ASX ANNOUNCEMENT
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Chairman's Address to 2020 AGM

I am excited to be able to provide this report to you ahead of DigitalX's 2020 Annual General Meeting.

I have been involved with DigitalX in various roles since 2014, when the Company was listed on ASX. And during that time, I have remained excited about the potential that the Company presented. However, the Australian digital asset and blockchain markets remain in their infancy, and so, as the market has evolved, so too has the Company, as it continues to identify the best opportunities for shareholders.

To be frank, this story is consistent with many other companies and businesses operating in this space, and consistent with many of the digital assets that have filled this space over the last few years. Many are still trying to find their relevance and it isn't unreasonable to say that for all the hype around blockchain as a technology, there has been a relatively small number of commercial success stories to date. Added to this, it has been difficult at times to be an ASX listed company operating in this space, notwithstanding ASX's own interests in blockchain.

Since listing, DigitalX has been involved within the entire blockchain ecosystem, from Bitcoin mining; Bitcoin trading; blockchain based money transfers; blockchain consulting and advisory services; and funds management. In 2020, based on those experiences and the knowledge gained in the operation and implementation of blockchain, as well as our experiences as an ASX listed company, the Company has sharpened its focus through a deep research and development process, and as a result, we believe, has identified a significant opportunity for the Company.

As we announced just days ago, with the launch of our first RegTech product, Drawbridge, DigitalX is seeking to utilise our various experiences to become a leading player in the utilisation of blockchain technology for the commercial development of regulatory technologies, in particular as part of the DAML rollout, not only on the ASX but on regulated exchanges worldwide. Stated more ambitiously, DigitalX is seeking to develop and implement the industry standard for regulatory technologies for publicly traded companies and governance structures around the world.

This first product, Drawbridge, is a RegTech app to assist publicly traded companies with managing their securities trading policies. We chose to proceed with the development of Drawbridge after meeting various companies involved in corporate actions, large and small, across the ASX; and we see a clear value proposition for a blockchain based application to help companies manage their securities trading policies and to replace manual, paper and email based error-prone systems. It may well not sound very 'sexy', but with compliance management and governance being the focus of increased scrutiny, being involved in developing solutions for companies and regulators, is a very appealing proposition.

To be honest, the fact that Drawbridge is built around blockchain technology will likely be irrelevant to most users, because the use of the app does not require any blockchain knowledge. However, the technology enables the creation of an immutable transactional record for companies and users to ensure they have accurate records to attest to their regulatory compliance.

In addition, we continue to build our funds under management division, and have seen steady, but slow, growth in our funds under management since launching our Bitcoin Fund last year. The recent rises in the Bitcoin price, have certainly helped, but we maintain our belief, as we have since we were listed, in the long term value of Bitcoin, which is why we continue to be holders of our Bitcoin assets, either in our own right, or through the Bitcoin Fund. However, we hope that with the ongoing development of our RegTech products, we will create more reason for investors to consider an investment in DigitalX other than the prevailing Bitcoin price.

Of course, an Annual General Meeting is also a chance to reflect on what has changed over the last 12 months. We have said goodbye to some of our long-term staff this year, including Neel Krishnan, the Company's former US-based President and Scott Benson, our US-based Compliance Officer. Both Neel and Scott were long term, passionate staff of the Company, believers in the space, and professional members of our team. However, ultimately, the costs of operating a small cap company in multiple jurisdictions were deemed to be too excessive whilst the Company was rebuilding its revenue pipelines. I want to publicly acknowledge each of those gentlemen along with all other staff who have left us this year.

On the flip side, we have recently welcomed Matt Harry to our team, to assist in the promotion and build up of our funds management business in conjunction with Leigh Travers. Matt, based in Melbourne, joined the team during a challenging period, as he was subject to the lockdown rules in place in Melbourne at that time. It did not, and has not, stopped him hitting the ground running however, and we are pleased with his contribution to date.

Starting a wholesale Bitcoin Fund has been ambitious in Australia. While the US has seen the emergence of PayPal, JP Morgan, Square and MicroStrategy advocating for Bitcoin, Australia is being left behind. DigitalX is looking to fill the void to ensure Australian qualified investors can get exposure to material investments in Bitcoin. This involves a dual strategy of providing the education together with the opportunity for those investors. A rising Bitcoin price helps, and our team works hard to produce research and educational materials to assist with a deeper understanding of Bitcoin and other major digital assets. Bitcoin has seen significant price increases since March 2020 and the narrative around Bitcoin from some of the world's leading investment houses is slowly changing, which is at least, partly responsible for those price increases.

This year, we have also seen the promotion of David Beros to Head of Product. Dave's evolution within DigitalX has been remarkable and he adds additional skill and knowledge to our executive team.

Finally, I want to acknowledge and thank my fellow directors, Shannon Coates, our Company Secretary, and all the team at Evolution Corporate and all staff within the Company. In what has been a bizarre year on many fronts, the team has continued to remain focussed on achieving positive outcomes for the Company and you as shareholders can be confident that you are represented by a professional, compliance focussed, knowledgeable and passionate team. I look forward to what the coming year presents and the continuation of this journey that we are all on together.

-ENDS-

Authorised by the Chairman of DigitalX Limited.

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About DigitalX

DigitalX is a technology and investment company specialising in the commercialisation of blockchain and distributed ledger technology. The Company offers blockchain consulting and product development services for businesses seeking to leverage the benefits of digital technology. DigitalX offers low-cost, traditional asset management products for qualified investors to gain exposure to the growing alternative asset class of digital assets, including Bitcoin.

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