

ASX ANNOUNCEMENT

22 November 2019

CHAIRMAN'S ADDRESS 8EC AGM 22 NOVEMBER 2019

A warm welcome to all shareholders to the 2019 AGM. Our Chairman, Jonathan Sweeney, is unfortunately unexpectedly unable to attend today's meeting and has asked me to deliver his address.

Accordingly, at this AGM and on behalf of Jonathan, I would like to touch on the following items:

- Capital distributions received by shareholders
- Current investment portfolio
- Realisation of remaining investment portfolio
- Focus on costs and
- Today's Agenda and Resolutions

Shareholders have received two distributions of capital; the first of 52 cents per share on 21 August 2019 and the second of 22 cents on 3rd October 2019, making a total of 74 cents per share. We are particularly pleased with the progress to date in relation to fulfilling the strategy to return capital to shareholders for the reasons previously given.

As at 31 October 2019 the post-tax NTA per share was 9.75 cents per share. The portfolio at that time was comprised of cash (48.7%), unlisted securities (35.4%) and listed securities (15.9%). The gross asset value of the Company was approximately \$4 million.

The Board and Manager have been in active discussion around how best to realise the remainder of the portfolio. This process needs to be carefully managed as the remaining securities are relatively illiquid and this can cause delay in their sale or adversely affect the price at which they can be sold. Your Board is focused on maximising the value of the Company and its remaining assets as well as being conscious of distributing all sale proceeds to shareholders as efficiently as possible. We are committed to achieving the best result possible for all shareholders. We will keep all shareholders updated on our progress in this regard.

Shareholders would be aware that the size and scope of 8EC's business has changed significantly due to the capital distributions. In light of this the Board have agreed to reduce their director's fees by 50% effective 1 December 2019. Furthermore, on this basis, the Company has negotiated improved terms with many of our service providers with a corresponding reduction in costs.

There are a number of items on the Agenda for this year's AGM. We are considering:

- Our Financial statement and Reports
- Adoption of the Remuneration Report
- Re-election of Tony McDonald as Director and
- Conditional Spill Resolution

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All resolutions have been explained in detail in the Notice of Meeting and the Explanatory Memorandum.

Before we enter the formal part of the meeting, I would like to briefly explain the background to Resolution 3 the Conditional Spill Resolution.

The Corporations Act includes a “two strikes” rule in relation to remuneration reports. The two strikes rule provides that, if at least 25% of the votes cast are against adopting the remuneration report and this occurs at two consecutive annual general meetings, shareholders will have the opportunity to vote on a Spill Resolution at the second annual general meeting. Should we get a “second strike “ today then Resolution 3 will be put to the meeting. If the Spill Resolution is put to the meeting and is passed by more than 50% of votes cast, then a Spill Meeting must be held within 90 days of the passing of Resolution 3. At this meeting all Directors cease to hold office immediately before the end of the Spill Meeting and a vote will occur regarding the election of directors. For further information on this please refer to the Notice of Meeting and Explanatory Memorandum.

The Board unanimously recommends that Shareholders vote **against** Resolution 3.

In closing I would like to thank my fellow Directors and 8iP’s management for their help over the year. I would also like to thank all our shareholders for their support, it is appreciated.

Tony McDonald
Chairman of the meeting