consolidated 2019 $	2018 $
Cash flows from operating activities			
Proceeds from sales of inventories (cryptocurrencies)		**97,471**	-
Receipts from the course of operations		**56,498**	-
Interest received		**92,079**	70,801
Dividends received		**18,167**	-
Payments to suppliers		**(1,455,806)**	(956,365)
Payments for inventories (cryptocurrencies)		**(688,981)**	(224,880)
Proceeds from sale of financial assets – listed securities		**8,449,789**	4,909,015
Payments for financial assets – listed securities		**(9,719,177)**	(5,030,987)
Payments for financial assets – unlisted securities		**(1,571,544)**	-
Payments for convertible notes		**(712,694)**	-
Proceeds from deposits refunded		**214,834**	-
Payments for deposits for shares		**-**	(214,834)
Net cash used in operating activities		**(5,219,364)**	(1,447,250)
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	24	**2,022**	-
Disposal of subsidiaries, net of cash disposed	25	**(8,718)**	-
Payments for equity accounted investments		**-**	(332,866)
Payments for intangibles (cryptocurrencies)		**-**	(914,749)
Loans provided		**(543,007)**	-
Net cash used in investing activities		**(549,703)**	(1,247,615)
Cash flows from financing activities			
Proceeds from issue of shares		**-**	4,455,911
Proceeds from exercise of share options		**-**	5,550,486
Payments for issue of share		**-**	(118,991)
Net cash from financing activities		**-**	9,887,406
Effect of exchange rate movement		**-**	(7,902)
Net (decrease)/increase in cash & cash equivalents		**5,769,067**	7,184,639
Cash & cash equivalents at the beginning of the financial year	6	**8,024,964**	840,325
Cash & cash equivalents at the end of the financial year		**2,255,897**	8,024,964

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Accounting policies

This note provides an overview of First Growth Funds Limited accounting policies that relate to the preparation of the financial report as a whole and do not relate to specific items. Accounting policies for specific items in the balance sheet or statement of profit or loss and other comprehensive income have been included in the respective note.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001 as appropriate for for-profit orientated entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for the following:

- Financial assets and financial liabilities which are initially recognised at their fair values and subsequently measured at their respective values in accordance with AASB 9 and AASB 13;
- Inventories are valued at the lower of their cost and the net realisable value per AASB 102;
- Intangible assets are valued at their recoverable amounts being the net of their carrying values and the impairment losses provided for the reporting year.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Comparatives
Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 23.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments
The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers
The consolidated entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period. The impact on the financial performance and position of the consolidated entity from the adoption of these Accounting Standards is detailed in note 3.

Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities, revenue and expenses of all subsidiaries of First Growth Funds Limited (the parent entity) as at 30 June 2019. The parent entity and its subsidiaries together are referred to in these financial statements as the ‘consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. Control occurs when the parent entity is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct its activities.

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

An acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of comprehensive income and statement of financial position of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial report is presented in Australian dollars, which is First Growth Fund Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are initially translated into Australian dollars using the exchange rates prevailing at the dates of the transactions and at subsequent reporting date’s closing rate for monetary items. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The consolidated entity had no foreign operations during the reporting year.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2019. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. AASB 16 will not impact the consolidated entity as there are no operating leases.

Rounding of amounts

Amounts in this report have been rounded off in to the nearest dollar in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 which permits amounts to be rounded at least to the nearest dollar.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of First Growth Funds Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events; management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Note 3. Restatement of comparatives – adoption of AASB 9 'Financial Instruments' and AASB 15 'Revenue from Contracts with Customers'

Adoption of AASB 9 'Financial Instruments'
The consolidated entity has adopted AASB 9 from 1 July 2018, using the full retrospective approach of adoption (with the exemption of hedge accounting) and comparatives have been restated.

The investment classifications 'Available-for-sale financial assets' and 'Held-to-maturity investments' are no longer used and 'Financial assets at fair value through other comprehensive income' was introduced. There were no investments held in these categories as at 30 June 2018.

'Interest revenue' is no longer included in the 'Revenue' note and is now shown separately on the face of the statement of profit or loss and other comprehensive income, resulting in a reclassification of $106,357 for the year ended 30 June 2018. The consolidated entity has applied the simplified approach to measuring expected credit losses on trade receivables and the lifetime approach to measuring expected credit losses on loan receivables. Refer to note 8 for further details.

AASB 15 Revenue from Contracts with Customers
The consolidated entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The impact on the statement of profit or loss and other comprehensive income and statement of financial position is as follows:

Statement of profit or loss and other comprehensive income

Extract	2018 $ Reported	2018 $ Adjustment	2018 $ Restated
Revenue from continuing operations	785,184	(106,357)	678,827
Interest revenue calculated using the effective interest method	-	106,357	106,357
Loss before income tax expense	(823,090)	-	(823,090)
Income tax expense	-	-	-
Loss after income tax expense	**(823,090)**	**-**	**(823,090)**

Statement of financial position at the beginning of the earliest comparative period

Assets	2018 $ Reported	2018 $ Adjustment	2018 $ Restated
Current assets			
Trading investments	1,628,771	(1,628,771)	-
Financial assets	-	1,628,771	1,628,771
Total current assets	1,628,771	-	1,628,771
Total assets	**1,628,771**	**-**	**1,628,771**

Note 4. Revenue from continuing operations

	Consolidated	
	2019 $	2018 $
Sales of inventories (cryptocurrencies)	**97,471**	-
Commission income	**137,993**	-
Gain on financial assets at fair value through profit or loss	**-**	678,827
Dividend income	**18,167**	-
Revenue from continuing operations	**253,631**	678,827
Losses on financial assets at fair value through profit or loss	**(1,077,265)**	-

Accounting policy for revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue from contracts with customers - sales of inventories (cryptocurrencies)
Revenue from the sale of inventories is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Revenue from contracts with customers - rendering of services – commission income
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Net gain / (losses) on investments and other financial assets
Gains and losses arising from disposal and changes in fair value of investments and other financial assets are recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 5. Operating profit

	Consolidated	
	2019 **$**	**2018** **$**
Cost of sales (inventories)	**224,030**	-
Impairment		
- Intangible assets	**357,054**	-
- Investments accounted for using the equity method	**332,866**	-
- Inventory write downs	**50,729**	20,000
- Loan receivables	**372,786**	-
- Convertible notes	**450,000**	-
	1,563,435	20,000
Fair value adjustments		
- Unlisted securities at fair value through profit or loss	**250,000**	-

Note 6. Income tax expense

	Consolidated	
	2019 **$**	**2018** **$**
Numerical reconciliation of income tax expense to prima facie tax payable		
Loss before income tax expense from continuing operations	**(4,489,807)**	(823,090)
Tax at the Australian tax rate of 27.50% (2018: 27.50%)	**(1,234,147)**	(226,350)
Tax effect amounts which are not deductible / (taxable) in calculating taxable income:		
Deferred tax asset not recognised	**1,234,147**	226,350
Income tax expense	**-**	-

Potential tax benefits from tax losses have not been recognised as the directors do not believe the conditions for recovery can be met.

Franking credits available for subsequent financial years based on a tax rate of 27.50%	**14,781**	7,159

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date;
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Accounting policy for income taxes
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses and under and over provision in prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

The parent entity and its subsidiaries have not formed an income tax consolidated group under the Australian tax consolidation regime.

Note 7. Cash and cash equivalents

	Consolidated	
	2019	**2018**
	$	**$**
Cash at bank	**2,255,897**	8,024,964

Accounting policy for cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 8. Trade and other receivables

	Consolidated	
	2019	**2018**
	$	**$**
Trade receivables	**107,584**	7,500
Loss allowance for trade receivables	**(39,875)**	-
Loans to related parties (i)	**226,022**	-
Loans receivable (ii)	**372,786**	-
Loss allowance for loan receivables	**(372,786)**	-
GST receivable	**11,187**	8,194
	304,918	15,694

(i) On 1 March 2019 the consolidated entity entered into a short-term arrangement with Australian Nutrition and Sports Limited (a related entity of Geoff Barnes) for three months at 1% p.a. interest. This loan remained unpaid at reporting date and Geoff Barnes has personally guaranteed repayment subsequent to reporting date. After reporting date, the loan repayment terms have been extended to 15 October 2019.

(ii) On 30 August 2018 the Parent entered into a loan arrangement with LINCD HQ Pty Ltd ("LINCD"), a wholly owned subsidiary of the Parent for a period of the reporting year for one year at 10% p.a. interest. On disposal of LINCD, the term of the loan was extended to 24 May 2020, being one year from disposal date and repayable only if LINCD generates revenue of at least AU$600,000 before 24 May 2020. Management have assessed the recoverability of the loan using the lifetime expected loss allowance method and have fully impaired the loan.

Allowance for expected credit losses
The consolidated entity has recognised a net loss of $39,875 (2018: nil) for specific debtors for which such evidence exists. Trade receivables past due but not impaired amount to $67,709 (2018: $7,500).

At 30 June 2019, an ageing analysis of those receivables are as follows:

Not overdue	-	7,500
1 to 30 days past due	30,667	-
31 to 60 days past due	-	-
61 days plus past due	37,042	-
	67,709	7,500

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 9. Inventories

	Consolidated	
	2019 **$**	**2018** **$**
Cryptocurrencies held for sale	**688,981**	224,880
Provision for impairment	**(50,729)**	-
	638,252	224,880

Accounting policies for inventories
Inventories are measured at the lower of cost and net realisable value. Cryptocurrencies are recognised as inventories where they are held for sale in the ordinary course of business in accordance with guidance provided by the International Financial Reporting Interpretations Committee ('IFRIC') during June 2019.

Note 10. Investments and other financial assets

	Consolidated	
	2019 **$**	**2018** **$**
Current		
Listed securities at fair value through profit or loss (i)	**2,560,894**	1,378,771
Unlisted securities at fair value through profit or loss (i)	**-**	250,000
Convertible notes receivable at amortised cost	**-**	405,555
	2,560,894	2,034,326
Non-current		
Unlisted securities at fair value through profit or loss (i)	**1,731,987**	-
Convertible notes receivable at amortised cost	**719,499**	-
	2,451,486	-

(i) Refer to note 19 for further information on fair value measurement.

Reconciliations
Reconciliations of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	Convertible notes	*Unlisted securities*
Opening balance 1 July 2017	-	-
Additions	405,555	250,000
Balance at 30 June 2018	405,555	250,000
Additions	763,944	1,731,987
Impairment losses	(450,000)	-
Fair value adjustments	-	(250,000)
Balance at 30 June 2019	719,499	1,731,987

Accounting policies for investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Note 11. Intangible assets

	Consolidated	
	2019	**2018**
	$	**$**
Current		
Cryptocurrencies under development (i)	**357,208**	-
Non-current		
Cryptocurrencies under development (i)	**200,487**	914,749
Total intangible assets	**557,695**	914,749

(i) This balance represents ‘rights to acquire tokens’ under contracts. At the reporting date, these tokens have not been issued to the consolidated entity.

At reporting date some intangible assets have been classified as current due to management’s intent to terminate these contracts.

Reconciliations
Reconciliations of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	Cryptocurrencies under development
Opening balance 1 July 2017	-
Additions	914,749
Disposals	-
Balance at 30 June 2018	914,749
Impairment losses	(357,054)
Balance at 30 June 2019	557,695

Impairment
Management have considered the recoverable amount of intangible assets individually based on information known to management at reporting date.

Cryptocurrency under development	**Impairment assessment**
Proton	The token provider has agreed to a refund of 245 Ethereum tokens ('ETH') payable in two instalments by October 2019. At 30 June 2019, 1 ETH is traded at $USD290.07 therefore an impairment expense of $98,444 has been recognised in relation to this asset as the carrying amount exceeds the recoverable amount.
Bankorous	The token provider has agreed to a refund of 133 ETH payable in July 2019. At 30 June 2019, 1 ETH is traded at $USD290.07 therefore an impairment expense of $79,278 has been recognised in relation to this asset as the carrying amount exceeds the recoverable amount.
EQITrade	The token provider has agreed to a refund for AU$200,489 due by 31 December 2020. The recoverable amount is less than the carrying value therefore an impairment expense of $49,514 has been recognised in relation to this asset as the carrying amount exceeds the recoverable amount.
Global Guard	Management are in dispute over the refund from the token provider therefore this asset has been fully impaired at reporting date for $129,819.
Human Protocol	Management has assessed for impairment indicators with regard to the token provider being in the process of negotiating an initial exchange offering to list their token. No impairment loss has been recognised as management expect the recoverable amount to be materially consistent with the carrying amount (i.e. cost).

As at the release of this report, management note ETH are traded at a value different to USD$290.07 adopted for the valuation at reporting date. Management consider the fair value of ETH to be in accordance with level 1 of the fair value hierarchy as they are traded in an active market on the crypto exchange and have valued ETH using the year-end rate.

Accounting policy for intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

Cryptocurrencies under development
The consolidated entity measures its cryptocurrencies under development (which are pre-ICO such as unlisted tokens or rights to acquire / distribute tokens) at cost in accordance with AASB 138 Intangible Assets. Unlisted tokens or rights to acquire / distribute tokens is recognised in accordance with IFRICs June 2019 guidance issued on crypto-assets.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 12. Other assets

	Consolidated	
	2019 $	2018 $
Deposits for shares not yet issued (i)	-	214,834

(i) In the previous reporting period, the consolidated entity subscribed for units in Datable Technologies Corporation which was refunded during the current reporting period due to the offer being undersubscribed.

Note 13. Investments accounted for using the equity method

	Consolidated	
	2019 $	2018 $
Investment in associate	-	332,866

Refer to note 27 for further details on associates.

Accounting policy for associates
Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note 14. Trade and other payables

	Consolidated	
	2019 $	2018 $
Trade payables	**54,215**	60,584
Other payables and accruals	**94,855**	51,565
	149,070	112,149

Accounting policy for trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 15. Contributed equity

	Consolidated		Consolidated	
	2019 No. of ordinary shares	**2019 $**	**2018 No. of ordinary shares**	**2018 $**
Balance at the beginning of the financial period	**1,510,959,281**	**67,155,788**	864,768,511	56,863,383
Options exercised at $0.02 each	-	-	277,623,038	5,552,460
13.03.18 Shares issued at $0.012 each	-	-	353,567,748	4,714,704
Milestone shares issued at fair value	-	-	15,000,000	165,000
Milestone shares entitled to be issued	-	-	-	240,000
Milestone shares converted to ordinary shares (i)	**45,000,000**	**480,000**	-	-
Registry rounding adjustment	**-**	**-**	(16)	-
Less costs incurred from capital raising	**-**	**-**	-	(379,759)
Balance at the end of the financial period	**1,555,959,281**	**67,635,788**	1,510,959,281	67,155,788

(i) The $480,000 represents the final parcel of milestone shares granted in the reporting year and converted to ordinary shares issued to a related entity of Anoosh Manzoori.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may return capital to shareholders, issue new shares or sell assets to reduce debt. The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment.

The capital risk management policy remains unchanged from the last reporting year’s Annual Report.

Accounting policy for contributed equity
Contributed equity is the consolidated entity’s ordinary shares issued and classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 16. Share option reserve

	Consolidated	
	2019	**2018**
	$	**$**
Share based payment reserve	**19,156**	139,156

Movements	**2019 $**	**2018 $**
Balance at beginning of year	139,156	296,384
Options issued to key management personnel	-	19,156
Milestone shares issued to key management personnel	360,000	360,000
Milestone shares converted to ordinary shares	(480,000)	(240,000)
Transfer of expired options	-	(296,384)
Balance at end of year	19,156	139,156

The share-based payments reserve is used to record the expenses associated with options and performance rights granted to employees and key management personnel under equity-settled share-based arrangements.

Note 17. Share based payments

Share based payments expensed in the financial statements with respect to performance rights issued during the previous reporting period.

The expense recognised in relation to the share-based payment transactions was recognised within director fees expense within the statement of profit or loss as follows:

	Consolidated	
	2019	**2018**
	$	**$**
Share-based payments expense	**360,000**	544,156

Share options
Options are granted on terms determined by the Directors or otherwise approved by the company at a general meeting. The options are granted for no consideration. Options are usually granted for a two or three year period and entitlement to the options are vested on a time basis and/or on a specific performance based criteria. Options granted as described above carry no dividend or voting rights. When exercised, each option is converted to one ordinary share.

The amount assessed as fair value at the grant date is allocated equally over the period from grant date to vesting date. Fair values at grant date are determined using the Black-Scholes options pricing method that considers the exercise price, the term of the option, the vesting and market related criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and the risk of the underlying share and the risk-free interest rate for the term of the option.

There were no options granted to any directors or key management personnel during the reporting year.

The following table shows the number and movement of options during the year:

2019

Grant date	*Expiry date*	*Fair value at grant date*	*Balance as at 30 June 2018*	*Granted*	*Vested*	*Expired*	*Exercise*	*Exercise price*	*Balance as at 30 June 2019*
13-Mar-18	12-Mar-20	$0.0019	10,000,000	-	-	-	-	$0.03	10,000,000

2018

Grant date	*Expiry date*	*Fair value at grant date*	*Balance as at 30 June 2017*	*Granted*	*Vested*	*Expired*	*Exercise*	*Exercise price*	*Balance as at 30 June 2018*
1-Aug-16	17-Feb-18	$0.0080	35,000,000	-	-	(35,000,000)	-	$0.02	-
13-Mar-18	12-Mar-20	$0.0019	-	10,000,000	10,000,000	-	-	$0.03	10,000,000
			35,000,000	10,000,000	10,000,000	(35,000,000)	-		10,000,000

Share options outstanding at 30 June 2019 had a weighted average contractual life of 257 days (2018: 400 days) and a weighted average fair value of $0.03 (2018: $0.022). The fair value of share options was calculated using an expected share price volatility of 110% and risk-free interest rate of 3%.

Performance share rights
Performance rights are provided to directors as approved by shareholders. The performance criteria is determined by the board.

The fair value of performance rights is determined at the grant date using the Black-Scholes options pricing method taking into account the term of the performance right, impact of dilution, the share price at grant date the expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the performance right and an appropriate probability weighting to factor the likelihood of the satisfaction of non-vesting conditions.

The following table shows the number and movement of performance rights during the year.

2019

Grant date	*Expiry date*	*Fair value at grant date*	*Balance as at 30 June 2018*	*Granted*	*Vested*	*Expired*	*Exercise*	*Balance as at 30 June 2019*
28-Feb-18	27-Feb-20	$0.016	15,000,000	-	15,000,000	-	(15,000,000)	-
28-Feb-18	27-Feb-20	$0.016	15,000,000	-	15,000,000	-	(15,000,000)	-
			30,000,000		30,000,000		(30,000,000)	-

2018

Grant date	*Expiry date*	*Fair value at grant date*	*Balance as at 30 June 2017*	*Granted*	*Vested*	*Expired*	*Exercise*	*Balance as at 30 June 2018*
28-Feb-18	27-Feb-20	$0.011	-	15,000,000	15,000,000	-	(15,000,000)	-
28-Feb-18	27-Feb-20	$0.016	-	15,000,000	15,000,000	-	(15,000,000)	-
28-Feb-18	27-Feb-20	$0.016	-	15,000,000	-	-	-	15,000,000
28-Feb-18	27-Feb-20	$0.016	-	15,000,000	-	-	-	15,000,000
			-	60,000,000	30,000,000		(30,000,000)	30,000,000

The fair value of performance rights expensed in the reporting period was calculated using an expected share price volatility of 110% and risk-free interest rate of 3%.

Other share based payments
In the previous reporting period 21,309,841 shares were issued to Blockchain Global Limited in lieu of a cash payment for underwriting fees with a fair value of $260,769 on 13 March 2018.

Accounting policy for share based payments
Share-settled and cash-settled share-based compensation benefits are provided to employees.

Share-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of share-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the product of the market price on the grant date multiplies the number of shares entitled to the employee or applying the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions. Such transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability. Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied. If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification. If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. If share-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 18. Financial risk management

Financial risk management objectives

The consolidated entity's activities expose it to a number of financial risks, including market risk, credit risk and liquidity risk. The consolidated entity's management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity, mindful of the cost of such measures and the competing demands of other investment. Risks are monitored through the use of sensitivity analysis for interest rate and foreign exchange risks and aging analysis for credit risk.

The consolidated entity identifies and evaluates mitigation activities for risk and to develop policy for risk management across all consolidated entity operations pursuant to written risk management principles approved by the Board.

Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk:

- Currency risk
- Price risk
- Interest rate risk

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments would fluctuate due to changes in foreign exchange rates. The consolidated entity is not exposed to any significant foreign currency risk.

Price risk

The consolidated entity's exposure to equity securities price risk arises from investments held by the consolidated entity and are classified in the balance sheet as listed and unlisted equities at fair value through profit or loss.

Based on this exposure, had the share prices increased or decreased by 10% (2018: 10%) the impact on the consolidated entity's loss before tax and net assets would have been:

2019

	Increase 10%		***Decrease 10%***	
	Impact on profit before tax	***Impact on equity***	***Impact on profit before tax***	***Impact on equity***
Listed securities	256,089	256,089	(256,089)	(256,089)
Unlisted securities				

2018

	Increase 10%		***Decrease 10%***	
	Impact on profit before tax	***Impact on equity***	***Impact on profit before tax***	***Impact on equity***
Listed securities	137,877	137,877	(137,877)	(137,877)

Interest rate risk

Interest rate risk arises from the consolidated entity's interest bearing financial liabilities. The consolidated entity has no financial liabilities with variable interest rates so is not exposed to any interest rate risk.

Credit risk
Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument creating a financial loss. Credit risk arises from cash and cash equivalents, deposits with banks and through exposures to wholesale and retail customers.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

The consolidated entity has a total credit risk exposure of $719,499 (2018: $405,555) on its convertible notes invested with various parties at reporting date. Management have impaired convertible notes invested by $450,000 (2018: nil) for expected losses.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Liquidity risk is the risk that the consolidated entity's operational performance will be adversely affected through the failure to satisfy an obligation for settlement of a financial transaction within contractual terms or that operational decisions made to ensure sufficient funding is available to meet such settlement will adversely affect the value of financial assets (including sale of financial assets at values less than their fair market values). The consolidated entity's predominant exposure to liquidity risk is through investments in overseas start-up businesses which can experience significant volatility whilst in their infancy.

Remaining contractual maturities of financial liabilities
The following tables detail the consolidated entity's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the amortised cost of discounted cash flows of the financial instruments stated on the statement of financial position:

2019

	1 year or less	*Between 1 and 2 years*	*Between 2 and 5 years*	*Over 5 years*	*Remaining contractual maturities*
	$	*$*	*$*	*$*	*$*
Non-derivatives					
Non-interest bearing					
Trade and other payables	149,070	-	-	-	149,070
Total non-derivatives	149,070	-	-	-	149,070

2018

	1 year or less	*Between 1 and 2 years*	*Between 2 and 5 years*	*Over 5 years*	*Remaining contractual maturities*
	$	*$*	*$*	*$*	*$*
Non-derivatives					
Non-interest bearing					
Trade and other payables	112,149	-	-	-	112,149
Total non-derivatives	112,149	-	-	-	112,149

Note 19. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1 $	Level 2 $	Level 3 $	Total $
Consolidated - 2019				
Financial assets at fair value through profit or loss				
- Listed securities	2,560,894	-	-	2,560,894
- Unlisted securities (ii)	-	-	1,731,987	1,731,987
Financial assets at amortised cost				
- Convertible notes in unlisted companies (ii)	-	-	719,499	719,499
Intangible assets (i)	156,687	-	-	156,687
Total assets	2,717,581	-	2,451,486	5,169,067

	Level 1 $	Level 2 $	Level 3 $	Total $
Consolidated - 2018				
Financial assets at fair value through profit or loss				
- Listed securities	1,378,771	-	-	1,378,771
- Unlisted securities (ii)	-	-	250,000	250,000
Financial assets at amortised cost				
- Convertible notes in unlisted companies (ii)	-	-	405,555	405,555
Total assets	1,378,771	-	655,555	2,034,326

(i) Intangible assets being those refunded in ETH, are valued at fair value and are level 1 instruments within the fair value hierarchy, as quoted prices are available for ETH tokens in active markets.

(ii) The investment in unlisted securities are valued at fair value and convertible notes at amortised cost are level 3 instruments within the fair value hierarchy, as there are no observable inputs. The directors have considered the available information regarding this investment and believe it is currently appropriate to recognise a fair value of $1,731,987 based on the *cost approach*, reflecting the current replacement cost of the asset.

Note 20. Remuneration of the auditors

During the financial year the following fees were paid or payable for services provided by the current Auditor (Pitcher Partners), the auditor of the consolidated entity, and its related practices:

	Consolidated 2019 $	2018 $
Audit services – Pitcher Partners		
Audit or review of the financial statements	**55,000**	49,941
Non-audit services – Pitcher Partners		
Tax and other compliance services	**6,000**	19,261
	61,000	69,202

Note 21. Key management personnel disclosures

Compensation
The aggregate compensation made to directors of the consolidated entity is set out below:

	Consolidated	
	2019	**2018**
	$	**$**
Short-term employee benefits	**415,007**	335,381
Share-based payments	**360,000**	544,156
	775,007	879,537

Note 22. Related party transactions

The following transactions occurred during the reporting year with related parties in addition to the compensation payments in the above Notes to the financial statements:

	Consolidated	
	2019	**2018**
	$	**$**
Corporate advisory and secretarial services from Shape Capital Pty Ltd (a related entity of Anoosh Manzoori)	**-**	16,929
Consulting services from Peloton Capital Pty Ltd (a related entity of Geoff Barnes)	**68,000**	59,000
Consulting services from Dalext Pty Ltd (a related entity of Athan Lekkas)	**50,918**	-
	118,918	75,929

Note 23. The parent entity's information

Set out below is the supplementary information about the parent entity.

	Consolidated	
	2019	**2018**
	$	**$**
Statement of profit or loss and other comprehensive income	**-**	
Loss for the year	**(3,514,238)**	(823,090)
Total comprehensive loss for the year	**(3,514,238)**	(823,090)
Current assets	**6,117,169**	10,514,598
Total assets	**8,769,142**	11,762,313
Current liabilities	**149,070**	112,149
Total liabilities	**149,070**	112,149
Contributed equity	**67,635,788**	67,155,788
Share options reserve	**19,156**	139,156
Accumulated losses	**(59,034,872)**	(55,644,780)
Total equity / (deficiency)	**8,620,072**	11,650,164

The parent company has not entered into any guarantees in relation to debts of its subsidiaries nor do it and its subsidiaries have any such debts or contingent liabilities as at the ends of this and last reporting years. In addition, the parent company has no capital commitments for property, plant and equipment as at the ends of this and last reporting years.

Note 24. Business combination

On 16 July 2018 the consolidated entity acquired 100% of the issued shares in LINCD HQ Pty Ltd ('LINCD'), a software and service company providing blockchain business solutions, for a consideration of $940.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	LINCD *$*
Cash and cash equivalents	2,962
Trade and other receivables	21,582
Inventories	51,168
Property, plant and equipment	106
Trade and other payables	(38,926)
Director loans	(4,000)
Other liabilities	(55,000)
Total identified net liability assumed	(22,108)
Consideration transferred	(940)
Goodwill	(23,048)
Consideration transferred	(940)
Less: cash and cash equivalents received in the acquisition	2,962
Net cash inflow on acquisition	2,022

During the same reporting period, LINCD was disposed of on 24 May 2019. Refer to note 25 for further details.

Note 25. Discontinued operations

Description
On 24 May 2019 the consolidated entity sold LINCD HQ Pty Ltd (incorporated in Australia), a subsidiary of First Growth Funds Limited, to Harris Technologies Limited (ASX: HT8) for consideration of $1,150,443 resulting in a gain on disposal before income tax of $1,026,298.

Financial performance information	**2019** **$**
Revenue from continuing operations	13,408
Cost of sales (inventories)	(40,000)
Impairment losses	(23,084)
Other expenses	(74,469)
Loss before income tax expense	(124,145)
Income tax expense	-
Loss after income tax expense from discontinued operations	(124,145)

Cash flow information	**2019** **$**
Net cash from / (used in) operating activities	(336,073)
Net cash from / (used in) investing activities	341,829
Net increase in cash and cash equivalents from discontinued operations	5,756

Carrying amounts of assets and liabilities disposed	**2019 $**
Cash and cash equivalents	8,718
Inventories	291,867
Financial assets	2,000
Total assets	302,585
Trade and other payables	426,730
Total liabilities	426,760
Net liabilities	(124,145)

Details of the disposal	**2019 $**
Total sale consideration	
- Tranche 1: 30,000,000 shares in HT8 @ market price $0.030	990,000
- Tranche 2: 20,055,334 options in HT8 @ fair value $0.008	160,443
- Tranche 3: 20,000,000 options in HT8 @ fair value $nil	-
Carrying amount of net liabilities disposed	(124,145)
Profit on disposal before income tax	1,026,298
Income tax expense	-
Profit on disposal after income tax	**1,026,298**

Note 26. Interest in subsidiaries (controlled entities)

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1 'Principals of Consolidation':

			Equity holdings	
Name of entity	*Country of incorporation*	*Class of shares*	*2019 %*	*2018 %*
ICO-AN Pty Ltd (incorporated 17 November 2017)	Australia	Ordinary	100	-
First Growth Advisory Pty Ltd (incorporated 8 December 2018)	Australia	Ordinary	100	-
LINCD HQ Pty Ltd (acquired 16 July 2018 and disposed 24 May 2019)	Australia	Ordinary	-	-

Note 27. Interest in associates

Interest in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

			Equity holdings	
Name of entity	*Country of incorporation*	*Class of shares*	*2019 %*	*2018 %*
Cryptondata Vault LLC	United States of America	Ordinary	50	50

Reconciliation of the consolidated entity's carrying amount

Opening carrying amount	332,866
Impairment (i)	(332,866)
Closing carrying amount	-

(i) The investment has been fully impaired at reporting date as the net liability position of the associate is greater than the carrying amount of the investment.

Note 28. Cash Flows' Reconciliation

	Consolidated	
(a) Reconciliation of the loss after tax to the net cash flows from operations	**2019 $**	**2018 $**
Loss after income tax	**(3,390,092)**	(823,090)
Adjustments for non-cash items:		
- Impairment losses	**1,836,519**	20,000
- Foreign currency (gains) / losses	**-**	7,902
- Share-based payments	**360,000**	544,156
- Gain on disposal of discontinued operations	**(1,026,298)**	-
- Bad debt expense	**39,875**	-
Change in operating assets and liabilities		
- (Increase) / decrease in trade and other receivables	**(137,296)**	(21,035)
- (Increase) / decrease in inventories (cryptocurrencies)	**(464,101)**	(244,880)
- (Increase) / decrease in financial assets	**(2,528,551)**	(748,771)
- (Increase) / decrease in other assets	**214,834**	(214,834)
- Increase / (decrease) in trade and other payables	**(124,254)**	33,572
Net cash used in operating activities	**(5,219,364)**	(1,447,250)

Note 29. Earnings / (losses) per share

	Consolidated	
Earnings per share from continuing operations	**2019 $**	**2018 $**
Loss after income tax	**(4,540,536)**	(823,090)
Weighted average number of ordinary shares used in calculating basic earnings per share	**1,548,685,308**	1,076,146,301
Weighted average number of ordinary shares used in calculating basic earnings per share	**1,548,685,308**	1,076,146,301
	Cents	*Cents*
Basic and diluted loss per share	**(0.293)**	(0.076)
Earnings per share from discontinued operations		
Loss after income tax	**(124,145)**	-
Weighted average number of ordinary shares used in calculating basic earnings per share	**1,548,685,308**	-
Weighted average number of ordinary shares used in calculating basic earnings per share	**1,548,685,308**	-
	Cents	*Cents*
Basic and diluted loss per share	**(0.008)**	-

Note 30. Events occurring after the reporting date

- On 4 July 2019, the company announced its further responses to ASX's queries raised on 1 July 2019 regarding Acudeen investment in accordance with ASX Listing Rules.

- On 8 July 2019, the company announced Daniel Zhang's resignation as a director of the company and also Blockchain Global Ltd renounced its right to nominate another director to the company's Board. The company also announced that it has tendered written documentations to terminate the following agreements:

  - Acudeen Token Agreement
  - Blockshine Japan Corporation Alliance Agreement
  - MOU with Blockchain Global Ltd and HCash Tech Pty Ltd

- On 11 July 2019, the company announced that the company will not issue and, Blockchain Global Ltd has agreed not to receive, any milestone shares, regardless of whether the milestones (per the agreement dated 1 March 2018) were met. The company did not issue any such shares since the signing date of this agreement.

No other matters or circumstances have arisen since the end of the reporting year that have significantly affected or may have a significant effect on the financial operations of, the financial performance of those operations, or the financial position of, the consolidated entity, in the subsequent reporting year.

In the directors' opinion:

- The attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- The attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- The attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date;

- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the directors

____

Anoosh Manzoori
Executive Chairman

Melbourne, Victoria
1 October 2019

Level 38, 345 Queen Street
Brisbane, QLD 4000

Postal address
GPO Box 1144
Brisbane, QLD 4001

p. +61 7 3222 8444

Independent Auditor's Report

To the Shareholders of First Growth Funds Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of First Growth Funds Limited and controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter
Valuation of financial assets ***Refer to note 10***	
The Group invest in various financial instruments exposing it to a number of financial risks, including market risk, credit risk and liquidity risk. As at 30 June 2019 financial assets totalled $5,012,380 including listed and unlisted securities, convertible notes and any associated accrued interest. Listed securities are classified under Australian Accounting Standards as "level 1" (i.e. where the valuation is based on quoted prices in the market), unlisted securities and convertible notes are classified as "level 3" (i.e. where inputs are unobservable). This is a key area of audit focus due to: • The size of the balance, being 57% of total assets; and • The judgemental nature in the valuation methodologies used to determine fair value level 3 assets and complexities associated in accounting for these financial assets.	Our audit procedures included, amongst others: • Obtaining an understanding of the relevant controls associated with the acquisition and accurate measurement of financial assets; • Reviewing portfolio valuations obtained from third parties which confirmed quantity of listed shares held and their market value at the reporting date; • Recalculating the fair value gain or loss recognised in the profit or loss arising from the mark to market adjustments at the reporting date; • Working with our valuation specialists, we assessed the Group's significant judgements and assumptions in the valuations including assessing the valuation methodologies applied, the integrity of the valuation models used and ensuring the accuracy of the underlying data; • Recalculating interest accrued on convertible notes and ensuring it is in accordance with the contractual terms of the note deed; • Considering the recoverability of the convertible note through either the conversion of the convertible note into equity, cash or another financial asset; and • Assessing the adequacy of the disclosure in the financial report.
Accounting for digital currency assets (cryptocurrencies) ***Refer to notes 9 & 11***	
The Group acquired a number of digital currency assets classified as inventories (ICO tokens) and intangible assets (pre-ICO tokens). Inventories are measured at the lower of cost or net realisable value and has a carrying value of $688,981 at the reporting date. Intangible assets are measured using the cost model and has a carrying value of $557,695 at the reporting date. This is a key area of audit focus due to: • The value of inventories and intangible assets are material; and • The classification and measurement requires significant judgement.	Our audit procedures included, amongst others: • Obtaining an understanding of the relevant controls associated with the acquisition and accurate measurement of tokens; • Critically evaluating management's classification of tokens as inventories or intangible assets in accordance with guidance issued by the International Financial Reporting Interpretations Committee released during June 2019; • Comparing the carrying value of the inventory to the market value for the cryptocurrencies held at year-end to establish the fair value of ICO tokens at year-end; and • Assessing the adequacy of the disclosure in the financial report in respect of impairment testing of intangible assets.

Other Information

The directors are responsible for the other information. The other information comprises the Operating Financial Report, Director's Report, Corporate Governance Statement and ASX Information which was obtained as at the date of our audit report, and any additional other information that will be included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 12 of the directors' report for the year ended 30 June 2019. In our opinion, the Remuneration Report of First Growth Funds Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pitcher Partners

PITCHER PARTNERS

NIGEL BATTERS
Partner

Brisbane, Queensland
1 October 2019

Shareholding as at 24 September 2019

Holdings Ranges	Holders	Ordinary shares
1 to 1,000	76	18,893
1,001 to 5,000	34	109,252
5,001 to 10,000	15	112,833
10,001 to 100,000	721	36,471,477
100,001 and over	854	1,519,246,826
	1,7008	**1,555,959,281**

Number of holders with an unmarketable holding is 574, totalling 13,706,630 shares.

Unquoted Equity Securities	Number of holders	Number on Issue
Options Expiring 12 March 2020	42	292,257,907

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Substantial Shareholding

The names of the substantial shareholders listed in the holding Company's register are:

Shareholders:	*Number of shares held*
BLOCKCHAIN GLOBAL LIMITED	124,366,734
GEBA PTY LTD <GEBA FAMILY A/C>	100,000,000

First Growth Funds Limited
ASX Information
For the year ended 30 June 2019

Top 20 shareholders as at 24 September 2019

Position	Holder Name	Holding	% IC
1	BLOCKCHAIN GLOBAL LIMITED LEVEL 1	124,366,734	7.99%
2	GEBA PTY LTD <GEBA FAMILY A/C>	100,000,000	6.43%
3	DONG BO	73,870,230	4.75%
4	RED AND WHITE HOLDINGS PTY LTD <BLOOD SUPER FUND A/C>	63,775,415	3.86%
5	MANZOORI PTY LTD <MANZOORI FAMILY A/C>	60,000,000	2.94%
6	AEGIAN PAL PTY LTD <ELPIDA SUPER FUND A/C>	45,796,727	2.90%
7	SAYERS INVESTMENTS (ACT) PTY LTD <THE SAYERS INV NO2 A/C>	40,250,000	2.59%
8	DALEXT PTY LTD <DALEXT UNIT A/C>	34,472,727	2.22%
9	GXB PTY LTD	28,000,000	1.80%
10	CALABRIA ENTERPRISES PTY LTD	25,600,028	1.65%
11	RIP OPPORTUNITIES PTY LTD <PIR SUPER FUND A/C>	24,367,867	1.57%
12	SIGARAS FAMILY SMSF PTY LTD <SIGARAS FAMILY SMSF A/C>	21,000,000	1.33%
13	BLACK PRINCE PTY LTD <BLACK PRINCE SUPER FUND A/C>	20,187,180	1.29%
13	MR WALTER SHAMSABADI	20,000,000	1.29%
14	MR GREGORY GIANNOPOULOS	20,000,000	1.20%
15	BLACK PRINCE PTY LTD <BLACK PRINCE SUPER FUND A/C>	18,791,808	1.07%
16	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	16,666,667	1.05%
17	ACL INVESTMENT AUSTRALIA PTY LTD	16,333,333	1.00%
18	MR THEO CHRISTAKOS & MR ARGYRIOS CHRISTAKOS	16,000,000	0.97%
19	LITTLE BREAKAWAY PTY LTD	14,226,019	0.87%
20	SPARKE ENTERPRISES PTY LTD <SPARKE ENTERPRISES FAM A/C>	13,030,302	0.84%
	Total	**796,735,037**	**51.21%**
	Total issued capital - selected security class(es)	**1,555,959,281**	**100.00%**