

ENTITLEMENT OFFER AND CAPITAL RAISING UPDATE

10 January 2018

Withdrawal of Entitlement Offer and Shortfall Offer

AuMake International Limited (ASX:AU8) (**AuMake** or the **Company**) wishes to advise that Prenzler Group Pty Ltd (**Underwriter**) has terminated the Underwriting Agreement entered into by the Company and the Underwriter on 12 December 2017. The Company considers this action reasonable given recent share price volatility.

Due to this material adverse change, the Company's Board of Directors (**Board**) has resolved to refund all application monies received and withdraw the Entitlement Offer and Shortfall Offer (together the **Offers**) the subject of the prospectus dated 13 December 2017 (**Prospectus**) and supplementary prospectus dated 22 December 2017 (**First Supplementary Prospectus**). A second supplementary prospectus to effect the withdrawal of the Offers was lodged with the ASIC on 9 January 2017 (**Second Supplementary Prospectus**).

Please note the following:

- The Offers made pursuant to the Prospectus and First Supplementary Prospectus are withdrawn;
- No Shares have been or will be issued under the Offers;
- All application money received under the Offers will be refunded in full to the relevant applicants by 15 January 2018;
- The expiry date of the Prospectus is brought forward to the date of the Second Supplementary Prospectus, being 9 January 2018.

Placement

Subsequent to the withdrawal of the Offers, the Company has elected to raise capital via a placement and has received firm commitments to raise a total of \$14 million (before capital raising costs) at 45 cents per share under the Company's 15% placement capacity (ASX Listing Rule 7.1) (**Placement**).

The Company advises that Australian and China based strategic and cornerstone investors have participated in the Placement, including Chinese investors with key relationships to significantly enhance AuMake's distribution networks within Australia and China in the daigou and Chinese tourist markets.

The Company has conducted a thorough review of its growth strategies to maximise efficiencies and is pleased to inform shareholders that pursuant to the Placement, the Company will be fully funded to accelerate its retail store rollout program across Australia and China in addition to further investment into & production of AuMake own branded products.

The Board and management of AuMake are highly encouraged by the Company's current performance across all financial and operational metrics since its ASX listing. AuMake looks forward to carrying this momentum forward into its next exciting growth phase.

-ENDS-



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About AuMake

AuMake International Limited is an Australian-owned retail company connecting Australian suppliers directly with daigou and Chinese tourists.

AuMake engages with the growing and influential daigou and Chinese tourist markets, by offering a one-stop-shop retail network. This includes a range of Australian products across four main categories including healthcare (supplements and food); skin, body care and cosmetics; dairy products and baby food (including infant formula); and wool and leather products.

Customers of AuMake value the full service offering which includes knowledgeable bilingual staff, multiple payment options (including WeChat, Alipay and Unionpay) and an in-store logistics service for the delivery of products to anywhere in the world including China.