



**First Growth Funds Limited**  
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## SHAREHOLDER UPDATE

**Melbourne, 11 June 2020** – First Growth Funds Limited is pleased to announce it has received approval to list on the Canadian Securities Exchange (CSE) and will trade under the ticket code FGFL. A further announcement on the trading date will be provided to shareholders soon.

The Company was previously limited to the following asset allocation including Listed Equities (37%), Unlisted Equities Including Pre-IPO (9%), Unlisted Equities (Blockchain) (9%) and Cryptocurrency & Digital Assets (20%).

With listing on the CSE, the Company will voluntarily adopt a number of measures that will define the Company and the scope of its operations including changes to its asset allocation:

1. Plan to allocate 50% or more in listed equities and 50% in unlisted equities (including Blockchain);
2. Use 32% of its portfolio as a guide to investments in Digital Assets and unlisted equity 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 the Company will use its best efforts to find liquidity and adjust the portfolio accordingly;
3. Will not invest more than 15% of its portfolio in any one entity;
4. Will seek shareholder approval to any proposed changes to the fundamental investment objective;
5. An officer or director of the Company may become an independent director of the investee company in order to monitor the progress of the investee company more closely;
6. Will make its best efforts to invest the \$3,200,000 allocated for new investments in the 12 months following listing on the CSE. However, this schedule may be altered depending on ongoing review of investment opportunities; and
7. Until it has invested at least 75% of the \$3,200,000 allocated for new investments, it will provide summary financial information for its investment.

### *Custody of Assets*

The Company has entered into a custodian agreement with Odyssey Trust Company and a sub-custody agreement with Gemini to hold the Company's assets for safekeeping to provide an additional layer of security and risk mitigation.

### *Change to Share Registry & Transfer Agent*

Odyssey is one of the largest share registries in Canada. The Company has changed its share registry from Automic to Odyssey.

### *Cryptocurrency & Digital Assets*

The Company will invest in established and highly liquid cryptocurrencies and digital assets such as Bitcoin and Ethereum. The Company will only trade and custody its digital assets with Gemini, a regulated exchange with SOC 2 Type 2 level compliance and audits. Gemini also maintains commercial crime insurance for some of their wallets.

### *First Growth Advisory Pty Ltd*

The Company will continue to earn fees and provide advisory services to listed and unlisted companies through its subsidiary First Growth Advisory Pty Ltd.

### *Escrow Agreements*

In further support of the Company, all directors have agreed to enter into 3-year Escrow Agreements. All of their shares will be escrowed with a 10% release on listing, with the remaining escrow securities being released in 15% tranches every 6 months thereafter for a period of 36 months.

### *General Update:*

Whilst the Company has been working towards a listing it has increased its revenue, cash holdings and total assets and maintained the level of invested capital. Below are unaudited financials comparing June 30, 2019 with May 31, 2020:

	<b>June 30, 2019</b>	<b>May 31, 2020</b>	<b>% change</b>
<b>Revenue<sup>1</sup></b>	\$452,779	\$1,174,623	<b>159%</b>
<b>Cash</b>	\$2,555,897	\$4,449,321	<b>74%</b>
<b>Investments</b>	\$5,607,918	\$5,635,666	<b>0.5%</b>
<b>Total Assets</b>	<b>\$8,163,815</b>	<b>\$10,084,987</b>	<b>24%</b>

<sup>1</sup> includes YTD investment performance

The Company has 77,798,218 shares on issue with no outstanding options or warrants.

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### **About First Growth Funds**

First Growth Funds Limited invests across a broad range of asset classes including listed equities, private equity, blockchain and digital assets. The company also operates an advisory business, First Growth Advisory, providing corporate advisory, capital raising and capital markets support to its portfolio.