



MEMBERS UPDATE

FEBRUARY 2021

CLUB DEVELOPMENT UPDATE.

Members will be aware that the club announced immediately before Christmas that it had completed its due diligence requirements after an exhaustive process of legal and operational review and confirmed that the sale of the Imlay Street site had been sold to Core Asset Developments Pty Ltd.

As per our previous announcement, the Club has now secured a six month deferred sale agreement to allow time to undertake and complete major refurbishment works associated with the Eden Gardens Country Club.

In order to facilitate this outcome, the club has successfully secured a short term commercial loan (12 months) from a third party in which to fund the construction works of the Country Club and at completion retire that loan once the property settlement occurred with CAD and the club transfer all operations to the Country Club location.

The Club's Board recently elected to undertake a staged development of the Country Club as opposed to a major rebuild given ongoing concerns as to the state of the local economy and ongoing restrictions associated with the Covid-19 pandemic.

As an interim measure, the club will undertake a significant, yet minor scaled upgrade of the Country Club in the immediate present and then once conditions and trade stabilizes, perform the larger structural upgrades accordingly once the business case for additional investment can be justified and done so within acceptable risk parameters.

As much as this announcement represents a significant disappointment, the club's number one priority is and remains to protect the member's assets and solvency of the Club as a listed company.

Given the extreme and ongoing uncertainties and times we continue to confront since the outset of 2020, we believe this is the most appropriate course of action to take.

TIMING AND WORKS SCHEDULES

Construction of the Country Club project will commence from 8th March 2021 at which time the all trading and access to the site will be closed.

The construction period is scheduled for 16 weeks.

Golf and bowling facilities will remain open throughout this period and management are currently investigating mobile on site food and beverage options (Vans) to supplement sporting events throughout this time.

Further detailed information on how these works will or may disrupt sporting competitions will be discussed directly with the Bowls and Golf Committee over coming weeks with Club representatives.

We can now also confirm that the Recreation Club is scheduled to cease trading as at July 31 at which stage key items of plant and equipment will be removed and transferred to the Country Club site which is due to re-open to the public on August 23rd.

The Board acknowledges that the next six months will be both difficult and disruptive as we undertake these works, however remain absolutely confident that the end result will clearly outweigh the short term costs and inconveniences.

As we have said from the outset, our number one objective is build a new Club for a new future and one which will return our business to long term prosperity so we can continue to provide social and recreational services to our members into the decades beyond.

Kind Regards
Andrew Terry
Chief Executive Officer
Behalf Board of Directors
Eden Fishermen's Recreation Club