

27 July 2016

QUARTERLY ACTIVITIES REPORT

OVERVIEW

During the June quarter FGF undertook a successful Share Placement to sophisticated investors raising approximately \$445,000 and issuing 67,424,381 shares. The capital raising proceeds will be applied to working and investment capital purposes.

Currently in the process of being completed is a further capital raise by way of a Share Purchase Plan (SPP) and Bonus Option offer as announced to the ASX 20 June 2016. The Directors are happy with the take up of the SPP which raised \$437,000. The shortfall under the SPP is \$453,000 and the directors have secured commitments for the Tranche 2 Placement and the SPP Shortfall and will provide an update to the market in due course.

During the quarter, FGF Management also continued to identify and participate in selected IPO's and placements. The Company has also reviewed a number of potential investment opportunities outside of listed equities and will continue the search for suitable investments that can bring value to shareholders.

INVESTMENTS

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

- i. Approximately \$660,000 in cash and receivables; and
- ii. \$268,000 in listed securities;

SHAREHOLDINGS

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

Equity Category	Details	Number on Issue
Listed Ordinary Shares	ASX : FGF	516,920,050
Options	ASX : FGFOA Strike Price of \$0.02 Expiry 17 Feb 2018	272,866,800

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

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

Name of entity

FIRST GROWTH FUNDS LIMITED

ABN

34 006 648835

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000
1.1	Receipts from customers		
1.2	Payments for (a) staff costs (b) advertising and marketing (c) research and development (d) leased assets (e) other working capital	59	233
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	2	12
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)	(94)	(473)
	Net operating cash flows	(33)	(228)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)		
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments	19	158
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows	19	158
1.14 Total operating and investing cash flows	(14)	(71)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	458	483
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	458	483
Net increase (decrease) in cash held	444	(96)
1.21 Cash at beginning of quarter/year to date	215	755
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	659	659

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	42
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
	Directors fees and consulting costs	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	659	215
4.2	Deposits at call	nil	nil
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		659	215

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:


(Director/Company secretary)

Date: 27 July 2016

Print name: Frances Notman

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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