A copy of this preliminary prospectus has been filed with the securities regulatory authority in British Columbia but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

This Preliminary Prospectus is not related to a public offering. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

PRELIMINARY PROSPECTUS

Non-offering Prospectus **DATED: DECEMBER 13, 2019**

FIRST GROWTH FUNDS LIMITED

No securities are being offered pursuant to this Prospectus.

This non-offering prospectus (the "**Prospectus**") of First Growth Funds Limited (the "Company" or "FGF") is being filed with the British Columbia Securities Commission (the "BCSC"). The filing is to comply with Policy 2 – *Qualifications for Listing of the Canadian Securities Exchange* (the "CSE") in order for the Company to meet one of the eligibility requirements for the listing of the Ordinary Shares on the CSE by becoming a Reporting Company as defined herein, pursuant to the applicable securities legislation in the Province of British Columbia. Upon receipt of this Prospectus by the BCSC, the Company will become a Reporting Company in British Columbia.

No securities are being offered pursuant to this Prospectus. As such, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

There is no market through which the securities of the Company may be sold and holders of the Company's securities may not be able to resell any such securities. This may affect the pricing of the Company's securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of Company regulation. See "*Risk Factors*".

An application will be filed by the Company to have its Ordinary Shares listed for trading on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE, including, without limitation, the distribution of the Ordinary Shares to a minimum number of public shareholders and the Company meeting certain financial and other requirements.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

An investment in the securities of the Company is subject to a number of risks. Investors should carefully consider the risk factors described under the heading "*Risk Factors*" before purchasing any securities of the Company. **See "*Risk Factors*".**

No underwriters or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of its contents.

No person has been authorized to provide any information or to make any representation not contained in this Prospectus and, if provided or made, such information or representation should not be relied upon. The information contained in this Prospectus is accurate only as of the date of this Prospectus.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Unless otherwise noted all currency amounts in this Prospectus are stated in Australian dollars.

Enforcement of Judgments

First Growth Funds Limited is incorporated pursuant to the Corporation Act, 2001 Australia and is resident in Australia. The directors and officers of the Company: Anoosh Manzoori, Athan Lekkas, Geoffrey Barnes, Michael Clarke, Mark Pryn and Robert Kleine are all residents of Australia and they as well as the Company have appointed the following agent for service of process in British Columbia:

Name of Person or Company	Name and address of Agent
Joanne McClusky Barrister & Solicitor	#390-825 Homer Street, British Columbia V6B2W2

Investors are advised that although the Company and its officers and directors have appointed Joanne McClusky as their agent for services of process, it may not be possible for investors to enforce and collect judgments obtained in courts in British Columbia predicated on the civil liability provisions of securities legislation.

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IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

Except as otherwise indicated or the context otherwise requires in this Prospectus, reference to "the Company" or "FGF" refers to First Growth Funds Limited.

Capitalized terms, except as otherwise defined herein, are defined in the section entitled "Glossary of Terms".

Investors should rely only on the information contained in this Prospectus. We have not authorized any other person to provide investors with additional or different information. If anyone provides investors with additional, different, or inconsistent information, including information or statements in media articles about the Company, investors should not rely on it. **The Company is not making an offer to sell or seeking offers to buy Ordinary Shares or other securities of the Company.** Investors should assume that the information appearing in this Prospectus is accurate only as at its date, regardless of its time of delivery. The Company's business, financial conditions, results of operations and prospects may have changed since that date.

Third Party Information

This Prospectus includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Company believes that its market, industry, and economic data are accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry, and economic data used throughout this Prospectus are not guaranteed and the Company does not make any representation as to the accuracy of such information.

CURRENCY

Unless stated otherwise, all dollar amounts in this Prospectus are expressed in Australian dollars and references to $ are to Australian dollars. As at June 30, 2019, the exchange rate was 1.08. AUD $0.92 equalled Cdn $1.00.
As at the date of this preliminary prospectus, the exchange rate was 1.1. AUD $1.10 equalled Cdn. $1.00

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus are forward-looking statements or information (collectively "forward-looking statements"). The Company is providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "anticipates", "is expected to", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that its investment strategy will be successful and the underlying value of its investments will continue and grow and that the risks listed below will not adversely impact the Company. These forward-looking statements include, among other things, statements relating to the ability of the Company to generate revenue; the success of the Company's investment strategy, use of funds, intentions to further develop, market and promote its advisory services; unanticipated cash needs and the possible need for additional financing and the adoption of new governance policies, committees and practices.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to: risks relating to: global economic and financial market deterioration impeding access to capital or increasing the cost of capital; the effects of tariffs on economic growth causing a downturn in general economic conditions; equity risk: the market price of the Company's investments may fluctuate and there is a risk of a loss because of a drop in the market price; liquidity risk: the Company may be unable to sell its investments and a fair price when it wishes; the value of the investments may not keep up with the rate of inflation; the value of the

Company's investments depends on the skill and expertise of the directors of the Company and their ability to see trends in advance and act; the security of Digital Assets and the effectiveness of current technology to counter Cybersecurity risks, fraud and money laundering; digital currency exchange risks; limited history of de-centralized financial systems compared with traditional and existing centralized financial systems backed by a central authority; the ability of the Company to continue to generate revenue adequate to fund its business plans and operations; competition from other much larger well established successful investment companies and established financial institutions with larger staff and resources to evaluate investment opportunities; the effect of government regulation and compliance on the Company and the investment industry; the ability of the Company to maintain properly working systems; the inability to list on a public exchange after delisting from the ASX on December 4, 2019; volatility of the Company's share price following listing on a new exchange; failure to list on the CSE; the inability to secure additional financing; the Company's intention not to pay dividends in the near future; claims, lawsuits and other legal proceedings and challenges; conflict of interest with directors and management; and other factors beyond the Company's control.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk Factors*".

SUMMARY OF PROSPECTUS

The following is a summary of the principal features of the Company and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

<table>
<tr><td>The Company</td><td>First Growth Funds Limited was incorporated on October 14, 1986 under the Business Corporations Act (Australia) with Australian incorporation number (“AIN”) 006 648 835 with the name Second Board Pacific Limited. It went through several names changes: Greenchip Investment Limited on August 21, 1991, M2M Corporation Limited on January 28, 2000 and on March 29, 2011 the names was changed to the current name, First Growth Funds Limited. Its head office and registered offices are located at Level 14, 440 Collins Street, Melbourne, Victoria, Australia 3000. See “Corporate Structure”.

The Company initially listed on the ASX in 1986. On November 27, 2019 the Shareholders approved a resolution to de-list from the ASX and to list on the CSE. The Company de-listed from the ASX on December 4, 2019. The Company has applied to list its Ordinary Shares on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE, including, without limitation, the distribution of the Ordinary Shares to a minimum number of public shareholders and the Company meeting certain financial and other requirements. See “Description of the Company”.</td></tr>
<tr><td>Business of the Company</td><td>The Company is an investment company which invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies involved in Blockchain and digital currency. See “Description of the Business” and “Risk Factors” for a more detailed discussion of the business.</td></tr>
<tr><td>Market and Competition</td><td>The Company’s investments are principally in Australia. Approximately 30% of its investments are in North America. For further details, see “Description of the Business” and “Risk Factors”.</td></tr>
<tr><td>Directors and Executive Officers</td><td>Anoosh Manzoori - CEO, director
Geoff Barnes - director
Athan Lekkas- director
Michael Raymond Clarke – director
Mark Pryn - CFO and Co-Corporate Secretary
Robert Kleine – Co-Corporate Secretary
See “Directors and Executive Officers” for more information</td></tr>
<tr><td>Use of Funds</td><td>Estimated Funds Available and Use of Funds
No securities are offered pursuant to this Prospectus. This Prospectus is filed with the BCSC for the purpose of allowing the Company to become a reporting Company in British Columbia and to enable the Company to develop an organized market for its Ordinary Shares by subsequently listing on the CSE. Since no securities are offered pursuant to this Prospectus, no proceeds will be raised. All expenses incurred in connection with the preparation and filing of this Prospectus are being paid by the Company from general corporate funds.

As of November 30, 2019 the Company had approximately $3,180,000 in working capital comprised of $3,125,000 cash, trade receivables of $38,000 and prepaid insurance of $26,000 minus trade and other payables of $9,000.
<table><tr><td><u>Estimated Funds Available</u>: The estimated funds available to the Company in the next 12 months are as follows:</td><td>Amount</td></tr><tr><td>Working Capital as at November 30, 2019</td><td>$3,180,000</td></tr><tr><td>Total</td><td>$3,180,000</td></tr></table></td></tr>
</table>

	Use of Available Funds: The intended uses of the estimated available funds are as follows:

Principal Purpose	Estimated Cost ($)
Listing on the CSE	15,000
General and administrative expenses (see table below for a detailed breakdown of these expenses)	1,149,340
Investments	2,000,000
Unallocated	15,660
Total	3,180,000

General and Administrative Expenses	**Monthly Amount ($)**	**Annual Amount ($)**
Executive director fees	20,000	240,000
Non-executive directors fees	15,000	180,000
FGA director's fees	5,000	60,000
CFO, corporate secretary fees	6,458	77,500
Annual filing fees	520	6,240
Audit fees	3,333	40,000
CSE monthly listing fees	800	9,600
Consulting fees to a director	7,500	90,000
Arms length consulting fees	3,000	30,000
Legal fees	4,147	50,000
Office, insurance and miscellaneous	10,000	120,000
Travel	20,000	240,000
Total	100,778	1,149,340

The actual amount that the Company spends in connection with each intended use of funds may vary significantly from the amounts specified above, and will depend on a number of factors including those listed under the heading "Risk Factors. For example, payments regarding liabilities incurred outside of Australia, the amount set out above may vary depending on fluctuations in currency rates. As a specific example, the monthly fee due to the CSE is CDN$650. The monthly figure for this amount set out in the table above is AUD$800.

For a more detailed discussion on the Company's available funds, see "*Description of the Business*" and "*Use of Available Funds*".

Summary Financial Information of the Company	The Company's fiscal year end is June 30. The following is a summary of the financial data of the Company for the three months ended September 30, 2019 and 2018 and the financial years ended June 30, 2019, 2018 and 2017. The summary should be read in conjunction with such statements and related notes and MD&A and the financial operations of the Company for the three months ended September 30, 2019 and September 30 2018 attached as Schedule "A" and "B" to this Prospectus and the financial statements and MD&A for the two years ended June 30, 2019 and 2018 that are attached as Schedules "C" and "D" to this Prospectus. See "*Selected Financial Information and "Management's Discussion and Analysis*".

Statement of Operations	Interim 3 month September 30, 2019 (unaudited) ($)	Fiscal Year Ended June 30, 2019 (audited) ($)	Fiscal Year Ended June 30, 2018 (audited) $ ($)	Fiscal Year Ended June 30, 2017 (audited) ($)
Revenue	605,537	452,779	785,184	(98,596)
Expense	(352,419)	(4,993,315)	(1,608,274)	(773,793)
Discontinued operations		1,150,444		
Net income (loss)	253,118	(3,390,092)	(823,090)	(872,389)
Net income (loss) per Ordinary Share	0.016	(0.219)	(0.076)	(0.106)
Weighted average number of Ordinary Shares outstanding*	1,555,959,281	1,555,959,281	1,076,146,301	846,768,511
Balance Sheet				
Total assets	9,042,969	8,769,142	11,762,313	2,120,269
Short term liabilities	(137,734)	149,070	112,149	78,567
Long term liabilities	0	0	0	0
Shareholder's equity	8,910,235	8,620,072	11,650,164	2,041,693
Cash dividends declared per Ordinary Share	0	0	0	0
*The Ordinary Shares were consolidated on December 2, 2019 on the basis of one new Ordinary Share for 20 old Ordinary Shares. See "Consolidated Capitalization"				

Business Objectives	Based on the estimated funds that the Company believes will be available to it over the next 12 months, the Company plans to achieve the business objectives set out below.	
Business Objectives	*Estimated Time*	*Estimated Cost ($)*
Obtain a listing of the Ordinary Shares on the CSE	One month from the date of issue of a Receipt by the BCSC for the Company's Final Prospectus.	15,000
New Investments.	Over the next 12 months	2,000,000

Listing	The Company has applied to list its Ordinary Shares on the CSE. Listing will be subject to the Company's fulfilling all of the listing requirements of the CSE, including, without limitation, the distribution of the Ordinary Shares to a minimum number of public shareholders and the Company meeting the minimum listing requirements.
Risk Factors	Investment in the Company involves a substantial degree of risk and must be regarded as highly speculative due to the nature of the Company's business and its present stage of development. Prospective investors should carefully consider, in addition to matters set forth elsewhere in this Prospectus, the risks described under "Risk Factors", which are summarized below. • the value of the Company's investments depends on the skill and expertise of the management of the Company and their ability to see trends in advance and act. • liquidity risk: the Company may be unable to sell its investments at a fair price when it wishes. • the value of the investments may not keep up with the rate of inflation • Cybersecurity is a significant risk to investments in cryptocurrencies and digital assets. •the Company may experience an inability to attract or retain qualified personnel. • subsequent issues of Ordinary Shares by the Company will dilute your shareholdings. • future sales of Ordinary Shares by existing shareholders could cause the share price to fall. • there can be no assurance that the Company's business and investments strategy will enable it to sustain profitability in future periods. •legal proceedings may arise from time to time in the course of the Company's business. • the Company may experience significant fluctuations in its quarterly and annual results of operations for a

	variety of reasons, some of which are outside of the Company's control. •the Company may be subject to potential conflicts of interest. • the Company's projects may be adversely affected by risks outside the control of the Company. • subsequent to de-listing from the ASX, there can be no guarantee that an active and liquid trading market will develop or be maintained, the failure of which may have a material adverse effect on the value of the Ordinary Shares and the ability of an investor to dispose of the Ordinary Shares in a timely manner, or at all. • there can be no assurance that the price of the Ordinary Shares will not decrease after listing on the CSE. • as a reporting Company, the Company will be subject to reporting requirements under applicable securities law and stock exchange policies, which may divert management's attention. This information is presented as of the date of this Prospectus and is subject to change, completion, or amendment without notice. See "*Description of the Business*", "*Directors and Executive Officers – Conflicts of Interest*", "*Available Funds*" and "*Risk Factors*". **An investment in the Ordinary Shares is suitable for only those investors who are willing to risk a loss of their entire investment and who can afford to lose their entire investment. Investors should consult their own professional advisors to assess the income tax, legal and other aspects of an investment in the Ordinary Shares. See *"General Description of the Business" and "Risk Factors".***

GLOSSARY

"**AML**" means anti-money laundering.

"**ASIC**" means the "Australian Securities and Investments Commission".

"AUD$" means Australian dollars.

"**Act**" means the Australian Corporations Act 2001 (Cth).

"**ASX**" means the Australian Stock Exchange.

"**Audit Committee"** means the audit committee of the Company in accordance with NI 52-110.

"**Auditors**" means Pitcher Partners, Chartered Accountants.

"**B.C**." means the province of British Columbia.

"**BCSC**" means the British Columbia Securities Commission.

"**Bitcoin**" is a Cryptocurrency allowing bitcoins to be sent from user to user on a peer-to-peer bitcoin network without the need for intermediaries

"**Blockchain**" means a technology that enables distributed public ledgers that hold data in a secure and encrypted way that ensures transactions cannot be altered. Examples are Bitcoin and other cryptocurrencies.

"**Board**" means the Board of Directors of the Corporation.

"**CEO**" means Chief Executive Officer.

"**CDN$**" means Canadian dollars.

"**CFO**" means Chief Financial Officer.

"Company" or "FGF" means First Growth Funds Limited.

"**Cryptocurrency**" means a digital asset designed to work as a medium of exchange to secure financial transactions, control the creation of additional units and verify the transfer of assets. It uses decentralized control through distributed ledger technology, commonly a blockchain, as opposed to centralized digital currency and central banking systems.

"**Cryptocurrency Exchange**" means a business that allows customers to trade Cryptocurrencies or digital currencies for other assets such as conventional money or other digital currencies.

"**CSE**" means the Canadian Securities Exchange.

"**Computershare"** means Computershare Investor Services Ltd., the registrar and transfer agent for the Company.

"**Digital Currency**" means a type of currency available in digital form in contrast to physical such as banknotes and coins. It exhibits properties similar to physical currencies, but can allow for instantaneous transactions and borderless transfer-of-ownership. Examples include virtual currencies, cryptocurrencies, and central bank digital currency. These currencies may be used to buy physical goods and services, but may also be restricted to certain communities such as for use inside an online game. Digital currency is a money balance recorded electronically on a stored-value card or other devices. Another form of electronic money is network money, allowing the transfer of value on computer networks, particularly the Internet. Electronic money is also a claim on a private bank or other financial institution such as bank deposits.

"**Escrow Agent**" means Computershare Investor Services Ltd.

"**Escrow Agreement**" means the Form 46-201 escrow agreement dated December 5, 2019 among the Company, the Escrow Agent and certain shareholders of the Company.

"**Ethereum**" means an open source, public, blockchain-based distributed computing platform and operating system for decentralized applications.

"**Final Prospectus**" means the Prospectus of the Company for which a receipt is issued.

"**Financial Statements**" means the Company's annual audited financial statements and the related notes thereto as at June 30, 2019 and 2018 and the unaudited interim quarterly financial statements and the related notes thereto as at September 30, 2019 and 2018.

"**FGA**" means First Growth Advisory Pty. Ltd., a subsidiary company of the Company.

"**Hardware Wallet**" means a special type of Bitcoin Wallet which stores the user's private keys in a secure hardware device. Their advantage over software wallets is that:

- private keys are often stored in a protected area of a microcontroller, and cannot be transferred out of the device in plaintext
- immune to computer viruses that steal from software wallets
- can be used securely and interactively, private keys never need to touch potentially-vulnerable software
- much of the time, the software is open source, allowing a user to validate the entire operation of the device

"**Hardware Device**" means a physical computing devise that safeguards and manages digital keys for strong authentication and provides cryptocurrency. They can come in the form of a plug-in card or an external device that attaches directly to a computer or network server".

"**ICO**" means an initial coin offering or initial currency offering as atype of funding using cryptocurrencies. In an ICO, a quantity of cryptocurrency is sold in the form of "tokens" ("coins") to investors, in exchange for legal tender or other cryptocurrencies such as Bitcoin or Ethereum. The tokens sold are promoted as future functional units of currency if or when the ICO's funding goal is met and the project launches. In some cases like Ethereum the tokens are required to use the system for its purposes.

"**IFRS**" means International Financial Reporting Standards.

"Listing" means the date that the Ordinary Shares are first listed for trading on the CSE.

"**KYC"** means the process of a business verifying the identity of its clients, assessing their suitability and potential risk of illegal intentions or know your client and part of the process of preventing fraud, money laundering and maintaining the integrity of financial systems. .

"**Listing Date**" means the date of listing.

"**MD&A**" means Management's Discussion and Analysis.

"NEO" means "Named Executive Officer", and has the meaning ascribed by the BCSC in Form 51-102F6, as follows:

(a) a CEO;

(b) a CFO;

(c) each of the three most highly compensated executive officers of the company, including its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6), for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

"NI 52-110" means National Instrument 52-110 Audit Committees.

"NI 58-101" means National Instrument 58-101 Disclosure of Corporate Governance Practices.

"**NP 46-201**" means National Policy 46-201 Escrow for Initial Public Offerings.

"NP 58-201" means National Policy 58-201 Corporate Governance Guidelines.

"**Ordinary Shares**" means the ordinary shares of the Company. See "*Description of the Securities*" for a description of the rights and restrictions attached to the Ordinary Shares.

"**Person**" means a Company or individual.

"**Public Company**" means a company described in the Corporation Act, 2001(Cth) (*Australia*) as a company included in the official list of a prescribed financial market, which includes the ASX.

"**Prospectus**" means this non-offering prospectus dated as of the date on the cover page.

"**Reporting Issuer**" means, inter alia, a company that has issued securities in respect of which a prospectus was filed and a receipt was issued by a securities Commission of a province in Canada, has any securities that have been listed and trading on an exchange in Canada or completed a takeover with a listed issuer.

"**Receipt**" means a receipt issued by the BCSC providing approval to a prospectus.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Trading Platform**" means

"**Tokenetics"** means an end-to-end integrated, blockchain software application that provides a digital, securities platform/, security token platform, built to streamline capital raising from issuance to compliant secondary trading

"**Transfer Agent Agreement**" means the Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated December 5, 2019 between the Company and Computershare Investor Services Inc.

CORPORATE STRUCTURE

Name, address and Incorporation

The Company, First Growth Funds Limited was incorporated on October 14, 1986 under the *Business Corporations Act* (Australia) with Australian incorporation number ("AIN") 006 648 835 with the name Second Board Pacific Limited. It went through several names changes: Greenchip Investment Limited on August 21, 1991, M2M Corporation Limited on January 28, 2000 and on March 29, 2011 the names was changed to the current name, First Growth Funds Limited. Its head office and registered offices are located at Level 14, 440 Collins Street, Melbourne, Victoria, Australia 3000.

Wholly owned Subsidiary companies:

ICO-AN Pty Ltd., incorporated on November 17, 2017 pursuant to the Corporations Act.
First Growth Advisory Pty Ltd., ("FGA") incorporated December 8, 2018 pursuant to the Corporations Act.

The Company also owns 50% of the equity interest in Cryptodata Vault LLC, incorporated in the U.S.

GENERAL DEVELOPMENT OF THE BUSINESS

The Business

The Company invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies involved in Blockchain (but not in connection to cryptocurrency), as well as direct investments in established and liquid cryptocurrency (for example Bitcoin and Ethereum). The Company has about 30% of its investment portfolio in North American companies and plans to continue to invest across all asset classes.

De-Listing from the ASX on December 4, 2019.

The Ordinary Shares of the Company initially listed on the ASX in 1986. On April 4, 2019 the Ordinary Shares were halted from trading by the ASX on the basis that its activities constituted a change to the nature and scope of the Company's investments.

In 2017 and 2018 the Company had invested in Blockchain investments via equity and convertible notes in unlisted entities and pre-initial coin offerings ("ICO" and ICO investments. These investments were made in accordance with a disclosed investment strategy announced on February 28, 2018 and an approved prospectus filed on 1 March, 2018 which stated that only 12% of investments would be in unlisted equities involved in Blockchain and only 20% would be in pre -ICO and ICO investments. The majority of its investments are in unlisted and listed equities and cash holdings.

The Company also disclosed that its investment portfolio is based on current market conditions and the present determination of the board. The board reserves the right to alter the investment strategy and indicative asset allocation at any time without notice. Should any relevant circumstances change, the board will reassess the proposed investment strategy to ensure it is the most appropriate for the Company and its shareholders.

The Company also announced the establishment of an advisory business unit, First Growth Advisory Pty Ltd ("FGA") providing services to listed and unlisted entitles and Digital Assets and Blockchain investments. In December 2018, FGA was incorporated to carry on the advisory business.

On 4 April 2019 the ASX suspended FGF's shares from trading. No reason for the suspension was given by ASX to FGF at the time, however in subsequent discussions and queries the ASX indicated a concern that there has been a significant change to the nature of FGF's activities. Per Chapter 11 of the ASX Listing Rules if an entity proposes to make a significant change to the nature of its activities, it must provide full details to the ASX as soon as possible. Other conditions may then apply, including that ASX can require that the entity obtain the approval of its shareholders for the change, or require the entity to, in effect, re-comply with the admission requirements of the ASX. ASX raised these queries with FGF in several letters and there was a significant amount of information provided by FGF to ASX in response to their queries.

In response to ASX letters in June 2019, the Company acknowledged that is investments in Blockchain had slightly gone over from 12% to 13.4% for the period mid-February until the end of May 2019. FGF responded that, even according to its own categorization, for the months of February, March and April of 2019 year FGF was slightly over the given threshold for one asset class, being blockchain investments (12%). In FGF''s view this was not a material lapse as: (i) the threshold was only exceeded by a very small amount (up to 13.4%, compared to the 12% threshold) and for a very short period of time; and (ii) FGF had been clear from the outset (including in its 28 February 2018 announcement) that its investment Strategy was an *intention*, that FGF would not be constrained by a strict investment mandate, and that the board reserved the right to alter the investment Strategy and indicative asset allocation at any time without notice and (iii) the Company had entered into and disclosed to the market a binding and unconditional agreement for the sale of its interests in LINCD HQ Pty Ltd, an unlisted blockchain investment, in January 2019 which was completed at the end of May 2019 at which point investments in unlisted Blockchain entities dropped back to less than 12% of assets.

Whether FGF's investments have remained within the asset class percentages set out in the Investment Strategy depends on the asset class each investment is allocated to. FGF and the ASX disagree on how certain investments should be categorized, and accordingly which asset class they should be considered part of.

In any event, FGF's view remains that the investment in blockchain of up to 13.4% for a short time would not be sufficient to result in a change in the nature of FGF's activities, particularly when the Company had a binding sale agreement of one its blockchain assets during the same period that adjusted the holding to less than 12%..

In June the ASX advised the Company that in its view that there has been a significant change in the nature of FGF's activities, specifically that FGF's main undertaking has become "investments in, and providing advisory services to, entities engaged in ICOs and pre-ICOs, cryptocurrency, and blockchain-related technologies", and that this constitutes a significant change in the character of FGF's main undertaking from its previous undertaking of "investing in different assets and classes."

Over several months the Company was unable to resolve the ASX issues. Additionally, whilst FGF was suspended, on 1 August, 2019 ASX made an announcement of new policy changes relating to listing companies engaged in blockchain and digital assets including Listing rule 11.1 In many cases, a proposal by a listed entity to engage in cryptocurrency-related activities will involve a significant change in the nature or scale of the entity's activities and therefore need to be notified to ASX under listing rule 11.1.

In October 2019, the directors of the Company determined that it was unlikely to reach a resolution with the ASX in the shorter term and, in order to reinstate liquidity for shareholders, the Board resolved to seek FGF's removal from the Official List of the ASX and pursue listing on the CSE. At a Shareholder meeting on November 27, 2019 a special resolution (requiring 75% approval) was approved by Shareholders present in person or by proxy a the meeting representing 96% of the Ordinary Shares represented at the meeting. De-listing took place on December 4, 2019.

Bankruptcy, Receivership, Receiverships, Restructuring

There have not been any bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings, material restructuring transactions by the Company or any of its subsidiaries, any within the two most recently completed financial years.

Social, Environmental Polices, Seasonal Issues

There are no social and environmental policies or seasonal and environmental issues that have or are expected to affect the Company and its business.

Material Restructurings

There have not been any material restructuring of the Company in the last three years.

Acquisitions
In 2018 the Company became a founding member and 50% owner of Cryptodata Vault LLC., an engineering company working on the development of a hardware wallet used to store Digital Currencies.

In 2018 the Company acquired 100% of LINCD HQ Pty Ltd, a software company providing enterprise blockchain solutions (no-cryptocurrency). LINCD HQ was sold to Harris Technology Limited in 2019. It also has investments in a variety of companies. See "*Description of the Business"*

Trends
As an investment company, the Company is subject to the cycles of the financial markets as they relate to companies in which the Company invests. Current global financial and economic conditions can be unpredictable. Many industries are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk; devaluations and high volatility in global equity, commodity, foreign exchange and monetary markets and a lack of market liquidity. Such factors may impact the Company's investment decisions. Additionally, global economic conditions may cause a long-term decrease in asset values. If such global volatility and market turmoil continue, the Company's operations and financial condition could be adversely impacted. See "Risk Factors".

DESCRIPTION OF THE BUSINESS

Overview
The Company invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies. Some are involved in Blockchain (but not in connection to cryptocurrency) as well as direct investments in established and liquid cryptocurrency (for example Bitcoin and Ethereum). The majority of its investments have no direct association with Blockchain and Cryptocurrencies.

As an investment company, the Company seeks to have a variety of different investments across a diverse portfolio of assets and the investments held by the Company at any time may vary widely. The Company's investment mandate is to invest across a broad range of asset classes, industries, and stages in the investment cycle. The types of investments that the Company may make include (but are not limited to) are unlisted and listed securities, rights convertible into securities, debt instruments, and Cryptocurrencies and Digital Assets. The Company does not intend to limit its investments to any one sector, with some of the key investment criteria being whether or not the investment presented is of a suitable scale, strategy, line of sight to liquidity, opportunities to add value, and quality that it is likely to achieve a significant increase in value for the shareholders of the Company.

Three Year Operating History
In the past three years the Company has invested in a wide variety of listed and unlisted companies. The discussion below is of some of the investments over the past three years and is not an exhaustive list of all investments, some of which have been sold.

Current Asset Allocation
The table below is an overview of the current portfolio allocation of the Company as at November 30, 2019 (unaudited).

Asset Type	Amount ($)	%
Cash	3,125,000	37.3
Loans receivables	237,766	2.8
Listed equities	1,432,215	17.1
Unlisted equities	2,484,163	29.7
Unlisted entities –Blockchain	456,826	5.5
Digital currency	638,252	7.6
Total cost	8,373,819	100

Material Agreement - SLM Corporate Pty Ltd. (“SLM”)

SLM, established in 1999, based in Melbourne, Australia, operates as a corporate advisory firm, specializing in providing financial and strategic advice to clients. SLM holds a Australian Financial Services License #AFSL 224034 (“AFSL”), issued by the Australian Government. It is authorized to advise wholesale clients regarding interests in managed investment schemes (excluding investor directed portfolio services) and securities. It provides: (a) general financial product advice, (b) deals in financial products by issuing, applying for, acquiring or disposing of financial products, and (c) applies for, acquires, varies or disposes of financial products.

Pursuant to the SLM Agreement dated December 31 2018, the Company was appointed a corporate authorized representative (“*CAR*”) under SLM’s AFSL allowing the Company to engage in corporate advisory and equity capital markets, and advisory activities that fall under SLM’s AFSL. Initially the activities would be limited to the promotion and distribution of equity/debt/convertible note offerings to wholesale investors. The Company considers this to be a material agreement as it provides the Company with the AFSL.

SLM will review all investor marketing materials, review source materials, receive updates on and attend all investor meetings, ensure all investors are wholesale investors or sophisticated investors as defined in the Corporations Act, ensure compliance by the Company with all SLM and AFSL and associated compliance requirements and develop a training program. All of the Company’s directors and officers who operate under the license are required to participate in SLM’s compliance programs and monthly meetings. Anoosh Manzoori, the CEO is responsible for the Company’s compliance with the SML programs and attends the meetings. SLM invoices the Company $3,000 a month plus taxes.

1. License Agreements

2.1 Tripoint Dealer Selling Agreement: Pursuant to this agreement dated February 11, 2019 between the Company and Tripoint, the Company became a dealer (“Dealer”). Shares of offering companies (“Shares”) are sold solely through broker-dealers who are members of the U.S. Financial Industry Regulatory Authority (“FINRA”) or who are licensed in their jurisdiction. Tripoint is licensed. The Company is to use its best efforts to sell the Shares to qualified investors. The Company can sell must comply with all requirements of the U.S. Securities Act of 1933 as amended and the Exchange Act of 1934. The Company is not required to obtain a license from FINRA. It can operate under the license granted to Tripoint. The Company will receive commissions from the offering companies at rates to be set from time to time.

2.2 Horizon Globex GmbH: This company has developed an end-to-end suite of blockchain technology and is distributing a tokenetics (“Tokenetics”)(1) branded security token primary offering and secondary offering token trading platform called the Trading Platform (“*Trading Platform”)* for registered and exempt offerings of digital securities that are fully compliant and operate under financial services agreements. Pursuant to a license effective February 5, 2019 the Company was granted an exclusive, non-transferable license of the Trading Platform together with a smartphone mobile user application for the territory of Australia and New Zealand for an indefinite term. The Company was further authorized as an exclusive reseller of the Trading Platform for the territory.

Activation Fee: The Company paid a one-time activation fee of U.S. $100,000 which includes:

(i) branding of one Trading Platform for the Company,
(ii) initial configuration of the Trading Platform hosted on the Microsoft Azure Cloud,
(iii) supply, publication and liaison with App Store reviewers for one branded Trading Platform App for Android and iOS including the creation and management of the Apple App Store and Google Play Store publication accounts,
(iv) iOS is a mobile operating system created and developed by Apple Inc. exclusively for is hardware which presently powers many of Apple Inc.’s mobile devices),
(iv) integration of a portal for KYC+AML API checks (security verification) for on-boarding App users.

Additional Fees: Horizon Globex receives the following fees:

(A) Execution Fees
(i) Buy: 0.75% of the value (token price multiplied by number of tokens) for each fill/partial-fill buy execution on Trading Platform
(ii) Sell: 0.75% of the value (token price multiplied by number of tokens) for each fill/partial-fill sell execution on Trading Platform.

(B) Trading Platform Reseller License Fees

(i) One time activation fee of U.S. $150,000 for each sub-license of the Trading Platform. A sub-licensee will received the services described above in the heading above called "Activation Fee").
(ii) Execution fees of:
(i) Buy: 1.00% of the value (token price multiplied by number of tokens) for each fill/partial-fill buy execution on the Trading Platform
(ii) ii. Sell: 1.00% of the value (token price multiplied by number of tokens) for each fill/partial-fill sell execution on the Trading Platform

Company Fees:

(a) The Company will receive a commission of U.S $50,000 from Horizon Globex for each *Trading Platform* sub-licensed in the *Licensed Territory*.

(b) The Company will receive a reseller commission of 0.25% for each fill/partial-fill buy execution and 0.25% for each fill/partial-fill sell execution on each customer Trading Platform delivered in the Licensed Territory.

(c) The Company has the right to set its own Buy and Sell Execution Fees.

There have not been any reseller licenses or sub-licenses.

2. Investment in Listed Equities

The Company holds an active portfolio of listed equities across various industries including technology, medical, mining and oil and gas sectors. The Company activity manages and adjusts the portfolio on a monthly basis.

The Company invests by participating in placements by equity or convertible notes or prior to their IPO. The Company can invest in any capital market but historically has been focused on the Australian market via the ASX. In some the Company helps facilitate the investment and earns fees. Some examples include:

The Company invested $250,000 in CCP Technologies Limited (ASX:CT1) and facilitated a further investment of $561,247. Anoosh Manzoori, the CEO of the Company is an independent, non-executive director of CTI.

YPB Systems Limited (ASX:YPB): YPB has developed an anti-counterfeit platform and solution. YPB raised $1.6M in equity and a further $1.5M convertible note. The Company led the convertible note investment with a $500,000 investment. The Company received a finder's fee of 6%, $90,000 for the convertible note placement. The $500,000 convertible note provides the Company with 10% interest income on a 3-year term and at expire can be redeemed or converted to YPB shares.

The Company invested $250,000 in the IPO of Kleos Space Limited (ASX:KSS), which successfully raised $11million and listed on the ASX on July 27, 2018. KSS has developed a system of shoe-box sized satellites that give governments and corporations the ability to track geolocation data. The Company was paid a 5% finder's fee on its investment. The Company is no longer a shareholder in Kleos Space.

3. Investment in Unlisted Equities

The Company invests in unlisted equities and also helps facilitate investment from other Australian sophisticated and accredited investors, defined under the regulations to the Act, as an investor who has a gross annual income of $250,000 or more in each of the prior two years or net assets of $2.5 million ("Australian Sophisticated Investor"). Although the Company can invest in any industry it has historically invested in technology companies that own intellectual property and have the opportunity for large-scale deployments. Some successful investments that led to exits include:

Pearl Global: The Company invested $700,000 in Pearl Global (ASX:PG1) which subsequently listed on the ASX in February 2018. PG1 has developed a portable solution that can be transported to any remote location for recycling tires. This is particularly useful for the mining sector that holds a large inventory of tires with prohibitive costs of transporting these to recycling plants. The Company is no longer a shareholder in Pearl Global.

Sqid Technologies Limited ("SQID"). The Company acquired 15% of the Ordinary Shares of SQID in 2019. SQID is a successful payment gateway processor. For its fiscal year ended June 30, 2019 it processed 794,000 transactions with a value of $163,000,000. SQID has filed a preliminary non-offering prospectus in the province of British Columbia as a prerequisite to listing on the CSE.

Helbiz Inc. ("Helbiz"): It 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 scooters to maximize vehicle life, minimize operational costs and potentially improve safety. Helbiz utilizes a customized 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.

The Company's arms-length investment was a 10% convertible note ("Note") for the amount of U.S $150,000 with interest at the rate of 10% maturing December 31, 2020. The Company has a warrant to purchase 15 shares at a price of U.S. $2,500 each. The Note will be either (i) paid back on maturity, or (ii) automatically converted at a 30% discount to the price per share at which equity securities are sold in an IPO. In addition, the warrants will be priced at a 30% discount to the price per share at which equity securities are sold in an IPO.

Cryptodata Vault LLC. ("Cryptodata"): The Company is a 50% owner of Cryptodata, a hardware wallet used to store Digital Currencies. Cryptodata has built a hardware wallet for a fully compliant, secure and geo-fenced patent pending solution for storing digital currencies. It has built a utility Token, the SOV utility Token and a Sovereign Cash digital asset transaction book. It has issued 4.3 billion Sovereign Cash Tokens. The Sovereign Cash Tokens are listed on a digital currency exchange, BTCEXA. The Company paid U.S. $250,000 for initial development expenses. The Company received 15.56% of the Initial Tokens. The Company will also receive a commission of 6% on the sale of Cryptodata Tokens.

3. Unlisted Equities (Blockchain Related)

The Company invests in unlisted equities that are Blockchain related and may also help facilitate investment from other Australian sophisticated investors and accredited investors. In late 2018, the Company acquired 100% of LINCD HQ Pty Ltd, a Blockchain software company, and in early 2019 sold it to Harris Technologies Limited ("Harris") (ASX:HT8) in consideration of 3,000,000 shares (still held) and 40,055,334 options to acquire Harris Shares.

4. Cryptocurrency and Digital Assets

In the fiscal year ended June 30, 2019 the Company underwent a restructuring of its crypto and Digital Assets investment portfolio by terminating a number of partnerships that no longer align with its goals and wrote off a number of its early stage crypto investments. As part of the restructure, the Company decided to no longer invest in early stage Cryptocurrency and ICO opportunities until the market matures.

The Company will focus on more established investments and to allocate all future Cryptocurrency investments to arms-length established, listed and liquid Cryptocurrency assets. Examples include Bitcoin and Ethereum that have large liquidity and well established Blockchain protocols.

The Company has established a security and governance process for managing Digital Assets. All Cryptocurrencies are stored on secure Hardware Wallets held inside Australian bank vaults. Additionally, two Hardware Wallets, stored in two different Australian States (Victoria and South Australia), are used to store each type of Cryptocurrency for added security and redundancy.

The Hardware Wallets are not connected to the internet and have the appropriate encryption and security measures built into the devices. For receiving and selling Cryptocurrencies, the Directors follow a process of obtaining authorisation from the board and from the Australian banks to gain access to the vaults. To undertake a transaction an authorized Director must physically conduct the buy or sell orders inside the bank vaults.

5. Advisory Services

The Company incorporated FGA in 2018, to provide advisory services to complement its investment returns with fee revenue. These services include general corporate advisory, pre IPO and strategic advice and capital raising and equity placement service. FGA appointed to its board of directors, two executives in the city of New York, New York, U.S., Jeff Pulver and James Haft, who have extensive investment experience across all asset classes. They each receive director's fees of $30,000 annually. See "*Use of Funds - General and Administrative Expenses*". The Company expects to increase its advisory services for the fiscal year ended June 30, 2020 particularly in the United States where it can operate under its agreement with Tripoint. FGA charges a success or finder's fee up to 8% on small cap equity placements and capital raising from Sophisticated Investors.

As part of the Company restructuring, it will not provide any advisory services in connection with ICOs, listings of Cryptocurrencies or the development or marketing of Cryptocurrencies.

The Company invoiced SQID $45,545.54 for advisory services provided from December 2018 to October 2019 and was issued 151,515 Ordinary Shares of Sqid in full payment.

6. Loans

7.1 Australian Nutrition & Sports Ltd. ("Australian Nutrition").
All of this company's products are Australian-made including Nutrition/Fitness Products plus Infant and Adult Milk Formulas. The Company provided a loan of $223,984 with 1% interest per month. Interest is calculated monthly on daily balances and for the actual number of days elapsed from and including the first day of Loan amount received, but excluding, the last day of the date of prepayment or repayment of the Loan borrowed by the Company under this Agreement. The loan was not repaid on October 15, 2019. The Company is in discussion with Australian Network on a repayment plan.

Peloton Capital Pty Ltd is co promoting Australian Nutrition. Geoff Barnes is the CEO and a shareholder of Peloton Capital. Mr Barnes has underwritten the loan and personally guaranteed repayment of it to the Company.

7.2 Cloud Lumen Pty Ltd. ("Cloud Lumen")
Cloud Lumen is an Australian registered company involved in the IOT and smart sensor technology for managing large scale lights for more effective energy management. The Company invested $350,000 via a convertible note and $250,000 for the purchase of 1,562,500 Cloud Lumen Shares. The note bears interest at the rate of a $75,000 fixed fee payable on repayment of the Convertible note. As at 30 June 2019, for accounting and statutory reporting purposes, this investment was fully impaired.

New Investments in 2020

It is difficult to give a detailed breakdown of each asset class as the Company does not yet have any targeted investments and investment decisions will be made after listing on the CSE. As a guide if we use our historical investments we plan to allocate over 50% in listed equities and up to 50% in unlisted equities (includes blockchain and digital assets). However circumstances and unforeseeable events may alter this allocation.

In addition the Company will use 32% of its portfolio as a guide to investments in Digital Assets and Blockchain entities. The board may adjust this figure over time. If one of the digital assets or blockchain companies valuation rises too high that skews the portfolio we will use its best efforts to find liquidity and adjust the portfolio accordingly.

The budget for these investments is $2,000,000. See "*Use of Funds*".

Listed Equities: These will include a mix of on market investments and participation in placements. We will invest in Canada, US and Australia and are open to London market.

Unlisted Equities: These will include investments that are typically pre IPO. Perl Global (now listed on ASX) and SQID Technologies Limited which has filed a prospectus in British Columbia as a prerequisite to listing on CSE are two examples. Helbiz is projected to list on NASDAQ in 2020. Cloud Lumen is being sold via a trade sale. See 7.2 above.

Unlisted Equities Blockchain: Examples of the type of planned future investments is LINCD (which was sold to listed Harris Technology) (see Item 4 above) and Globex (see item 2.2 above). We will continue to look for these types of investments with a focus on companies that are building core infrastructure and software in blockchain technology. Our strategy is similar to Unlisted Equities where we are looking for short to medium term transaction to either trade sale or divest after an IPO and listing on an exchange.

Digital Assets: This is the least of our focus but we will accumulate some highly liquid and large cap digital assets. We are monitoring the market closely as the market evolves.

Risks
Below are some of the risks facing the Company. See the section entitled "Risks" for a full discussion of all risks.

Risk Management
Any start-up or established business must continuously manage the risks by recognizing and mitigating the ambiguities and risks both in internal and external business environments that surround a company. The Company's management team manages risks proactively. Here are some of the risks that the Company faces:

Investment, Liquidity Risks
The market price of the Company's investments may fluctuate and there is a risk of a loss because of a drop in the market price. There is a liquidity risk as the Company may be unable to sell its investments and obtain a fair price when it wishes. The value of the investments may not keep up with the rate of inflation. The value of the Company's investments depends on the skill and expertise of the management of the Company and their ability to see trends in advance and act.

Technology Risk
A substantial portion of the Company's investments are dependent upon advanced technologies, which are susceptible to rapid technological change. There can be no assurance that the Company's investments will not be seriously affected by, or become obsolete because of, such technological changes. There can be no assurance that the entities in which the Company has invested can respond in a timely manner so that its response will be adequate to successfully overcome the technological change. This depends on the efficient and uninterrupted operation of their core technologies, which include specialised and proprietary software systems, IT infrastructure and back-end data processing systems. They could be exposed to damage or interruption from systems failures, computer viruses, cyber-attacks or other events. Any systemic failure or sustained disruption to their operation and technology could severely damage their business and reputation and directly impact the value of the Company's various investments.

Competitive Risks
There are many well established companies with considerably more finances already providing advice to both listed and unlisted companies.

Cybersecurity Risk
Cybersecurity is a significant risk Digital Assets and Cryptocurrencies. The Company must rely on the companies in which they have invested to respond to Cybersecurity Risks. See "Risk Factors".

Fraud and Money-Laundering
FGF aims to invest only in established cryptocurrencies and it will trade these on established and regulated cryptocurrency exchanges such as US based and licensed CoinBase and rely on their efforts to prevent fraud and money laundering

Legal and Regulatory Risks
Some of the possible legal or regulatory issues are continuous reporting requirements by the Regulatory Authorities and Exchange, tax complications, user and privacy policy, customer complaints, etc. The Company has retained professional advisors with the requisite experience to deal with these matters and will consult with them to keep it informed of possible complications before they arise.

USE OF AVAILABLE FUNDS

Available Funds and Principal Purposes

This is a non-offering Prospectus. The Company is not raising any funds in conjunction with this Prospectus, and accordingly there are no distributions of securities or resulting offering proceeds.

As of November 30, 2019, the Company had approximately $3,180,000 in working capital. Working capital includes $3,125,000 cash, trade receivables of $38,000 and prepaid insurance of $26,000 minus trade and other payables of $9,000.

Estimated Funds Available: The estimated funds available to the Company in the next 12 months are as follows:

Source of Estimated Funds Available	**Amount ($)**
Working Capital as at November 30, 2019	3,180,000
Total	3,180,000

1. Use of Funds

The intended uses of the estimated available funds re as following:

Principal Purpose	**Amount ($)**
Listing on the CSE	15,000
General and administrative expenses (1)	1,149,340
New Investments See "*General Description of Business*"	2,000,000
Unallocated Working Capital	15,660
Total	3,180,000

(1) General and Administrative Expenses	Monthly Amount ($)	Annual Amount ($)
Executive director fees (1)	20,000	240,000
Non-executive directors fees (2)	15,000	180,000
FGA directors fees (3)	5,000	6,000
CFO, corporate secretary fees	6,458	77,500
Annual filing fees	520	6,240

Audit fees	3,333	40,000
Consulting fees to a director (4)	7,500	90,000
CSE monthly listing fees	800	9,600
Consulting Fees (5)	3,000	36,000
Legal fees	4,147	50,000
Office, insurance and miscellaneous	10,000	10,000
Travel	20,000	240,000
Total	95,778	1,149,340

(1) Anoosh Manzoori, the CEO of the Company is paid $240,000 a year pursuant to his employment contract. See "*Directors and Executive Officers*" and "*Executive Compensation*" for details.

(2) The three non executive directors, Athan Lekkas, Geoff Barnes and Michael Clarke are each paid directors fees of $60,000 a year. See "Executive Compensation – Non executive director's compensation table".

(3) Two directors of FGF, Jeff Pulver and James Hall each receive director's fees of $30,000. See "Description of the Business – Advisory Services".

(4) A private company controlled by Athan Lekkas has a consulting agreement with the Company. See "Executive Compensation – Non Executive Directors Compensation".

(5) SLM is paid this fee for the provision of its AFSL license. See "*Description of the Business – Material Agreement SLM.*

The actual amount that the Company spends in connection with each intended use of funds may vary significantly from the amounts specified above, and will depend on a number of factors including those listed under the heading "Risk Factors. For example, payments regarding liabilities incurred outside of Australia, the amount set out above may vary depending on fluctuations in currency rates. As a specific example, the monthly fee due to the CSE is CDN$650. The monthly figure for this amount set out in the table above is AUD$800.

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives. The actual use of available funds will vary depending on the Company's operating and capital needs from time to time and will be subject to the discretion of the management of the Company.

Business Objectives and Milestones

The Company's business objective is to list on the CSE. The cost of covering administrative costs for the first 12 months following listing is estimated at $1,149,340.

Event	Time Frame	$
Listing on the CSE	Fifteen business days after receipt of a receipt for the Company's final Prospectus.	15,000
New Investments	Continuously for 12 months	200,000

The Board may, in its discretion, approve asset or corporate acquisitions or investments based upon the Board's consideration of the qualitative aspects of the subject acquisitions, including risk profile, technical upside, asset quality and other factors. Such acquisitions may require shareholder or regulatory approval. See "*General Description of the Business*".

The Company intends to spend a significant portion of the funds available to it according to the "Use of Funds" as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary.

Risk Factors

There are certain risk associated with the business of the Company and with an investment in its securities including the following: future fluctuations in the Company's quarterly results of operations, limited market for the Company's securities, future dilution to existing and future shareholders, no history of paying dividends, competition, failure to address competitive challenges adequately; the Company's investment philosophy resulting in positive financial results, conflicts of interest; litigation; changes in laws; insurance coverage; market acceptance; acquisitions; and potential delay or future impairment. The risks and uncertainties described above are those the Company currently believes to be material, but they are not the only ones faced by the Company. There may be risks that the Company currently considers not to be material or of which the Company is not aware, that may become material risks which could materially and adversely impact the Company's operations. See "*Risk Factors*" for a full description of the risk factors affecting the Company.

DIVIDEND RECORD AND POLICY

The Company has not declared any dividends or made any distributions since incorporation. The Board may declare dividends at its discretion but does not anticipate paying dividends in the near future. While there are no restrictions in the Company's *Constitution* or pursuant to any agreement or understanding which could prevent the Company from paying dividends or distributions, the Company anticipates using all available cash resources to fund working capital and grow its business. As such, the Company has no plans to pay dividends in the foreseeable future. Any decisions to pay dividends in cash or otherwise in the future will be made by the Board of Directors on the basis of the Company's earnings, financial requirements and other conditions existing at the time a determination is made

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The MD&A for the three months ended September 30, 2019 and September 30, 2018 is disclosed in Schedule "A" attached to and forming part of this Prospectus.

The MD&A for the two years ended June 30, 2019 and June 30, 2018 is disclosed in Schedule "D" attached to and forming part of this Prospectus.

DESCRIPTION OF THE SECURITIES

Authorized and Issued Share Capital

Companies incorporated under the Australian Corporations Act 2001 (Cth) do not have an authorized capital and Ordinary Shares issued pursuant to the Corporations Act 2001 (Cth) do not have a par value. The issued capital of the Company as at June 30, 2019 was 1,555,959,281Ordinary Shares. On December 2, 2019 the Ordinary Shares were consolidated on the basis of one new Ordinary Share for twenty old Ordinary Shares. As of the date of this Prospectus, the issued capital is 77,798,218. See "Consolidated Capitalization".

The Company approved a new Constitution on November 27, 2019. The Constitution governs the rights and restrictions of the Ordinary Shares. All of the Ordinary Shares of the Company rank equally as to voting rights, participation in a distribution of the assets of the Company on the liquidation, dissolution or winding-up of the Company and the entitlement to dividends. The holders of the Ordinary Shares are entitled to receive notice of all meetings of shareholders and to attend and vote such Ordinary Shares at the meetings. Each Ordinary Share carries with it the right to one vote. The Ordinary Shares do not have pre-emptive rights, are not subject to redemption, have no sinking or purchase fund provisions, have no provisions restricting the issuance of additional securities or any other material restrictions, nor a requirement to contribute additional capital. Holders of the Ordinary Shares are entitled to receive such dividends as may be declared by the Board of Directors out of funds legally available. In the event of dissolution or winding up of the affairs of the Company and payment of all liabilities, surplus assets shall be paid first in repayment of paid up capital and the balance then remaining shall be distributed among the ordinary Members.

Listing of the Ordinary Shares is subject to the Company fulfilling all of the listing requirements of the CSE.

PRIOR SALES

In the past 12 months the Company has not issued any securities.

Trading Price and Volume

The Company was listed on the ASX until December 4, 2019. The Ordinary Shares were halted from trading on April 4, 2019. The following table sets the price range and trading volume of the Shares for the 12 months prior to the halt trade, as reported by the ASX.

Month, Year	High ($)	Low ($)	Close ($)	Volume	Aggregate Value ($)
April 2018	0.019	0.012	0.017	233,052,726	3,736,141
May 2918	0.017	0.01	0.011	202,473,845	2,620,400
June 2018	0.013	0.008	0.008	232,318,669	2,380,051
July 2018	0.014	0.008	0.01	255,596,912	2,658,772
August 2018	0.016	0.008	0.015	432,892,392	5,482,863
September 2018	0.021	0.014	0.017	333,659,778	5,734,672
October 2018	0.017	0.012	0.013	106,307,957	1,532,048
November 2018	0.014	0.01	0.01	53,852,706	617,305
December 2018	0.01	0.007	.008	32,909,427	272,943
January 2019	0.009	0.006	0.006	107,646,491	732,898
February 2019	0.009	0.006	0.007	56,470,119	423,521
March 2019	0.008	0.006	0.006	44,238,347	327,944
April 2019	0.01	0.007	0.009	56,043,493	472,937

CONSOLIDATED CAPITALIZATION

The following table sets forth the share and loan capital of the Company as at the dates below. The table should be read in conjunction with and is qualified in its entirety by the Company's unaudited quarterly financial statement ended September 30, 2019 and the accompanying MD&A attached to this Prospectus as Schedules "A" and "B" and the audited financial statements for the years ended June 30, 2019 and June 30, 2018 and the accompanying MD&A for those two years attached to this Prospectus as Schedules "C" and "D". The Ordinary Shares were consolidated on the basis of one new Ordinary Share for twenty old Ordinary Shares on December 2, 2019

Description	Amount Authorized at the date of this Prospectus	Outstanding as at the date of this Prospectus (unaudited)	Outstanding as at September 30, 2019 (unaudited)	Outstanding as at June 30, 2019 (audited)
Ordinary Shares	Not limited	77,798,218	1,555,959, 821	1,555,959, 821

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES

Stock Options: On December 12, 2017 the Company authorized the grant of 10,000,000 Stock Options to Anoosh Manzoori a price of $0.03 per Ordinary Share. The Stock Options were approved by the Shareholders at a meeting on February 28, 2018 and were granted on March 1, 2018. The Options expire March 31, 2020. As a result of the Consolidation of the Ordinary Shares on December 2, 2019, the Stock Options were consolidated to 500,000.

Optionee	Number of Shares under Option	Exercise Price
Executive Officers as a group (1 person)	500,000	$0.60
Directors who are not Executive Officers (2 persons) (2)	0	
All other employees as a group	0	
All consultants as a group	0	

The Company does not have a Stock Option Plan

Other Options

These options are issued as part of a private placement of shares to arms-length investors.

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

Post Consolidation

Allocation Date	Expiry Date	Ex Price$	Option Class	No. under Option
13 March 2018	12 March 2020	0.60	Unlisted	14,612,907

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

Escrow under NP 46-201

As at the date of this Prospectus, the Ordinary Shares subject to contractual restriction and escrow are as shown in the following table:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Ordinary Shares	12,188,790 (1)	15.67% (2)

(1) These Ordinary Shares are owned by:

- 3,000,000 owned indirectly by Anoosh Manzoori. The registered shareholder is Manzoori Pty Ltd. ATF Manzoori Family Trust which is owned by Monia Manzoori, the wife of Anoosh Manzoori and his children.

- 6,400,000 owned indirectly by Geoff Barnes. The registered shareholders are:
  - (i) GEBA Pty Ltd. ATF GEBA Family Trust as to 5,000,000. It is owned by Geoff Barnes and his former wife, Julie Thornton, and
  - (ii) GXB Pty Ltd. as to 1,400,000. It is owned by Geoff Barnes.

- 2,037,274 owned indirectly by Athan Lekkas. The registered shareholder are:
  - (i) Dalext Pty Ltd. ATF Dalext Unit A/C as to 1,723,637. It is owned by Athan Lekkas and his wife Lianny Lekkas, and
  - (ii) Dalext Superannuation Fund as to 313,637. It is owned by and his wife Lianny Lekkas

- 751,516 owned indirectly by Michael Clarke. The registered shareholders are:
  - (i) Sparke Enterprises Pty Ltd. ATF Sparke Enterprises Family Trust A/C as to 651,516. It is owned by Michael Clarke and his wife Joanna Clarke and their children.
  - (ii) Sparke Family Super Pty Ltd. ATF Clarke Super Fund A/C as to 100,000. It is owned by Michael Clarke and his wife Joanna Clarke.

(2) Based on 77,798,218 Ordinary Shares issued and outstanding as at the date of this Prospectus.

The 12,188,790
Ordinary Shares are held in escrow by the Company's Transfer Agent, Computershare Investor Services Inc. pursuant to an Escrow Agreement dated December 5, 2019. See "Material Agreements'.

In accordance with National Policy 46-201 Escrow for Initial Public Offerings ("NP 46-201"), all Ordinary Shares of the Company held by a principal of the Company as of the date of this Prospectus are subject to escrow restrictions. A principal who holds securities carrying less than 1% of the voting rights attached to the Company's outstanding securities is not subject to the escrow requirements under NP 46-201. Under the NP 46-201, a "principal" is defined as:

(a) a person or company who acted as a promoter of the Company within two years before the Prospectus;
(b) a director or senior officer of the Company or any of its material operating subsidiaries at the time of the Prospectus;
(c) a 20% holder – a person or company that holds securities carrying more than 20% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's IPO; or
(d) a 10% holder – a person or company that (i) holds securities carrying more than 10% of the voting rights attached to the Company's outstanding securities immediately before and immediately after the Company's IPO and (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Company or any of its material operating subsidiaries.

A principal's spouse and their relatives that live at the same address as the principal will also be treated as principals and any securities of the Company they hold will be subject to escrow requirements. A person who holds less than 1% of the outstanding Ordinary Shares is not required to deposit their Ordinary Shares in escrow.

A Company will be classified for the purposes of escrow as either an "exempt Company", an "established Company" or an "emerging Company" as that term is defined in NP 46-201.

Uniform terms of automatic timed release escrow apply to Principals of exchange listed companies, differing only according to the classification of the Company.

The Company anticipates that on the Listing Date, it will be classified as an "emerging Company".

Assuming there are no changes to the escrow securities initially deposited and no additional escrow securities are deposited, this will result in a 10% release on the listing date (as defined by NP 46-201), with the remaining escrow securities being released in 15% tranches every 6 months thereafter. All escrowed Ordinary Shares are subject to the direction and determination of the CSE. Specifically, escrowed Ordinary Shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the CSE. As such, the following automatic timed releases will apply to the securities held by its Principals:

Date of Automatic Timed Release	**Amount of Escrowed Securities Released**
On the date the Company's securities are listed on the CSE **(**the "Listing Date")	1/10 of the escrowed securities
6 months after the First Release	1/6 of the remaining escrowed securities
12 months after the First Release	1/5 of the remaining escrowed securities
18 months after the First Release	1/4 of the remaining escrowed securities
24 months after the First Release	1/3 of the remaining escrowed securities
30 months after the First Release	1/2 of the remaining escrowed securities
36 months after the First Release	The remaining escrowed securities

Pursuant to the terms of the Escrow Agreement, 1,218,879 Ordinary Shares will be released from escrow on the Listing Date. 1,828,318 Ordinary Shares will be released from escrow on each of the subsequent release dates.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the Company's directors and officers, there is no person who beneficially own or exercise, directly or indirectly, control or direction over more than 10% of the votes attached to the Ordinary Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

Name, Position with Company and Province and Country of Residence	Date of Appointment to Office	Principal Occupation for Past Five Years	Ordinary Shares Held as of the Date of this Prospectus	Percent-age of Ordinary Shares Currently Held
Anoosh Manzoori Director, CEO Glen Iris, Victoria, Australia	Director since Dec. 14, 2017 Executive Chairman since Dec.8, 2018 CEO since Dec. 4, 2019	Director and officer of the Company since December 2017. Director of Shape Capital Pty Ltd. an advisory and venture investment firm (which is still active) since December 2013.	3,000,000 held indirectly (3)	3.86%
Geoff Barnes (1)(2) Director Chairman of Board Malabar, New South Wales Australia	Director since May 16, 2014	Director of the Company, Chairman of the Board; founder and director of Peloton Capital Pty. Ltd. ("Peleton") which is a boutique investment bank that is still active.	6,400,00 held indirectly (4)	8.22%
Athan Lekkas (1)(2) Director Fitroy, South Australia, Australia	Director since July 16, 2012	Director of the Company since July 2012.	2,037,274 held indirectly (5)	2.62%
Michael Raymond Clarke (1) (2)) Director Adelaide, South Australia, Australia	Director since May 19, 2014	Since August 6 2019, director of SQID Technologies Limited a payment processor company located in Wacol, Queensland, Australia; from February 2013 to August 2016, director of Malvern Corporation, an investment company located in Adelaide, South Australia, Australia. Both companies are currently active.	751,516 held indirectly (6)	0.97%
Mark Pryn CFO, Corporate Secretary Blackburn North, Victoria, Australia	CFO, Joint Corporate Secretary since Oct. 8, 2019	Since 2009, Principal of Baudin Consulting Pty Ltd, a firm focused on providing governance, financial and regulatory compliance services.	0	0

(1) Member of Audit Committee.

(2) Member of Remuneration Committee

(3) Mr. Manzoori's Ordinary Shares are held by Manzoori Family Trust A/C.

(4) Mr. Barnes's Ordinary Shares are held by GEBA Pty Ltd. ATF GEBA Family Trust as to 5,000,000 and GXB Pty Ltd. as to 1,400,000.
(5) Mr. Lekkas's Ordinary Shares are held by Dalext Pty Ltd. ATF Dalext Unit A/C as to 1,723,637 and by Dalext Superannuation Fund as to 313,637.
(6) Mr. Clarke's Ordinary Shares are held by Sparke Enterprises Pty Ltd. ATF Sparke Enterprises Family Trust A/C as to 651,516 and Sparke Family Super Pty Ltd. ATF Clarke Super Fund A/C as to 100,000.

See "*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*" for the details of the beneficial owners of each of the corporate entities indirectly owning the shares of the directors

The term of office of the directors currently expires every two years at the time of the Company's annual general meeting. Once listed on the CSE, the Company's directors will stand for election annually. The term of the office of the officers expires at the discretion of the Company's directors.

Aggregate Ownership of Securities
The directors and officers of the Company, as a group, currently beneficially own, directly or indirectly, 12,188,790 Ordinary Shares representing 15.67% of the issued and outstanding Ordinary Shares of the Company.

Management Experience

The following is a brief description of the management and key personnel of the Corporation:

Anooshirvan ("Anoosh") Manzoori Age 44 – Director, CEO, Executive Chairman of the Board

Mr. Manzoori received a Bachelor of Science on April 29, 1999 from Monash University located in Melbourne, Australia and a Graduate Diploma of Business Enterprise on May 17, 2000 from Monash University. He is a current member of the Australian Institute of Company directors, since May 2013. He is a registered Expert Network Member of the Australian Governments' Department of Industry, Innovation and Science which supports innovative companies.

Prior business experience: Mr. Manzoori 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.

He 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, SmartyHost, reaching over 75,000 customers before selling the company to MYOB Limited in 2008.

Mr. Manzoori has been a director of two Public Companies:

Name of Reporting Company	Name or Exchange or Market	Position	From	To
CCP Technologies Limited	ASX	Non-Executive Director	December 2016	
YPB Group Limited	ASX	Non-Executive Director	December 2018	June 2019

Pursuant to a letter of appointment dated December 14, 2017, Mr. Manzoori was appointed executive director with director's fees of $90,000 annually and options and Ordinary Shares as follows:

- 10,000,000 stock options with an exercise price of $0.03 per Share for a two year term. The stock options were approved by Shareholders on February 28, 2018 and were granted by the Board on December 2017.
- the issue of 60,000,000 Ordinary Shares at a price of $0.017 per Ordinary Share, provided certain milestones were met as follows:

Timeframe	Shares	Milestones
0-12 months from appointment	15,000,000	Set up an advisory business unit (ABU) within the Company to assist the Company with initial coin offerings (ICOs) and Crypto-Currency offerings. And secure a minimum of 2 strategic partners for the Company that are approved by the board, who will either participate in Company ICOs and/or can provide distribution and access to ICO and crypto-currency investors during an ICO.
0-12 months from appointment	15,000,000	First $2,000,000 consideration from the ABU or any ICO activity received by the Company (**Tranche A**). Consideration includes the cumulative of cash, shares and Crypto-currency.
12-24 months from appointment	15,000,000	Second tranche of $2,000,000 consideration (**Tranche B**) (being a combined total of $4,000,000 with Tranche A) from the ABU or any ICO activity received by the Company. Consideration includes the cumulative of cash, shares and Crypto-currency.
12-24 months from appointment	15,000,000	Third tranche of $2,000,000 consideration (being a combined total of $6,000,000 with Tranche A and Tranche B) from the ABU or any ICO activity received by the Company. Consideration includes the cumulative of cash, Shares and Crypto-Currency.

The milestones were met and the 60,000,000 Ordinary Shares were issued as follows:

Number of Shares	Date	Deemed Issue Price
15,000,000	June 1, 2018	$.011
45,000,000	28 August 2018	$0.008

These Ordinary Shares have been consolidated to 3,000,000. The stock options were consolidated to 500,000. See "Consolidated Share Capital".

The December 20, 2017 letter of appointment was amended on December 6, 2018 providing for the appointment of Mr. Manzoori as executive Chairman of the Board and to increase the fees to $240,000 per annum. The Company signed a consultancy agreement dated December 20, 2017 with Polygon Fund Pty. Ltd., a private company owned by Mr. Manzoori with the following terms:

- an indefinite term
- annual consultancy fees of $240,000 payable in 12 monthly instalments
- additional remuneration to be paid for services outside the scope of the agreement
- reimbursement of expenses
- termination on cessation as a director, on three month's notice and for cause (breach of term of agreement or for insolvency)
- maintain the confidentiality of all confidential information of the Company

He currently has the following outstanding options:

Date of Grant	No. of Options	Exercise Price	Expiry Date
March 2018	500,000	$0.60	March 2020

Mr. Manzoori will devote approximately 80% of his time to the business of the Corporation. He has not signed any non-disclosure or non-competition agreements.

Mark Pryn Age 58 CFO and Joint Corporate Secretary

Mr. Pryn is a Chartered Accountant and since 1986 has been a member of the Chartered Accountants of Australia and New Zealand and its predecessor bodies. Since December 2009, he has also been a member of the Governance Institute, Australia after receiving a diploma in applied Corporate Governance. In May 1984, he received a B.A. Economics from Monash University, Australia.

Prior setting up Baudin Consulting in 2009, Mr Pryn had over 25 years' corporate experience in senior finance and governance roles, including 10 years as an ASX listed company secretary. Mr Pryn has extensive board, financial reporting and financial management experience within the corporate and not for profit sectors. Mr. Pryn has been a corporate secretary of two Public Companies:

Name of Public Company	**Name or Exchange or Market**	**Position**	**From**	**To**
Opthea Limited (Formerly Circadian Technologies)	ASX	Corporate Secretary	September 2013	May 2014
Timbercorp Limited	ASX	Corporate Secretary	April 2001	May 2009

Mr. Pryn will devote approximately 10% of his time as required to the business of the Corporation.

On October 8, 2019, Baudin Consulting Pty Ltd. entered into an agreement with the Company dated October 8, 2019 to provide corporate secretary and CFO services. The base retainer is $77,500 per annum with a target of 45 days annually by either Mr. Pryn or the co-corporate secretary, Robert Kleine. If the time spent is 20% higher or lower, then either party then either party can negotiate an adjustment to better align the fees charged with actual time spent. For example if the total days worked are likely to be 54 days being 20% higher than the retainer target of 45 days Baudin Consulting can enter into negotiations for an additional fee of up to $15,500.

He has not signed a non-competition agreement. The agreement with Baudin Consulting Pty Ltd. does contain a non-disclosure term.

Non- Management Directors and non-executive Officers

Geoff Barnes Age 43 Director

Mr. Barnes is a founder and CEO of Peloton, incorporated in June 2011 where he has responsibility for equity markets stockbroking operations and corporate transactions. Mr. Barnes specializes in bringing companies to the public markets and providing capital raising solutions.

Prior to founding Peloton, Mr. Barnes was a Division Director at Macquarie Private Wealth for nine years, specializing in all commercial aspects of bringing projects to market predominantly in the energy sector. Mr. Barnes has been a director of one other Public Company:

Name of Reporting Company	**Name or Exchange or Market**	**Position**	**From**	**To**
Xped Limited (formerly Raya Group Limited)	ASX	Director	August 2013	March 2015

Pursuant to a letter of appointment dated February 26, 2018 Mr. Barnes was appointed a non executive director and it was agreed that he would be paid director's fees of $60,000 annually.

Mr. Barnes will devote approximately 30% of his time to the business of the Corporation. He has not signed any non-disclosure or non-competition agreements.

Michael Raymond Clarke Age 43 - Director

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

Mr. Clarke has been a director of one Public Company.

Name of Reporting Company	Name or Exchange or Market	Position	From	To
Xped Limited (formerly Raya Group Limited)	ASX	Director	February 2013	August 2016

Xped Limited is an Internet of Things company based in Adelaide, Australia. Its patented technology enables any smart device to be controlled with the single tap of a smartphone.

Mr. Clarke, as a member of the Audit Committee is responsible for reviewing the audited financial statements of the Company and participating in Audit Committee meetings. He is also a member of the Remuneration Committee.

Mr. Clarke will devote approximately 15% of his time to the business of the Corporation. He has not signed any non-disclosure or non-competition agreements.

Athan Lekkas Age 44 Director

Mr Lekkas is an experienced investment advisor, particularly in the technology sector. Mr Lekkas has many years of investment banking experience and has advised on numerous cross border transactions including capital raisings, funding and structuring of acquisitions, joint ventures overseas and participated in a broad range of business and corporate advisory transactions. More recently Athan has focused on the restructure and recapitalisation of a wide range of ASX Listed companies. He was former Chairman of Panax Geothermal Limited (ASX:PAX) a Geothermal company that was successfully transformed into an Internet of Things (IoT) technology company where he was responsible for raising $25M (now called Xped). Mr Lekkas was also previously a Director of Brainy Toys Limited which was transformed from a technology company into a mining company which is now listed as a Kogi Iron (ASX: KFE), where he was instrumental and successful with identifying and funding the acquisition of a major West African Iron Ore project. Mr Lekkas was also responsible for the re-quotation of the Company in 2013 when three years of working capital was raised.

The Company signed a consulting agreement dated December 6, 2018 with Dalext Pty Ltd. to provide consulting services. Mr. Lekkas is responsible for business development, sourcing and due diligence on prospective investments. Pursuant to the SLM license he also advises existing portfolio companies. The agreement was assigned on Dec 2, 2019 to Dalext Products Pty Ltd. See "*Executive Compensation*" for details of fees paid than Lekkas and to Dalext Pty Ltd. in 2019, 2018 and 2017.

Mr. Lekkas has been a director of three Public Companies:

Name of Public Company	Name of Exchange or Market	Position	From	To
Xped Limited (Formerly Raya Group Limited and Panax Geothermal Limited)	ASX	Non-Executive Director	Feb. 2013	April 2018
Kogi Iron Limited (formerly Brainy Toys Limited)	ASX	Non-Executive Director	June 2010	Feb. 2012
Sams Seafood Holdings Limited	ASX	Non-Executive Director	March 2007	Feb. 2011

Mr. Lekkas will devote approximately 50% of his time to the business of the Corporation. He has not signed any non-disclosure or non-competition agreements.

Robert Kleine Age 54 Joint Corporate Secretary

Mr. Kleine is a Certified Practising Accountant (CPA) and since 2000 has been a member of CPA Australia. Since 2013, he has also been a member of the Governance Institute, Australia and its predecessor bodies after receiving a diploma in applied Corporate Governance. In 1986 he received a Bachelor of Commerce from the University of Queensland, Australia.

Mr Kleine has extensive financial reporting, company secretarial and compliance support experience within ASX listed and other corporate environments. Mr. Kleine has been a corporate secretary of two Public Companies:

Name of Public Company	**Name or Exchange or Market**	**Position**	**From**	**To**
Immutep Ltd. (formerly Prima Biomed Ltd)	ASX	Corporate Secretary	July 2006	October 2009
Ultrapay Ltd. (ULT)	ASX	Corporate Secretary	June 2008	April, 2009

On October 8, 2019, Baudin Consulting Pty Ltd entered into an agreement with the Company dated October 8, 2019 to provide corporate secretary and CFO services. The base retainer is $77,500 per annum with a target of 45 days annually by either Mr. Pryn or the co-corporate secretary, Robert Kleine. Refer to the disclosure for Mark Pryn in this section of the Prospectus for additional details.

He has not signed a non-competition agreements. The agreement with Baudin Consulting Pty Ltd. does contain a non-disclosure term.

Other Reporting Company Experience

None of the directors, officers and promoters have been directors, officers or promoters of other companies that are or were a Reporting Company in any Canadian jurisdiction or elsewhere. As disclosed above they have been directors and officers of Public Companies in Australia.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the Corporation`s knowledge and other than as disclosed herein, no existing director or executive officer or a shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation is, as at the date of this Prospectus, or was within ten years prior to the date of this Prospectus, a director, Chief Executive Officer or Chief Financial Officer of any company including the Corporation that:

(i) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in that capacity as director, chief executive officer or chief financial officer.

For the purposes herein “order” means:

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

None of the directors or executive officers of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company. See “Principal Securityholders”.

Halt Trades

The ASX issued a halt trade order on April 4, 2019**.** The Ordinary Shares remained halted from trading until the Ordinary Shares were delisted from the ASX on December 4, 2019. See “General Development of the Business”

Bankruptcies

To the Corporation`s knowledge and other than as disclosed herein, no existing director or executive officer or a shareholder holding a sufficient number of securities of the Company to materially affect the control of the Corporation:

(a) is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the Corporation`s knowledge and other than as disclosed herein, no existing director or executive officer or a shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation has been subject to:

(a) any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a provincial or territorial securities regulatory authority or has entered into a settlement agreement with a provincial or territorial securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The directors of the Company will not be devoting all of their time to the affairs of the Company as they have employment outside of the Company and some of them are directors and officers of other companies, some of which are in the same business as the Company. The directors and officers of the Company are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to the Company may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

EXECUTIVE COMPENSATION

During the year ended June 30, 2019, the Company had two NEOs: Anoosh Manzoori, CEO and Julie Edwards, CFO.

Compensation Discussion and Analysis

In assessing the compensation of its executive officers, for the year ended June 30, 2019 and prior years, the Company did not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board of Directors.

The Company's remuneration strategy is based on achieving the overall objective of growing net tangible assets and profitability. The core of FGF's remuneration philosophy seeks to focus on driving performance over and above shareholder and market expectations.

The Company does not currently have either a short term or long term incentive plan in place. Currently only the CEO has stock options. See "*Options and Other Rights to Purchase Shares*".

At this time, there are compensation agreements with the CEO and the CFO. See "*Directors and Officers*" for full details.

Option Based Awards: No option based awards have been granted.

Compensation of Named Executive Officers of the Company: The following table sets forth the compensation of the Named Executive Officers and persons earning more than $150,000 annually for the three most recently completed fiscal years. Prior to the appointment of Mr. Manzoori as Executive Chairman of the Board, the executive functions (excluding CFO) were carried out by the directors.

Summary Executive Compensation Table

Name and principal position (a)	**Year (b)**	**Salary ($) (c)**	**Ordinary Share based awards ($) (d)**	**Option based awards ($) (e)**	**Non-equity incentive plan compensation ($)(f)**		**Pension value ($) (g)**	**All other Compensation ($) (h)**	**Total Compensation ($) (i)**
					Annual incentive plans (f1)	**Long-term incentive plans (f2)**			
Anoosh Manzoori (1)	2019	175,007	Nil	Nil	Nil	Nil	Nil	360,000(2)	535,007
	2018	49,694	Nil	Nil	Nil	Nil	Nil	561,085(3)	593,850
Geoff Barnes(4)	2018	95,000	Nil	Nil	Nil	Nil	Nil	59,000(4)	154,000
	2017	100,000	Nil	Nil	Nil	Nil	Nil	84,000(5)	184,000
Athan Lekkas	2017	100,00	Nil	Nil	Nil	Nil	Nil	84,000(6)	184,000
Julie Edwards CFO	2019	40,000	Nil	Nil	Nil	Nil	Nil	Nil	40,000
	2018	44,658	Nil	Nil	Nil	Nil	Nil	Nil	44,658
	2017	52,100	Nil	Nil	Nil	Nil	Nil	Nil	52,100

(1) Pursuant to an appointment letter dated December 2017 Mr. Manzoori was paid $90,000 annually for director's fees. On December 6, 2018 he was appointed executive director and his fees were increased to $240,000 annually. The Company signed a consultancy agreement dated December 20, 2017 with Polygon Fund Pty. Ltd., a private company owned by Mr. Manzoori to provide management and investment advice. See "*Directors and Officers*"

(2) Equity based payment of 45,000,000 Ordinary Shares issued as part of Mr. Manzoori's compensation package ($360,000). See "*Directors and Officers*".

(3) This figure includes: an equity based payment of 15,000,000 Ordinary Shares issued as part of compensation package with a value of $544,156 and the payment of $16,929 to Shape Capital, a private company controlled by Mr. Manzoori for corporate advisory and secretarial services. See "*Directors and Officers*" for details of the agreements with Mr. Manzoori.

(4) In 2017 the Company paid $185,400 to Peloton Capital Pty Ltd., a private company controlled by Geoff Barnes for consulting services and paid $15,400 to Peleton Advisory Pty Ltd. also controlled by Geoff Barnes.

(5) In 2017 the Company paid $84,000 to Dalext Pty Ltd., a private company controlled by Athan Lekkas for consulting services. The Company signed a consulting agreement dated December 6, 2018 with Dalext Pty to provide consulting services. See "*Directors and Executive Officers*" regarding details of the agreement with Dalext Pty Ltd. which was assigned on Dec 2, 2019 to Dalext Products Pty Ltd.

The Company did not have an executive director prior to Mr. Manzoori's appointment to that position in December 2018. The directors shared the responsibilities of managing and operating the Company. The fees paid to the non-executive directors are set out in the table below.

Compensation of non- executive Directors

As Geoff Barnes received compensation in the years 2018 and 2017 of more than $150,000 annually his compensation is included in the above Summary Executive Compensation Table. Mr. Lekkas also received compensation in excess of $150,000 in 2017 which is also included in the above Summary Executive Compensation Table.

Summary Compensation Table – non-executive directors

					Non-equity incentive plan compensation ($)(f)				
Name and principal position (a)	**Year (b)**	**Salary ($) (c)**	**Ordinary Share based awards ($) (d)**	**Option based awards ($) (e)**	**Annual incentive plans (f1)**	**Long-term incentive plans (f2)**	**Pension value ($) (g)**	**All other Compensation ($) (h)**	**Total Com-Pen-sation ($) (i)**
Geoff Barnes	2019	60,000	Nil	Nil	Nil	Nil	Nil	68,000[(1)]	128,000
Athan Lekkas	2019	60,000	Nil	Nil	Nil	Nil	Nil	50,918[(2)]	110,918
	2018	95,642	Nil	Nil	Nil	Nil	Nil	Nil	95,642
Michael Clarke	2019	60,000	Nil	Nil	Nil	Nil	Nil	Nil	60,000
	2018	76,980	Nil	Nil	Nil	Nil	Nil	Nil	76,980
	2017	80,000	Nil	Nil	Nil	Nil	Nil	28,000[(3)]	108,000
Daniel Zhang	2019	60,000		Nil	Nil	Nil	Nil	Nil	60,000
	2018	18,065		Nil	Nil	Nil	Nil	Nil	18,065

(1) In 2019 the Company paid $68,000 Peloton Capital Pty Ltd., a private company controlled by Geoff Barnes (2018-$59,000), (2017- 84,000) for consulting services. As the fees paid to Mr. Barnes in 2018 and 2017 are

in excess of $150,000 each year, those fees are included in the Executive Compensation Table immediately above this table

(2) In the fiscal year 2019 the Company paid $50,918, (2018- 0), (2017 - $84,000) to Dalext Pty Ltd., a private company controlled by Athan Lekkas for consulting services for business development and ongoing analysis of current and prospective investments. Fees paid to Mr. Lekkas in 2017 were in excess of $150,000 and are included in the Executive Compensation Table immediately above this table. The Company signed a consulting agreement dated December 6, 2018 with Dalext Pty to provide consulting services. See "*Directors and Executive Officers*" regarding details of the agreement with Dalext Pty Ltd. which was assigned on Dec 2, 2019 to Dalext Products Pty Ltd.

(3) In 2017 the Company paid $28,000 to Sparke Enterprises Pty Ltd., a private company controlled by Michael Clarke for consulting services.

Incentive Plans Awards
As at the year ended June 30, 2019 the Company had granted 10,000,000 Stock Option based awards to one NEO, Mr. Manzoori. As a result of the consolidation of the Company's ordinary Shares on the basis of one new Ordinary Shares for twenty old Ordinary Shares on December 2, 2019 the options were consolidated to 500,000. See "*Options and Other Rights to Purchase Securities*".

Pension Plans Benefits
The Company does not have a pension plan or provide any benefits following or in connection with retirement for the NEOs.

Termination and Change of Control Benefits
The Company does not have written employment agreements with the NEO's, nor any plans or arrangements in place with any NEO that provide for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in a NEO's responsibilities.

Intended Changes to Compensation
None.

Related Party Transactions
Related party transactions are disclosed in notes to the Executive Compensation Table and the Summary Compensation Table – non-executive directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Prospectus, no director, executive officer or employee of the Company is or has been indebted to the Company at any time.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

Audit Committee The primary purpose of the Audit Committee is to assist the Board of Directors in discharging its oversight and evaluation responsibilities. In particular, the Audit Committee oversees the financial reporting process to ensure the balance, transparency and integrity of our published financial information. The Audit Committee also reviews and reports to the Board of Directors on the quality and integrity of the Financial Statements and other financial information; compliance with legal and regulatory requirements related to financial reporting; the effectiveness of the systems of control (including risk management) established by management to safeguard the assets (real and intangible) of the Company and its subsidiaries; the proper maintenance of accounting and other records; annual and quarterly interim financial information; the independent audit process, including recommending the appointment and compensation of the external auditor, and assessing the qualifications, performance and independence of the external auditor; the performance and objectivity of our internal audit function; all non-audit services; the development and maintenance of procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by a director or officer of the Company and its subsidiaries of concerns regarding questionable accounting or auditing matters; the review of environment, insurance and other liability exposure issues relevant to the affairs of the Company; and any additional matters delegated to the committee by the Board of Directors.

The Audit Committee has the right, for the purposes of performing its duties, to maintain direct communication with the Company's external auditors and Board of Directors, to inspect all books and records of the Company and its affiliates, to seek any information it requires from any employee of the Company and its affiliates and to retain outside counsel or other experts.

The Audit Committee is required to meet at least once per quarter and is comprised of not less than three directors, a majority of whom are independent (as defined in NI 52-110) and all "financially literate" within the meaning of applicable Canadian securities laws. Geoff Barnes, Athan Lekkas and Michael Clarke are the members of the Audit Committee.

Composition of Audit Committee and Independence

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with a company, which could, in the view of that company's board of directors, reasonably interfere with the exercise of the member's independent judgment. Two of the members of the Audit Committee, Geoff Barnes and Michael Clarke meet the definition of "independence" provided in NI 52- 110. Athan Lekkas is not independent as he receives a consulting fees in addition to the fees paid to Mr. Lekkas as a director. See "*Directors and Executive Officers*" and "*Executive Compensation*" for details regarding director's fees and consulting fees paid to Mr. Lekkas directly and indirectly.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Financial Statements. All of the members of the Audit Committee are financially literate. For details regarding the education, experience and financial literacy of the members of the Audit Committee, see "*Directors and Executive Officers*".

It is intended that the Audit Committee will establish a practice of approving audit and non-audit services provided by the external auditor. The Audit Committee intends to delegate to its Chair the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to preapprove audit and non-audit services provided by the independent auditor. All such pre-approvals would be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

External Auditor Service Fee

The audit fees incurred to its external auditors, Pitcher Partners, Chartered Accountants, by the Company for the last two completed fiscal years are as follows:

Nature of Service	Fees Paid (or accrued) to Auditor in respect of the financial year ended June 30, 2019 **($)**	Fees Paid (or accrued) to Auditor in respect of the financial year ended June 30, 2018 **($)**
Audit Fees (1)	55,000	49,941
Audit-Related Fees (2)		
Tax fees (3)	6,000	19,261
All other fees (4)		
Total	61,000	69,202

(1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s financial statements. Audit Fees include aggregate fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) “Audit-Related Fees” include fees for services that are traditionally performed by the auditor. These audit-related services may include aggregate fees for due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes aggregate fees for tax compliance, tax planning and tax advice.

(4) “All Other Fees” include all other non-audit services, in the aggregate. These services were for the review of prior prospectus and interim unaudited financial statements filed with the Commission.

Exemption

The Company is relying on an exemption provided in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

Audit Committee Charter

The Board of Directors has adopted an Audit Committee charter that sets out the roles and responsibilities of the Audit Committee. A copy of the charter is attached hereto as Schedule “E”.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with day- to-day management of the Company.

The Company has adopted a Corporate Governance Policy to ensure that effective corporate governance practices are followed and to ensure that the Board of Directors functions independently of management. The Corporate Governance Policy is attached hereto as Schedule “F” to this Prospectus.

The following sets forth the Company’s disclosure of its corporate governance practices as they relate to the corporate governance guidelines set forth in National Policy 58-201. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board of Directors will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the company, other than interests and relationships arising from holding Ordinary Shares or securities in the company. In addition, where a company has a significant shareholder, NI 58 101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Currently, the Board of Directors is comprised of four directors, namely Anoosh Manzoori, Athan Lekkas, Michael Clarke and Geoff Barnes. Mr. Manzoori is not considered independent, as he is the CEO of the Company. Athan Lekkas is not considered independent as he receives a consulting fee in addition to his director’s fees. See “*Directors and Executive Officers*” for details of the agreement with Mr. Manzoori and Mr. Lekkas. Michael Clarke and Geoff Barnes are considered independent for the purposes of NP 58-201. The Board of Directors may meet independently of management as needed. The independent directors would exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

Directorships
None of the directors of the Company serve as directors of other Reporting Companies. Some of the directors have been or currently are directors of Public Companies listed on the ASX. See "*Directors and Executive Officer*s".

Position Descriptions
The Company does not currently have written position descriptions for the chairman of the Board of Directors, or for the chair of each of the committees.

Orientation and Continuing Education
Each new director of the Company is briefed about the nature of the Company's business, its corporate strategy and current issues within the Company. New directors will be encouraged to review the Company's public disclosure records as filed on SEDAR at www.sedar.com after the Company becomes a reporting Company. Directors are also provided with access to management to better understand the operations of the Company, and to the Company's legal counsel to discuss their legal obligations as directors of the Company.

Ethical Business Conduct
The Board of Directors is considering implementing a written code of ethical conduct for its directors, officers and future employees. The Board of Directors is also required to comply with the conflict of interest provisions of the Act and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest. See "*Directors and Executive Officers* - *"Conflicts of Interest*" and "*Risk Factors*".

Trading Policy
The Company has adopted a Trading Policy regarding the prohibition of trading with knowledge of insider information which is attached hereto as Schedule "G" to this Prospectus. Insider Information is information, including inter alia, material facts or material changes known only to the insiders of the Company, and their advisors and others on a need to know basis which is not available to the public, which could be expected to have a material effect on the price of value of the Ordinary Shares.

Nomination of Directors
The Company's management is in contact with individuals involved in the technology sector. From these sources management has made a number of contacts and in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board of Directors. The Company will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to the Company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

Other Board Committees
Other than as disclosed herein, there are no other committees of the Board of Directors as of the date of this Prospectus.

Assessments
Neither the Company nor the Board of Directors has developed a formal review system to assess the performance of the directors or the Board of Directors as a whole. The contributions of individual directors are monitored by other members of the Board of Directors on an informal basis through observation.

RISK FACTORS

This section describes the material risks affecting the Company's business, financial condition, operating results and prospects.

The Company's securities should be considered a highly speculative investment due to the nature of the Company's business and its present operations. An investor should carefully review the risk factors set out below and all of the information disclosed in this Prospectus before making an investment decision. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects.

An investment in the Ordinary Shares of the Company should only be made by persons who can afford a significant or total loss of their investment. There is no market through which the Ordinary Shares may be sold.

No Market for the Shares: With the delisting of the Ordinary Shares from the ASX on December 4, 2019, there is no market through which the Ordinary Shares may be sold and there are no assurances that any market will develop in the future. This means that there is no central place, such as a stock exchange or stock quotation system, to purchase or resell the Ordinary Shares. This means that even if you locate a buyer or seller and negotiate your own sale, you may still not be allowed to sell the Ordinary Shares or to pledge the Ordinary Shares as collateral for a loan. Accordingly, an investment in the Ordinary Shares should only be considered by investors who are able to bear the economic risk of a long-term investment and do not require liquidity.

Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company.

Uncertainty of Additional Financing: There are no assurances that the Company's future working capital will be adequate to execute its business plan or objectives as contemplated herein. The Company does not have any commitments to obtain additional financing and if required in future, there is no assurance that the Company will be able to arrange for such financing, or that such financing will be available on commercially reasonable terms. The failure to obtain such financing on a timely basis could have a material adverse effect on the Company. Equity financing and the additional issuance of equity securities will result in the substantial dilution to the Company's shareholders.

Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favourable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected

Risks Specific to the Company

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Use of Proceeds*".

Reliance on the Directors and Officers: The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

Conflicts of Interest: The directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others, and may be engaged in the ownership, acquisition and operation of businesses, which compete with the Company. Investment in the Company will not carry with it the right for either the Company or an investor to invest in any investment or venture of the directors and officers of the Company, or to any profit therefrom or to any interest therein. The directors have a responsibility to identify and acquire suitable investments on behalf of the Company. To the extent that an opportunity arises to enter into such an agreement, the directors of the Company have the discretion to determine whether the Company will avail itself of the investment opportunity and, if it does not, any of the directors of the Company will be able to decide amongst themselves whether to pursue the opportunity for their respective accounts. If the investment opportunity did not arise solely from their activities on behalf of the Company, the directors of the Company have no obligation to offer an investment opportunity to the Company. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Insurance Risk: The Company has directors and officer's liability insurance for financial institutions which covers claims to a maximum annually of $10,000,000 with worldwide coverage excluding the U.S. No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Technology Risk: The Company's Blockchain and Digital Currency assets use advanced technologies, which are susceptible to rapid technological change and there is no assurance that adequate responses will be made in a timely manner to successfully overcome the technological challenges and changes.

Digital Assets Risks: Lack of regulation, acceptance, price stability and volatility.

Lack of Regulation: Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. In the past several years, a number of cryptocurrency exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for the partial or complete losses of their account balances in such exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

Lack of Acceptance: Traditional banks and banking services may limit or refuse the provision of banking services to businesses that supply cryptographic or cryptocurrencies as payment, and may refuse to accept money derived from cryptocurrency-related businesses. This may make management of bank accounts held by companies operating in the field difficult.

Competition: All aspects of the Digital Currency and Blockchain industries – in particular the development of pre-ICO, ICOs, digital currency security providers and digital currency exchanges face significant competition. The rapid pace of innovation and development within the industry, together with the high number of competitors and relatively low barriers to market entry mean there is no guarantee the Company's ventures in these industries will be effective or profitable.

Legal and Regulatory Risk: A key concern often raised about digital currency is its ability to hinder or evade law enforcement and facilitate criminal activity due to users being anonymous and the transactions are outside the usual channels of international finance and government regulation. It is unclear what the regulatory response will be and whether that response will seriously impact the digital current market.

Valuation and Price Volatility of Cryptocurrencies: Cryptocurrency prices are highly volatile, can fluctuate substantially and are affected by numerous factors beyond the Company's control, including hacking, demand, inflation and expectations with respect to the rate of inflation, global or regional political or economic events. One Bitcoin had a value of U.S. $20,000 in December 2017, $3,430 in December 2018 and in 2019 it has fluctuated between lows of approximately $3,300 and a high of $12,360. At the end of October 2019 it was around $8,300. Cryptocurrencies may be subject to momentum pricing, which is typically associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Company's investments.

Risk of Losing the Private Key or Password of the External Wallet Services: The Company uses an external wallet, and would not be able to access its Cryptocurrency if it loses the private key or password.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and directors to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage additional future staff. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations. There are no plans to hire additional staff at this time.

Increases in Competition:
There is significant competition from other much larger well established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks. There is no assurance that the Company's investment strategy will be successful or more successful that its competition. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility all of which may materially adversely affect the Company's business, operating and financial performance.

Acquisition Risk and Associated Risk of Dilution: The Company's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with the Company's existing business, the financial performance of the Company could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

Currency Exchange Risk
The Company is exposed to fluctuations in currency exchange rates, which could negatively affect our financial condition and results of operations. In particular, exchange rate fluctuations may affect the value of its assets located in North America and Cryptocurrencies are generally sold in U.S. dollars.

Unforeseen Expenses
All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations
There are currently no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and the requirements of the Corporations Act, 2001.

Environmental and Safety Regulations and Risks, Climate Change
There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends
The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive
The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

Investors should consider that the investment in the Company is speculative, carefully consider the foregoing risk factors and should consult their professional advisers to assess income tax, legal and other aspects of an investment in the Shares before making financial decisions regarding a purchase of the Company's Ordinary Shares.

PROMOTERS

There are no promoters.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings, regulatory actions, pending legal proceedings, or regulatory actions to which the Company is or is likely to be a party.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of officers, senior officers, any shareholders who beneficially own, directly or indirectly, more than 10% of the outstanding Ordinary Shares or any known associate or affiliate of such persons, in any transaction since incorporation or in any proposed transaction, which has materially affected or is reasonably expected to materially affect the Company. See "*Business Description*" and the disclosure therein.

AUDITOR, TRANSFER AGENTS AND REGISTRAR

Auditor

The auditor of the Company is Pitcher Partners, Chartered Accountants and member of the Institute of Chartered Accountants of Australia. Pitcher Partners is located at Level 38, 345 Queen St Brisbane QLD 4000, GPO Box 1144 Brisbane QLD 4001. Pitcher Partners was appointed the audit of the Company on February 22, 2019.

Registrar and Transfer Agent and Escrow Agent

The Transfer Agent and Registrar of the Company's Ordinary Shares and the Company's Escrow Agent is Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9 who will maintain the Company's central securities register.

MATERIAL CONTRACTS

The following are the material contracts of the Company that are outstanding as of the date of the Prospectus:

(a) Escrow Agreement dated December 5, 2019 between the Company, the Escrow Agent and certain shareholders of the Company. See "Escrowed Securities and Other Securities Subject to Resale Restrictions on Transfer".

(b) Transfer Agent Agreement with Computershare Investor Services Ltd. dated December 53, 2019.

(c) SLM Corporate Pty Ltd. agreement dated December 31 2018. See "Description Of The Business".

EXPERTS

The following persons or companies whose profession or business gives authority to a statement made by the person or company are named in the Prospectus as having prepared or certified a part of that document or a report of valuation described in the Prospectus:

Pitcher Partners, Chartered Accountants, audited the year-end audited financial statements ended June 30, 2019 and June 30, 2018 and conducted a review engagement report of the three month interim unaudited financial statements ended September 30, 2019 and 2018. Pitcher Partners is a member of the Institute of Chartered Accountants of Australia and as of the date of this Prospectus did not own or have any registered or beneficial interests, directly or indirectly, in any securities or other property of the Company.

OTHER MATERIAL FACTS

There are no further facts or particulars in respect of the securities being distributed pursuant to this Prospectus that are not already disclosed herein that are necessary to be disclosed for this Prospectus to contain full, true and plain disclosure of all material facts relating to such securities.

FINANCIAL STATEMENTS

The financial statements of the Company attached to this Prospectus are:

- The unaudited, comparative interim financial statements for the first quarter ended September 30, 2019.
- The audited, annual, comparative financial statements for the fiscal years ended June 30, 2019 and June 30, 2018.

Schedule A September 30, 2019 quarterly unaudited financial statement

FIRST GROWTH FUNDS LIMITED.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended September 30, 2019 and 2018

(Unaudited)

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Entity discloses that its auditors have reviewed the Condensed Interim Consolidated Financial Statements for the three months ended September 30, 2019.

The Condensed Interim Consolidated Financial Statements have been prepared by, and are the responsibility of, the Consolidated Entity's management.

FIRST GROWTH FUNDS LIMITED.
(An Investment Group)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Australian Dollars)
(unaudited)

	Note	30 Sept 2019	30 June 2019
Current assets			
Cash and cash equivalents		3,095,294	2,255,897
Trade and other receivables		248,741	304,918
Inventories (cryptocurrencies)		638,252	638,252
Financial assets		2,049,695	2,560,894
Intangible assets (cryptocurrencies)		256,339	357,208
Other		32,956	-
Total current assets		6,321,277	6,117,169
Non-current assets			
Financial assets		2,484,162	2,451,486
Intangible assets (cryptocurrencies)		200,487	200,487
Total non-current assets		2,684,649	2,651,973
Total assets		9,005,926	8,769,142
Current liabilities			
Trade and other payables		132,736	149,070
Total current liabilities		132,736	149,070
Total liabilities		132,736	149,070
Net assets		**8,873,190**	**8,620,072**
Equity			
Issued capital		67,635,788	67,635,788
Reserves		19,156	19,156
Accumulated losses		(58,781,754)	(59,034,872)
Total equity		**8,873,190**	**8,620,072**

Approved on behalf of the Board:

Anoosh Manzoori, CEO, Director

FIRST GROWTH FUNDS LIMITED.
(An Investment Group)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE PROFIT AND LOSS
(Expressed in Australian Dollars)
(unaudited)

	Note	Three months ended	
		30 Sept 2019	**30 Sept 2018**
		$	**$**
Revenue from continuing operations		-	61,836
Other gains and losses		575,897	(59,023)
Interest revenue		29,640	26,537
Operating expenses			
AFSL support and secretarial fees		(9,247)	(7,000)
Director related costs		(121,442)	(68,582)
Director - share based payments		-	(360,000)
Insurance and professional fees		(142,957)	(91,290)
ASX and share registry fees		(33,944)	(38,395)
Travel expenses		(39,595)	(44,760)
Other expenses		(5,234)	(46,500)
Profit/(loss) before income tax expense		253,118	(627,177)
Income tax expense		-	-
Profit/(loss) after income tax expense		253,118	(627,177)
Other comprehensive income, net of tax		-	-
Total comprehensive income		253,118	(627,177)
		Cents	**Cents**
Basic and diluted earnings per share		0.016	(0.041)
Weighted average number of ordinary shares on issue		1,555,959,281	1,555,959,281

The accompanying notes are an integral part of these financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Expressed in Australian Dollars)
(Unaudited)

Consolidated	Issued capital $	Share option reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2018	67,155,788	139,156	(55,644,780)	11,650,164
Loss after income tax expense for the period	-	-	(627,177)	(627,177)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	(627,177)	(627,177)
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 September 2018	**67,635,788**	**19,156**	**(56,271,957)**	**11,382,987**

Consolidated	Issued capital $	Share option reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2019	67,635,788	19,156	(59,034,872)	8,620,072
Profit after income tax expense	-	-	253,118	253,118
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	253,118	253,118
Balance at 30 September 2019 (note 5)	**67,635,788**	**19,156**	**(58,781,754)**	**8,873,190**

FIRST GROWTH FUNDS LIMITED.
(An Investment Group)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2019 AND 2018
(Expressed in Australian Dollars) (Unaudited)

	Note	Three months ended	
		30 Sept 2019	30 Sept 2018
		$	$
CASH PROVIDED BY (USED IN)			
OPERATING ACTIVITES			
Profit / (loss) after tax		253,118	(627,177)
Adjustments for non cash items			
Fair value adjustments through profit and loss		(571,895)	59,023
Changes in non cash working capital balances			
Decrease / (increase) in receivables		25,992	10,000
Decrease / (increase) financial assets		1,080,603	(1,132,749)
Decrease / (increase) in other current assets		(32,956)	(24,851)
Decrease / (increase) in payables		(16,334)	37,327
Cash provided by (used in) operating activities		**738,528**	**(1,678,427)**
INVESTING ACTIVITES			
Financial asset sale proceeds		100,869	215,000
Financial asset acquisitions		-	(358,000)
Cash provided by (used in) investing activities		**100.869**	**(143,000)**
Increase / (decrease) in cash		**839,397**	**(1,821,427)**
Cash, beginning		2,255,897	8,024,964
Cash closing		**3,095,294**	**6,203,537**
SUPPLEMENTAL DISCLOSURES:			
Cash paid for interest		–	–
Cash paid for income taxes		–	–
NON CASH TRANSACTION INFORMATION:			
Share based compensation*		–	360,000

* Refer to Statement of changes in shareholder equity

The accompanying notes are an integral part of these financial statements.

NATURE AND CONTINUANCE OF OPERATIONS

1. The Parent Entity, First Growth Funds Limited is incorporated under the Laws of the Australia, specifically the Corporations Act 2001. The registered office of First Growth Funds Limited is located at Level 14 44 Collins St Melbourne, Victoria, 3000, Australia and its principal place of business is located at Level 5 56 Pitt Street Sydney, New South Wales, 2000, Australia. The Consolidated Entity is seeking to list its shares on the Canadian Securities Exchange.

The Consolidated Entity comprises First Growth Funds as the parent and two wholly owned controlled entities:

- ICO-AN Pty Ltd (incorporated in Australia 17 November 2017)
- First Growth Advisory Pty Ltd (incorporated in Australia 8 December 2018)

The Consolidated Entity's principal business activity is to manage 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.

2. BASIS OF PRESENTATION

a) Statement of compliance

These financial statements are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These financial statements should be read in conjunction with the Consolidated Entity's financial statements for the year ended June 30, 2019.

These financial statements were reviewed and approved and issue by the Board of Directors on *, 2020.

b) Measurement basis

The financial statements have been prepared on the historical cost basis except for the following:
- Financial assets and financial liabilities which are initially recognised at their fair values and subsequently measured at their respective fair values in accordance;
- Inventories are valued at the lower of their cost and the net realisable value;
- Intangible assets are valued at their recoverable amounts being the net of their cost and any asset impairments.

These financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The functional and presentation currency of the Consolidated Entity is the Australian dollar.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The policies applied in these unaudited Condensed Interim Consolidated Financial Statements are based on IFRS issued and outstanding as the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited Condensed Interim Consolidated Financial Statements as compared with the most recent annual financial statements as at and for the year ended June 30, 2019. Any subsequent changes to IFRS that are given effect in the Consolidated Entity's annual financial statements for the year ending June 30, 2019 could result in restatement of these unaudited condensed interim consolidated financial statements.

(Expressed in Australian Dollars) (Unaudited)

4. RELATED PARTY TRANSACTIONS AND BALANCES

The directors of the Parent Entity and wholly owned controlled entities are identified as related parties and key management personnel. During the interim three month period ended September 30, 2019, the Consolidated Entity incurred the following related party transactions:

(a) Director fees**
- Parent Entity $105,000 (2018 - $67,500).
- Controlled Entities $15,000 (2018 - $nil).

(b) Director related consulting fees** to the amount of $22,500 (2018 - $Nil).
(c) Share based compensation costs to directors to the amount of $nil (2018 - $360,000).
(d) No post-employment benefits, other long-terms benefits and termination benefits were made during the interim three month periods ended September 30, 2019 and 2018.

As at September 30, 2019, included in accounts payable as due to directors is $5,586 (June 30, 2018 – $28,905).

** *Director fees and Director related consulting fees are included in the Consolidated Statements of Comprehensive Income (Loss) included under the respective headings of Director Related Costs and Insurance and Professional fees. In the Consolidated Statements of Comprehensive Income (Loss) director fees and director related consulting fees included attributable non-recoverable Australian Goods and Service Tax input tax credits which are not deemed to be related party transactions*.

5. SHARE CAPITAL

(a) Authorized Share Capital

Effective July 1 1998, the Australian Corporations Law abolished the concept of authorized capital and par value in relation to Share Capital.

(b) Issued and Outstanding Ordinary Shares

	Number of Ordinary Shares	Amount
		$
Balance, June 30, 2019	1,555,959,281	67,635,788
Movements during the period	Nil	Nil
Balance, September 30, 2019	1,555,959,281	67,635,788

(Expressed in Australian Dollars) (Unaudited)

(c) Share Options

	Number of Options on issue
Balance, June 30, 2019	292,257,907
Movements during the period	Nil
Balance, September 30, 2019	292,257,907

The Share Option details are:

Grant date: 13 March 2018

Expiry date 12 March 2020

Fair value at grant date $0.0019.

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 period or the previous financial year.

(d) Shares held in escrow

As at September 30, 2019 and September 30, 2018, there were no shares held in escrow.

6. INCOME TAXES

Future tax benefits which may arise as a result of these non-capital losses and other income tax pools have not been recognized in these financial statements and have been offset by a valuation allowance.

No deferred income tax asset has been recognized because the amount of future taxable profit that will be available to realize such assets is unpredictable. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of deferred income tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.

7. MANAGEMENT OF CAPITAL

The objective when managing capital is to safeguard the assets. The Consolidated Entity is not subject to any externally imposed capital requirements.

As at September 30, 2019, the Consolidated Entity capital resources include all the components of shareholders' equity. The Consolidated Entity manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Parent Entity may attempt to issue Ordinary Shares.

(Expressed in Australian Dollars) (Unaudited)

8. COMMITMENTS

Nil.

9. SUBSEQUENT EVENT(S)

To assist with the Company's Canadian Stock Exchange listing application, on November 27 2019, at the Annual General Meeting, shareholders approved:

1. a special resolution for the Company to be removed from the Official List of the Australian Stock Exchange(ASX). Removal from the Official List of the Australian Stock Exchange occurred December 4 2017,
2. a special resolution for the Company to adopt a new Constitution, and
3. an ordinary resolution to consolidate the number of shares and options on issue at a ratio of 1 new security for 20 old securities. Shareholders were advised that in the event their individual holdings were not easily divisible by 20 the outcome would be rounded up to the nearest whole number. Consolidation occurred December 2 2019 and the resultant number of securities on issue is set out below.

Ordinary shares:	77,798,218
Share options:	14,612,907

10. RISK FACTORS AND UNCERTAINTIES

An investment in the Ordinary Shares of the Company should only be made by persons who can afford a significant or total loss of their investment. There is no market through which the Ordinary Shares may be sold.

No Market for the Shares: With the delisting of the Ordinary Shares from the ASX on December 4, 2019, **t**here is no market through which the Ordinary Shares may be sold and there are no assurances that any market will develop in the future. This means that there is no central place, such as a stock exchange or stock quotation system, to purchase or resell the Ordinary Shares. This means that even if you locate a buyer or seller and negotiate your own sale, you may still not be allowed to sell the Ordinary Shares or to pledge the Ordinary Shares as collateral for a loan. Accordingly, an investment in the Ordinary Shares should only be considered by investors who are able to bear the economic risk of a long-term investment and do not require liquidity.

Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company.

Uncertainty of Additional Financing: There are no assurances that the Company's future working capital will be adequate to execute its business plan or objectives as contemplated herein. The Company does not have any commitments to obtain additional financing and if required in future, there is no assurance that the Company will be able to arrange for such financing, or that such financing will be available on commercially reasonable terms. The failure to obtain such financing on a timely basis could have a material adverse effect on the Company. Equity financing and the additional issuance of equity securities will result in the substantial dilution to the Company's shareholders.

Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favourable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected

10 . RISK FACTORS AND UNCERTAINTIES (continued**)**

Risks Specific to the Company

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Use of Proceeds*".

Reliance on the Directors and Officers and Other Key Personnel: The Company has a small management team and the unexpected loss of any of these individuals would have a serious impact on the business. The management team is the directors and officers listed in "*Directors and Executive Officers"* for the successful operation of its business. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

Conflicts of Interest: The directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others, and may be engaged in the ownership, acquisition and operation of businesses, which compete with the Company. Investment in the Company will not carry with it the right for either the Company or an investor to invest in any investment or venture of the directors and officers of the Company, or to any profit therefrom or to any interest therein. The directors have a responsibility to identify and acquire suitable investments on behalf of the Company. To the extent that an opportunity arises to enter into such an agreement, the directors of the Company have the discretion to determine whether the Company will avail itself of the investment opportunity and, if it does not, any of the directors of the Company will be able to decide amongst themselves whether to pursue the opportunity for their respective accounts. If the investment opportunity did not arise solely from their activities on behalf of the Company, the directors of the Company have no obligation to offer an investment opportunity to the Company. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Insurance Risk: The Company has directors and officers liability insurance for financial institutions which covers claims to a maximum annually of $10,000,000 with worldwide coverage excluding the U.S. No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Technology Risk: The Company's blockchain and digital currency assets using advanced technologies, which are susceptible to rapid technological change and no assurance that adequate responses will be made in a timely manner to successfully overcome the technological change.

10. RISK FACTORS AND UNCERTAINTIES (continued**)**

Digital Assets Risks: Lack of regulation, acceptance, price stability and volatility.

Lack of Regulation: Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for

securities, derivatives and other currencies. In the past several years, a number of cryptocurrency exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for the partial or complete losses of their account balances in such exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and “malware” (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action

Lack of Acceptance: Traditional banks and banking services may limit or refuse the provision of banking services to businesses that supply cryptographic or cryptocurrencies as payment, and may refuse to accept money derived from cryptocurrency-related businesses. This may make management of bank accounts held by companies operating in the field difficult.

Valuation and Price Volatility of Cryptocurrencies: Cryptocurrency prices are highly volatile, can fluctuate substantially and are affected by numerous factors beyond the Company’s control, including hacking, demand, inflation and expectations with respect to the rate of inflation, global or regional political or economic events. One Bitcoin had a value of U.S. $20,000 in December 2017, $3,430 in December 2018 and in 2019 it has fluctuated between lows of approximately $3,300 and a high of $12,360. At the end of October 2019 it was around $8,300. Cryptocurrencies may be subject to momentum pricing, which is typically associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Company’s investments.

Risk of Losing the Private Key or Password of the External Wallet Services: The Company uses an external wallet, and would not be able to access its Cryptocurrency if it loses the private key or password.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and directors to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company’s

current and planned personnel, systems, procedures and controls may be inadequate to support its future operations. There are no plans to hire employees.

Increases in Competition: There is significant competition from other much larger well established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks. There is no assurance that the Company’s investment strategy will be successful or more successful that its competition. Any material deterioration in the Company’s competitive position could materially adversely affect the Company’s business, operating and financial performance.

10.RISK FACTORS AND UNCERTAINTIES (continued)

Unforeseen Competition: There can be no assurance that significant competition will not enter the market and offer any number of similar services to those provided by the Company. Such competition could have a significant adverse effect on the growth potential of the Company's business by effectively dividing the existing market for such products and services.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility, which may influence customer decisions in relation to whether to enter into transaction processing arrangements. These macroeconomic

conditions may materially adversely affect The Company's business, operating and financial performance. Payment transactions are the core of most commercial activity. Unless there is a catastrophic event, payment processing will occur.

Acquisition Risk and Associated Risk of Dilution: The Company's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with the Company's existing business, the financial performance of the Company could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

Currency Exchange Risk: The Company is exposed to fluctuations in currency exchange rates, which could negatively affect our financial condition and results of operations. In particular, exchange rate fluctuations may affect the value of its assets located in North America. Cryptocurrencies are generally sold in U.S. dollars.

Unforeseen Expenses: All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations: There are currently no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and employment standards.

Environmental and Safety Regulations and Risks, Climate Change: There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends: The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive: The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares**.**

Schedule B MD&A September 30, 2019 quarterly unaudited financial statement

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

Certain statements in this Prospectus are forward-looking statements or information (collectively "forward-looking statements"). The Company is providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "anticipates", "is expected to", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that its investment strategy will be successful, and the underlying value of its investments will continue and grow and that the risks listed below will not adversely impact the Company. These forward-looking statements include, among other things, statements relating to the ability of the Company to generate revenue; the success of the Company's investment strategy, use of funds, intentions to further develop, market and promote its advisory services; unanticipated cash needs and the possible need for additional financing and the adoption of new governance policies, committees and practices.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to, risks relating to: global economic and financial market deterioration impeding access to capital or increasing the cost of capital; the effects of tariffs on economic growth causing a downturn in general economic conditions; equity risk; the market price of the Company's investments may fluctuate and there is a risk of a loss because of a drop in the market price; liquidity risk; the Company may be unable to sell its investments and a fair price when it wishes; the value of the investments may not keep up with the rate of inflation; the value of the Company's investments depends on the skill and expertise of the management of the Company and their ability to see trends in advance and act; the security of Digital Assets and the effectiveness of current technology to counter Cybersecurity risks, fraud and money laundering; digital currency exchange risks; limited history of de-centralized financial systems compared with traditional and existing centralized financial systems backed by a central authority; the ability of the Company to continue to generate revenue adequate to fund its business plans and operations; competition from other much larger well established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks; the effect of government regulation and compliance on the Company and the investment industry; the ability of the Company to maintain properly working systems; reliance on key personnel; the inability to list on a public exchange after delisting from the ASX on December 4, 2019; volatility of the Company's share price following listing on a new exchange; failure to list on the CSE; the inability to secure additional financing; the Company's intention not to pay dividends in the near future; claims, lawsuits and other legal proceedings and challenges; conflict of interest with directors and management; and other factors beyond the Company's control.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk Factors and Uncertainties*".

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of December 13, 2019 and should be read in conjunction with the audited financial statements of First Growth Funds Limited for the three months ended September 30, 2019 ("the Financial Statements"). The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Unless expressly stated otherwise, all financial information is presented in Australian dollars.

1.2 – Overall Performance

Business Structure

The Company, First Growth Funds Limited was incorporated on October 14, 1986 under the *Business Corporations Act* (Australia) with Australian incorporation number ("AIN") 006 648 835 with the name Second Board Pacific Limited. It went through several name changes: Greenchip Investment Limited on August 21, 1991, M2M Corporation Limited on January 28, 2000 and on March 29, 2011 the name was changed to the current name, First Growth Funds Limited. Its head office and registered offices are located at Level 14, 440 Collins Street Melbourne, Victoria 3000, Australia.

Wholly owned Subsidiary companies:

1) ICO-AN Pty Ltd., incorporated on November 17, 2017 pursuant to the Corporations Act.
2) First Growth Advisory Pty Ltd., ("FGA") incorporated December 8, 2018 pursuant to the Corporations Act.

Nature of Business

The Company invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies involved in Blockchain (but not in connection to cryptocurrency), as well as direct investments in established and liquid cryptocurrency (for example Bitcoin and Ethereum). The Company has about 30% of its investment portfolio in North American companies and plans to continue to invest across all asset classes.

De-Listing from the ASX on December 4, 2019.

The Ordinary Shares of the Company initially listed on the ASX in 1986. On April 4, 2019 the Ordinary Shares were halted from trading by the ASX on the basis that its activities constituted a change to the nature and scope of the Company's investments.

In 2017 and 2018 the Company had invested in Blockchain investments via equity and convertible notes in unlisted entities and pre-initial coin offerings ("ICO" and ICO investments. These investments were made in accordance with a disclosed investment strategy announced on February 28, 2018 and an approved prospectus filed on 1 March, 2018 which stated that only 12% of investments would be in unlisted equities involved in Blockchain and only 20% would be in pre -ICO and ICO investments. The majority of its investments are in unlisted and listed equities and cash holdings.

The Company also disclosed that its investment portfolio is based on current market conditions and the present determination of the board. The board reserves the right to alter the investment strategy and indicative asset allocation at any time without notice. Should any relevant circumstances change, the board will reassess the proposed investment strategy to ensure it is the most appropriate for the Company and its shareholders.

1.2 – Overall Performance (continued)

The Company also announced the establishment of an advisory business unit, First Growth Advisory Pty Ltd ("FGA") providing services to listed and unlisted entitles and Digital Assets and Blockchain investments. In December 2018, FGA was incorporated to carry on the advisory business.

On 4 April 2019 the ASX suspended FGF's shares from trading. No reason for the suspension was given by ASX to FGF at the time, however in subsequent discussions and queries the ASX indicated a concern that there has been a significant change to the nature of FGF's activities. Per Chapter 11 of the ASX Listing Rules if an entity proposes to make a significant change to the nature of its activities, it must provide full details to the ASX as soon as possible. Other conditions may then apply, including that ASX can require that the entity obtain the approval of its shareholders for the change, or require the entity to, in effect, re-comply with the admission requirements of the ASX. ASX raised these queries with FGF in several letters and there was a significant amount of information provided by FGF to ASX in response to their queries.

In response to ASX letters in June 2019, the Company acknowledged that is investments in Blockchain had slightly gone over from 12% to 13.4% for the period mid-February until the end of May 2019. FGF responded that, even according to its own categorization, for the months of February, March and April of 2019 year FGF was slightly over the given threshold for one asset class, being blockchain investments (12%). In FGF''s view this was not a material lapse as: (i) the threshold was only exceeded by a very small amount (up to 13.4%, compared to the 12% threshold) and for a very short period of time; and (ii) FGF had been clear from the outset (including in its 28 February 2018 announcement) that its investment Strategy was an *intention*, that FGF would not be constrained by a strict investment mandate, and that the board reserved the right to alter the investment Strategy and indicative asset allocation at any time without notice and (iii) the Company had entered into and disclosed to the market a binding and unconditional agreement for the sale of its interests in LINCD HQ Pty Ltd, an unlisted blockchain investment, in January 2019 which was completed at the end of May 2019 at which point investments in unlisted Blockchain entities dropped back to less than 12% of assets.

Whether FGF's investments have remained within the asset class percentages set out in the Investment Strategy depends on the asset class each investment is allocated to. FGF and the ASX disagree on how certain investments should be categorized, and accordingly which asset class they should be considered part of.

In any event, FGF's view remains that the investment in blockchain of up to 13.4% for a short time would not be sufficient to result in a change in the nature of FGF's activities, particularly when the Company had a binding sale agreement of one its blockchain assets during the same period that adjusted the holding to less than 12%..

In June the ASX advised the Company that in its view that there has been a significant change in the nature of FGF's activities, specifically that FGF's main undertaking has become "investments in, and providing advisory services to, entities engaged in ICOs and pre-ICOs, cryptocurrency, and blockchain-related technologies", and that this constitutes a significant change in the character of FGF's main undertaking from its previous undertaking of "investing in different assets and classes"

Over several months the Company was unable to resolve the ASX issues. Additionally, whilst FGF was suspended, on 1 August, 2019 ASX made an announcement of new policy changes relating to listing companies engaged in blockchain and digital assets including Listing rule 11.1 In many cases, a proposal by a listed entity to engage in cryptocurrency-related activities will involve a significant change in the nature or scale of the entity's activities and therefore need to be notified to ASX under listing rule 11.1.

1.2 – Overall Performance (continued)

In October 2019, the directors of the Company determined that it was unlikely to reach a resolution with the ASX in the shorter term and, in order to reinstate liquidity for shareholders, the Board resolved to seek FGF's removal from the Official List of the ASX and pursue listing on the CSE. At a Shareholder meeting on November 27, 2019 a special resolution (requiring 75% approval) was approved by Shareholders present in person or by proxy at the meeting representing 96% of the Ordinary Shares represented at the meeting. De-listing took place on December 4, 2019.

Bankruptcy, Receivership, Receiverships, Restructuring

There have not been any bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings, material restructuring transactions by the Company or any of its subsidiaries, any within the two most recently completed financial years.

Social, Environmental Polices, Seasonal Issues
There are no social and environmental policies or seasonal and environmental issues that have or are expected to affect the Company and its business.

Material Restructurings
There have not been any material restructuring of the Company in the last three years.

Acquisitions
In 2018 the Company became a founding member and 50% owner of Cryptodata Vault LLC. An engineering company working on the development of a hardware wallet used to store Digital Currencies.

In 2018 the Company acquired 100% of LINCD HQ Pty Ltd, a software company providing enterprise blockchain solutions (no-cryptocurrency). LINCD HQ was sold to Harris Technology Limited in 2019.

It also has investments in a variety of companies. See "*Description of the Business"*

Trends
As an investment company, the Company is subject to the cycles of the financial markets as they relate to companies in which the Company invests. Current global financial and economic conditions can be unpredictable. Many industries are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk; devaluations and high volatility in global equity, commodity, foreign exchange and monetary markets and a lack of market liquidity. Such factors may impact the Company's investment decisions. Additionally, global economic conditions may cause a long-term decrease in asset values. If such global volatility and market turmoil continue, the Company's operations and financial condition could be adversely impacted. See "Risk Factors and Uncertainties".

DESCRIPTION OF THE BUSINESS

Overview

The Company invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies. Some are involved in Blockchain (but not in connection to cryptocurrency) as well as direct investments in established and liquid cryptocurrency (for example Bitcoin and Ethereum). The majority of its investments have no direct association with Blockchain and Cryptocurrencies.

As an investment company, FGF seeks to have a variety of different investments across a diverse portfolio of assets and the investments held by the Company at any time may vary widely. The Company's investment mandate is to invest across a broad range of asset classes, industries, and stages in the investment cycle. The types of investments that the Company may make include (but are not limited to) are unlisted and listed securities, rights convertible into securities,

DESCRIPTION OF THE BUSINESS (continued)

debt instruments, and Cryptocurrencies and Digital Assets. FGF does not intend to limit its investments to any one sector, with some of the key investment criteria being whether or not the investment presented is of a suitable scale, strategy, line of sight to liquidity, opportunities to add value, and quality that it is likely to achieve a significant increase in value for the shareholders of FGF.

Three Year Operating History

In the past three years the Company has invested in a wide variety of listed and unlisted companies. The discussion below is of some of the investments over the past three years and is not an exhaustive list of all investments, some of which have been sold.

Current Asset Allocation

The table below is an overview of the current portfolio allocation of the Company as at September 30, 2019.

Asset type	Amount ($) -	%
Cash	3,095,294	34%
Loans receivable	232,879	3%
Listed securities	2,049,695	23%
Unlisted securities	2,484,162	28%
Unlisted securities– Blockchain	456,826	5%.
Digital currency	638,252	7%
Total	**8,957,108**	**100%**

1. License Agreements

2.1 Tripoint Dealer Selling Agreement: Pursuant to this agreement dated February 11, 2019 between the Company and Tripoint, the Company became a dealer (“Dealer”). Shares of offering companies (“Shares”) are sold solely through broker-dealers who are members of the U.S. Financial Industry Regulatory Authority (“FINRA”) or who are licensed in their jurisdiction. Tripoint is licensed. The Company is to use its best efforts to sell the Shares to qualified investors. The Company can sell must comply with all requirements of the U.S. Securities Act of 1933 as amended and the Exchange Act of 1934. The Company is not required to obtain a license from FINRA. It can operate under the license granted to Tripoint. The Company will receive commissions from the offering companies at rates to be set from time to time.

2.2 Horizon Globex GmbH: This company has developed an end-to-end suite of blockchain technology and is distributing a tokenetics (“Tokenetics”)[(1)] branded security token primary offering and secondary offering token trading platform called the Trading Platform (“*Trading Platform”)* for registered and exempt offerings of digital securities that are fully compliant and operate under financial services agreements. Pursuant to a license effective February 5, 2019 the Company was granted an exclusive, non-transferable license of the Trading Platform together with a smartphone mobile user application for the territory of Australia and New Zealand for an indefinite term. The Company was further authorized as an exclusive reseller of the Trading Platform for the territory.

DESCRIPTION OF THE BUSINESS (continued)

Activation Fee: The Company paid a one-time activation fee of U.S. $100,000 which includes:

(i) branding of one Trading Platform for the Company,
(ii) initial configuration of the Trading Platform hosted on the Microsoft Azure Cloud,
(iii) supply, publication and liaison with App Store reviewers for one branded Trading Platform App for Android and iOS including the creation and management of the Apple App Store and Google Play Store publication accounts,
(iv) iOS is a mobile operating system created and developed by Apple Inc. exclusively for is hardware which presently powers many of Apple Inc.'s mobile devices),
(iv) integration of a portal for KYC+AML API checks (security verification) for on-boarding App users.

Additional Fees: Horizon Globex receives the following fees:

(A) Execution Fees
(i) Buy: 0.75% of the value (token price multiplied by number of tokens) for each fill/partial-fill buy execution on Trading Platform
(ii) Sell: 0.75% of the value (token price multiplied by number of tokens) for each fill/partial-fill sell execution on Trading Platform.

(B) Trading Platform Reseller License Fees

(i) One time activation fee of U.S. $150,000 for each sub-license of the Trading Platform. A sub-licensee will received the services described above in the heading above called "Activation Fee").
(ii) Execution fees of:
  (i) Buy: 1.00% of the value (token price multiplied by number of tokens) for each fill/partial-fill buy execution on the Trading Platform
  (ii) ii. Sell: 1.00% of the value (token price multiplied by number of tokens) for each fill/partial-fill sell execution on the Trading Platform

Company Fees:

(a) The Company will receive a commission of U.S $50,000 from Horizon Globex for each *Trading Platform* sub-licensed in the *Licensed Territory*.

(b) The Company will receive a reseller commission of 0.25% for each fill/partial-fill buy execution and 0.25% for each fill/partial-fill sell execution on each customer Trading Platform delivered in the Licensed Territory.

(c) The Company has the right to set its own Buy and Sell Execution Fees.

There have not been any reseller licenses or sub-licenses.

2. Investment in Listed Equities

The Company holds an active portfolio of listed equities across various industries including technology, medical, mining and oil and gas sectors. The Company activity manages and adjusts the portfolio on a monthly basis.

The Company invests by participating in placements by equity or convertible notes or prior to their IPO. The Company can invest in any capital market but historically has been focused on the Australian market via the ASX. In some the Company helps facilitate the investment and earns fees. Some examples include:

DESCRIPTION OF THE BUSINESS (continued)

The Company invested $250,000 in CCP Technologies Limited (ASX:CT1) and facilitated a further investment of $561,247.

YPB Systems Limited (ASX:YPB): YPB has developed an anti-counterfeit platform and solution. YPB raised $1.6M in equity and a further $1.5M convertible note. The Company led the convertible note investment with a $500,000 investment. The Company received a finder's fee of 6%, $90,000 for the convertible note placement. The $500,000 convertible note provides the Company with 10% interest income on a 3-year term and at expire can be redeemed or converted to YPB shares.

The Company invested $250,000 in the IPO of Kleos Space Limited (ASX:KSS), which successfully raised $11million and listed on the ASX on July 27, 2018. KSS has developed a system of shoe-box sized satellites that give governments and corporations the ability to track geolocation data. The Company was paid a 5% finder's fee on its investment. The Company is no longer a shareholder in Kleos Space.

3. Investment in Unlisted Equities

The Company invests in unlisted equities and also helps facilitate investment from other Australian sophisticated and accredited investors, defined under the regulations to the Act, as an investor who has a gross annual income of $250,000 or more in each of the prior two years or net assets of $2.5 million ("Australian Sophisticated Investor"). Although the Company can invest in any industry it has historically invested in technology companies that own intellectual property and have the opportunity for large-scale deployments. Some successful investments that led to exits include:

Pearl Global: The Company invested $700,000 in Pearl Global (ASX:PG1) which subsequently listed on the ASX in February 2018. PG1 has developed a portable solution that can be transported to any remote location for recycling tires. This is particularly useful for the mining sector that holds a large inventory of tires with prohibitive costs of transporting these to recycling plants. The Company is no longer a shareholder in Pearl Global.

Sqid Technologies Limited ("SQID"). The Company acquired 15% of the Ordinary Shares of SQID in 2019. SQID is a successful payment gateway processor. For its fiscal year ended June 30, 2019 it processed 794,000 transactions with a value of $163,000,000. SQID has filed a preliminary non-offering prospectus in the province of British Columbia as a prerequisite to listing on the CSE.

Helbiz Inc. ("Helbiz"): It 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 scooters to maximize vehicle life, minimize operational costs and potentially improve safety. Helbiz utilizes a customized 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.

The Company's arms-length investment was a 10% convertible note ("Note") for the amount of U.S $150,000 with interest at the rate of 10% maturing December 31, 2020. The Company has a warrant to purchase 15 shares at a price of U.S. $2,500 each. The Note will be either (i) paid back on maturity, or (ii) automatically converted at a 30% discount to the price per share at which equity securities are sold in an IPO. In addition, the warrants will be priced at a 30% discount to the price per share at which equity securities are sold in an IPO.

Cryptodata Vault LLC. ("Cryptodata"): The Company is a 50% owner of Cryptodata, a hardware wallet used to store Digital Currencies. Cryptodata has built a hardware wallet for a fully compliant, secure and geo-fenced patent pending solution for storing digital currencies. It has built a utility Token, the SOV utility Token and a Sovereign Cash digital asset transaction book. It has issued 4.3 billion Sovereign Cash Tokens. The Sovereign Cash Tokens are

DESCRIPTION OF THE BUSINESS (continued)

listed on a digital currency exchange, BTCEXA. The Company paid U.S. $250,000 for initial development expenses. The Company received 15.56% of the Initial Tokens. The Company will also receive a commission of 6% on the sale of Cryptodata Tokens.

4. Unlisted Equities (Blockchain Related)

The Company invests in unlisted equities that are Blockchain related and may also help facilitate investment from other Australian sophisticated investors and accredited investors. In late 2018, the Company acquired 100% of

LINCD HQ Pty Ltd, a Blockchain software company, and in early 2019 sold it to Harris Technologies Limited ("Harris") (ASX:HT8) in consideration of 3,000,000 shares (still held) and 40,055,334 options to acquire Harris Shares.

5. Cryptocurrency and Digital Assets

In the fiscal year ended June 30, 2019 the Company underwent a restructuring of its crypto and Digital Assets investment portfolio by terminating a number of partnerships that no longer align with its goals and wrote off a number of its early stage crypto investments. As part of the restructure, the Company decided to no longer invest in early stage Cryptocurrency and ICO opportunities until the market matures.

The Company will focus on more established investments and to allocate all future Cryptocurrency investments to arms-length established, listed and liquid Cryptocurrency assets. Examples include Bitcoin and Ethereum that have large liquidity and well established Blockchain protocols.

The Company has established a security and governance process for managing Digital Assets. All Cryptocurrencies are stored on secure Hardware Wallets held inside Australian bank vaults. Additionally, two Hardware Wallets, stored in two different Australian States (Victoria and South Australia), are used to store each type of Cryptocurrency for added security and redundancy.

The Hardware Wallets are not connected to the internet and have the appropriate encryption and security measures built into the devices. For receiving and selling Cryptocurrencies, the Directors follow a process of obtaining authorization from the board and from the Australian banks to gain access to the vaults. To undertake a transaction an authorized Director must physically conduct the buy or sell orders inside the bank vaults.

6. Advisory Services

The Company incorporated FGA in 2018, to provide advisory services to complement its investment returns with fee revenue. These services include general corporate advisory, pre-IPO and strategic advice and capital raising and equity placement service. FGA appointed to its board of directors, two executives in the city of New York, New York, U.S., Jeff Pulver and James Haft, who have extensive investment experience across all asset classes. They each receive director's fees of $30,000 annually. See "*Use of Funds - General and Administrative Expenses*". The Company expects to increase its advisory services for the fiscal year ended June 30, 2020 particularly in the United States where it can operate under its agreement with Tripoint. FGA charges a success or finder's fee up to 8% on small cap equity placements and capital raising from Sophisticated Investors.

As part of the Company restructuring, it will not provide any advisory services in connection with ICOs, listings of Cryptocurrencies or the development or marketing of Cryptocurrencies.

The Company invoiced SQID $45,545.54 for advisory services provided from December 2018 to October 2019 and was issued 151,515 Ordinary Shares of SQID in full payment.

DESCRIPTION OF THE BUSINESS (continued)

7. Loans

7.1 Australian Nutrition & Sports Ltd. ("Australian Nutrition").

All of this company's products are Australian made including Nutrition/Fitness Products plus Infant and Adult Milk Formulas. The Company provided a loan of $223,984 with 1% interest per month. Interest is calculated monthly on daily balances and for the actual number of days elapsed from and including the first day of Loan amount received, but excluding, the last day of the date of prepayment or repayment of the Loan borrowed by the Company under this Agreement. The loan was not repaid on October 15, 2019. The Company is in discussion with Australian Network on a repayment plan.

Peloton Capital Pty Ltd is co promoting Australian Nutrition. Geoff Barnes is the CEO and a shareholder of Peloton Capital. Mr. Barnes has underwritten the loan and personally guaranteed repayment of it to the Company.

7.2 Cloud Lumen Pty Ltd. ("Cloud Lumen")

Cloud Lumen is an Australian registered company involved in the IOT and smart sensor technology for managing large scale lights for more effective energy management. The Company invested $350,000 via a convertible note and $250,000 for the purchase of 1,562,500 Cloud Lumen Shares. The note bears interest at the rate of a $75,000 fixed fee payable on repayment of the Convertible note. As at 30 June 2019, for accounting and statutory reporting purposes, this investment was fully impaired.

New Investments in 2020

It is difficult to give a detailed breakdown of each asset class as the Company does not yet have any targeted investments and investment decisions will be made after listing on the CSE. As a guide if we use our historical investments, we plan to allocate over 50% in listed equities and up to 50% in unlisted equities (includes blockchain and digital assets). However circumstances and unforeseeable events may alter this allocation. In addition the Company will use 32% of its portfolio as a guide to investments in Digital Assets and Blockchain entities. The board may adjust this figure over time. If one of the digital assets or blockchain companies valuation rises too high that skews the portfolio we will use its best efforts to find liquidity and adjust the portfolio accordingly. The budget for these investments is $2,000,000. See "*Use of Funds*".

Listed Equities: These will include a mix of on market investments and participation in placements. We will invest in Canada, US and Australia and are open to London market.

Unlisted Equities: These will include investments that are typically pre-IPO. Perl Global (now listed on ASX) and SQID Technologies Limited which has filed a prospectus in British Columbia as a prerequisite to listing on CSE are two examples. Helbiz is projected to list on NASDAQ in 2020. Cloud Lumen is being sold via a trade sale. See 7.2 above.

Unlisted Equities Blockchain: Examples of the type of planned future investments is LINCD (which was sold to listed Harris Technology) (see Item 4 above) and Globex (see item 2.2 above). We will continue to look for these types of investments with a focus on companies that are building core infrastructure and software in blockchain technology. Our strategy is similar to Unlisted Equities where we are looking for short to medium term transaction to either trade sale or divest after an IPO and listing on an exchange.

Digital Assets: This is the least of our focus, but we will accumulate some highly liquid and large cap digital assets. We are monitoring the market closely as the market evolves.

1.3 – Selected Annual Information – N/A

1.4 – Results of Operations

During the three months ended September 30, 2019, the Company had a comprehensive income of $253,118 (2018 – loss $627,177).

During the three months ended September 30, 2019, the Company recorded revenue of $nil (2018 – $61,836), comprised of cryptocurrency related sales of $nil (2018 – $61,836).

During the three months ended September 30, 2019, the Company recorded interest income of $29,640 (2018 - $26,537).

During the three months ended September 30, 2019, the Company recorded other gains of $575,897 (2018 – loss $59,023) comprising financial asset gains at fair value through profit and loss of $571,895 (2018 – loss $59,023) and other foreign exchange gains of $ 4,002 (2018 – $nil).

During the three months ended September 30, 2019, the Company incurred operating expenses of $352,419 (2018 – $656,527), comprised of director related costs of $121,442 (2018 – $68,582), share-based payments to directors $nil (2018 – $360,000), insurance and professional fees of $142,957 (2018 – $91,290), travel expenses of $39,595 (2018 – $44,760), AFSL support and secretarial fees of $9,247 (2018 – $7,000), other expenses of $5,234 (2018 – $46,500) and ASX and share registry fees of $33,944 (2018 – $38,395 The increase in other operating expenses (excluding share based payments can be attributed to the ongoing ASX negotiations and First Growth Advisory Pty Ltd director fees resulting in increased director related costs, professional advisory fees and travel. Other expenses decreased due to one off spending in the previous period.

1.5 – Summary of Quarterly Results (Unaudited)

Quarters Ended	30-Sep-19	30-Jun-19	31-Mar-19	31-Dec-18	30-Sep-18	30-Jun-18	31-Mar-18	31-Dec-17
Revenue								
Revenue from continuing operations	0	97,253	2,493	92,049	61,836	-	-	-
Interest revenue	29,640	108,211	19,462	44,938	26,537	63,556	16,897	22,696
Other gains and losses	575,897	(1,239,389)	57,205	(499,050)	(59,023)	(43,228)	446,809	117,650
Cost of sales (inventories)	0	(96,621)	26,617	(154,026)	-	-	-	-
Cost of sales (commissions)	0	0	(5,436)	(60,300)	-	-	-	-
	605,537	(1,130,546)	100,341	(576,389)	29,350	20,328	463,706	140,346
Operating expenses								
AFSL support and secretarial fees	9,247	9,123	23,474	50,226	7,000	10,918	11,086	21,470
Director related costs	121,442	145,854	121,160	110,712	68,582	90,859	80,359	149,163
Director- share based payments	0	-	-	-	360,000	544,156	-	-
Insurance and professional fees	142,957	218,480	74,040	100,814	91,290	183,893	78,628	32,470
ASX and share registry fees	33,944	15,519	1,787	-11,266	38,395	23,575	28,247	19,396
Travel expenses	39,595	54,082	29,311	90,804	44,760	19,609	37,219	97,038
Other expenses	5,234	57,826	6,212	58,163	46,500	13,900	17,203	25,411
Total operating expenses	352,419	500,884	255,984	399,453	656,527	886,910	252,742	344,948
Comprehensive Income (Loss) from operations	253,118	(1,631,430)	(155,643)	(975,842)	(627,177)	(866,582)	210,964	(204,602)
Basic and diluted earnings cents per share	0.016	(0.105)	(0.010)	(0.063)	(0.048)	(0.081)	$0.022	(0.024)
Weighted average number of ordinary shares	1,548,685,308	1,548,685,308	1,548,685,308	1,541,529,933	1,308,838,167	1,076,146,401	970,458,142	864,769,883

1.5 – Summary of Quarterly Results (Unaudited)

As at	30-Sep-19	30-Jun-19	31-Mar-19	31-Dec-18	30-Sep-18	30-Jun-18	31-Mar-18	31-Dec-17
Current Assets								
Cash and cash equivalents	3,095,294	2,255,897	2,994,063	4,302,902	6,203,537	8,024,964	10,266,255	994,240
Trade and other receivables	248,741	304,918	1,642,220	1,198,457	823,733	421,249	92,483	80,267
Inventory (cryptocurrencies)	638,252	638,252	342,983	342,983	-	224,877	-	-
Financial assets	2,049,695	2,560,894	2,898,182	2,829,714	2,303,077	1,628,771	1,386,560	942,818
Intangible assets	256,339	357,208	-	-	-	-	-	-
Other current assets	32,956	-	15,632	27,113	24,851	214,834	-	-
Total Current Assets	6,321,277	6,117,169	7,893,080	8,701,169	9,355,198	10,514,695	11,745,298	2,017,325
Non-Current Assets								
Financial assets	2,484,162	2,451,486	1,533,631	678,864	1,037,636	332,866	230,587	-
Intangible assets	200,487	200,487	914,750	1,273,578	1,139,629	914,752	-	-
Goodwill	-	-	-	23,049	-	-	-	-
Total Non-current Assets	2,684,649	2,651,973	2,448,381	1,975,491	2,177,265	1,247,618	230,587	-
Total Assets	9,005,926	8,769,142	10,341,461	10,676,660	11,532,463	11,762,313	11,975,885	2,017,325
Liabilities								
Current Liabilities								
Accounts payable	132,736	149,070	89,959	269,515	149,476	112,149	133,115	142,902
Total Current Liabilities	132,736	149,070	89,959	269,515	149,476	112,149	133,115	142,902
Total Liabilities	132,736	149,070	89,959	269,515	149,476	112,149	133,115	142,902
Net Assets	**8,873,190**	**8,620,072**	**10,251,502**	**10,407,145**	**11,382,987**	**11,650,164**	**11,842,770**	**1,874,423**
Equity								
Share Capital	67,635,788	67,635,788	67,635,788	67,635,788	67,635,788	67,155,788	66,620,968	56,863,585
Reserves	19,156	19,156	19,156	19,156	19,156	139,156	296,347	296,347
Retained Earnings	(58,781,754)	(59,034,872)	(57,403,442)	(57,247,799)	(56,271,957)	(55,644,780)	(55,074,545)	(55,285,509)
Total Equity	**8,873,190**	**8,620,072**	**10,251,502**	**10,407,145**	**11,382,987**	**11,650,164**	**11,842,770**	**1,874,423**

1.6 – Liquidity and Capital Resources

The Company's primary source of funding has been from raising equity. In the short term the Company is planning to maintain cash reserves to cover operating costs whilst actively investigating strategically aligned investment opportunities. In the long-term additional funds may be required to fund strategically aligned investments. The Company's ability to raise cash depends on various capital market conditions. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors.

There can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its Ordinary Shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options. There is no assurance that the Company will be successful in obtaining the funds it may require to sustain operations or that the terms of any financing obtained will be acceptable.

As at September 30, 2019, the Company had cash and cash equivalents on hand of $3,095,294 (June 30 2019 – $2,255,897) and working capital of $6,188,541 (June 30 2019 – $5,968,099).

During the quarter ended September 30, 2019, cash provided by (used in) operating activities was $738,528 (2018 – negative $1,678,427), cash provided by (used in) investing activities was $100,869 (2018 – negative $143,000), and cash provided by financing activities was $nil (2018 – $nil). The increase in cash provided by operating activities is primarily related to the disposition of listed and unlisted financial assets in the ordinary course of operations. The increase in cash provided by investing activities is primarily related to the disposition of other investments.

Shareholder's equity as at September 30, 2019 was $8,873,190 (30 June 2018 – $8,620,072). Although the Company has been successful in the past in raising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

1.7 – Off Balance Sheet Arrangements

As at September 30, 2019, there were no off-balance sheet arrangements to which the Company was committed.

1.8 – Not used and left blank intentionally

1.09 – Transactions with Related Parties

The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the quarters ended September 30, 2019 and 2018. The following table provides the total amount of transactions with related parties for the quarters ended September 30, 2019 and 2018 and outstanding payables as at September 30, 2019 and June 30 2019:

	2019	2018
Transactions		
Director fees _ Parent entity **		
Anoosh Manzoori	$ 60,000	$ 22,500
Geoff Barnes	$ 15,000	$ 15,000
Michael Clark	$ 15,000	$ 15,000
Athan Lekkas	$ 15,000	$ 15,000
Director fees **– external directors of First Growth Advisory Pty Ltd	$ 15,000	
Share-based payments** – Anoosh Manzoori	$ -	$360,000
Advisory **		
Shape Capital Pty Ltd. (1)	$ -	$ -
Peloton Capital Pty Ltd. (3)	$ -	$ 7,000
Dalext Pty Ltd. (4)	$ 22,500	$ -
*** In the Results from Operations, Director fees are shown as Director Related Costs and Director Advisory expenses are included in Professional and Insurance expenses. Share based payments are separately disclosed in the Results from Operations.*		
Balances:	30 Sept 2019	30 June 2019
Accounts Payable		
Polygon Fund Pty Ltd. (2)	$ -	$ 22,000
Shape Capital Pty Ltd. (1)	$ -	$ 927
Sparke Enterprises Pty Ltd. (4)	$ -	$ 3,024
Daltext Pty Ltd (5)	$ 5,586	$ 2,954

(1) Shape Capital Pty Ltd. is a company controlled by Anoosh Manzoori, a director FGF.

(2) Polygon Funds Pty Ltd a company controlled by Anoosh Manzoori, a director FGF

(3) Peloton Capital Pty Ltd. is a company controlled by Geoff Barnes, a director FGF.

(4) Dalext Pty Ltd. is a company controlled by Athan Lekkas, a director FGF.

(5) Sparke Enterprises Pty Ltd is a company controlled by Athan Lekkas, a director FGF.

1.10 Fourth Quarter – N/A

1.11 – Proposed Transactions

The Company has no proposed transactions as at the date of this document.

1.12 – Critical Accounting Estimates

The Company has outlined the basis of its critical accounting estimates and judgements in Note 2 of the June 30, 2019 Financial Statements.

1.13 – Changes in Accounting Policies – International Financial Reporting Standards ("IFRS")

Future Changes in Accounting Policies

The financial statements for the three months ended 30 September 2019 are prepared in compliance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These financial statements should be read in conjunction with the Consolidated Entity's financial statements for the year ended June 30, 2019.

.New accounting standards adopted by the Company:

Nil.

New accounting standards issued but not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

IFRS 16 Leases **-** On January 13, 2016 the IASB issued IFRS 16, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15, "Revenue from contracts with customers" at or before the date of initial adoption of IFRS 16.

The Company has initially assessed that there will be no material reporting changes as a result of adopting the new standards, however, there may be enhanced disclosure requirements.

1.14 – Financial Instruments and Other Instruments

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:

September 30 2019

	Increase 10%		***Decrease 10%***	
	Impact on profit before tax	***Impact on equity***	***Impact on profit before tax***	***Impact on equity***
Listed securities	204,970	204,970	(204,970)	(204,970)

September 30 2018

	Increase 10%		***Decrease 10%***	
	Impact on profit before tax	***Impact on equity***	***Impact on profit before tax***	***Impact on equity***
Listed securities	230,308	230,308	(3230,308)	(230,308)

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.

1.14 – Financial Instruments and Other Instruments (continued)

Financial risk management objectives (continued)

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 $728,058 on its convertible notes invested with various parties at reporting date.

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.

1.14 – Financial Instruments and Other Instruments (continued)

Financial risk management objectives (continued)

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:

As at September 30 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	132,736	-	-	-	132,736
Total non-derivatives	132,736	-	-	-	132,736

As at June 30 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

1.14 – Financial Instruments and Other Instruments *(continued)*

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
	$	$	$	$
30 September 2019				
Financial assets at fair value through profit or loss				
- Listed securities	2,049,695	-	-	2,049,695
- Unlisted securities (ii)	-	-	1,756,104	1,756,104
Financial assets at amortised cost				
- Convertible notes in unlisted companies (ii)	-	-	728,058	728,058
Intangible assets (i)	156,687	-	-	156,687
Total assets	2,206,382	-	2,484,162	4,690,544

	Level 1	Level 2	Level 3	Total
	$	$	$	$
30 June 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

(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 $1,756,104.

1.15 – Other MD&A Requirements

Share Capital

The authorized share capital consists an unlimited number of Ordinary Shares without par value.

The total number of ordinary shares issued and outstanding as at September 30, 2019 was 1,555,959,281. At the date of this report, the total number of ordinary shares issued and outstanding was 77,798,218 following a 20 for 1 share consolidation approved by shareholders at the Annual General Meeting held November 27, 2019.	**2019** **No. of ordinary shares**	**2019** **$**	**2019**** **No. of ordinary shares**	**2019**** **$**
Balance at the beginning of the financial period	**1,555,959,281**	**67,635,788**	1,510,959,281	67,155,788
Movements	-	-	-	-
Milestone share converted to ordinary shares***	-	-	45,000,000	480,000
Balance at the end of the financial period	**1,555,959,281**	**67,635,788**	1,555,959,281	67,635,788

*** June 30 2019 is the previous reporting period*

**** The $480,000 represents the final parcel of milestone shares granted during the year ended 30 June 2019 and converted to ordinary shares issued to a related entity of Anoosh Manzoori*

Share Options

The total number of share options outstanding as at September 30, 2019 was 292,257,907. At the date of this report, the total number of ordinary shares issued and outstanding was 14,612,907 following a 20 for 1 share consolidation approved by shareholders at the Annual General Meeting held November 27, 2019.

2019

Grant date	*Expiry date*	*Fair value at grant date*	*Balance as at 30 June 2019*	*Granted*	*Vested*	*Expired*	*Exercise*	*Exercise price*	*Balance as at 30 Sept 2019*
13-Mar-18	12-Mar-20	$0.00	292,257,907	-	-	-	-	$0.03	292,257,907

Share options outstanding at September 30 2019 had a weighted average contractual life of 0.44 years and a weighted average fair value of $0.03. The fair value of share options was calculated using an expected share price volatility of 110% and risk-free interest rate of 3%.

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 generally 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.

1.15 – Other MD&A Requirements (continued)

Share Options (continued)

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.

Performance share rights

The total number of performing share rights outstanding was Nil as at September 30, 2019 and as at the date of this report.

1.16 – Subsequent events

- On July 4, 2019, the company announced its further responses to ASX's queries raised on July 1, 2019 regarding Acudeen investment in accordance with ASX Listing Rules.
- On July 8, 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 July 11, 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 March 1, 2018) were met. The company did not issue any such shares since the signing date of this agreement.
- On November 27, 2019, at the Annual General Meeting, shareholders approved the following resolutions proposed by the directors to assist with the Company's Canadian Stock Exchange listing application:
    1. a special resolution for the Company to be removed from the Official List of the Australian Stock Exchange (ASX). Removal from the Official List of the Australian Stock Exchange occurred December 4, 2019,
    2. a special resolution for the Company to adopt a new Constitution, and
    3. an ordinary resolution to consolidate the number of shares and options on issue at a ratio of 1 new security for 20 old securities. Shareholders were advised that in the event their individual holdings were not easily divisible by 20 the outcome would be rounded up to the nearest whole number. Consolidation occurred December 2, 2019 and the resultant number of securities on issue is set out below.

        Ordinary shares: 77,798,218

        Share options: 14,612,907

No other matters or circumstances have arisen since the end of the reporting period 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.

RISK FACTORS AND UNCERTAINTIES

An investment in the Ordinary Shares of the Company should only be made by persons who can afford a significant or total loss of their investment. There is no market through which the Ordinary Shares may be sold.

No Market for the Shares: With the delisting of the Ordinary Shares from the ASX on December 4, 2019, there is no market through which the Ordinary Shares may be sold and there are no assurances that any market will develop in the future. This means that there is no central place, such as a stock exchange or stock quotation system, to purchase or resell the Ordinary Shares. This means that even if you locate a buyer or seller and negotiate your own sale, you may still not be allowed to sell the Ordinary Shares or to pledge the Ordinary Shares as collateral for a loan. Accordingly, an investment in the Ordinary Shares should only be considered by investors who are able to bear the economic risk of a long-term investment and do not require liquidity.

Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company.

Uncertainty of Additional Financing: There are no assurances that the Company's future working capital will be adequate to execute its business plan or objectives as contemplated herein. The Company does not have any commitments to obtain additional financing and if required in future, there is no assurance that the Company will be able to arrange for such financing, or that such financing will be available on commercially reasonable terms. The failure to obtain such financing on a timely basis could have a material adverse effect on the Company. Equity financing and the additional issuance of equity securities will result in the substantial dilution to the Company's shareholders.

Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected

Risks Specific to the Company

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Use of Proceeds*".

Reliance on the Directors and Officers: The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

RISK FACTORS AND UNCERTAINTIES (continued)

Conflicts of Interest: The directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others, and may be engaged in the ownership, acquisition and operation of businesses, which compete with the Company. Investment in the Company will not carry with it the right for either the Company or an investor to invest in any investment or venture of the directors and officers of the Company, or to any profit therefrom or to any interest therein. The directors have a responsibility to identify and acquire suitable investments on behalf of the Company. To the extent that an opportunity arises to enter into such an agreement, the directors of the Company have the discretion to determine whether the Company will avail itself of the investment opportunity and, if it does not, any of the directors of the Company will be able to decide amongst themselves whether to pursue the opportunity for their respective accounts. If the investment opportunity did not arise solely from their activities on behalf of the Company, the directors of the Company have no obligation to offer an investment opportunity to the Company. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Insurance Risk: The Company has directors and officer's liability insurance for financial institutions which covers claims to a maximum annually of $10,000,000 with worldwide coverage excluding the U.S. No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Technology Risk: The Company's Blockchain and Digital Currency assets use advanced technologies, which are susceptible to rapid technological change and there is no assurance that adequate responses will be made in a timely manner to successfully overcome the technological challenges and changes.

Digital Assets Risks: Lack of regulation, acceptance, price stability and volatility.

Lack of Regulation: Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. In the past several years, a number of cryptocurrency exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for the partial or complete losses of their account balances in such exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

RISK FACTORS AND UNCERTAINTIES (continued)

Lack of Acceptance: Traditional banks and banking services may limit or refuse the provision of banking services to businesses that supply cryptographic or cryptocurrencies as payment and may refuse to accept money derived from cryptocurrency-related businesses. This may make management of bank accounts held by companies operating in the field difficult.

Competition: All aspects of the Digital Currency and Blockchain industries – in particular the development of pre-ICO, ICOs, digital currency security providers and digital currency exchanges face significant competition. The rapid pace of innovation and development within the industry, together with the high number of competitors and relatively low barriers to market entry mean there is no guarantee the Company's ventures in these industries will be effective or profitable.

Legal and Regulatory Risk: A key concern often raised about digital currency is its ability to hinder or evade law enforcement and facilitate criminal activity due to users being anonymous and the transactions are outside the usual channels of international finance and government regulation. It is unclear what the regulatory response will be and whether that response will seriously impact the digital current market.

Valuation and Price Volatility of Cryptocurrencies: Cryptocurrency prices are highly volatile, can fluctuate substantially and are affected by numerous factors beyond the Company's control, including hacking, demand, inflation and expectations with respect to the rate of inflation, global or regional political or economic events. One Bitcoin had a value of U.S. $20,000 in December 2017, $3,430 in December 2018 and in 2019 it has fluctuated between lows of approximately $3,300 and a high of $12,360. At the end of October 2019, it was around $8,300. Cryptocurrencies may be subject to momentum pricing, which is typically associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Company's investments.

Risk of Losing the Private Key or Password of the External Wallet Services: The Company uses an external wallet and would not be able to access its Cryptocurrency if it loses the private key or password.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and directors to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage additional future staff. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations. There are no plans to hire additional staff at this time.

Increases in Competition: There is significant competition from other much larger well-established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks. There is no assurance that the Company's investment strategy will be successful or more successful that its competition. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility all of which may materially adversely affect the Company's business, operating and financial performance.

RISK FACTORS AND UNCERTAINTIES (continued)

Acquisition Risk and Associated Risk of Dilution: The Company's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with the Company's existing business, the financial performance of the Company could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

Currency Exchange Risk: The Company is exposed to fluctuations in currency exchange rates, which could negatively affect our financial condition and results of operations. In particular, exchange rate fluctuations may affect the value of its assets located in North America and Cryptocurrencies are generally sold in U.S. dollars.

Unforeseen Expenses: All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations: There are currently no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and the requirements of the Corporations Act, 2001.

Environmental and Safety Regulations and Risks, Climate Change: There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends: The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive: The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

Investors should consider that the investment in the Company is speculative, carefully consider the foregoing risk factors and should consult their professional advisers to assess income tax, legal and other aspects of an investment in the Shares before making financial decisions regarding a purchase of the Company's Ordinary Shares.

APPROVAL

The Board of Directors of the Company approved the disclosure contained in this MD&A on **, 2020.

Schedule C June 30, 2019 annual audited financial statements

FirstGrowthFunds

First Growth Funds Limited
Level 14 440 Collins Street,
Melbourne, Victoria 3000
wwww.firstgrowthfunds.com

20 November 2019

Amended 2019 Annual Report

First Growth Funds Limited (**ASX:FGF**), advises that the 2019 Annual Report has been amended as result of a transposition error in the profit arising from the completion of the sale of its 100% interest in LINCD in May 2019**. The details are as follows:

Statement of Profit and Loss and Other Comprehensive Income.

Profit after tax from discontinued operation:

- originally reported $1,026,298
- restated $1,150,443.

The amended 2019 Annual Report follows this announcement.

** *Refer to the ASX:FGF announcement dated 24 May 2019.*

- END –

About First Growth Funds

First Growth Funds Limited is a diversified listed Investment Company which focuses on increasing shareholder value by making investments across a broad range of asset classes including listed equities, private equity, blockchain and token offerings.

FirstGrowthFunds Limited

ABN 34 006 648 835

Annual Report - 30 June 2019 (Amended)

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 ($3,390,092) 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.

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 $3,390,092 (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	(3,589,240)	(823,090)	(912,539)	(491,202)	(181,622)
EBIT	(3,589,240)	(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 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

____
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

PITCHER PARTNERS

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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		**(116,939)**	(42,262)
Loss before income tax expense from continuing operations		**(4,540,535)**	(823,090)
Income tax expense	6	**-**	-
Loss after income tax expense from continuing operations		**(4,540,535)**	(823,090)
Profit from discontinued operation after tax	25	**1,150,443**	-
Loss for the period after tax		**(3,390,092)**	(823,090)
Total comprehensive income for the period attributable to owners of First Growth Funds Limited arises from:			
Continuing operations		**(4,540,535)**	(823,090)
Discontinued operations	25	**1,150,443**	-
		(3,390,092)	(823,090)

		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 $	Consolidated 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	**(4,540,535)**	(823,090)
Tax at the Australian tax rate of 27.50% (2018: 27.50%)	**(1,248,647)**	(226,350)
Tax effect amounts which are not deductible / (taxable) in calculating taxable income:		
Deferred tax asset not recognised	**1,248,647**	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	292,257,907	-	-	-	-	$0.03	292,257,907

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	-	292,257,907	292,257,907	-	-	$0.03	292,257,907
			35,000,000	292,257,907	292,257,907	(35,000,000)	-		292,257,907

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	**(3,390,092)**	(823,090)
Total comprehensive loss for the year	**(3,390,092)**	(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 $1,150,443.

Financial performance information - LINCD	**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	(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)
Gain on deconsolidation of net liabilities (see LINCD Loss above)	124,145
Profit on discontinued operation before income tax	1,150,443
Income tax expense	-
Profit on discontinued operation after income tax	**1,150,443**

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	**(4,540,535)**	(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	**1,150,443**	-
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	**0.074**	-

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

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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.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the matter</th></tr>
<tr><td colspan="2">Valuation of financial assets
Refer to note 10</td></tr>
<tr><td>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.</td><td>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.</td></tr>
<tr><td colspan="2">Accounting for digital currency assets (cryptocurrencies)
Refer to notes 9 & 11</td></tr>
<tr><td>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.</td><td>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.</td></tr>
</table>

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%**

Schedule D MD&A June 30, 2019 annual audited financial statements

DISCLAIMER FOR FORWARD-LOOKING INFORMATION

Certain statements in this Prospectus are forward-looking statements or information (collectively "forward-looking statements"). The Company is providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in these forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "anticipates", "is expected to", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that its investment strategy will be successful, and the underlying value of its investments will continue and grow and that the risks listed below will not adversely impact the Company. These forward-looking statements include, among other things, statements relating to the ability of the Company to generate revenue; the success of the Company's investment strategy, use of funds, intentions to further develop, market and promote its advisory services; unanticipated cash needs and the possible need for additional financing and the adoption of new governance policies, committees and practices.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to, risks relating to: global economic and financial market deterioration impeding access to capital or increasing the cost of capital; the effects of tariffs on economic growth causing a downturn in general economic conditions; equity risk; the market price of the Company's investments may fluctuate and there is a risk of a loss because of a drop in the market price; liquidity risk; the Company may be unable to sell its investments and a fair price when it wishes; the value of the investments may not keep up with the rate of inflation; the value of the Company's investments depends on the skill and expertise of the management of the Company and their ability to see trends in advance and act; the security of Digital Assets and the effectiveness of current technology to counter Cybersecurity risks, fraud and money laundering; digital currency exchange risks; limited history of de-centralized financial systems compared with traditional and existing centralized financial systems backed by a central authority; the ability of the Company to continue to generate revenue adequate to fund its business plans and operations; competition from other much larger well established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks; the effect of government regulation and compliance on the Company and the investment industry; the ability of the Company to maintain properly working systems; reliance on key personnel; the inability to list on a public exchange after delisting from the ASX on December 4, 2019; volatility of the Company's share price following listing on a new exchange; failure to list on the CSE; the inability to secure additional financing; the Company's intention not to pay dividends in the near future; claims, lawsuits and other legal proceedings and challenges; conflict of interest with directors and management; and other factors beyond the Company's control.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "*Risk Factors and Uncertainties*".

1.1 – Date and Basis of Discussion & Analysis

This management discussion and analysis ("MD&A") is dated as of December **, 2019 and should be read in conjunction with the audited financial statements of First Growth Funds Limited for the year ended June 30, 2019 ("the Financial Statements"). The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Unless expressly stated otherwise, all financial information is presented in Australian dollars.

1.2 – Overall Performance

Business Structure

The Company, First Growth Funds Limited was incorporated on October 14, 1986 under the *Business Corporations Act* (Australia) with Australian incorporation number ("AIN") 006 648 835 with the name Second Board Pacific Limited. It went through several name changes: Greenchip Investment Limited on August 21, 1991, M2M Corporation Limited on January 28, 2000 and on March 29, 2011 the name was changed to the current name, First Growth Funds Limited. Its head office and registered offices are located at Level 14, 440 Collins Street Melbourne, Victoria 3000, Australia.

Wholly owned Subsidiary companies:

1) ICO-AN Pty Ltd., incorporated on November 17, 2017 pursuant to the Corporations Act.
2) First Growth Advisory Pty Ltd., ("FGA") incorporated December 8, 2018 pursuant to the Corporations Act.

Nature of Business

The Company invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies involved in Blockchain (but not in connection to cryptocurrency), as well as direct investments in established and liquid cryptocurrency (for example Bitcoin and Ethereum). The Company has about 30% of its investment portfolio in North American companies and plans to continue to invest across all asset classes.

De-Listing from the ASX on December 4, 2019.

The Ordinary Shares of the Company initially listed on the ASX in 1986. On April 4, 2019 the Ordinary Shares were halted from trading by the ASX on the basis that its activities constituted a change to the nature and scope of the Company's investments.

In 2017 and 2018 the Company had invested in Blockchain investments via equity and convertible notes in unlisted entities and pre-initial coin offerings ("ICO" and ICO investments. These investments were made in accordance with a disclosed investment strategy announced on February 28, 2018 and an approved prospectus filed on 1 March, 2018 which stated that only 12% of investments would be in unlisted equities involved in Blockchain and only 20% would be in pre -ICO and ICO investments. The majority of its investments are in unlisted and listed equities and cash holdings.

The Company also disclosed that its investment portfolio is based on current market conditions and the present determination of the board. The board reserves the right to alter the investment strategy and indicative asset allocation at any time without notice. Should any relevant circumstances change, the board will reassess the proposed investment strategy to ensure it is the most appropriate for the Company and its shareholders.

1.2 – Overall Performance (continued)

The Company also announced the establishment of an advisory business unit, First Growth Advisory Pty Ltd ("FGA") providing services to listed and unlisted entitles and Digital Assets and Blockchain investments. In December 2018, FGA was incorporated to carry on the advisory business.

On 4 April 2019 the ASX suspended FGF's shares from trading. No reason for the suspension was given by ASX to FGF at the time, however in subsequent discussions and queries the ASX indicated a concern that there has been a significant change to the nature of FGF's activities. Per Chapter 11 of the ASX Listing Rules if an entity proposes to make a significant change to the nature of its activities, it must provide full details to the ASX as soon as possible. Other conditions may then apply, including that ASX can require that the entity obtain the approval of its shareholders for the change, or require the entity to, in effect, re-comply with the admission requirements of the ASX. ASX raised these queries with FGF in several letters and there was a significant amount of information provided by FGF to ASX in response to their queries.

In response to ASX letters in June 2019, the Company acknowledged that is investments in Blockchain had slightly gone over from 12% to 13.4% for the period mid-February until the end of May 2019. FGF responded that, even according to its own categorization, for the months of February, March and April of 2019 year FGF was slightly over the given threshold for one asset class, being blockchain investments (12%). In FGF''s view this was not a material lapse as: (i) the threshold was only exceeded by a very small amount (up to 13.4%, compared to the 12% threshold) and for a very short period of time; and (ii) FGF had been clear from the outset (including in its 28 February 2018 announcement) that its investment Strategy was an *intention*, that FGF would not be constrained by a strict investment mandate, and that the board reserved the right to alter the investment Strategy and indicative asset allocation at any time without notice and (iii) the Company had entered into and disclosed to the market a binding and unconditional agreement for the sale of its interests in LINCD HQ Pty Ltd, an unlisted blockchain investment, in January 2019 which was completed at the end of May 2019 at which point investments in unlisted Blockchain entities dropped back to less than 12% of assets.

Whether FGF's investments have remained within the asset class percentages set out in the Investment Strategy depends on the asset class each investment is allocated to. FGF and the ASX disagree on how certain investments should be categorized, and accordingly which asset class they should be considered part of.

In any event, FGF's view remains that the investment in blockchain of up to 13.4% for a short time would not be sufficient to result in a change in the nature of FGF's activities, particularly when the Company had a binding sale agreement of one its blockchain assets during the same period that adjusted the holding to less than 12%..

In June the ASX advised the Company that in its view that there has been a significant change in the nature of FGF's activities, specifically that FGF's main undertaking has become "investments in, and providing advisory services to, entities engaged in ICOs and pre-ICOs, cryptocurrency, and blockchain-related technologies", and that this constitutes a significant change in the character of FGF's main undertaking from its previous undertaking of "investing in different assets and classes"

Over several months the Company was unable to resolve the ASX issues. Additionally, whilst FGF was suspended, on 1 August, 2019 ASX made an announcement of new policy changes relating to listing companies engaged in blockchain and digital assets including Listing rule 11.1 In many cases, a proposal by a listed entity to engage in cryptocurrency-related activities will involve a significant change in the nature or scale of the entity's activities and therefore need to be notified to ASX under listing rule 11.1.

1.2 – Overall Performance (continued)

In October 2019, the directors of the Company determined that it was unlikely to reach a resolution with the ASX in the shorter term and, in order to reinstate liquidity for shareholders, the Board resolved to seek FGF's removal from the Official List of the ASX and pursue listing on the CSE. At a Shareholder meeting on November 27, 2019 a special resolution (requiring 75% approval) was approved by Shareholders present in person or by proxy at the meeting representing 96% of the Ordinary Shares represented at the meeting. De-listing took place on December 4, 2019.

Bankruptcy, Receivership, Receiverships, Restructuring

There have not been any bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings, material restructuring transactions by the Company or any of its subsidiaries, any within the two most recently completed financial years.

Social, Environmental Polices, Seasonal Issues
There are no social and environmental policies or seasonal and environmental issues that have or are expected to affect the Company and its business.

Material Restructurings
There have not been any material restructuring of the Company in the last three years.

Acquisitions
In 2018 the Company became a founding member and 50% owner of Cryptodata Vault LLC. An engineering company working on the development of a hardware wallet used to store Digital Currencies.

In 2018 the Company acquired 100% of LINCD HQ Pty Ltd, a software company providing enterprise blockchain solutions (no-cryptocurrency). LINCD HQ was sold to Harris Technology Limited in 2019.

It also has investments in a variety of companies. See "*Description of the Business"*

Trends
As an investment company, the Company is subject to the cycles of the financial markets as they relate to companies in which the Company invests. Current global financial and economic conditions can be unpredictable. Many industries are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk; devaluations and high volatility in global equity, commodity, foreign exchange and monetary markets and a lack of market liquidity. Such factors may impact the Company's investment decisions. Additionally, global economic conditions may cause a long-term decrease in asset values. If such global volatility and market turmoil continue, the Company's operations and financial condition could be adversely impacted. See "Risk Factors and Uncertainties".

DESCRIPTION OF THE BUSINESS

Overview

The Company invests across a diversified portfolio of different asset classes, including equity and convertible note investments in large and small cap listed and private companies. Some are involved in Blockchain (but not in connection to cryptocurrency) as well as direct investments in established and liquid cryptocurrency (for example Bitcoin and Ethereum). The majority of its investments have no direct association with Blockchain and Cryptocurrencies.

As an investment company, FGF seeks to have a variety of different investments across a diverse portfolio of assets and the investments held by the Company at any time may vary widely. The Company's investment mandate is to invest across a broad range of asset classes, industries, and stages in the investment cycle. The types of investments that the Company may make include (but are not limited to) are unlisted and listed securities, rights convertible into securities,

DESCRIPTION OF THE BUSINESS (continued)

debt instruments, and Cryptocurrencies and Digital Assets. FGF does not intend to limit its investments to any one sector, with some of the key investment criteria being whether or not the investment presented is of a suitable scale, strategy, line of sight to liquidity, opportunities to add value, and quality that it is likely to achieve a significant increase in value for the shareholders of FGF.

Three Year Operating History

In the past three years the Company has invested in a wide variety of listed and unlisted companies. The discussion below is of some of the investments over the past three years and is not an exhaustive list of all investments, some of which have been sold.

Current Asset Allocation

The table below is an overview of the current portfolio allocation of the Company for the fiscal year ended June 30, 2019.

Asset type	Amount ($) -	%
Cash	2,255,897	26%
Loans receivable	226,022	3%
Listed securities	2,560,894	30%
Unlisted securities	2,451,486	28%
Unlisted securities–Blockchain	557,695	6%
Digital currency	638,252	7%
Total	**8,690,246**	**100%**

1. License Agreements

2.1 Tripoint Dealer Selling Agreement: Pursuant to this agreement dated February 11, 2019 between the Company and Tripoint, the Company became a dealer ("Dealer"). Shares of offering companies ("Shares") are sold solely through broker-dealers who are members of the U.S. Financial Industry Regulatory Authority ("FINRA") or who are licensed in their jurisdiction. Tripoint is licensed. The Company is to use its best efforts to sell the Shares to qualified investors. The Company can sell must comply with all requirements of the U.S. Securities Act of 1933 as amended and the Exchange Act of 1934. The Company is not required to obtain a license from FINRA. It can operate under the license granted to Tripoint. The Company will receive commissions from the offering companies at rates to be set from time to time.

2.2 Horizon Globex GmbH: This company has developed an end-to-end suite of blockchain technology and is distributing a tokenetics ("Tokenetics")[(1)] branded security token primary offering and secondary offering token trading platform called the Trading Platform ("*Trading Platform")* for registered and exempt offerings of digital securities that are fully compliant and operate under financial services agreements. Pursuant to a license effective February 5, 2019 the Company was granted an exclusive, non-transferable license of the Trading Platform together with a smartphone mobile user application for the territory of Australia and New Zealand for an indefinite term. The Company was further authorized as an exclusive reseller of the Trading Platform for the territory.

DESCRIPTION OF THE BUSINESS (continued)

Activation Fee: The Company paid a one-time activation fee of U.S. $100,000 which includes:

(i) branding of one Trading Platform for the Company,
(ii) initial configuration of the Trading Platform hosted on the Microsoft Azure Cloud,
(iii) supply, publication and liaison with App Store reviewers for one branded Trading Platform App for Android and iOS including the creation and management of the Apple App Store and Google Play Store publication accounts,
(iv) iOS is a mobile operating system created and developed by Apple Inc. exclusively for is hardware which presently powers many of Apple Inc.'s mobile devices),
(iv) integration of a portal for KYC+AML API checks (security verification) for on-boarding App users.

Additional Fees: Horizon Globex receives the following fees:

(A) Execution Fees
(i) Buy: 0.75% of the value (token price multiplied by number of tokens) for each fill/partial-fill buy execution on Trading Platform
(ii) Sell: 0.75% of the value (token price multiplied by number of tokens) for each fill/partial-fill sell execution on Trading Platform.

(B) Trading Platform Reseller License Fees

(i) One time activation fee of U.S. $150,000 for each sub-license of the Trading Platform. A sub-licensee will received the services described above in the heading above called "Activation Fee").
(ii) Execution fees of:
   (i) Buy: 1.00% of the value (token price multiplied by number of tokens) for each fill/partial-fill buy execution on the Trading Platform
   (ii) ii. Sell: 1.00% of the value (token price multiplied by number of tokens) for each fill/partial-fill sell execution on the Trading Platform

Company Fees:

(a) The Company will receive a commission of U.S $50,000 from Horizon Globex for each *Trading Platform* sub-licensed in the *Licensed Territory*.

(b) The Company will receive a reseller commission of 0.25% for each fill/partial-fill buy execution and 0.25% for each fill/partial-fill sell execution on each customer Trading Platform delivered in the Licensed Territory.

(c) The Company has the right to set its own Buy and Sell Execution Fees.

There have not been any reseller licenses or sub-licenses.

2. Investment in Listed Equities

The Company holds an active portfolio of listed equities across various industries including technology, medical, mining and oil and gas sectors. The Company activity manages and adjusts the portfolio on a monthly basis.

The Company invests by participating in placements by equity or convertible notes or prior to their IPO. The Company can invest in any capital market but historically has been focused on the Australian market via the ASX. In some the Company helps facilitate the investment and earns fees. Some examples include:

DESCRIPTION OF THE BUSINESS (continued)

The Company invested $250,000 in CCP Technologies Limited (ASX:CT1) and facilitated a further investment of $561,247.

YPB Systems Limited (ASX:YPB): YPB has developed an anti-counterfeit platform and solution. YPB raised $1.6M in equity and a further $1.5M convertible note. The Company led the convertible note investment with a $500,000 investment. The Company received a finder's fee of 6%, $90,000 for the convertible note placement. The $500,000 convertible note provides the Company with 10% interest income on a 3-year term and at expire can be redeemed or converted to YPB shares.

The Company invested $250,000 in the IPO of Kleos Space Limited (ASX:KSS), which successfully raised $11million and listed on the ASX on July 27, 2018. KSS has developed a system of shoe-box sized satellites that give governments and corporations the ability to track geolocation data. The Company was paid a 5% finder's fee on its investment. The Company is no longer a shareholder in Kleos Space.

3. Investment in Unlisted Equities

The Company invests in unlisted equities and also helps facilitate investment from other Australian sophisticated and accredited investors, defined under the regulations to the Act, as an investor who has a gross annual income of $250,000 or more in each of the prior two years or net assets of $2.5 million ("Australian Sophisticated Investor"). Although the Company can invest in any industry it has historically invested in technology companies that own intellectual property and have the opportunity for large-scale deployments. Some successful investments that led to exits include:

Pearl Global: The Company invested $700,000 in Pearl Global (ASX:PG1) which subsequently listed on the ASX in February 2018. PG1 has developed a portable solution that can be transported to any remote location for recycling tires. This is particularly useful for the mining sector that holds a large inventory of tires with prohibitive costs of transporting these to recycling plants. The Company is no longer a shareholder in Pearl Global.

Sqid Technologies Limited ("SQID"). The Company acquired 15% of the Ordinary Shares of SQID in 2019. SQID is a successful payment gateway processor. For its fiscal year ended June 30, 2019 it processed 794,000 transactions with a value of $163,000,000. SQID has filed a preliminary non-offering prospectus in the province of British Columbia as a prerequisite to listing on the CSE.

Helbiz Inc. ("Helbiz"): It 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 scooters to maximize vehicle life, minimize operational costs and potentially improve safety. Helbiz utilizes a customized 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.

The Company's arms-length investment was a 10% convertible note ("Note") for the amount of U.S $150,000 with interest at the rate of 10% maturing December 31, 2020. The Company has a warrant to purchase 15 shares at a price of U.S. $2,500 each. The Note will be either (i) paid back on maturity, or (ii) automatically converted at a 30% discount to the price per share at which equity securities are sold in an IPO. In addition, the warrants will be priced at a 30% discount to the price per share at which equity securities are sold in an IPO.

Cryptodata Vault LLC. ("Cryptodata"): The Company is a 50% owner of Cryptodata, a hardware wallet used to store Digital Currencies. Cryptodata has built a hardware wallet for a fully compliant, secure and geo-fenced patent pending solution for storing digital currencies. It has built a utility Token, the SOV utility Token and a Sovereign Cash digital asset transaction book. It has issued 4.3 billion Sovereign Cash Tokens. The Sovereign Cash Tokens are

DESCRIPTION OF THE BUSINESS (continued)

listed on a digital currency exchange, BTCEXA. The Company paid U.S. $250,000 for initial development expenses. The Company received 15.56% of the Initial Tokens. The Company will also receive a commission of 6% on the sale of Cryptodata Tokens.

4. Unlisted Equities (Blockchain Related)

The Company invests in unlisted equities that are Blockchain related and may also help facilitate investment from other Australian sophisticated investors and accredited investors. In late 2018, the Company acquired 100% of

LINCD HQ Pty Ltd, a Blockchain software company, and in early 2019 sold it to Harris Technologies Limited ("Harris") (ASX:HT8) in consideration of 3,000,000 shares (still held) and 40,055,334 options to acquire Harris Shares.

5. Cryptocurrency and Digital Assets

In the fiscal year ended June 30, 2019 the Company underwent a restructuring of its crypto and Digital Assets investment portfolio by terminating a number of partnerships that no longer align with its goals and wrote off a number of its early stage crypto investments. As part of the restructure, the Company decided to no longer invest in early stage Cryptocurrency and ICO opportunities until the market matures.

The Company will focus on more established investments and to allocate all future Cryptocurrency investments to arms-length established, listed and liquid Cryptocurrency assets. Examples include Bitcoin and Ethereum that have large liquidity and well established Blockchain protocols.

The Company has established a security and governance process for managing Digital Assets. All Cryptocurrencies are stored on secure Hardware Wallets held inside Australian bank vaults. Additionally, two Hardware Wallets, stored in two different Australian States (Victoria and South Australia), are used to store each type of Cryptocurrency for added security and redundancy.

The Hardware Wallets are not connected to the internet and have the appropriate encryption and security measures built into the devices. For receiving and selling Cryptocurrencies, the Directors follow a process of obtaining authorization from the board and from the Australian banks to gain access to the vaults. To undertake a transaction an authorized Director must physically conduct the buy or sell orders inside the bank vaults.

6. Advisory Services

The Company incorporated FGA in 2018, to provide advisory services to complement its investment returns with fee revenue. These services include general corporate advisory, pre-IPO and strategic advice and capital raising and equity placement service. FGA appointed to its board of directors, two executives in the city of New York, New York, U.S., Jeff Pulver and James Haft, who have extensive investment experience across all asset classes. They each receive director's fees of $30,000 annually. See "*Use of Funds - General and Administrative Expenses*". The Company expects to increase its advisory services for the fiscal year ended June 30, 2020 particularly in the United States where it can operate under its agreement with Tripoint. FGA charges a success or finder's fee up to 8% on small cap equity placements and capital raising from Sophisticated Investors.

As part of the Company restructuring, it will not provide any advisory services in connection with ICOs, listings of Cryptocurrencies or the development or marketing of Cryptocurrencies.

The Company invoiced SQID $45,545.54 for advisory services provided from December 2018 to October 2019 and was issued 151,515 Ordinary Shares of SQID in full payment.

DESCRIPTION OF THE BUSINESS (continued)

7. Loans

7.1 Australian Nutrition & Sports Ltd. (“Australian Nutrition”).
All of this company’s products are Australian made including Nutrition/Fitness Products plus Infant and Adult Milk Formulas. The Company provided a loan of $223,984 with 1% interest per month. Interest is calculated monthly on daily balances and for the actual number of days elapsed from and including the first day of Loan amount received, but excluding, the last day of the date of prepayment or repayment of the Loan borrowed by the Company under this Agreement. The loan was not repaid on October 15, 2019. The Company is in discussion with Australian Network on a repayment plan.

Peloton Capital Pty Ltd is co promoting Australian Nutrition. Geoff Barnes is the CEO and a shareholder of Peloton Capital. Mr. Barnes has underwritten the loan and personally guaranteed repayment of it to the Company.

7.2 Cloud Lumen Pty Ltd. (“Cloud Lumen”)
Cloud Lumen is an Australian registered company involved in the IOT and smart sensor technology for managing large scale lights for more effective energy management. The Company invested $350,000 via a convertible note and $250,000 for the purchase of 1,562,500 Cloud Lumen Shares. The note bears interest at the rate of a $75,000 fixed fee payable on repayment of the Convertible note. As at 30 June 2019, for accounting and statutory reporting purposes, this investment was fully impaired.

New Investments in 2020

It is difficult to give a detailed breakdown of each asset class as the Company does not yet have any targeted investments and investment decisions will be made after listing on the CSE. As a guide if we use our historical investments, we plan to allocate over 50% in listed equities and up to 50% in unlisted equities (includes blockchain and digital assets). However circumstances and unforeseeable events may alter this allocation. In addition the Company will use 32% of its portfolio as a guide to investments in Digital Assets and Blockchain entities. The board may adjust this figure over time. If one of the digital assets or blockchain companies valuation rises too high that skews the portfolio we will use its best efforts to find liquidity and adjust the portfolio accordingly. The budget for these investments is $2,000,000. See “*Use of Funds*”.

Listed Equities: These will include a mix of on market investments and participation in placements. We will invest in Canada, US and Australia and are open to London market.

Unlisted Equities: These will include investments that are typically pre-IPO. Perl Global (now listed on ASX) and SQID Technologies Limited which has filed a prospectus in British Columbia as a prerequisite to listing on CSE are two examples. Helbiz is projected to list on NASDAQ in 2020. Cloud Lumen is being sold via a trade sale. See 7.2 above.

Unlisted Equities Blockchain: Examples of the type of planned future investments is LINCD (which was sold to listed Harris Technology) (see Item 4 above) and Globex (see item 2.2 above). We will continue to look for these types of investments with a focus on companies that are building core infrastructure and software in blockchain technology. Our strategy is similar to Unlisted Equities where we are looking for short to medium term transaction to either trade sale or divest after an IPO and listing on an exchange.

Digital Assets: This is the least of our focus, but we will accumulate some highly liquid and large cap digital assets. We are monitoring the market closely as the market evolves.

1.3 – Selected Annual Information

As at	June 30 2019	June 30 2018	June 30 2017
Current Assets	$ 6,117,169	$10,514,695	$ 2,120,269
Other Assets	2,651,973	1,247,618	-
Total Assets	8,769,142	11,762,313	2,120,269
Current Liabilities	(149,070)	(112,149)	(78,576)
Net Assets	$ 8,620,072	$11,650,164	$ 2,041,693
Shareholders' Equity	67,654,944	67,294,944	57,159,730
Deficit	(59,034,872)	(55,644,780)	(55,118,037)
Total Shareholders' Equity	$ 8,620,072	$11,650,164	$ 2,041,693
Years Ended			
Revenue	$ 253,631	$ -	$ -
Interest income	199,148	106,356	40,493
Cost of sales (cryptocurrency)	(224,030)	-	-
Cost of sales (commission)	(65,736)	-	-
Other gains (losses)	(1,740,257)	658,827	(139,089)
Operating Expenses	(1,812,848)	(1,588,273)	(773,793)
Comprehensive Loss	$(3,390,092)	$ (823,090)	$ (872,389)
Basic and diluted earnings per share	$ (0.00219)	$ (0.00076)	$ (0.00106)
Weighted average number of Ordinary Shares outstanding	1,548,685,308	1,076,146,301	824,024,221

1.4 – Results of Operations

During the year ended June 30, 2019, the Company had a comprehensive loss of $3,390,092 (2018 – $823,090).

During the year ended June 30, 2019, the Company recorded revenue of $253,651 (2018 – $nil), comprising cryptocurrency sales $97,471 (2018 – $nil), commission $137,993 (2018 – $nil) and dividends of $18,167 (2018 – $nil). The Company had costs of cryptocurrency sales of $224,030 (2018 – $nil), resulting in a gross cryptocurrency loss of $126,559 (2018 – $nil). The Company also had cost of sales against commission income of $65,736 ($2018 - $nil) resulting in a gross profit of $72,257 (2018 – $nil).

Interest income was higher at $199,148 (2018- $106,356) as a result of increased investment in interest bearing securities and cash balances held throughout the year.

During the year ended June 30, 2019, the Company recorded losses on financial assets of $1,740,257 (2018 – $658,827 gain) comprising asset impairment losses of $1,563,435 (2018 – $20,000), fair value adjustment losses of $250,000 (2018 – $nil), financial asset losses at fair value through profit and loss of $1,077,265 (2018 – $678,827 gain) and gains on discontinued operations of $ 1,150,443 (2018- $nil)[1].

[1] This relates to the gain on the sale of LINCD Pty Ltd. (LINCD). First Growth acquired 100% of LINCD in July 2018 and then sold the investment in May 2019. In the 2019 Annual Report, this was disclosed as "Profit from discontinued operations as LINCD was a controlled entity from July 2018 to May 2019.

1.4 – Results of Operations

During the year ended June 30, 2019, the Company incurred operating expenses of $1,812,848 (2018 – $1,588,274), comprised of director related costs of $806,308 (2018 – $879,537), insurance and professional fees of $484,624 (2018 – $351,312), travel expenses of $218,957 (2018 – $153,866), AFSL support and secretarial fees of $89,736 (2018 – $43,474), ASX and share registry fees of $44,435 (2018 – $93,296) and Other expenses of $116,940 (2018 - $42,261). The increase in operating expenses can be attributed to the ongoing ASX negotiations and the investment strategy review performed during the year, resulting in increased director related costs, professional advisory fees and travel.

Director related costs of $806,308 (2018 – $879,537) are comprised of share-based payments to directors $360,000 (2018 – $544,156) and other remuneration of $446,308 (2018 – $335,381).

1.5 – Summary of Quarterly Results (Unaudited)

As at	**30-Jun-19**	**31-Mar-19**	**31-Dec-18**	**30-Sep-18**	**30-Jun-18**	**31-Mar-18**	**31-Dec-17**	**30-Sep-17**
Current Assets								
Cash and cash equivalents	2,255,897	2,994,063	4,302,902	6,203,537	8,024,964	10,266,255	994,240	1,014,986
Trade and other receivables	304,918	1,642,220	1,198,457	823,733	421,249	92,483	80,267	40,194
Inventory (cryptocurrencies)	638,252	342,983	342,983	-	224,877	-	-	-
Financial assets	2,560,894	2,898,182	2,829,714	2,303,077	1,628,771	1,386,560	942,818	1,120,307
Intangible assets	357,208	-	-	-	-	-	-	-
Other current assets	-	15,632	27,113	24,851	214,834	-	-	-
Total Current Assets	6,117,169	7,893,080	8,701,169	9,355,198	10,514,695	11,745,298	2,017,325	2,175,487
Non-Current Assets								
Financial assets	2,451,486	1,533,631	678,864	1,037,636	332,866	230,587	-	-
Intangible assets	200,487	914,750	1,273,578	1,139,629	914,752	-	-	-
Goodwill	-	-	23,049	-	-	-	-	-
Total Non-current Assets	2,651,973	2,448,381	1,975,491	2,177,265	1,247,618	230,587	-	-
Total Assets	8,769,142	10,341,461	10,676,660	11,532,463	11,762,313	11,975,885	2,017,325	2,175,487
Liabilities								
Current Liabilities								
Accounts payable	149,070	89,959	269,515	149,476	112,149	133,115	142,902	96,664
Total Current Liabilities	149,070	89,959	269,515	149,476	112,149	133,115	142,902	96,664
Total Liabilities	149,070	89,959	269,515	149,476	112,149	133,115	142,902	96,664
Net Assets	**8,620,072**	**10,251,502**	**10,407,145**	**11,382,987**	**11,650,164**	**11,842,770**	**1,874,423**	**2,078,823**
Equity								
Share Capital	67,635,788	67,635,788	67,635,788	67,635,788	67,155,788	66,620,968	56,863,585	56,863,383
Reserves	19,156	19,156	19,156	19,156	139,156	296,347	296,347	296,347
Retained Earnings	(59,034,872)	(57,403,442)	(57,247,799)	(56,271,957)	(55,644,780)	(55,074,545)	(55,285,509)	(55,080,907)
Total Equity	**8,620,072**	**10,251,502**	**10,407,145**	**11,382,987**	**11,650,164**	**11,842,770**	**1,874,423**	**2,078,823**

1.5 – Summary of Quarterly Results (Unaudited)

Quarters Ended	**30-Jun-19**	**31-Mar-19**	**31-Dec-18**	**30-Sep-18**	**30-Jun-18**	**31-Mar-18**	**31-Dec-17**	**30-Sep-17**
Revenue								
Revenue from continuing operations	97,253	2,493	92,049	61,836	-	-	-	-
Interest revenue	108,211	19,462	44,938	26,537	63,556	16,897	22,696	3,207
Other gains and losses	(1,239,389)	57,205	(499,050)	(59,023)	(43,228)	446,809	117,650	137,596
Cost of sales (inventories)	(96,621)	26,617	(154,026)	-	-	-	-	-
Cost of sales (commissions)	0	(5,436)	(60,300)	-	-	-	-	-
Income (Loss) before operating expenses	(1,130,546)	100,341	(576,389)	29,350	20,328	463,706	140,346	140,803
Operating expenses								
AFSL support and secretarial fees	9,123	23,474	50,226	7,000	10,918	11,086	21,470	-
Director related costs	145,854	121,160	110,712	68,582	90,859	80,359	149,163	15,000
Director- share based payments	-	-	-	360,000	544,156	-	-	-
Insurance and professional fees	218,480	74,040	100,814	91,290	183,893	78,628	32,470	56,321
ASX and share registry fees	15,519	1,787	-11,266	38,395	23,575	28,247	19,396	22,078
Travel expenses	54,082	29,311	90,804	44,760	19,609	37,219	97,038	0
Other expenses	57,826	6,212	58,163	46,500	13,900	17,203	25,411	10,274
Total operating expenses	500,884	255,984	399,453	656,527	886,910	252,742	344,948	103,673
Comprehensive Income (Loss) from operations	(1,631,430)	(155,643)	(975,842)	(627,177)	(866,582)	210,964	(204,602)	37,130
Basic and diluted earnings cents per share	(0.105)	(0.010)	(0.063)	(0.048)	(0.081)	0.022	(0.024)	0.004

1.6 – Liquidity and Capital Resources

The Company's primary source of funding has been from raising equity. In the short term the Company is planning to maintain cash reserves to cover operating costs whilst actively investigating strategically aligned investment opportunities. In the long-term additional funds may be required to fund strategically aligned investments. The Company's ability to raise cash depends on various capital market conditions. There is no assurance that the Company will be able to obtain any additional financing on terms acceptable to the Company. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Actual funding requirements may vary from those planned due to a number of factors.

There can be no certainty that the Company's existing cash balances or that the proceeds from the issuance of its Ordinary Shares will provide sufficient funds for all of the Company's cash requirements. Should the need arise, the Company may pursue other financing options. There is no assurance that the Company will be successful in obtaining the funds it may require to sustain operations or that the terms of any financing obtained will be acceptable.

As at June 30, 2019, the Company had cash and cash equivalents on hand of $2,255,897 (2018 – $8,024,964) and working capital of $5,968,099 (2018 – $10,402,546).

During the year ended June 30, 2019, cash used by operating activities was $5,219,364 (2018 – $1,447,250), cash used in investing activities was $549,703 (2018 – $1,247,615), cash provided by financing activities was $nil (2018 – $9,887,406). The increase in cash used by operating activities is primarily related to a net increase in listed and unlisted financial assets in the ordinary course of operations. The decrease in cash used in investing activities is primarily related to the disposition of investments. The cash provided by financing activities is related to proceeds received from private placements.

Shareholder's equity as at June 30, 2019 was $8,620,072 (2018 – $11,650,164). Although the Company has been successful in the past in raising the necessary funding to continue operations, there can be no certainty it will be able to do so in the future.

1.7 – Not used and left blank intentionally

1.8 – Off Balance Sheet Arrangements

As at June 30, 2019, there were no off-balance sheet arrangements to which the Company was committed.

1.09 – Transactions with Related Parties

The Company has identified its directors and senior officers as its key management personnel. No post-employment benefits, other long-terms benefits and termination benefits were made during the years ended June 30, 2019 and 2018. The following table provides the total amount of transactions with related parties for the years ended June 30, 2019 and 2018 and outstanding payables as at June 30, 2019 and 2018:

	2019	2018
Transactions:		
Director fees		
Anoosh Manzoori	$175,007	$ 49,694
Geoff Barnes	$ 60,000	$ 95,000
Michael Clark	$ 60,000	$ 76,980
Athan Lekkas	$ 60,000	$ 95,642
Daniel Zhang (resigned July 5 2019)	$ 60,000	$ 18,065
Share-based Payments – Anoosh Manzoori	$360,000	$544,156
Advisory		
Shape Capital Pty Ltd. (1)	$ -	$ 16,929
Peloton Capital Pty Ltd. (3)	$ 68,000	$ 59,000
Dalext Pty Ltd. (4)	$ 50,918	$ -
Balances:		
Accounts Payable		
Polygon Fund Pty Ltd. (2)	$ 22,000	$ 12,590
Shape Capital Pty Ltd. (1)	$ 927	$ 423
Sparke Enterprises Pty Ltd. (4)	$ 3,024	$ -
Daltext Pty Ltd (5)	$ 2,954	$ -

(1) Shape Capital Pty Ltd. is a company controlled by Anoosh Manzoori, a director FGF.

(2) Polygon Funds Pty Ltd a company controlled by Anoosh Manzoori, a director FGF

(3) Peloton Capital Pty Ltd. is a company controlled by Geoff Barnes, a director FGF.

(4) Dalext Pty Ltd. is a company controlled by Athan Lekkas, a director FGF.

(5) Sparke Enterprises Pty Ltd is a company controlled by Athan Lekkas, a director FGF.

1.10 Fourth Quarter

During the three months ended June 30, 2019, the Company had a comprehensive loss of $1,631,430 (2018 – $866,582).

During the three months ended June 30, 2019, the Company recorded revenue of $97,253 (2018 – $nil), comprised of cryptocurrency sales. The Company had costs of cryptocurrency sales of $96,621 (2018 – $nil), resulting in a gross cryptocurrency profit of $632 (2018 – $nil).

During the three months ended June 30, 2019, the Company recorded interest income of $108,211 (2018 - $63,556). The increase is due to an increase in interest bearing securities during the period.

During the three months ended June 30, 2019, the Company recorded other losses of $1,239,389 (2018 – $43,228) comprising asset impairment losses of $1,563,435 (2018 – $nil) and financial asset losses at fair value through profit and loss of $826,396 (2018 – 43,228) and other gains on sales of investments of $ 1,150,442 (2018 – $nil)[2].

During the three months ended June 30, 2019, the Company incurred operating expenses of $500,884 (2018 – $886,910), comprised of director related costs of $145,854 (2018 – $90,859), share-based payments to directors $nil (2018 – $544,156) insurance and professional fees of $218,480 (2018 – $183,893), travel expenses of $54,082 (2018 – $19,609), AFSL support and secretarial fees of $9,123 (2018 – $10,918), other expenses of $57,826 (2018 – $13,900) and ASX and share registry fees of $15,519 (2018 – $23,575 The increase in other operating expenses can be attributed to the ongoing ASX negotiations and the investment strategy review performed during the year, resulting in increased director related costs, professional advisory fees and travel.

1.11 – Proposed Transactions

The Company has no proposed transactions as at the date of this document.

1.12 – Critical Accounting Estimates

The Company has outlined the basis of its critical accounting estimates and judgements in Note 2 of the June 30, 2019 Financial Statements.

1.13 – Changes in Accounting Policies – International Financial Reporting Standards ("IFRS")

Future Changes in Accounting Policies

The Company prepared general purpose financial statements ended 30 June 2019. The financial statements were prepared in accordance with Australian Accounting Standards, Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001 as appropriate for for-profit orientated entities. The financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

New accounting standards adopted by the Company:

IFRS 9 *Financial Instruments* - The Company adopted IFSR 9 on January 1, 2018. Due to the nature of its financial instruments, the adoption of IFRS 9 had no significant impact on the financial statements.

New accounting standards issued but not yet effective:

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

IFRS 16 Leases - On January 13, 2016 the IASB issued IFRS 16, "Leases". This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15, "Revenue from contracts with customers" at or before the date of initial adoption of IFRS 16.

The Company has initially assessed that there will be no material reporting changes as a result of adopting the new standards, however, there may be enhanced disclosure requirements.

1.14 – Financial Instruments and Other Instruments

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)

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.

1.14 – Financial Instruments and Other Instruments (continued)

Financial risk management objectives (continued)

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.

1.14 – Financial Instruments and Other Instruments (continued)

Financial risk management objectives (continued)

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

1.14 – Financial Instruments and Other Instruments *(continued)*

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
	$	$	$	$
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
	$	$	$	$
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.

1.15 – Other MD&A Requirements

Share Capital

The authorized share capital consists an unlimited number of Ordinary Shares without par value.

The total number of ordinary shares issued and outstanding as at June 30, 2019 was 1,555,959,281. At the date of this report, the total number of ordinary shares issued and outstanding was 77,798,218 following a 20 for 1 share consolidation approved by shareholders at the Annual General Meeting held November 27, 2019.	**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.

Share Options

The total number of share options outstanding as at June 30, 2019 was 292,257,907. At the date of this report, the total number of ordinary shares issued and outstanding was 14,612,907 following a 20 for 1 share consolidation approved by shareholders at the Annual General Meeting held November 27, 2019.

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	$0.00	292,257,907	-	-	-	-	$0.03	292,257,907

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	$0.01	35,000,000	-	-	(35,000,000)	-	$0.02	-
13-Mar-18	12-Mar-20	$0.00	-	292,257,907	292,257,907	-	-	$0.03	292,257,907

Share options outstanding at 30 June 2019 had a weighted average contractual life of 0.70 years (2018 – 1.1 years) 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%.

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 generally 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.

1.15 – Other MD&A Requirements (continued)

Share Options (continued)

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.

Performance share rights

The total number of performing share rights outstanding was Nil as at June 30, 2019 and as at the date of this report.

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.

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	$0.02	15,000,000	-	15,000,000	-	(15,000,000)	-
28-Feb-18	27-Feb-20	$0.02	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	$0.01	-	15,000,000	15,000,000	-	(15,000,000)	-
28-Feb-18	27-Feb-20	$0.02	-	15,000,000	15,000,000	-	(15,000,000)	-
28-Feb-18	27-Feb-20	$0.02	-	15,000,000	-	-	-	15,000,000
28-Feb-18	27-Feb-20	$0.02	-	15,000,000	-	-	-	15,000,000
			-	60,000,000	30,000,000		(30,000,000)	30,000,000

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

1.16 – Subsequent events

- On July 4, 2019, the company announced its further responses to ASX's queries raised on July 1, 2019 regarding Acudeen investment in accordance with ASX Listing Rules.
- On July 8, 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 July 11, 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 March 1, 2018) were met. The company did not issue any such shares since the signing date of this agreement.
- On November 27, 2019, at the Annual General Meeting, shareholders approved the following resolutions proposed by the directors to assist with the Company's Canadian Stock Exchange listing application:
    1. a special resolution for the Company to be removed from the Official List of the Australian Stock Exchange (ASX). Removal from the Official List of the Australian Stock Exchange occurred December 4, 2019,
    2. a special resolution for the Company to adopt a new Constitution, and
    3. an ordinary resolution to consolidate the number of shares and options on issue at a ratio of 1 new security for 20 old securities. Shareholders were advised that in the event their individual holdings were not easily divisible by 20 the outcome would be rounded up to the nearest whole number. Consolidation occurred December 2, 2019 and the resultant number of securities on issue is set out below.

Ordinary shares:	77,798,218
Share options:	14,612,907

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.

RISK FACTORS AND UNCERTAINTIES

An investment in the Ordinary Shares of the Company should only be made by persons who can afford a significant or total loss of their investment. There is no market through which the Ordinary Shares may be sold.

No Market for the Shares: With the delisting of the Ordinary Shares from the ASX on December 4, 2019, there is no market through which the Ordinary Shares may be sold and there are no assurances that any market will develop in the future. This means that there is no central place, such as a stock exchange or stock quotation system, to purchase or resell the Ordinary Shares. This means that even if you locate a buyer or seller and negotiate your own sale, you may still not be allowed to sell the Ordinary Shares or to pledge the Ordinary Shares as collateral for a loan. Accordingly, an investment in the Ordinary Shares should only be considered by investors who are able to bear the economic risk of a long-term investment and do not require liquidity.

Risk of No Return on Investment: There is no assurance that the business of the Company will continue to be operated successfully, or that the business will continue to generate sufficient or any income to meet its obligations. There is no assurance that an investment in the Ordinary Shares will earn a specified rate of return or any return over the life of the Company.

Uncertainty of Additional Financing: There are no assurances that the Company's future working capital will be adequate to execute its business plan or objectives as contemplated herein. The Company does not have any commitments to obtain additional financing and if required in future, there is no assurance that the Company will be able to arrange for such financing, or that such financing will be available on commercially reasonable terms. The failure to obtain such financing on a timely basis could have a material adverse effect on the Company. Equity financing and the additional issuance of equity securities will result in the substantial dilution to the Company's shareholders.

Global Financial Conditions: Global financial conditions over the last few years have been characterized by volatility and the bankruptcy of several financial institutions or the rescue thereof by governmental authorities. These factors may affect the ability of the Company to obtain equity or debt financing in the future on terms favorable to it. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such levels of volatility and market turmoil continue, the operations of the Company may suffer adverse impact and the price of the Ordinary Shares may be adversely affected

Risks Specific to the Company

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "*Use of Proceeds*".

Reliance on the Directors and Officers: The Company has a small management team composed of the directors and the unexpected loss of any of these individuals would have a serious impact on the business. They are responsible for the successful operation of the Company. At present, there is no key-man insurance in place for any members of the management team. The loss of services of any of these personnel to develop the business and make appropriate decisions in respect of the management thereof could have a material adverse effect on the business of the Company.

RISK FACTORS AND UNCERTAINTIES (continued)

Conflicts of Interest: The directors and officers of the Company are not in any way limited or affected in their ability to carry on other transactions or business ventures for their own account or for the account of others, and may be engaged in the ownership, acquisition and operation of businesses, which compete with the Company. Investment in the Company will not carry with it the right for either the Company or an investor to invest in any investment or venture of the directors and officers of the Company, or to any profit therefrom or to any interest therein. The directors have a responsibility to identify and acquire suitable investments on behalf of the Company. To the extent that an opportunity arises to enter into such an agreement, the directors of the Company have the discretion to determine whether the Company will avail itself of the investment opportunity and, if it does not, any of the directors of the Company will be able to decide amongst themselves whether to pursue the opportunity for their respective accounts. If the investment opportunity did not arise solely from their activities on behalf of the Company, the directors of the Company have no obligation to offer an investment opportunity to the Company. Future conflicts of interest will be dealt with in accordance with applicable laws, statutes and regulations.

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labour disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. The Company may also be subject to or affected by liability or sustain loss risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Insurance Risk: The Company has directors and officer's liability insurance for financial institutions which covers claims to a maximum annually of $10,000,000 with worldwide coverage excluding the U.S. No claims have ever been made against the Company. There is always the possibility that the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Technology Risk: **T**he Company's Blockchain and Digital Currency assets use advanced technologies, which are susceptible to rapid technological change and there is no assurance that adequate responses will be made in a timely manner to successfully overcome the technological challenges and changes.

Digital Assets Risks: Lack of regulation, acceptance, price stability and volatility.

Lack of Regulation: Cryptocurrency exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. In the past several years, a number of cryptocurrency exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for the partial or complete losses of their account balances in such exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

RISK FACTORS AND UNCERTAINTIES (continued)

Lack of Acceptance: Traditional banks and banking services may limit or refuse the provision of banking services to businesses that supply cryptographic or cryptocurrencies as payment and may refuse to accept money derived from cryptocurrency-related businesses. This may make management of bank accounts held by companies operating in the field difficult.

Competition: All aspects of the Digital Currency and Blockchain industries – in particular the development of pre-ICO, ICOs, digital currency security providers and digital currency exchanges face significant competition. The rapid pace of innovation and development within the industry, together with the high number of competitors and relatively low barriers to market entry mean there is no guarantee the Company's ventures in these industries will be effective or profitable.

Legal and Regulatory Risk: A key concern often raised about digital currency is its ability to hinder or evade law enforcement and facilitate criminal activity due to users being anonymous and the transactions are outside the usual channels of international finance and government regulation. It is unclear what the regulatory response will be and whether that response will seriously impact the digital current market.

Valuation and Price Volatility of Cryptocurrencies: Cryptocurrency prices are highly volatile, can fluctuate substantially and are affected by numerous factors beyond the Company's control, including hacking, demand, inflation and expectations with respect to the rate of inflation, global or regional political or economic events. One Bitcoin had a value of U.S. $20,000 in December 2017, $3,430 in December 2018 and in 2019 it has fluctuated between lows of approximately $3,300 and a high of $12,360. At the end of October 2019, it was around $8,300. Cryptocurrencies may be subject to momentum pricing, which is typically associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of the Company's investments.

Risk of Losing the Private Key or Password of the External Wallet Services: The Company uses an external wallet and would not be able to access its Cryptocurrency if it loses the private key or password.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and directors to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage additional future staff. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations. There are no plans to hire additional staff at this time.

Increases in Competition: There is significant competition from other much larger well-established successful investment companies with larger staff and resources to evaluate investment opportunities, in particular established financial institution such as banks. There is no assurance that the Company's investment strategy will be successful or more successful that its competition. Any material deterioration in the Company's competitive position could materially adversely affect the Company's business, operating and financial performance.

Exposure to Adverse Macroeconomic Conditions: The Company is exposed to changes in general economic conditions in Australia and internationally and is affected by macroeconomic conditions such as tariffs and other trade barriers, economic recessions, downturns or extended periods of uncertainty or volatility all of which may materially adversely affect the Company's business, operating and financial performance.

RISK FACTORS AND UNCERTAINTIES (continued)

Acquisition Risk and Associated Risk of Dilution: The Company's possible expansion strategy includes pursuing acquisitions. The successful implementation of acquisitions will depend on a range of factors including acquisition costs, funding arrangements, business cultural compatibility and operational integration. To the extent acquisitions are not successfully integrated with the Company's existing business, the financial performance of the Company could be materially adversely affected. Future acquisitions may involve the issue of Ordinary Shares for consideration. In this event, Shareholders' interests will be diluted. Ordinary Shares may also be issued for other purposes such as debt reduction. Effective due diligence by the Company is ongoing to minimize the risk in integrating acquisition targets although this cannot be guaranteed. There are no specific acquisitions proposed at this time.

Currency Exchange Risk: The Company is exposed to fluctuations in currency exchange rates, which could negatively affect our financial condition and results of operations. In particular, exchange rate fluctuations may affect the value of its assets located in North America and Cryptocurrencies are generally sold in U.S. dollars.

Unforeseen Expenses: All expenses that the Company is aware of are taken into account. There is a risk that unforeseen expenses may develop which could materially negatively affect the business operations.

Permits and Government Regulations: There are currently no permits or government regulations in Australia that affect the Company's operations beyond business license requirement and the requirements of the Corporations Act, 2001.

Environmental and Safety Regulations and Risks, Climate Change: There are currently no environmental laws and regulations affect the operations of the Company. None are anticipated as the Company's does not have physical operations other than business offices. The Company, like all other businesses and persons in the world is exposed to the effects of climate change. The direct effects on the Company's business is not foreseeable at this time.

Dividends: The Company does not anticipate paying any dividends on its Shares in the near future.

List Not Exhaustive: The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by Shareholders. The above factors and others not specifically referred to above may in the future materially affect the financial performance of the Company and the value of the shares described by this Prospectus. Accordingly, the Shares under this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

Investors should consider that the investment in the Company is speculative, carefully consider the foregoing risk factors and should consult their professional advisers to assess income tax, legal and other aspects of an investment in the Shares before making financial decisions regarding a purchase of the Company's Ordinary Shares.

APPROVAL

The Board of Directors of the Company approved the disclosure contained in this MD&A on **, 2020.

Schedule E Audit and Risk Committee Charter

FIRST GROWTH FUNDS LIMITED

Audit & Risk Committee Charter ("Charter")

1. Introduction

The audit and risk committee ("Committee") is a committee of the board of directors of First Growth Funds Limited ("Company").

This charter sets out the role, composition, authority, responsibilities and operation of the Committee.

In this Charter, the Company and its subsidiaries are collectively called the "Group".

2. Powers

The Committee may have unrestricted access to management, internal audit, and the external auditors to fulfill its purpose and undertake its duties.

3. Role

The role of the Committee is to:

- assist the board in fulfilling its oversight of the reliability and integrity of financial management, accounting policies, asset management and financial reporting;
- advise the board on the matter of internal control including financial statements, due diligence, information technology and financial systems integrity;
- establish and maintain an effective internal audit function;
- oversee the scope, relationship, appointment and work of internal and external auditors;
- recommend to shareholders the termination of the external auditor's appointment where appropriate;
- recommend improvements for the correlation between financial and non-financial information and reports;
- strengthen the role and influence of non-executive directors;
- report to the board all matters relevant to the Committee's responsibilities;
- approve the terms and fees for engagement of the external auditor;
- reviewing processes and controls for the identification and management of strategic, financial and information technology risks ("Financial Risks") to which the Company is exposed;
- communication to the Board as to the management of Financial Risks, the risk profile, and internal controls; and
- review the Company's compliance with the Corporations Act and ASX Listing Rules

4. Responsibilities

4.1 External Reporting

The Committee should:

- review the appropriateness and integrity of the accounting principles adopted by management in the composition and presentation of financial reports including whether the financial disclosures made by management accurately portray the company's financial condition, plans and long-term commitments;
- oversee the financial reports and the results of external audit of those reports;
- obtain from the external auditors an independent judgement about the appropriateness of the accounting principles used and the clarity of financial disclosure practices;
- review the Company's annual financial statements including whether they are complete and consistent with appropriate accounting standards;
- recommend to the board whether the financial statements should be signed.
- require the chief executive officer and the chief financial officer to state in writing that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with accounting standards;

- encourage management's accountability for the preparation, presentation and integrity of the Company's financial statements and reports and for ensuring compliance with accounting standards and applicable laws and regulations.

4.2 Internal Control

The Committee should:

- receive from management, reports relating to suspected and actual fraud and thefts;
- examine the effectiveness of the internal control function with management, internal and external auditors;
- meet periodically with key management, internal and external auditors and compliance staff to understand the Group's control environment ensure internal controls are adequate to enable the Committee to manage and deal with Financial Risks.

4.3 External Audit

The Committee should:

- review and advise the board on the appointment, remuneration, effectiveness and independence of the external auditor;
- agree to the terms of engagement of the external audit before the start of each audit;
- review the audit plan, discuss audit results and consider the implications of external audit findings with the external auditor;
- review the scope of the external audit and any additional procedures with the external auditor;
- review any disagreements between the external auditors and management, whether or not resolved;
- examine management's response to the external auditor's findings and recommendations;
- provide to the external auditor a clear line of direct communication to the chairperson of either or both the Committee and the board;
- review all representation letters signed by management and ensure all information provided is complete and appropriate; and
- meet with external auditor without having management present at least twice each year.

4.4 Information Technology

The Committee should ensure:

- compliance with the Group's information technology policy;
- all information technology systems meet the operational requirements of the Group;
- all system information is backed up in accordance with established back up procedures;
- adequate disaster recovery plans have been implemented;
- all risks relating to information technology are considered by the Committee and reported to the board; and
- full disclosure of information has been made on the Company's website, as required by the ASX Listing Rules or any other relevant legislation.

4.5 Management of Financial Risks

The Committee's responsibilities in respect of Financial Risks are:

- to identify, assess, monitor and manage Financial Risks in the same manner and under the same terms as required of the Risk Committee under the Risk Charter in respect of risks referred to in that charter;
- to inform investors of material changes to the Company's risk profile so far as it relates to the Financial Risks and to maintain appropriate risk management practices throughout the operations, practices and systems of the Group.
- to obtain, each year, a statement from the chief executive office and the chief financial officer, to the board that, in respect of the Financial Risks, the Group's risk management and internal compliance and control system is operating efficiently and effectively in all material respects; and

- liaise regularly with the Risk Committee and in particular in respect of any matter, which comes to the attention of the Audit Committee, which may impact on the risk profile of the Group generally, or which, the Committee is not clear whether the matter is the responsibility of the Audit Committee or the Risk Committee.

4.6 Conflicts of Interest, insider trading and fraud

The Committee's responsibilities in respect of conflicts of interest, insider trading and fraud are:

- reviewing and monitoring the propriety of any related party transactions;
- enquiring into actual or potential conflicts of interest, including reviewing contracts, arrangements or undertakings that may involve related parties and more generally, monitoring significant transactions to ensure they are at arm's length evaluating and ensuring compliance with the Group's policies on insider trading;
- ensure the establishment and maintenance of effective internal controls to minimise the risk of fraud or malfeasance; and
- overseeing the investigations of any allegations of fraud or malfeasance by employees or officers of the Group.

5. Membership

Ideally the Committee shall consist of at least three members all of whom are independent or deemed independent non-executive directors. The board of directors acknowledges that given the company's small size this may not always be practical.

The Committee will also have an independent or deemed independent chairperson who is not the chairperson of the board.

Each member of the Committee must be free of any relationship that may interfere with the exercise of independent judgement and be financially literate.

At least one member of the Committee should hold accounting or related financial management expertise.

The board shall elect both the chairperson and the members of the Committee and ensure the Committee remains of sufficient size, independence and technical expertise to discharge its mandate effectively.

6. Meetings

The Committee shall meet half yearly and at such other times as are required to perform its functions. The quorum for meetings of the Committee is two members of the Committee. Except as otherwise stated in this Charter, the meetings will be conducted in the same manner and rules as board meetings. Any board member who is not a member of the Committee may attend meetings of the Committee. The Committee may request attendance of management or any other parties at its meetings.

7. Annual Review

In relation to the external auditor, the Committee shall on an annual basis:

- consider and report to the board as to whether the external auditor's provision of non- audit services to the Company is compatible with maintaining independence of the external auditor;
- consider whether to recommend to shareholders that the external auditor's appointment be retained or terminated. The Committee shall also, when appropriate but at least on an annual basis;

- review this charter and if necessary recommend changes;
- meet separately with the internal auditor and the external auditor, with and without management, to discuss the results of their audits;
- review with management and the external auditor, the financial report to be included in the annual report including:
  - the external auditor's responsibilities under generally accepted auditing standards;
  - significant accounting policies;
  - management judgements;
  - adjustments arising from the audit;
  - the external auditor's judgements about the quality, and acceptability of accounting principles as applied in the financial report; and
  - prepare or consider any report or other disclosures to be included in the Company's annual report or other communications to shareholders on the relationship between the external auditor and the Company.

8. Authority

The Committee may conduct or authorise investigations into any matter within its responsibility or matters delegated by the board. The Committee shall have the authority to do whatever is necessary or appropriate, without the board's of management's approval, to enable it to discharge its duties and responsibilities, including but not limited to select, retain, meet and terminate external counsel, accountants, or other experts as it deems appropriate; and to seek the information and assistance it requires from employees or any other party (with or without management presence).

9. Reporting to the Board

The Committee must promptly provide the board with minutes of its meetings and for inclusion in the board papers of the next board meeting. The Committee must also report to the board in relation to all matters relevant to the Committee's role and responsibilities including:

- an assessment of whether external reporting is consistent with internal information and knowledge and is adequate for shareholder needs;
- an assessment of the management processes which support external reporting;
- procedures for the selection and appointment of external auditors and for the rotation of external audit engagement partners;
- recommendations for the appointment or removal of an auditor;
- an assessment of the performance and independence of the external auditor, including whether independence is maintained having regard to provision of non-audit services;
- an assessment of the performance and objectivity of the internal audit function; and
- results of its review of risk management (of financial and strategic matters and information technology) internal compliance and control systems.

Schedule F Corporate Governance Policy

Corporate Governance Statement

The Board of Directors of First Growth Funds Ltd ("the Company") is responsible for the corporate governance of the Company and is committed to achieving and demonstrating the highest standards of corporate governance.

First Growth Funds Ltd.'s Corporate Governance Statement is structured with reference to the Australian Securities Exchange Corporate Governance Council's "Corporate Governance Principles and Recommendations" as revised in March 2014 the Principles of which are as follows:

1. Lay solid foundations for management and oversight
2. Structure the board to add value
3. Promote Ethical and responsible decision-making
4. Safeguard integrity in financial reporting
5. Make timely and balanced disclosure
6. Respect the rights of shareholders
7. Recognise and manage risk
8. Remunerate fairly and responsibly

The Corporate Governance Statement contains certain specific information and discloses the extent to which the Company has followed the guidelines during the period. Where a recommendation has not been followed, the fact is disclosed, together with reasons for the departure.

1. LAY SOLID FOUDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 – Role of the Board and Management

The Board operates in accordance with the broad principles set out in this charter which is available from the corporate governance information section of the Company website at www.firstgrowthfunds.com. The charter details the board's composition and responsibilities.

The charter states:

- the board will comprise a suitable mix of non-executive directors and executive directors. Non-executive directors bring a fresh perspective to the board's consideration of strategic, risk and performance matters and are best placed to exercise independent judgement and review and constructively challenge the performance of management;
- in recognition of the importance of independent views and the board's role in supervising the activities of management, it is preferred that the Chairman should be an independent non-executive director, the board must be independent of management and all directors are required to bring independent judgement to bear in their board decision making;
- the Chairman is elected by the full board and is required to meet regularly (either formally or informally) with the Chief Executive Officer;
- the Company is to maintain a mix of directors on the board from different backgrounds with complementary skills and experience; and
- the board is required to undertake an annual board performance review and consider the appropriate mix of skills required by the board to maximise its effectiveness and its contribution to the Group.

The Board delegate's responsibility for the operation and administration of the Company, including day-to-day management of First Growth Fund's affairs and the implementation of corporate strategy and policy initiatives, to the Chief Executive Officer (the "CEO") and the Senior Executives.

The responsibilities of the board include:

- providing strategic guidance to the Company including contributing to the development of and approving the corporate strategy;
- reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives;
- overseeing and monitoring :
    - organisational performance and the achievement of the Group's strategic goals and objectives;
    - compliance with the Company's Code of Conduct; and
    - progress of major capital expenditures and other significant corporate projects including any acquisitions or divestments;
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the Company's auditors;
- appointment, performance assessment and, if necessary, removal of the Managing Director;
- ratifying the appointment and/or removal and contributing to the performance assessment for the members of the senior management team;
- ensuring there are effective management processes in place and approving major corporate initiatives;
- enhancing and protecting the reputation of the organisation; and
- overseeing the operation of the Group's system for compliance and risk management reporting to shareholders.

Recommendation 1.2 – Director Checks

The Company performs checks on all potential directors and includes checks on a character, education, experience and criminal records. Directors are required to provide consent for the Company to perform such checks

Details of each Director are tabled in the Annual Report and Company website, and include their relevant qualifications and experience and the skills they bring to the Board. Any material directorships currently held are also stated in the Annual Report.

Non-Executive Directors are expected to spend an appropriate portion of time per year preparing for and attending board and committee meetings and associated activities. It is the Company's practice to allow its executive directors to accept appointments outside the Company with prior advice to and agreement by the board.

The commitments of non-executive directors are considered by the Board prior to the directors' appointment to the board of the Company and are reviewed each year as part of the annual performance assessment.

Prior to appointment or being submitted for re-election, each non-executive director is required to specifically acknowledge that they have and will continue to have the time available to discharge their responsibilities to the Company.

Directors must have sufficient time to fulfil their duties as a Director of the Company and are required to table any new commitments at Board Meetings.

Recommendation 1.3 – Written Agreement with each Director and Senior Executive

Non-Executive Directors are engaged by the Company under letters of appointment and senior executives are engaged under service contracts. The roles and responsibilities of an appointee are addressed in these agreements.

Directors' remuneration and appointment and service contracts for senior executives are provided in the Remuneration Report within the Annual Report.

Recommendation 1.4 – Company Secretary

The Company Secretary reports directly to the Board, through the Chairman, on all matters to do with the functioning of the Board.

Recommendation 1.5 – Diversity of the Board

The Company recognises that diversity is a critical aspect of effective management of its people and their contributions to the success of the Company.

The Board does not consider it necessary to establish a diversity policy given the relative small size of the Company and its staff.

The Company employs less than 100 staff and is not defined a "relevant employer" under the Workplace Gender Equality Act.

Recommendation 1.6 – Performance of Board

The Board follows an informal process of self-assessment of its performance, and the performance of its committees.

During the reporting period, the Board has undertaken an assessment of individual Directors performance via informal discussions between each Director and the Chairman.

Recommendation 1.7 – Performance of Senior Executives

The Board evaluates management's performance against various criteria and requires senior executives to formally address the Board on execution of strategy and associated issues.

During the reporting period, no Senior Executives were engaged by the Company requiring any assessments to take place.

2. STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1 – Nomination Committee

Given the small size of the First Growth Funds Board, the Nomination Committee comprise of the full Board. There is currently no Nomination Committee Charter.

The board seeks to ensure that its membership represents an appropriate balance between directors with experience and knowledge of the Company and directors with an external or "fresh" perspective.

The Board regularly reviews it composition to ensure it continues to have the appropriate balance of skills and experience necessary to carry on its duties efficient decision-making. It will make Board appointments as appropriate.

Any director appointed to fill a vacancy must stand for election by shareholders at the next Annual General Meeting. The Company's Constitution specifies that all non-executive directors must retire from office no later than the third annual general meeting (AGM) following their last election. Where eligible, a director may stand for re-election, subject to attaining the age of 70 years when a director will retire, by agreement, at the next AGM and will not seek re-election.

Recommendation 2.2 – Board Skills Matrix

The Company adopts an informal process to review the Board skills at Board meetings without the need for a board skills matrix. The Board benefits from the combination of Directors' individual skills, expertise and experience in particular areas, as well as the varying perspectives and views that arise amongst the Directors and their diverse backgrounds.

The Board believes the skills base of the current Directors is appropriate and adequate for the Company's size.

Recommendation 2.3 - Directors' independence

The following principles apply in respect of the Board:

- The majority of Non-Executive Directors on the Board should ideally be comprised of independent directors, however based on the size of the Company and the Board this may not be possible.
- All Directors, whether independent or not, should bring independent judgement to bear on the board decisions. A procedure will be agreed whereby, in appropriate circumstances, directors can have access to independent professional advice at the Company's expense.
- Non-Executive directors are encouraged to confer regularly without management present, including at scheduled sessions.
- Specifically to be deemed independent, a director must be a non-executive and:

    not be a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company. In relation to this, Mr Geoff Barnes is the representative of GXB Pty Ltd and GEBA Pty Ltd (a major shareholder of the Company) and on the board ;

    within the last three years, not have been employed in an executive capacity by the Company or any other Group member, or been a director after ceasing to hold any such employment;

    within the last three years not have been a principal of a material professional adviser or a material consultant to the Company or any other Group member, or an employee materially associated with the service provided;

    not be a material supplier or customer of the Company or any other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

    must have no material contractual relationship with the Company or a controlled entity other than as a director of the Group;

    not have been on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and / or

    be free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

Materiality for these purposes is determined on both quantitative and qualitative bases. A transaction of any amount or a relationship is deemed material if knowledge of it may impact the shareholders' understanding of the director's performance.

The non-executive directors are encouraged to meet regularly without the presence of management or executive directors, to discuss the operation of the board and a range of other matters. Relevant matters arising from these meetings are shared with the full board.

Any and all potential conflicts of interest (whether relating to non-executive directors, or to executive directors) are to be notified by the individual director concerned, prior to the matter being formally discussed between Directors. In accordance with the board charter, the directors concerned declare their interests in those dealings to the Company and take no part in decisions relating to them or the preceding discussions. In addition, these directors do not receive any papers from the Group pertaining to those dealings.

Where the independence status of a director changes, the Company will provide immediate notification of such change to the market. Directors' independence and the length of service of each Director is disclosed within the Annual Report.

Recommendation 2.4 – Majority of the Board compose of Independent Directors

There are three non-executive directors of the Board, two of who are independent directors. There is one non-independent Director on the Board.

Recommendation 2.5 – Independent Chairman & Chief Executive Officer

The Chairman is responsible for leading the board, ensuring directors are properly briefed in all matters relevant to their role and responsibilities, facilitating board discussions and managing the board's relationship with the Company's senior executives.

The Chairman is a non-independent Director and as such doesn't meet the recommendation.

The Chief Executive Officer is responsible for implementing Group strategies and policies. The board charter specifies that these are separate roles to be undertaken by separate people.

There is no Chief Executive Officer at present and the Chairman will oversee the role in times of absence.

Recommendation 2.6 – Induction of Directors and Professional Development

The Company has an established program for the induction of new Directors. This induction covers all the aspects of the Company's operations including the provision of information and meetings with management to ensure that new Directors are able to fulfil their responsibilities and contribute to Board decisions.

Directors and board committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense. Prior written approval of the Chairman is required, but this is not to be unreasonably withheld.

3. PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

Recommendation 3.1 – Code of Conduct

The Company supports and has adopted a Code of Conduct for its Directors and employees, which outlines the standards of ethical behaviour and is essential to maintain the trust of all stakeholders and the wider community.

The code recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics and its commitment to ensuring compliance with the insider trading laws.

The insider trading provisions of the Corporations Act have been drawn to the attention of all Directors and executives and it has been agreed that this will be a continuing policy on a regular basis. Directors have all entered into agreements to notify the Company within three days of any dealing in the Company's securities and it is an employment condition that all executives notify the Company within three days of any dealing in the Company's securities.

The Board and management of First Growth Funds Limited are committed to the Code of Conduct which is based on the Company's core values of acting with integrity, fairness and honesty along with legal and fiduciary obligations to all legitimate stakeholders including shareholders, customers, employees and the broader community.

Confidentiality
Information concerning First Growth Funds and its clients is confidential and must not be released without authorisation from a manager. Information gained through dealings with clients should only be used in the course of employment.

Privacy Act obligations
Employees must comply with the Privacy Act. Employees have an obligation and personal responsibility to respect clients', and all individuals' rights to privacy. This means doing everything the security of any personal information handled in the course of employment.

Protecting confidential information
Commercially sensitive documents, records and files should be stored securely and not left where visible. Confidential information should not be left on computer screens and computer access passwords must not be shared with others.

Securities trading policy
A copy of the Securities Trading Policy can be found on the Company website at www.firstgrowthfunds.com/about/corporate-governance

4. SAFEGUARD INTEGRITY OF FINANCIAL REPORTING

Recommendation 4.1 – Audit and Risk Management Committees

The Audit and Risk Committee provides assistance to the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting, internal control structure, risk management systems, and the internal and external audit functions.

The Audit and Risk Committee operates in accordance with a charter which is available on the Company website.

The main responsibilities of the committee are to:

- review, assess and approve the annual report, the half-year financial report and all other financial information published by the Company or released to the market;
- assist the board in reviewing the effectiveness of the organisation's internal control environment covering:
    - effectiveness and efficiency of operations
    - reliability of financial reporting;
    - compliance with applicable laws and regulations;
- determine the scope of potential internal audit requirements;
- oversee the effective operation of the risk management framework;
- recommend to the board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, the scope and quality of the audit and assess performance;
- consider the independence and competence of the external auditor on an ongoing basis;
- review and approve the level of non-audit services provided by the external auditors and ensure it does not adversely impact on auditor independence;
- review and monitor related party transactions and assess their propriety; and
- report to the board on matters relevant to the committee's role and responsibilities.

In fulfilling its responsibilities, the audit and risk committee:

- receives regular reports from management and external auditors;
- meets with external auditors at least twice each year, or more frequently if necessary;
- reviews the processes the MD and CFO have in place to support their certifications to the board;
- reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved;
- meets separately with the external auditors as required without the presence of management; and
- provides the external auditors with a clear line of direct communication at any time to either the Chairman of the audit committee or the Chairman of the board.

The audit and risk committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party. Each Committee member has access to the external auditors and the auditor has access to each Committee member and members of management.

The audit and risk committee currently consists of the following non-executive directors, and the majority are independent directors:

- Michael Clarke (Chairman)
- Athan Lekkas
- Geoff Barnes

Details of the relevant qualifications and experience of the members of the Committee and the number of times the Committee met are detailed within the Directors' Report with the Annual Report. The Chairperson of the audit and risk committee is a non-executive director and is not the chairperson of the Board and is deemed independent.

Recommendation 4.2 – Declaration from the CEO and CFO

The Chief Executive Officer and Chief Financial Officer, at the end of each six month period, make the following certifications to the board:

1. that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group and are in accordance with relevant accounting standards;
   and
2. that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

Recommendation 4.2 – External Auditors

The Company and audit and risk committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. BDO East Coast Partnership resigned as the external auditor on 23 January 2017 and Pitcher Partners was appointed as the external auditor from the date onwards.

It is the policy of the external auditors to provide an annual declaration of their independence to the audit committee.

The external auditor will attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

5. MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1 – Disclosure Policy

The continuous disclosure requirements of the ASX are detailed in Chapter 3 of the ASX Listing Rules and are adopted by the Company. The Company ensures all investors have equal and timely access to information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities. These policies and procedures also include the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings.

The company secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When presentations on aspects of the Company's operations are made, the material used in the presentation is released to the ASX and posted on the Company's web site.

Where uncertainty arises as to the meeting of continuous disclosure obligations, the company secretary may seek external legal advice. The Board monitors the implementation and effectiveness of the continuous disclosure procedures and promotes the understanding of compliance.

6. RESPECT THE RIGHTS OF SHAREHOLDERS

Recommendation 6.1 – Information on Website

Information about the Company and its governance to investors can be located on the "Corporate Governance" landing page on the Company website. The location is www.firstgrowthfunds.com/about/corporate-governance and provides access to all relevant corporate governance information.

The Company website also contains links to copies of ASX announcements, annual reports and quarterly reports, news and alerts, shareholder services and overview of the Company's business activities in relevant sections.

Recommendation 6.2 – Investor Relations Program

The Board aims to ensure that the shareholders, on behalf of whom they act, are provided with all information necessary to assess the performance of the Company. Information is communicated to the shareholders through:

- The Annual Report, which will be distributed to all shareholders (unless shareholders specifically indicate otherwise);
- Quarterly Reports to all shareholders (to be issued within four weeks of the end of the quarter);
- The Annual General Meeting, and other meetings called to obtain approval for Board action as appropriate;
- The Company's website at www.firstgrowthfunds.com. This web site is actively maintained and includes all market announcements, briefings to shareholders, full texts of notices of meeting and explanatory material and compliance reports such as the quarterly cash flow report and annual report.

Recommendation 6.3 – Participation at meetings of Security Holders

The Board encourages the full participation of its shareholders at the annual general meeting and welcomes questions from shareholders on relevant issues.

The external auditor will attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Recommendation 6.4 – Electronic Communication

The Company provides opportunities for shareholders to participate through electronic means including through its website, by email communications and via the share registry. Shareholders who have made an election receive communications including the Company's Annual Report on the Company's website or by email.

Electronic contact details are provided on the Company website. The Company endeavours to respond to all shareholder queries on a prompt and courteous basis. All information disclosed to the ASX is automatically posted on the Company's website as soon as it is disclosed to ASX.

7. RECOGNISE AND MANAGE RISK

Recommendation 7.1 – Risk Committee

The Audit and Risk Committee determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

Considerable importance is placed on maintaining a strong control environment. There is an organisation structure with clearly drawn lines of accountability and delegation of authority. A formal delegation of authority document exists and is operational.

The main responsibilities of the audit and risk committee are:

- to establish a sound system of risk oversight and management and internal control under which First Growth Funds can identify, assess, monitor and manage risk;
- to inform the Board of material changes to the risk profile of First Growth Funds and maintain appropriate risk management practices and systems throughout the operations of the Company; These functions include but are not limited to:
    - Ensuring First Growth Funds senior executives adhere to any monitoring program set down by the audit and risk committee
    - Ensuring any appropriate risk limits are set and adhered to
    - Ensuring the conditions of the Company's Australian Financial Services license holder are being adhered to

Details of the relevant qualifications and experience of the members of the Committee and the number of times the Committee met are detailed within the Directors' Report with the Annual Report. The Chairperson of the audit and risk committee is a non-executive director and is not the chairperson of the Board and is deemed independent.

Recommendation 7.2 – Annual Risk Review

The Company risk management policy and the operation of the risk management and compliance system are regularly reviewed by the management and has been reviewed for the year ended 30 June 2017. Detailed control procedures cover management accounting, financial reporting, project appraisal, environment, health and safety, IT security, compliance and other risk management issues.

In addition, the board requires that each major proposal submitted to the board for decision is accompanied by an appropriate review of risks and, where required, management's proposed mitigation strategies.

The Chief Executive Officer and Chief Financial Officer, at the end of the financial year, make the following certifications to the board:

1. that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group and are in accordance with relevant accounting standards;
   and
2. that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

Recommendation 7.3 – Internal Audit

The Company does not have a formal internal audit function. The Company's management periodically undertakes a review of financial systems and processes and where systems are considered to require improvement these systems are developed. Authority delegations are reviewed annually by the audit and risk committee.

8. REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1 – Remuneration Committee

The remuneration committee reviews and makes recommendation on Director and Senior Executive remuneration and overall staff remuneration and incentive policies. The remuneration committee currently is composed of the entire Board of Directors, the majority of whom are independent, and it is chaired by the Chairman of the Board. Details of the relevant qualifications and experience of the members of the Committee and number of times the Committee met are detailed within the Annual Report.

The main responsibilities of the Remuneration Committee are:

- Non-Executive director remuneration
- Staff incentive plans including bonus, share and option plans.
- Salary, benefits and total remuneration packages of the Chief Executive Officer and senior executives
- Review and approve the Chief Executive Officer's recommendation for annual salary for employee salary reviews
- Employee succession planning
- The company's recruitment, retention and termination policies and procedures for Chief Executive Officer and senior executives
- Report on executive remuneration, which is required pursuant to any Listing Rule or legislative requirement or which is for inclusion in the annual report

Recommendation 8.2 – Disclosure of Remuneration Policies and Practices

First Growth Fund's remuneration policy ensures that remuneration packages properly reflect the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality

The remuneration committee reviews and makes recommendation on Director and Senior Executive remuneration and overall staff remuneration and incentive policies. Committee members have regard to external remuneration sources on recent developments on remuneration and related matters as required.

Executive remuneration and the terms of employment are reviewed annually having regard to personal and corporate performance, contribution to long-term growth, relevant comparative information and independent advice. There was no executive remuneration paid for key management during the 2017 financial year.

All remuneration paid to directors and senior executives is measured at the cost to the Company and expensed.

Non-executive Directors are entitled to be paid fees and those fees will be as agreed or adjusted by them, from time to time. The maximum amount of fees that can be paid to non-executive directors is subject to shareholder approval at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Company.

Recommendation 8.3 – Policy on Equity Based Remuneration Scheme

The Company does not have an Equity Based Remuneration Scheme at this present time.

Schedule G Trading Policy

First Growth Funds Limited
ASX CODE FGF | ABN 34 006 648 835
Level 5 56 Pitt Street
Sydney NSW 2000 AUSTRALIA
www.firstgrowthfunds.com

Securities Trading Policy

First Growth Funds Ltd (the "Company") Adopted by

the Board on

11 Sep 2014

Contact
The Company Secretary

First Growth Funds Ltd
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Level 5
56 Pitt St
Sydney NSW 2000
Australia
Telephone: +61 2 8651 7800
Website: www.firstgrowthfunds.com

Contents

First Growth Funds Limited
ASX CODE FGF | ABN 34 006 648 835
Level 5 56 Pitt Street
Sydney NSW 2000 AUSTRALIA
www.firstgrowthfunds.com

1 Statement of Commitment

First Growth Funds Ltd ("FGF" or "Company") is committed to ensuring that the Company and its employees act lawfully at all times in their dealings with securities and inside information. FGF is also committed to avoiding any perception of unlawful or unethical conduct.

2 Introduction

2.1 Purpose

The purpose of this policy is to:

- Create an awareness of conduct in relation to dealings in securities that are prohibited by law and by the Company; and
- Establish a best practice procedure for buying, selling or otherwise dealing in Company securities (and securities in other companies in respect of which the Company may have business dealings) to protect you and the Company.

This policy protects you and the Company by ensuring that you do not abuse, and do not place yourself under suspicion of abusing, inside information that you may have or be thought to have.

This policy should be read in conjunction with the Company's Corporate Governance Statement and related Corporate Governance Policies and Procedures.

This policy is a general overview of the applicable legal principles and should therefore only be used as a guide, not as legal advice.

2.2 Scope

This policy applies to all executive and non-executive directors ("Directors") and all employees ("Employees") of the Company and its subsidiaries.

Additional rules apply to Directors and Executives. These are set out in Section 5 below.

In this policy, "Executives" means Employees who:

- Are Executives or Senior Mangers or Officers of FGF or their direct reports;
- Receive options under any FGF share option schemes; and/or
- Hold a position which makes them a "Director or Officer" of any FGF Group company as defined in the Corporations Act 2001 (Cth) (the "Corporations Act").

2.3 Consequences of breach

Convictions of insider trading can attract criminal and civil liability.

A breach of insider trading provisions or this policy may be regarded as serious misconduct and may lead to termination of employment.

Any instance of non-compliance (whether known or suspected) will be reported to the Company Secretary to investigate and take disciplinary action as appropriate.

3 Compliance with Law

3.1 Legal restrictions on dealing in securities

If you possess inside information in relation to an entity you cannot "trade" or "deal" in the following ways:

- Buy or sell securities in that entity or subscribe for new securities; or
- Enter into an agreement to subscribe for, buy or sell securities in that entity. If you possess inside information in relation to any securities you cannot:
- Procure any other person to deal in those securities; or
- Directly or indirectly communicate the inside information to another person who you believe is likely to deal in those securities or procure another to deal in those securities.

For example, you cannot ask or encourage family members to deal in shares when you possess inside information and you should not communicate inside information to them.

"Securities" is defined in the Corporations Act and includes ordinary shares, preference shares and options or rights.

"Company Securities" means securities in the Company.

3.2 *Inside information*

Inside information is information:

- Which is not generally available; and
- If it were generally available, would be expected by a reasonable person to have a material effect on the price or value of the relevant security.

3.3 *Information that is generally available*

Information is considered to be "generally available" if:

- It can be easily observed; or
- It has been released to the ASX, published in an Annual Report or prospectus or is generally available to the investing public and a reasonable time has elapsed since the information was communicated; or
- It may be deduced, inferred or concluded from the above.

3.4 *Material effect on the price or value of securities*

The law states that information would be likely to have a material effect on the price or value of securities if the information might influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.

Examples of information that may be material include information relating to:

- Financial performance, such as a material variance in Company revenue, which could result in a material increase or decrease in the Company's financial performance from previous result or forecasts;
- A proposed material business or asset acquisition or sale;
- The damage or destruction of a material operation of the Company;
- A material claim to be initiated by or against the Company; and
- An actual or proposed change to the Company's capital structure.

4 Company Policies

4.1 *Black-out Periods*

In addition to the legal restrictions outlined in Section 3 above, it is the Company's policy that you must not trade in Company Securities in the following black-out periods ("Black-out Periods") during the two (2) weeks prior to and the day after the release of the following information:

- Full year financial results to ASX;
- Half yearly financial results to ASX; and
- Quarterly activities and cashflow reports to ASX

These Black-out Periods will be notified to you as they occur. The indicative dates for the release of the financial results and general meetings may be published on the Corporate Section of the Company's website www.firstgrowthfunds.com

At any time other than during a Black-out Period, you (provided you are not a Director or Executive) may deal in Company Securities but only if you do not have inside information.

You are also prohibited from entering into or renewing hedging or financial instruments in respect of Company Securities (including, without limitation, instruments such as equity swaps, caps and collars and other hedges) during a Black-out Period.

Directors and Executives are subject to the additional restriction set out in Section 5 below.

4.2 *Dealing during Black-out Periods*

If you are not in possession of inside information you may trade in Company Securities during a Black-out Period in exceptional circumstances, with the prior approval of the Chairman (or the approval of the Board in the case of the Chairman).

To apply for approval, you must apply to the Chairman (or the Board in the case of the Chairman) in writing. The application must set out the circumstances of the proposed trade (including an explanation of the exceptional circumstances) and the reason the approval is requested, and include a declaration that you are personally satisfied you are not in possession of inside information.

The Chairman (or the Board in the case of the Chairman) may give approval for you to trade in

Company securities during a Black-out Period if:

- you declare you are personally satisfied you are not in possession of inside information; and
- the Chairman (or the Board in the case of the Chairman) is satisfied you:
  - are in severe financial hardship, for example having a pressing financial commitment which cannot be satisfied otherwise than through the sale of Company Securities; or
  - have exceptional circumstances, for example where Company Securities are transferred from one member of a family or trust to another when to delay the transaction to the next permitted period would be detrimental to the family's affairs; or
  - have other exceptional circumstances.

Any approvals granted will be valid for three business days. Disposal of Company Securities during Black-out Periods must be actioned within three business days of the approval being granted.

4.3 Short term dealing not permitted

Directors and Employees must not buy and sell or sell and buy Company Securities within a three month period or enter into any other short-term dealings in Company Securities (for example, forward contracts).

4.4 Exercise of offers

Vested offers held pursuant to a Plan may be exercised in accordance with the relevant Plan rules. The exercise of performance rights may occur within a Black-out Period.

However, any sale of Company Securities acquired upon exercise of performance rights may only occur:

- Outside a Black-out Period, provided you are not in possession of any inside information, and provided that you obtain approval in accordance with Section 5 (if required); or
- In exceptional circumstances during a Black-out Period, with written permission from the Chairman (or the Board in the case of the Chairman) in accordance with Section 4.2.

4.5 Securities in other companies

You cannot deal in securities of other companies if you possess inside information in relation to that other company. Through your work, you may become aware of inside information relating to the Company's customers or partners.

For example, if you know that the Company is about to sign a major agreement with another company, you should not buy shares in either the Company of the other company.

Where the Company notifies you in writing that certain company securities cannot be traded you must not deal in those company securities for the period specified in the notice.

In addition to the above, Directors, Executives and Employees are also bound by a duty of confidentiality in respect of any third party's information which they obtain in the course of their duties.

5 Additional Restrictions on Directors and Executives

5.1 Approval and disclosure requirements

Directors and Executives are subject to the following additional requirements:

- Directors may only trade in Company Securities outside of a Black-out Period if they are personally satisfied they are not in possession of inside information, and receive prior written approval from the Chairman;
- Executives may only trade in Company Securities outside of a Black-out Period if they are personally satisfied they are not in possession of inside information, and receive prior written approval from the CEO;
- All Directors must give notice immediately to the Company Secretary when they buy or sell shares in the Company, so that the Company can inform ASX as required by law.

5.2 Hedging

Directors and Executives are not permitted to hedge their shareholdings.

Directors and Executives are not permitted to hedge offers granted under a Plan prior to exercising those rights or, once exercised, while the securities are subject to a transfer restriction.

For the purposes of this policy, hedging includes the entry into any transaction, arrangement or financial product which operates to limit the economic risk of a security holding in the Company and includes financial instruments such as equity swaps and contracts for differences.

5.3 Margin Lending Prohibition

Directors and Executives must not enter into a margin lending arrangement in relation to Company Securities.

6 Excluded trading

Trading excluded from this policy includes the following:

- transfers of Company Securities already held into a superannuation fund or other saving scheme in which you are a beneficiary;
- an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the Company Securities) where the assets of the funds or other scheme are invested at the discretion of a third party;
- where you are a trustee, trading in Company Securities by that trust provided you are not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of you;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all or most of the security holders, such as a rights issue, security purchase plan, dividend re-investment plan and an equal access buy back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pre rata issue;
- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this policy and where:
    - you did not enter into the plan or amend the plan during a closed period;
    - the trading plan does not permit you to exercise any influence or discretion over how, when, or whether to trade; and
    - the Company's trading policy does not allow you to cancel the trading plan or cancel or otherwise vary the terms of his or her participation in the trading plan during a prohibited period other than in exceptional circumstances

7 Annual Review

This policy is subject to annual review by the Board.

8 Contact

If you are in any doubt regarding this policy or any proposed dealing in securities you should contact the Company Secretary.

Compliance with the law relating to securities dealing and inside information and the other requirements of this policy is the responsibility of all Directors, Executives and Employees. Any guidance provided in or under this policy does not affect individual responsibility.

CERTIFICATES

Date: December 13, 2019

CERTIFICATE OF THE COMPANY

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously issued by the Company as required by the securities legislation of the province of British Columbia.

"*Anoosh Manzoori*"	"*Mark Pryn*"
Anoosh Manzoori Chief Executive Officer	Mark Pryn Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"*Michael Clarke*"	"*Athan Lekkas*"
Michael Clarke Director	Athan Lekkas Director