

ASX Announcement

5 April 2019

8EC RESPONSE TO UNSOLICITED PROPOSED TAKEOVER OFFER FROM AURORA

STRATEGIC REVIEW UPDATE

As announced on 21 February 2019, 8iP Emerging Companies Limited (ASX: 8EC) (**8EC** or the **Company**) has commenced a strategic review to consider the various options available to the Company to reduce the market price discount to NTA and to improve liquidity in the trading of 8EC shares. This review is progressing, and the 8EC Independent Directors hope to be in a position toward the end of this month to announce the results of that review to shareholders.

RESPONSE TO INTENTION TO MAKE UNSOLICITED OFF-MARKET TAKEOVER OFFER BY AURORA DIVIDEND INCOME TRUST

8EC notes the announcement made earlier today by Aurora Funds Management Limited (Aurora), as RE of the Aurora Dividend Income Trust (**ADIT**) of its intention to make an off-market scrip takeover offer for all of the issued shares in 8EC at \$0.75 per share.

The proposed offer from ADIT is unsolicited, and the scrip offer price represents a very substantial discount to 8EC's last reported post-tax NTA of \$0.89 per share¹.

8EC shareholders should also be aware that ADIT is unlisted, it is a significantly smaller entity than 8EC, with total assets of only \$4.67m², and 88% of its investment portfolio³ is represented by ADIT's shareholding in 8EC.

It should also be noted as per 8EC's announcement on 25 March 2019, that arising from the summary dismissal of the proceedings brought by Aurora last year to overturn the vote at the Company's General Meeting in April 2018, the Equity Division of the Supreme Court of NSW has determined that Aurora is liable to pay the costs of 8EC and other defendants from 18 September 2018 to 28 November 2018 on an ordinary basis, and from 29 November 2018 on an indemnity basis. The quantum of these costs payable by Aurora to 8EC are in the process of being determined.

The 8EC Board will provide its formal recommendation to 8EC shareholders, along with the Company's Target Statement following receipt of the Bidder's Statement from ADIT (which according to Aurora's announcement is expected to be lodged in early May).

The 8EC Board will provide a further update to shareholders in due course. In the meantime, the Board advises shareholders to **TAKE NO ACTION** whatsoever regarding their shares in response to the Aurora announcement.

Jonathan Sweeney
Chairman

¹ 8EC Portfolio Update as at 28 February 2019

² As per ADIT's most recent published financial statements (for the half year ended 31 December 2018)

³ As per ADIT's most recent published Portfolio Update (28 February 2019)

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