

Australia & International Holdings Limited

ACN 009 706 414

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BRISBANE QLD 4001

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Spring Hill Queensland 4000

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9th February, 2021

Dear Shareholder,

RIGHTS ISSUE

After an unprecedented year in global markets dominated by the COVID-19 pandemic, markets have rebounded strongly on the back of stimulus measures and vaccine hopes. The Australian share market has recovered from a low of 4,402 on March 23 2020 to be 6,765 as at the close of trade on February 4 2021. Whilst this would seem to be a large recovery, there are still opportunities in beaten down cyclical sectors such as Banks, Energy & Real Estate where we believe there is still good upside. As confidence grows around the globe on vaccine distributions and economies reopen, markets should see a broader and more inclusive increase as opposed to the narrow band of winners during the pandemic. Additionally, AIH is well placed to take advantage of value in the different sectors and asset classes due to the broad portfolios in the underlying trusts i.e. BAET (Australian Equities), BSMaRT (Australian small, midcap and resources), BWET (international equities). The Board has viewed this as an opportune time to take advantage of this current market environment in order to position the portfolio accordingly.

We are again offering existing shareholders the opportunity and the right to take up additional shares in the Company on the basis of one new share for every twenty shares held, each at an issue price of the lesser of \$2.85, or the price calculated as a 5.32% discount to the Company net asset value per share as at the Closing Date of this offer. At \$2.85, this also represents a 5.32% discount to the current net asset backing per share, to raise up to \$224,560 ("Rights Issue"). In addition shares allocated under the Rights Issue will be eligible for the April dividend. The offer is non-renounceable.

I am now writing to provide you, as a registered shareholder of the Company on the record date of Friday, 5th February 2021, with the Rights Issue Offer Document and an Entitlement and Acceptance Form.

On behalf of the Australian & International Holdings Limited Board I invite and encourage you to consider participating in this Rights Issue.

The funds from this Rights Issue will be used to invest in both the Australian and overseas share markets.

If you wish to participate in the Rights Issue you will need to follow the instructions detailed in Section 2 of the Offer Document and complete the Entitlement and Acceptance Form and return it to the Company by 5pm on the closing date of Monday, 1 March 2021.

Yours sincerely,



Chris Burrell
Director

Australia & International Holdings Limited

ABN 98 009 706 414

an Investment Company

Rights Issue Offer

FOR

a non-renounceable pro rata offer of New Shares each at an issue price of \$2.85 (or the price calculated as a 5.32% discount to the Company Net Asset Value per share as at the Closing Date) on the basis of **one New Share for every twenty Shares** held at the Record Date to raise approximately \$224,560.

THIS DOCUMENT IS NOT A PROSPECTUS AND DOES NOT CONTAIN ALL OF THE INFORMATION THAT AN INVESTOR WOULD FIND IN A PROSPECTUS OR WHICH MAY BE REQUIRED IN ORDER TO MAKE AN INFORMED INVESTMENT DECISION OR ABOUT THE RIGHTS ATTACHING TO THE NEW SHARES OFFERED BY THIS OFFER DOCUMENT.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THIS OFFER CLOSING AT 5.00PM AEST (QLD) ON Monday, 1 March 2021.

VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.

Please read the instructions in this Offer and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your entitlement.

THIS OFFER DOCUMENT IS DATED TUESDAY, 9TH FEBRUARY 2021

IMPORTANT INFORMATION

This Offer Document is dated Tuesday, 9th February 2021.

This Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act. This Offer Document is not a prospectus or any other form of disclosure document regulated by the Corporations Act and has not been lodged with ASIC. Accordingly, this Offer Document does not contain all of the information which a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required by Australian law or any other law to be disclosed in a prospectus. The information in this Offer Document does not constitute a securities recommendation or financial product advice.

This Offer Document is important and should be read in its entirety before deciding to participate in the Offer. This Offer does not take into account, and this Offer Document has been prepared without taking into account, the investment objectives, financial or taxation situation or particular needs of any Applicant.

Before applying for New Shares, each Applicant should consider the information contained in this Offer Document and whether such an investment, is appropriate to their particular needs in light of their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser for individual advice.

Neither the Company nor any other person guarantees the repayment of capital or the payment of income. Investors should note that the past net asset backing of Shares or Share price performance of the Company provides no guidance to the future net asset backing of Shares or Share price performance.

Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's entitlement to participate in the Offer.

By returning an Entitlement and Acceptance Form or lodging an Entitlement and Acceptance Form with your stockbroker or otherwise arranging for payment for your New Shares in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer detailed in this Offer Document and you agree to all of the terms and conditions as detailed in this Offer Document.

Though a copy of this Offer Document will be lodged with the National Stock Exchange of Australia Limited (NSX), no responsibility for the Offer Document is taken by NSX.

This Offer Document relies upon class order relief granted by the Australian Securities and Investments Commission under C008/35.

Privacy Act

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the application and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to NSX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form the Company may not be able to accept or process your application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

No overseas offering

No action has been taken to permit the offer of New Shares under this Offer Document in any jurisdiction other than Australia and New Zealand.

The distribution of this Offer Document in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Offer Document does not constitute an offer of New Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Offer Document. Only Shareholders with a registered address in Australia or New Zealand will be able to participate in the Offer.

The Company believes that there are insufficient numbers of foreign Shareholders (and Shares held by them) to warrant incurring the cost of compliance with the securities laws in other countries.

Definitions, currency and time

Definitions of certain terms used in this Offer Document are contained in section 4. All references to currency are to Australian dollars and all references to time are to AEST, unless otherwise indicated.

Governing law

This Offer Document, the Offer and the contracts formed on acceptance of the Applications are governed by the law applicable in Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Queensland, Australia.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

This document contains general information only and doesn't take into account your personal objectives, financial situation or needs. You should consider the appropriateness of the information in this document with regard to your objectives, situation and needs. You should obtain financial advice tailored to your circumstances before making a decision.

Disclosure – Interests

The Directors and Board members of AIH state that they and/or their families or companies or trusts have an interest in the securities mentioned.

Burrell Stockbroking Pty Ltd has been appointed as investment manager of the underlying trusts in AIH. Burrell Stockbroking Pty Ltd and its associates state that they and/or their families or companies or trusts may have an interest in the securities mentioned.

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1 Details of the Offer

1.1 The Offer

The Company is making a non-renounceable pro-rata offer of New Shares each at an issue price of the lesser of \$2.85, or the price calculated as a 5.32% discount to the Company net asset value per share as at the Closing Date of this offer. At \$2.85, this also represents a 5.32% discount to the current net asset backing per share to Eligible Shareholders on the basis of one New Share for every twenty Shares held at 5:00 pm AEST (QLD) on the Record Date.

The Company has on issue as at the Record Date: 1,575,867 Shares.

A maximum of 78,793 New Shares will be issued under the Offer, raising up to \$224,560 (before costs).

Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded down to the nearest whole New Share.

The number of New Shares you receive may be adjusted depending on the final issue price determined. The amount of \$2.85 per share is the maximum you will pay for each additional New Share and Shortfall New Share you apply for. The final price paid will be the lesser of \$2.85 per share, or the price calculated as a 5.32% discount to the Company Net Asset Value per share as at the Closing Date of this Offer. The total values of the number of New Shares and Shortfall New Shares will be divided by the final issue price to determine the final number of shares you receive.

The Company has announced that the Net Asset Backing (NAV) for Shares was \$3.3.01 per Share as at 28 January 2020. The last traded price for Shares sold on the NSX was \$2.65 per Share for a parcel of 5,077 Shares on 26 August 2020. The previous trade to that transaction occurred in June 2020.

Summary

Number of shares on issue at the Record Date	1,575,867
Basis of Rights Issue:	1 for 20
Net asset Backing (NAV) per Share as at 28 January 2021	\$3.01
Discount to NAV for Rights Issue (approximate)	5.32%
Rights Issue price per New Share*	\$2.85
Maximum number of New Shares to be issued (after excluding overseas shareholders)	78,793
Total amount to be raised under this Rights Issue	\$224,560

* The amount of \$2.85 per share is the maximum you will pay for each additional New Share and Shortfall New Share you apply for. The final price paid will be the lesser of \$2.85 per share, or the price calculated as a 5.32% discount to the Company Net Asset Value per share as at the Closing Date of this Offer.

The Closing Date for acceptance of Entitlement and Acceptance Forms is 5.00 pm (AEST) on Monday, 1 March 2021 (and that date may be varied by the Company without prior notice, in accordance with the Listing Rules). Applications received after 5.00 pm on Monday, 1 March 2021 may be rejected and Application Monies refunded without interest. The Company reserves the right not to proceed with the whole or part of the Offer at any time prior to allotment and issue of the New Shares.

1.2 Use of the funds

The funds raised from the issue of New Shares under the Offer will be used to invest in the shares of companies listed on Australian and major international markets, and listed and unlisted managed funds, according to the investment strategy of the Company.

1.3 Timetable

Announcement setting out details referred to in section 708AA Corporations Act	Friday, 29 January 2021
Voluntary Suspension before commencement of trading on:	Thursday, 4 February 2021
Existing Shares quoted on ex-entitlement basis	Thursday, 4 February 2021
Record Date for determining entitlements (5.00pm AEST)	Friday, 5 February 2021
Rights Issue Offer Document and Entitlement and Acceptance Form dispatched to Eligible Shareholders	Tuesday, 9 February 2021
Closing Date*(5.00 pm AEST)	Monday, 1 March 2021
Notify NSX of Shortfall	Wednesday, 3 March 2021
Anticipated date for the issue of the New Shares and dispatch of holding statements**	Friday, 5 March 2021
Suspension removed before commencement of trading on:	Monday, 8 March 2021
Commencement of trading of the New Shares**	Monday, 8 March 2021

There will be no deferred trading of the New Shares following the Closing Date.

* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New Shares.

** Indicative date only.

1.4 Your entitlement and acceptance

The entitlement of Eligible Shareholders to participate in the Offer was determined on the Record Date. Your entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer.

The Offer may be accepted in whole or in part. If Eligible Shareholders decide not to accept all or any of their entitlement to New Shares, then their entitlement to those New Shares not accepted will lapse and those New Shares will become Shortfall New Shares.

Eligible Shareholders may apply to take up any of the Shortfall in excess of their pro-rata right or entitlement to New Shares. Eligible Shareholders may apply for Shortfall New Shares by indicating on the Entitlement and Acceptance Form the number of Shortfall New Shares for which they wish to apply. If applications are received for more Shortfall New Shares than those available, applications will be scaled back on a pro rata basis.

1.5 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms until 5.00pm AEST (Qld) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

1.6 Underwriting

The Company has entered into an Underwriting Agreement for this Rights Issue with Burrell Stockbroking Pty Ltd on the basis that it will partly underwrite the issue up to \$75,000 of the shortfall, for a fee of 2%. Further, in the event that the S&P200 Index (XJO) falls below 6,300 points during the course of the offer, the underwriting agreement may be withdrawn at the discretion of Burrell Stockbroking Pty Ltd.

1.7 No rights trading

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the NSX and you may not dispose of your rights to subscribe for New Shares to any other party. If you do not take up your entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

1.8 Entitlement and Acceptance Form

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

1.9 Issue and dispatch

New Shares offered by this Offer Document are expected to be issued, and security holder statements dispatched, on the date specified in the Timetable. It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

1.10 NSX quotation and deferred settlement trading

Application will be made to the NSX for the official quotation of the New Shares.

There will be no trading of New Shares on a deferred settlement basis. Trading of the New Shares will, subject to NSX approval, occur on or about the date specified in the Timetable.

1.11 Offer Document and disclosure obligations

This Offer Document is issued pursuant to section 708AA of the Corporations Act as an offer document for the offer of securities for issue, under a rights issue, without disclosure to investors under Part 6D.2 of the Corporations Act. Pursuant to the conditions imposed on the Company by section 708AA of the Corporations Act for the making of a rights issue without disclosure to investors, the Company provided NSX with a notice that complied with the requirements of section 708AA(7) prior to dispatch of this Offer Document in accordance with the Listing Rules.

In addition to certain minor and technical matters permitted by ASIC Class Order 08/35, that notice was required to set out any information that had been excluded from a continuous disclosure notice in accordance with the Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
- (b) the rights and liabilities attaching to the New Shares.

The notice was also required to state the potential effect of the issue of the New Shares on control of the Company and the consequences of that effect.

1.12 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Ltd ACN 008 504 532 (ASX Settlement), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement. The CHESS statement will set out the number of New Shares issued under this Offer Document, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be dispatched by the Registrar, Newcastle Capital Markets Pty Ltd, and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.13 Overseas Shareholders

No Offer will be made to Shareholders resident outside Australia or New Zealand.

New Shares to which any Shareholder who is not resident in Australia or New Zealand is entitled will form part of the Shortfall which could be issued to the Underwriter or its nominee to the extent not acquired by Eligible Shareholders under the Shortfall.

This Offer Document and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The entitlements and the New Shares have not been and will not be registered under the United States Securities Act and may not be offered, sold or resold in, or to persons in, the United States except in accordance with an available exemption from registration. Accordingly, the Offer is not being made in the United States and New Shares will not be offered to Shareholders with registered addresses in the United States.

The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Offer Document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

1.14 Risk factors

In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are set out in Section 3.

1.15 Brokerage

No brokerage fee is payable by Eligible Shareholders who accept their entitlement to the New Shares, whether in full or in part. No stamp duty is payable for subscribing for an entitlement.

1.16 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

1.17 Shortfall facility – additional Shares

Participating Eligible Shareholders shall have the right to apply for additional New Shares, above their entitlement, being New Shares not subscribed for or which relate to Shareholders who are not Eligible Shareholders. Shareholders who wish to apply for Shortfall New Shares need to complete line C on the Entitlement and Acceptance Form. If applications are received for more Shortfall New Shares than available, applications for Shortfall New Shares will be scaled back pro-rata and persons applying for additional Shortfall New Shares accept that they may be allocated less Shortfall New Shares than they applied for. If there are insufficient Shortfall New Shares to meet demand and applications for Shortfall New Shares are scaled back pro-rata, then an Applicant who does not receive their full number of Shortfall New Shares applied for will receive a refund of money for the Shortfall New Shares they were not allotted.

1.18 Enquiries concerning this Offer Document

Enquiries concerning the Entitlement and Acceptance Form can be obtained by contacting Ian Davey at Australia & International Holdings Limited on 07 3006 7200.

2 Action required by Shareholders

2.1 Acceptance of all of the New Shares under this Offer Document

Should you wish to accept all of your entitlement to New Shares, then applications for New Shares and also for any Shortfall New Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form.

Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be either accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to **Australia & International Holdings Limited Share Offer Account**, or transfer funds directly into our share offer account, or give a debit instruction from your DDH Graham account, and be lodged at any time after the issue of this Offer Document and on or before the Closing Date at the Company (by delivery or by post) at the address shown on the Entitlement and Acceptance Form.

2.2 Acceptance of part of the New Shares under this Offer Document

Should you wish to only take up part of your entitlement, then applications for New Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. If you apply to take up only part of your entitlement you cannot apply for Shortfall New Shares.

Please read the instructions carefully.

Complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the Application Monies (calculated at \$2.85 per New Share accepted), and attach a cheque for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms must be either accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to **Australia & International Holdings Limited - Share Offer Account**, or transfer funds directly into our share offer account, or give a debit instruction from your DDH Graham account, and be lodged at any time after the issue of this Offer Document and on or before the Closing Date at the Company (by delivery or by post) at the address shown on the Entitlement and Acceptance Form.

2.3 Acceptance of no part of the New Shares under this Offer Document

If you do not wish to accept any of your entitlement, you are not obliged to do anything.

The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your entitlement.

2.4 Enquiries concerning your entitlement

If you have any queries concerning your entitlement please contact:

Ian Davey at Australia & International Holdings Limited: Telephone: 07 3006 7200

3 Risk factors

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside of its control.

The Directors consider that the following summary, whilst not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Offer Document.

The principal risks include, but are not limited to, the following:

3.1 Securities Investments and Share Market Conditions

There are risks associated with any securities investment. The price at which the New Shares trade may fluctuate in response to a number of factors. Furthermore, the stock market has recently experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the companies invested in. There can be no guarantee that these trading prices will be sustained. These factors may materially affect the net asset backing or market price of the New Shares as the Company invests in the securities market. The net asset backing and market price of the New Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company, or any return on an investment in the Company.

3.2 Changes in Legislation and Government Regulation

Changes to legislation in Australia, including changes to the taxation system, may affect future earnings and the relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

3.3 Foreign Exchange Risk

The portfolio allocation for overseas investments made by the Company is up to 20% of the total long term investment portfolio. These assets are predominantly denominated in US dollars, British pounds, Euro currency or Swiss francs. To comply with Australian reporting requirements the value, income, expenditure and cash flows of the Company is accounted for in Australian dollars. This results in a portion of the unhedged value, income, expenditure and cash flows of the Company being exposed to the fluctuations and volatility of the rates of exchange between these overseas currencies and the Australian dollar, as determined in international markets.

3.4 Economic factors

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on the stock market. The Company's future possible revenues and securities prices can be affected by these factors, which are beyond the control of the Company.

4 Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Offer Document.

\$ means Australian dollars.

AEST means Australian Eastern Standard Time, being the time in Brisbane, Queensland, Australia.

Applicant means a person who submits an Entitlement and Acceptance Form.

Application Monies means application monies for New Shares received by the Company at a price of \$2.85 per Share.

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

Board means the Directors meeting as a board.

Business Day means Monday to Friday inclusive, other than a day that NSX declares is not a business day.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means the day specified in the Timetable or such other date as determined by the Company, subject to the Listing Rules.

Company or AIH means Australia & International Holdings Limited ABN 98 009 706 414.

Corporations Act means Corporations Act 2001 (Cth).

Directors mean the directors of the Company at the date of this Offer Document.

Eligible Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to this Offer Document.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Listing Rules means the Listing Rules of NSX.

New Shares means the Shares to be issued pursuant to this Offer, including any Shortfall New Shares.

NSX means NSX Limited ACN 000 902 063 trading as the National Stock Exchange of Australia.

Offer Document means this document for the offer of New Shares.

Offer means the non-renounceable pro rata offer by the Company of New Shares pursuant to this Offer Document.

Registrar means Newcastle Capital Markets Pty Ltd ACN 087 884 553.

Section means a section of this Offer Document.

Shareholder means a holder of Shares.

Share means a fully paid ordinary share in the capital of the Company.

Shortfall means those New Shares not subscribed for by way of an application pursuant to this Offer Document by 5:00 PM AEST on the Closing Date.

Shortfall New Shares means New Shares not subscribed for by Eligible Shareholders under their entitlement, or which relate to Shareholders who are not Eligible Shareholders, and available under the Shortfall.

Timetable means the Timetable in section 1.3 of this Offer Document.

Australia & International Holdings Limited

ACN 009 706 414

GPO Box 1398
BRISBANE QLD 4001

Level 4, Burrell House, 24 Little Edward Street
Spring Hill Queensland 4000

phone : (07) 3006 7200
fax : (07) 3839 6964

29th January 2021

The Manager
Company Announcements
National Stock Exchange

Dear Sirs,

Notice of an Offer under Section 708AA of the Corporations Act 2001

Australia & International Holdings Limited ("Company") NSX Code: AID, is proposing to dispatch to eligible shareholders the offer document in respect of the non-renounceable rights offer of up to 78,793 fully paid ordinary shares each at an issue price of the lesser of \$2.85, or the price calculated as a 5.32% discount to the Company net asset value per share as at the Closing Date of this offer. At \$2.85, this also represents a 5.32% discount to the current net asset backing per share, and will raise \$224,560 on the basis of 1 share for every 20 shares held on the record date of Friday, 4 February 2021 ("Offer"). The offer will result in a maximum dilution of approximately 7.59% on completion of the offer if no rights are accepted.

The Offer is partly underwritten by Burrell Stockbroking Pty Ltd ("Burrells"). Burrells has agreed to underwrite the offer up to \$75,000 of the shortfall as long as the Australian share market as measured by the S&P/ASX 200 Index (XJO) is not below 6,300 points as at the Closing Date. If none of the shareholders in the Company accept their entitlements under the Offer, then Burrell Stockbroking Pty Ltd will hold 2.15% of the shares on issue in the capital of the Company after meeting its underwriting obligations. Given that the Offer is being made at a 5.32% discount to the net tangible asset backing of the Company, it is regarded as unlikely that there will be a significant shortfall to the Offer meaning that the maximum holding Burrells could acquire by virtue of the underwriting is unlikely to occur.

The Company hereby gives notice under section 708AA (2)(f) of the Corporations Act 2001 (Cth) ("Act") that:

1. The Company will offer the shares under the Offer without disclosure under Part 6D.2 of the Act;
2. At the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act.
3. As at the date of this notice, there is no information:
 - (a) that has been excluded from a continuous disclosure notice in accordance with the NSX Listing Rules; and
 - (b) that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (ii) the rights and liabilities attaching to the new Shares.

- 4 The potential effect the issue of the shares under the Offer will have on the control of the Company will be that if all members take up their entitlement under the Offer, then the Offer will not have any effect on the control of the Company;
- 5 There are no material consequences of the effect in item 4 above.

4.1 Timetable

Announcement setting out details referred to in section 708AA Corporations Act	Friday, 29 January 2021
Voluntary Suspension before commencement of trading on:	Thursday, 4 February 2021
Existing Shares quoted on ex-entitlement basis	Thursday, 4 February 2021
Record Date for determining entitlements (5.00pm AEST)	Friday, 5 February 2021
Rights Issue Offer Document and Entitlement and Acceptance Form dispatched to Eligible Shareholders	Tuesday, 9 February 2021
Closing Date*(5.00 pm AEST)	Monday, 1 March 2021
Notify NSX of Shortfall	Wednesday, 3 March 2021
Anticipated date for the issue of the New Shares and dispatch of holding statements**	Friday, 5 March 2021
Suspension removed before commencement of trading on:	Monday, 8 March 2021
Commencement of trading of the New Shares**	Monday, 8 March 2021

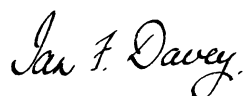
There will be no deferred trading of the New Shares following the Closing Date.

* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New Shares.

** Indicative date only.

Yours faithfully,

Australia & International Holdings Limited



Ian Davey
Company Secretary

Australia & International Holdings Limited

ABN 98 009 706 414

NON-RENOUCEABLE RIGHTS ISSUE ENTITLEMENT AND ACCEPTANCE FORM

Registered office:

Level 4, 24 Little Edward Street
Spring Hill, QLD 4000

Postal address:

GPO Box 1398
Brisbane QLD 4000

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR FINANCIAL ADVISER.

HIN/SRN

ENTITLEMENT No.

Detailed below on line **A** is your entitlement under the pro-rata Rights Issue of New Shares at \$2.85 each per share. You may accept all or part of your entitlement on line **B**. If you accept all of your entitlement then you may apply for additional New Shares at \$2.85 per share on line **C**. Further details of the Offer are contained in the Offer Document. Further details on how to complete this form are contained in the Instructions to Applicants. The number of New Shares you receive may be adjusted depending on the final issue price determined. The amount of \$2.85 per share is the maximum you will pay for each additional New Share and Shortfall New Share you apply for. The final price paid will be the lesser of \$2.85 per share, or the price calculated as a 5.32% discount to the Company Net Asset Value per share as at the Closing Date of this Offer. The total values of the number of New Shares and Shortfall New Shares will be divided by the final issue price to determine the final number of shares you receive.

ACCEPTANCES AND PAYMENT ARE DUE BY 5:00 PM (AEST) ON MONDAY 1 MARCH 2021

Application for and Acceptance of New Shares ¹

I/we, the above named being registered on Friday, 5 February 2021 as a holder of fully paid ordinary shares in Australia & International Holdings Limited, hereby accept and apply for the number of New Shares below in accordance with the terms of the Offer Document dated 9 February 2021

AT 5 FEBRUARY 2021 YOU HELD:		YOU ARE ENTITLED TO:	AT A COST OF:
A			
		NUMBER OF NEW SHARES ACCEPTED/APPLIED FOR:	AMOUNT ENCLOSED AT \$2.85 PER NEW SHARE
B	Acceptance of Entitlement		\$
C	Shortfall New Shares		\$
	Total		\$

Payment details ²

Mark cheques "Not Negotiable" and make payable to "Australia & International Holdings Limited – Share Offer Account".

YOUR CHEQUE DETAILS:

DRAWER

CHEQUE NUMBER

BSB AND ACCOUNT NO.

OR

DIRECT CREDIT:

Australia & International Holdings Limited – Share Offer Account, BSB 014-002, Account 8356 99809.

Please include as the reference on the transfer your Entitlement No. shown above and forward this form, with the date of your funds transfer noted, to Australia & International Holdings Limited in the enclosed reply paid envelope or fax to 07 3839 6964.

DATE OF TRANSFER OF FUNDS

OR

Debit my/our DDH Graham account (please put an 'X' in the box)

Contact details ³

NAME

PHONE (BUS. HOURS)

EMAIL ADDRESS

Declaration ⁴

By lodging this Entitlement and Acceptance Form and enclosing the Application Money the Applicant hereby:

- accepts and applies for the number of New Shares and, where applicable, Shortfall New Shares specified in the Entitlement and Acceptance Form;
- acknowledge and agree to take any number of Shortfall New Shares equal to or less than the number of Shortfall New Shares applied for (if any);
- agrees to be bound by the Constitution of the Company;
- authorises the Directors to complete or amend this Entitlement and Acceptance Form where necessary to correct any errors or omissions. Any decision of the Directors as to whether to accept this Entitlement and Acceptance Form, or how to construe, amend or complete it, shall be final.

Australia & International Holdings Limited

ABN 98 009 706 414

Registered office:

Level 4, 24 Little Edward Street

NON-RENOUNCEABLE RIGHTS ISSUE ENTITLEMENT AND ACCEPTANCE FORM

Spring Hill, QLD 4000

Postal address:

GPO Box 1398

Brisbane QLD 4000

INSTRUCTIONS TO APPLICANTS

Note this application form calculates your entitlement for New Share and Shortfall New Share based on the maximum amount you will pay, being \$2.85 per share. The final price paid will be the lesser of \$2.85 per share, or the price calculated as a 5.32% discount to the Company Net Asset Value per share as at the Closing Date of this Offer. Should the final issue price be below \$2.85, the total values of the number of New Shares and Shortfall New Shares will be divided by the final issue price to determine the final number of shares you receive.

1. To participate in the offer enter the number of New Shares you wish to apply for.
 - A. You are entitled to an allocation of 1 New Share for every 20 Shares you hold on Friday, 5 February 2021 at an issue price of \$2.85 per New Share, as shown on line A.
 - B. You may accept all or part or none of your entitlement in line B. To calculate the amount, multiply the number of New Shares for which you are applying by the issue price of \$2.85 for each New Share.
 - C. If you accept all of your entitlement then you may apply for additional New Shares at \$2.85 per Share (Shortfall New Shares) on line C. If more applications for the issue of Shortfall New Shares are received than Shortfall New Shares available, applications for Shortfall New Shares will be scaled back on a pro-rata basis refer to Section 1.4 of the Offer Document.

Further details of the Offer are contained in the Offer Document.

2. Payment must be in Australian dollars either:
 - o by cheque made out to 'Australia & International Holdings Limited – Share Offer Account', drawn or payable on a bank within Australia and crossed 'Not Negotiable'. Receipt of payment will not be acknowledged;
 - o by direct credit to account 'Australia & International Holdings Limited – Share Offer Account' to ANZ Bank, BSB 014-002 Account 8356 99809, **(please ensure you insert your entitlement number as the payment reference)**; or
 - o if you have a DDH Graham Account and have given Burrell Stockbroking authority to debit the account for share and security purchases, please place an 'X' in the box and the funds will be transferred from your account.
3. Enter the name and telephone number and/or email address of the person who can be contacted during business hours if there are any questions with respect to this Entitlement and Acceptance Form.
4. This Entitlement and Acceptance Form does not need to be signed. Return of this Entitlement and Acceptance Form with the required Application Money, or payment authorisation, will constitute a subscription for the number of New Shares (including any Shortfall New Shares) on the Form.

Please note that if an Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision by the Directors as to whether to accept an Entitlement and Acceptance Form and how to construe, amend or complete it, shall be final. An Entitlement and Acceptance Form will not be treated as having offered to subscribe for more New Shares than is indicated by the amount of the accompanying cheque.

Application Monies will be held in trust without interest for applicants in a subscription account until the New Shares are issued.

Please post or deliver the completed Entitlement and Acceptance Form (accompanied by a cheque for the application money or confirmation of payment by direct credit) **to be received by Australia & International Holdings Limited no later than 5:00 PM (AEST) Monday 1 March 2021 to:**

**Australia & International Holdings Limited
Level 4, 24 Little Edward Street
Spring Hill QLD 4000**

(GPO Box 1398, Brisbane, QLD 4001)

If you have any enquires concerning your entitlement, please contact Ian Davey at Australia & International Holdings Limited on 07 3006 7200 during business hours. A decision to invest should only be made after reading the Offer Document. If you are in any doubt about what to do, you should consult your professional adviser.