

15 December 2017

Dear Shareholder

AUMAKE INTERNATIONAL LIMITED – PRO-RATA NON-RENOUCEABLE ENTITLEMENT ISSUE

As announced on 13 December 2017 AuMake International Limited (ACN 150 110 017) (**AuMake**) is undertaking a 2:15 pro rata non-renounceable entitlement issue (**Entitlement Issue** or **Offer**) of approximately 31,900,431 fully paid ordinary shares (**New Share**) to raise approximately \$20,097,271. The price of New Shares under the Offer is \$0.63 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 13 December 2017.

The Offer is fully underwritten by Prenzler Group Pty Ltd (AFSL 456663) (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 4% of the total amount raised pursuant to the Offer. The Company must also reimburse the Underwriter for costs incidental to the Offer.

The purpose of the Entitlement Offer is to raise up to \$20,097,271.

The funds raised from the Entitlement Offer are planned to be used in accordance with the table set out below:

| Item | Proceeds of the Entitlement Offer | Full Subscription (\$) | % |
|------|---|------------------------|---------------|
| 1. | Retail Store Expansion | 10,000,000 | 49.76% |
| 2. | China Support Team | 2,000,000 | 9.95% |
| 3. | Increasing AuMake owned product inventory | 3,000,000 | 14.93% |
| 4. | Expansion of marketing and supply chain resources | 500,000 | 2.49% |
| 5. | Expenses of the Offer | 900,493 | 4.48% |
| 6. | Working capital | 3,696,778 | 18.39% |
| | Total | 20,097,271 | 100.00 |

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 pm (EST) on 19 December 2017, with an “ex” date of 5:00 pm (EST) on 18 December 2017, and whose registered addresses are in Australia or New Zealand.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 31,900,431 New Shares resulting in total Shares on issue of approximately 271,153,661.

A copy of the Prospectus is available on ASX's and AuMake's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 20 December 2017. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**).
- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Entitlement and apply for Additional Shares under the Shortfall Offer.
- You may wish to accept part of your Entitlement.
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Offer

| Event | Proposed Date |
|--|----------------------|
| Prospectus and Appendix 3B lodged with ASX and Notification sent to option holders | 13 December 2017 |
| Notice of Entitlement Issue sent to security holders | 15 December 2017 |
| Existing shares quoted on an 'ex' basis | 18 December 2017 |
| Record date | 19 December 2017 |
| Despatch of Entitlement Issue Documents to Eligible Shareholders Offer Period Opens | 20 December 2017 |
| Offer Period Closes | 19 January 2018 |
| Securities quoted on a deferred settlement basis. | 22 January 2018 |
| Notification of under-subscriptions to ASX (if any) | 24 January 2018 |
| Shares Issued Holding statements despatched | 26 January 2018 |



If you have any queries concerning the Entitlement Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Peter Zhao, AuMake's Company Secretary, on +61 8 9323 2000.

Yours sincerely

Keong Chan
Executive Chairman
AuMake International Limited