

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

First Growth Funds Limited

ABN

34 006 648 835

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | 1. Fully paid ordinary shares
2. Listed options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 319,848,762 fully paid ordinary shares
2. 152,424,313 listed options (Series C Options) |

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- 3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)
1. 150,000,000 fully paid ordinary shares which may be issued, subject to shareholder approval to be sought at the Extraordinary General Meeting on 19 July 2016 (Tranche 2 Placement Shares) (assumes full subscription);
 2. 134,848,762 fully paid ordinary shares which may be issued pursuant to the share purchase plan dated 20 June 2016 (SPP Shares) (assumes full subscription);
 3. 35,000,000 fully paid ordinary shares which may be issued to directors, subject to shareholder approval to be sought at the Extraordinary General Meeting on 19 July 2016 (Director Shares) (assumes full subscription);
 4. 22,474,725 listed options with an exercise price of \$0.02 each, expiring on 20 February 2018 to be issued on the basis of 1 listed option for every 3 placement shares issued on 31 May 2016 (Tranche 1 Placement Options);
 5. 50,000,000 listed options with an exercise price of \$0.02 each, expiring on 20 February 2018 to be issued on the basis of 1 listed option for every 3 Tranche 2 Placement Shares issued (Tranche 2 Placement Options);
 6. 44,949,588 listed options with an exercise price of \$0.02 each, expiring on 20 February 2018 to be issued on the basis of 1 listed option for every 3 SPP Shares issued (SPP Options);
 7. 35,000,000 listed options with an exercise price of \$0.002 each, expiring on 20 February 2018 (Director Options).

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Ordinary shares will rank pari passu with the existing ordinary shares of the Company.</p> <p>The options will be a new class of listed options.</p> <p>The options once exercised will rank pari passu with the ordinary shares of the Company at the time of exercise.</p>
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. Tranche 2 Placement Shares - \$0.0066 per share (\$990,000) 2. SPP Shares - \$0.0066 per share (\$890,001.83)* 3. Director Shares - \$0.001 per share (\$35,000)* 4. Tranche 1 Placement Options - the issue price is nil. 5. Tranche 2 Placement Options - the issue price is nil. 6. SPP Options - the issue price is nil. 7. Director Options - the issue price is nil. <p><i>*Assumes full subscription</i></p>

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<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. Tranche 2 Placement Shares and SPP Shares – funds to be used for working and investment capital. 2. Director Shares – issued to remunerate and incentivise directors 3. Tranche 1 and 2 Placement Options and SPP Options – to reward shareholders and investors who participate in the Tranche 1 and 2 Placements and the SPP. 4. Director Options – issued to remunerate and incentivise directors
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>N/A</p>
<p>6f Number of +securities issued under an exception in rule 7.2</p>	<p>N/A</p>

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6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A									
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A									
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A									
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<ol style="list-style-type: none"> 1. SPP Shares, SPP Options, Director Options, Tranche 1 Placement Options – 25 July 2016. 2. Tranche 2 Placement Options – 14 September 2016 									
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">836,768,813</td> <td>Ordinary fully paid shares</td> </tr> <tr> <td style="text-align: right;">272,866,800</td> <td>“Series B” Options exercisable at \$0.02 per option expiring 17 February 2018</td> </tr> <tr> <td style="text-align: right;">152,424,313</td> <td>“Series C” Options exercisable at \$0.02 per option expiring 20 February 2018</td> </tr> </tbody> </table>	Number	+Class	836,768,813	Ordinary fully paid shares	272,866,800	“Series B” Options exercisable at \$0.02 per option expiring 17 February 2018	152,424,313	“Series C” Options exercisable at \$0.02 per option expiring 20 February 2018	
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836,768,813	Ordinary fully paid shares										
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152,424,313	“Series C” Options exercisable at \$0.02 per option expiring 20 February 2018										

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	N/A	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	N/A	

Part 2 - Pro rata issue

N/A

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	

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19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the	

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balance?

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional ⁺securities

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Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Director)

20/06/2016
Date:

Print name:Geoff Barnes.....

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