

ASX ANNOUNCEMENT (ASX Code: YHL)

8 May 2017

NOTIFICATION OF RIGHTS ISSUE SHORTFALL TO BE PLACED BY UNDERWRITERS

Yanghao International Ltd (ACN 133 453 531) (**YHL**) is pleased to advise that its fully underwritten renounceable Rights Issue offer at \$0.02 per new fully paid ordinary share (**New Share**) closed at 5.00pm (AEST) Wednesday 3 May 2017 (**Closing Date**).

YHL is pleased to announce that it has received and accepted applications from Eligible Shareholders for a total of 55,296,643 New Shares representing 80.10% of the total shares offered.

Pursuant to the Underwriting Agreement, Lodge Corporate Pty Ltd (ACN 125 323 168) (the Underwriters) will place the remaining 13,734,476 shares with their sub-underwriter in the coming days.

In total the Rights Issue will raise \$1,380,622 less expenses. The Proceeds of which will be applied towards a proposed acquisition of a Head Office Premises including deposit, capital and expenses of the acquisition.

The following table sets out the number of New Shares subscribed for by Eligible Shareholders under the Offer together with the Shortfall that is to be placed by the Underwriters.

Offer Subscription Details	# New Shares	Gross Proceeds	% of Max
Maximum possible subscriptions	69,031,119	\$1,380,622.30	100%
Less Rights Issue offer subscriptions	13,413,125	\$268,262.50	19.43%
Less Applications for Additional Shares	41,883,518	\$837,670.36	60.67%
Shortfall to be placed by the Underwriters	13,734,476	\$274,689.52	19.90%

The above figures are subject to none of the subscriptions proceeds received by cheque being dishonoured between the time of this announcement and allotment of the New Shares. The allotment and issue of New Shares will occur on 10 May 2017. It is anticipated that normal trading of the New Shares will occur on 11 May 2017.

For further information please contact Ying Huang on +61 403 340 917 between 9.00 am and 5:00 pm (AEST) Monday to Friday.

Yours sincerely,



Ying Huang
Company Secretary