



17 February 2023

Conversion of \$1,423,094 of debt into equity at an issue price of \$0.00888 per share

The Directors of Aumake Limited (**Aumake**) are very pleased to advise that they have executed a Debt Release Deed (**Deed**) whereby Grand Aust International Pty Ltd and Grand Aust New Zealand Pty Ltd (collectively **GAT**) have agreed to convert \$1,423,094 of debt (**Debt**) into Aumake equity.

Aumake's Chairman, Stephen Harrison, commented:

"Being able to convert \$1.4 million of debt, at a 120% premium to the prevailing share price, is very encouraging news that significantly improves the Company's prospects and growth ambitions."

Terms of Deed

Pursuant to the Deed and subject to the receipt of Aumake shareholder approval in accordance with ASX Listing Rule 7.1 (**Condition**), Aumake will issue GAT 160,249,420 ordinary fully paid shares (at an issue price of \$0.00888 per share) and grant GAT 52,348,144 options each exercisable at \$0.0085 and expiring two years from their date of issue (**Consideration**).

GAT has further agreed that the 160,249,420 shares will be subject to a 12 month escrow period, commencing from their date of issue.

Pursuant to the Deed and subject to the satisfaction of the Condition and the issue of the Consideration (**Completion**), GAT will irrevocably and unconditionally release Aumake and its affiliates and each of their, directors, officers, employees and agents, past and present, from all claims, wherever and however arising, known or unknown, arising out of or in connection with the Debt.

Nominee Director

From Completion, and for so long as GAT and their related bodies corporate (or their respective nominees or custodians) hold in aggregate 10% or more of the issued share capital of Aumake (**Board Representation Rights**), then Aumake will appoint one representative of GAT (nominated in writing by GAT) to the Board of Aumake as a non-executive director.

GAT's Board Representation Rights cease and expire as soon as GAT and their related bodies corporate (or their respective nominees or custodians) cease to hold in aggregate 10% or more of the of the issued share capital of Aumake. If GAT's Board Representation Rights cease, the GAT must procure that their nominee director resigns.

All other terms and conditions of the Deed are considered standard for an agreement of this nature.

Authorised for release by the Board of Aumake Limited

Joshua Zhou
Managing Director
zhou@aumake.com.au