

28 October 2016

## QUARTERLY ACTIVITIES REPORT

### OVERVIEW

During the September quarter FGF undertook a successful Share Purchase Plan (SPP) and Tranche 2 placement. The Directors were happy with the take up of the SPP which raised \$437,000. The shortfall under the SPP and the Tranche 2 Placement raised a further \$1,443,000 for investment and working capital.

On the 10<sup>th</sup> August, the Company advised that the share sale facility established for unmarketable parcels of FGF shares had closed. Pursuant to the terms of the sale facility, 3,170 shareholders were eligible to participate in the Unmarketable Parcel Sale Facility. 5,573,963 shares were sold on-market pursuant to the Unmarketable Parcel Sale Facility at no cost to participating shareholders. The reduction in shareholder numbers achieved through the above initiative will deliver future benefit to remaining shareholders through lower ongoing corporate costs.

On the 1 September, Ms Julie Edwards was appointed as Company Secretary of FGF following the resignation of Ms Frances Notman.

On the 8<sup>th</sup> September, the Company released its audited Annual Report for year ended 30 June 2016. The Company has released its Notice of Annual General Meeting which is to be held on the 22<sup>nd</sup> November 2016.

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 \$2,143,000 in cash and receivables; and
- ii. \$512,000 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	864,768,511
Options	ASX : FGFOA Strike Price of \$0.02 Expiry 17 Feb 2018	272,866,800
	ASX : FGFOC Strike Price of \$0.02 Expiry 18 Feb 2018	161,757,498

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+Rule 4.7B

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

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

#### Name of entity

First Growth Fund Limited

ABN

Quarter ended ("current quarter")

34 006 648 835

30 September 2016

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	0	0
1.2	Payments for:		
	(a) research and development	0	0
	(b) product manufacturing and operating costs	(269)	(269)
	(c) advertising and marketing	0	0
	(d) leased assets	0	0
	(e) staff costs	(147)	(147)
	(f) administration and corporate costs	(204)	(204)
1.3	Dividends received (see note 3)	0	0
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid	(0)	(0)
1.6	Income taxes paid	0	0
1.7	Government grants and tax incentives	0	0
1.8	Other (trading income)	79	79
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(535)</b>	<b>(535)</b>

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

<b>3</b>	<b>Cash flows from financing activities</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
3.1	Proceeds from issues of shares	2,092	2,092
3.2	Proceeds from issue of convertible notes	0	0
3.3	Proceeds from exercise of share options	0	0
3.4	Transaction costs related to issues of shares, convertible notes or options	(61)	(61)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(13)	(13)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
<b>3.1</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,018</b>	<b>2,018</b>

<b>4</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	659	659
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(535)	(535)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,018	2,018
4.5	Effect of movement in exchange rates on cash held	0	0
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>2,143</b>	<b>2,143</b>

<b>5</b>	<b>Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,143	659
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,143</b>	<b>659</b>

<b>6</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	174
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	0
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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**7 Payments to related entities of the entity and their associates**

Current quarter \$A'000
0
0

8.1 Aggregate amount of payments to these parties included in item 1.2

8.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

8.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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**8 Financing facilities available**

Total facility amount at quarter end	Amount drawn at quarter end
\$A'000	\$A'000
0	0
0	0
0	0

*Add notes as necessary for an understanding of the position*

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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**9 Estimated cash outflows for next quarter****\$A'000**

9.1	Research and development	
9.2	Product manufacturing and operating costs	270
9.3	Advertising and marketing	
9.4	Leased assets	
9.5	Staff costs	150
9.6	Administration and corporate costs	200
9.7	Other (provide details if material)	
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>620</b>

**10 Acquisitions and disposals of business entities  
(items 2.1(b) and 2.2(b) above)****Acquisitions****Disposals**

10.1	Name of entity	n/a	n/a
10.2	Place of incorporation or registration	n/a	n/a
10.3	Consideration for acquisition or disposal	n/a	n/a
10.4	Total net assets	n/a	n/a
10.5	Nature of business	n/a	n/a

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## Compliance statement

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

Sign here:



Date: 28th October 2016

Company secretary

Print name: Julie Edwards

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- 2 If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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