

AuMake Limited
ACN 150 110 017

PROSPECTUS

For the offer of up to 10,000 New Options in the capital of the Company at an issue price of \$0.01 per New Option to raise up to \$100 (before expenses).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of New Options and Options in the same class as the New Options issued by the Company prior to the Closing Date.

STEINEPREIS PAGANIN
Lawyers & Consultants



IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the New Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The New Options offered under this Prospectus should be considered speculative.

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1. CORPORATE DIRECTORY

Directors

Stephen James Harrison
Non-executive Chairman

Jiahua (Joshua) Zhou
Managing Director

Jacky Yang
Non-Executive Director

Stratos Karousos
Non-executive Director

Company Secretary

Michael Higginson

Share Registry*

Computershare Investor Services Pty Ltd
GPO Box 2975
MELBOURNE VIC 3001
Telephone: 1300 850 505

Registered Office

Suite 1.01, 22-36 Mountain Street
ULTIMO NSW 2007

Telephone: + 61 2 8330 8844

Email: info@aumake.com.au

Website: <https://aumake.com.au/>

ASX Code

AUK

Lawyers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditors*

Rothsay Audit & Assurance Pty Ltd
Level 1/12 O'Connell Street
SYDNEY NSW 2000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	1 June 2022
Opening Date	1 June 2022
Closing Date*	5:00pm WST on 6 June 2022
Expected date of Official Quotation of the New Options and Options**	7 June 2022

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the New Options are expected to commence trading on ASX may vary with any change in the Closing Date.

** Quotation of the New Options and Options is subject to the Company being able to satisfy ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

2.2 Background to the offer

On 23 November 2021, the Company issued 131,000,000 new Shares at an issue price of \$0.017 per Share to new and existing institutional and sophisticated investors (the **Placement**). The Company raised \$2.227 million (before costs) via the Placement.

Subject to the receipt of Shareholder approval, all investors in the Placement, were offered 65,500,000 free attaching Options on the basis of one Option (exercisable at \$0.045 on or before 3 years after the date of issue) for every two Shares subscribed.

The Placement was led by Novus Capital Limited (**Lead Manager**). Pursuant to an agreement between the Company and the Lead Manager, the Company agreed to issue the Lead Manager 10,000,000 Options (each exercisable at \$0.045 on or before 3 years after the date of issue).

At a Shareholder meeting held on 22 April 2022 (**General Meeting**), the Company obtained Shareholder approval to issue the 10,000,000 Lead Manager Options and the 65,500,000 Options to sophisticated and professional investors.

Further details in respect of the proposed issue of the Options are set out in the notice of meeting released to the ASX platform on 23 March 2022.

2.3 Important Notes

This Prospectus is dated 1 June 2022 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No New Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for New Options offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the New Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website <https://aumake.com.au/>. By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

This Prospectus is a transaction specific prospectus for an offer of New Options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.4 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://aumake.com.au/>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.5 Risk Factors

Potential investors should be aware that subscribing for the New Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

2.6 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia 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 constitutes a violation of those laws. This Prospectus does not constitute an offer of New Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.7 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

2.8 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 10,000 New Options at an issue price of \$0.01 per New Option to raise up to \$100 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

The full terms and conditions of the New Options to be offered under this Prospectus are set out in Section 5.1.

3.2 Objective

The Company is seeking to raise only a nominal amount of \$100 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The purpose of this Prospectus is to remove any trading restrictions that may have attached to the 75,500,000 Options in the same class as the New Options issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to lodgement of this Prospectus) so that, following quotation of the Options in the same class as the New Options, any on-sale of Options in that class issued before the Closing Date does not breach section 707(3) of the Corporations Act.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

75,500,000 Options in the same class as the New Options are not currently in a class of quoted securities. However, the Company will apply for quotation of the Options and New Options within 7 days following the date of this Prospectus and the issue of New Options under the Offer is conditional upon ASX granting Official Quotation to the New Options and Options on issue in the same class as the New Options and the 75,500,000 Options on issue.

3.3 Application for New Options

Applications for New Options must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the New Options must be made in full at the issue price of \$0.01 per New Option.

Completed Application Forms and payment for the New Options must be delivered to the Company as follows:

Delivery by hand	Delivery by post
Suite 1.01, 22-36 Mountain Street, Ultimo NSW 2007	Suite 1.01, 22-36 Mountain Street, Ultimo NSW 2007

Completed Application Forms and payment for the New Options must reach the address set out above by no later than the Closing Date.

3.4 Minimum subscription

There is no minimum subscription.

3.5 Issue of New Options

As noted in Section 3.2, the primary purpose of the Offer is to remove any trading restrictions that may have attached to the 75,500,000 Options in the same class as the New Options issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Offer (including prior to the date of this Prospectus).

If the Directors decide to issue New Options under the Offer, the issue of New Options under the Offer will take place as soon as practicable after the Closing Date. Application monies will be held in a separate subscription account until the New Options are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any New Options are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the New Options. The Directors reserve the right to reject any application or to allocate any Applicant fewer New Options than the number applied for.

Where the number of New Options issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of New Options is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

The Company's decision on the number of New Options to be allocated to an applicant will be final.

Holding statements for New Options issued under this Prospectus will be mailed to the investors under the Offer.

3.6 ASX listing

Application for Official Quotation of the New Options offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Options and will repay all application monies for the New Options within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Options is not to be taken in any way as an indication of the merits of the Company or the New Options now offered for subscription.

3.7 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer 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 Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up the New Options on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.8 Enquiries

Any questions concerning the Offer should be directed to Michael Higginson, Company Secretary, on +61 429 995 000.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to the New Options and the 75,500,000 Options in the same class as the New Options issued by the Company prior to the Closing Date (including prior to the date of this Prospectus). All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 7.8 for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares ¹	Number
Shares currently on issue ²	771,446,924
Shares offered under this Prospectus	0
Total Shares on issue on completion of the Offer	771,446,924

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5.2 of this Prospectus.
2. This assumes no Options are exercised.

Options	Number
Unlisted options exercisable at \$0.20 each on or before 29 September 2022	5,000,000
Unlisted options exercisable at \$0.20 each on or before 4 December 2024	37,200,000
Unlisted options exercisable at \$0.20 each on or before 22 January 2023	3,550,000
Unlisted options exercisable at \$0.02 each on or before 1 February 2025	3,000,000
Unlisted options exercisable at \$0.04 each on or before 1 February 2025	3,000,000
Unlisted options exercisable at \$0.08 each on or before 1 February 2025	3,000,000
Unlisted options exercisable for nil price each on or before 30 April 2025	22,000,000
Unlisted options exercisable at \$0.03 each on or before 30 April 2025	1,000,000
Unlisted options exercisable at \$0.06 each on or before 30 April 2025	1,000,000
Unlisted options exercisable at \$0.09 each on or before 30 April 2025	1,000,000
Listed Options exercisable at \$0.045 each on or before 31 May 2025 ^{1, 2}	75,500,000
Listed options exercisable at \$0.14 on or before 16 March 2024	58,333,364

New Options offered under this Prospectus ^{1,2}	10,000
Total Options on issue on completion of the Offer³	213,583,364

Notes:

1. The rights and liabilities attaching to the Options and New Options are summarised in Section 5.1 of this Prospectus.
2. The Company is proposing to seek quotation of the Options and New Options.
3. This assumes the Offer is fully subscribed, all New Options offered are issued and no options are exercised. Note that the Company does not intend to issue any New Options under this Prospectus.

Performance Rights	Number
Unlisted Performance Rights Class A	7,000,000
Unlisted Performance Rights Class B	2,100,000
Unlisted Performance Rights Class C	882,000
Total Options on issue on completion of the Offer	9,982,000

4.3 Financial effect of the Offer

After expenses of the Offer of approximately \$14,206, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$100) will be met from the Company's existing cash reserves.

As such, the Offer will have an effect on the Company's financial position, being receipt of funds of \$100 less costs of preparing the Prospectus of approximately \$14,206.

5. RIGHTS AND LIABILITIES ATTACHING TO THE NEW OPTIONS, OPTIONS AND SHARES

5.1 New Options and Options

The following is a summary of the more significant rights and liabilities attaching to the New Options being offered pursuant to this Prospectus and the Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) **Entitlement**

Each New Option and Option entitles the holder to subscribe for one Share upon exercise of the New Options and/or Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option and Option is \$0.045 (**Exercise Price**).

(c) **Expiry Date**

Each New Option and Option will expire at 5:00 pm (WST) on 31 May 2025 (**Expiry Date**). A New Option and/or Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options and Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options and Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the holding statement (**Notice of Exercise**) and payment of the Exercise Price for each New Option and Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option and/or Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options and/or Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable

to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the New Options and/or Options does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options and/or Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the New Options and/or Options does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the New Options and/or Options does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of New Options and Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a New Option holder or an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and/or Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options and/or Options without exercising the New Options and/or Options.

(k) **Change in exercise price**

A New Option and/or Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option and/or Option can be exercised.

(l) **Transferability**

The New Options and Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares that may be issued pursuant subject to exercise of the New Options and Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either

pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. RISK FACTORS

6.1 Introduction

The New Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for the New Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company Specific

(a) Coronavirus (COVID-19)

The outbreak of the coronavirus disease (**COVID-19**) is continuing to impact global economic markets. COVID-19 has had a material and adverse impact on the Company, in particular its ability to access its core customers, specifically international tourists and students from China. This has resulted in the Company making significant staff cutbacks and closing a number of the Company's retail store outlets. Consequently, the Company's share price has been adversely affected because of COVID-19. Furthermore, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

(b) Overseas Risk

China

The Company accesses most of its business through China. The Company's ability to maintain trade in China has been adversely affected by strained political and commercial relations between China and Australia. The Company cannot confirm that these relations will improve in the short to medium term and cannot provide certainty going forward of its ability to trade in China.

Ukraine Conflict

The current conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's

operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving and the consequences are therefore inevitably uncertain.

(c) Ongoing cost reduction

As noted above in Section 6.2(a), the Company's core customer base has been substantially reduced. Consequently, the Company has continued to reduce expenditure and cut costs to maintain its liquidity. The Company proposes to identify new products, merchants, and markets to increase the Company's revenue, but cannot provide any guarantee or timeframe as to if, or when, that may occur.

(d) Long-term leases

The Company has entered into long term lease agreements for certain retail outlets. While the Company has closed these retail outlets, the lease agreements require the Company to make ongoing monthly payments to maintain the Company's obligations under the lease agreements. The Company is currently renegotiating agreements and payment deferrals with the lessors. The Company cannot guarantee that these negotiations will be successful.

(e) Brand and Reputation

The Company's key business assets include brand names and related intellectual property of the business. A number of factors may adversely affect these key business assets, including:

- (i) potential disputes or litigation with suppliers, customers, employees or other third parties;
- (ii) adverse media coverage (including social media);
- (iii) failure to deliver products which meet customer expectations; and
- (iv) other risks to the Company's brand names and intellectual property which are beyond the Company's control.

These factors can erode the Company's public reputation and adversely affect the Company's supply streams by decreasing demand for the Company's products and causing interference with key supply

relationships, distributors and employees. Cumulatively this could detrimentally affect the value associated with the Company's business.

(f) **Change in Regulation**

There is a continuing risk for the Company that local laws and/or regulations in Australia and China with respect to the operation of its customers may change. There is a risk that changes to the regulatory environment may materially detrimentally affect the way the Company currently operates (including obligations altering the manufacturing processes, ingredients, shelf life, marketing and export/import processes).

The potential detrimental flow on effects from these regulatory changes could significantly affect the sale or production of the Company's products as a result of:

- (i) regulatory changes which restrict or entirely prevent access to particular markets in which the Company may source its products (amendments to importation or exportation regulations);
- (ii) regulatory changes which change the product packaging requirements and disclosure obligations (including labelling and country of origin requirements containing minimum dietary disclosures); or
- (iii) the introduction of taxation measures which specifically reference food items.

The Company is not aware of any current issues or any impending regulatory changes in Australia which may affect its supply, manufacture and distribution networks. However, there is a continuing residual risk from potential regulatory changes, particularly in China, which may materially alter the Company's revenues and/or increase its costs which could diminish the Company's financial performance.

(g) **Supply**

The Company relies on a number of suppliers and manufacturers with respect to its product range. Risks in respect of supply and manufacturing hinges upon the Company's reliance on a concentration and consistency of key suppliers and manufacturers.

A disruption to this supply chain, or if a manufacturer chooses to discontinue production, could adversely affect the Company's ability to meet consumer needs and ultimately be of detriment to the business's financial performance and future prospects.

(h) **Competition**

The Company's future financial performance and overall success in the market will rest upon the successful implementation of strategies to compete with other businesses. Some of these competitors have advantageous access to capital and resources. Those competitors may be given both financial and marketing assistance.

The Company's strategies may be adversely impacted by the number and size of its competitors who may participate in the market with a more

aggressive pricing structure, innovative technologies and/or agile supply and distribution networks more adept than those of the Company.

(i) **Failure to grow**

The success and potential growth of the Company is dependent on its ability to grow its store and online web-based footprint and to source/offer a range of commercial products to the market. If the Company is unable to do so, the result could be a reduced or negative rate of growth. The Company may also fail to grow as a result of inadequate marketing or insufficient consumer interest.

(j) **Reliance on key personnel**

The development of the Company has been largely due to the effort, experience and leadership of its management team. The Company is also dependent on the continued service of its existing development personnel because of the complexity of its technologies. Despite the Company's best efforts to attract and retain key personnel, there is no assurance that the Company will be able to retain the services of such persons. The Company's ability or inability to attract and retain key personnel could have a material effect upon the Company's business, results of operations and financial condition.

(k) **Dependence on outside parties**

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to current and potential products, distribution channels and points of sale. There can be no assurance that the Company will be able to attract and retain such organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

Given the highly concentrated nature of Australia's 'daigou' retail market, disruption by any of the major retailers in the Coles-Wesfarmers or Woolworths Group could have a material adverse impact on the Company's financial performance. The Company is focused on expanding its distribution footprint to mitigate this risk, as well as to benefit from margin accretive opportunities available outside Australia.

(l) **Product contamination and recall**

Being a distributor of food products, the Company is subject to a risk of product contamination and/or product recall that could have a material adverse effect on the Company's brand and stock levels and thereby its financial performance and future prospects.

(m) **Management of growth**

There is a risk that management of the Company will not be able to implement its growth strategy. The capacity of the Company's management to properly implement the strategic direction of the Company may affect the Company's financial performance.

As part of its business strategy, the Company may make acquisitions of, or significant investments in, additional complementary companies or

prospects. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

6.3 General risks

(a) Economic

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as its ability to fund those activities.

(b) Additional requirements for capital

The Company's capital requirements depend on numerous factors.

The Company will require additional funding to meet its business objectives and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company must raise further funds through equity or debt financing joint ventures, licensing arrangements, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects will result in delay and indefinite postponement of these activities. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

(c) Trading Prices of Shares

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including, inflation rates and interest rates, variations in the general market for listed stocks, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

The share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that

the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(d) **Potential acquisitions risk**

As part of its business strategy, the Company is actively seeking to make acquisitions of, or significant investments in, complementary companies or prospects, although no such acceptable acquisitions or investments have been identified to date. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

(e) **Market conditions risk**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can 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.

(f) **General economic and political risks**

Changes in the general economic and political climate in Australia, China and on a global basis may have an impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, and domestic security which may affect the value and viability of any activities that may be conducted by the Company.

(g) **Regulatory risk**

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

6.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Options offered under this Prospectus

Therefore, the New Options to be issued pursuant to this Prospectus carry no guarantee with respect to the returns of capital or the market value of those New Options if converted to Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the New Options pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
31/05/2022	Proposed issue of securities - AUK
31/05/2022	Board Restructure
31/05/2022	Final Director's Interest Notice
31/05/2022	Proposed issue of securities - AUK
16/05/2022	Section 708A Notice
16/05/2022	Application for quotation of securities - AUK
16/05/2022	Application for quotation of securities - AUK
13/05/2022	Section 708A Notice
13/05/2022	Proposed issue of securities - AUK
13/05/2022	Change of Director's Interest Notice
13/05/2022	Change of Director's Interest Notice
12/05/2022	Change of Director's Interest Notice
12/05/2022	Change of Director's Interest Notice
12/05/2022	Proposed issue of securities - AUK
12/05/2022	Proposed issue of securities - AUK
12/05/2022	Proposed issue of securities - AUK
28/04/2022	Quarterly Activities Report
28/04/2022	Appendix 4C Quarterly Cash Flow Report
22/04/2022	Results of Meeting
23/03/2022	Notice of General Meeting/Proxy Form
23/03/2022	Letter to Shareholders - General Meeting
21/03/2022	Change of Company Secretary
1/03/2022	Initial Director's Interest Notice - S Karousos
1/03/2022	Initial Director's Interest Notice - S Harrison

Date	Description of Announcement
1/03/2022	Final Director's Interest Notice - K Chan
1/03/2022	Aumake Board Appointments
28/02/2022	Half Yearly Report and Accounts
18/02/2022	Change of Auditor
10/02/2022	Aumake to develop AI powered e-commerce aggregator
31/01/2022	Quarterly Activities Report
31/01/2022	Appendix 4C Cash Flow Report
10/12/2021	Aumake stores reopening and cost restructuring strategies
2/12/2021	Aumake Distribution Agreement with MINISO Australia
26/11/2021	Change in substantial holding
26/11/2021	Cleansing Statement
24/11/2021	Notification of cessation of securities - AUK
24/11/2021	Application for quotation of securities - AUK
23/11/2021	Application for quotation of securities - AUK
22/11/2021	Aumake Jobkeeper Notice
22/11/2021	Aumake Results of Annual General Meeting
22/11/2021	Aumake Annual General Meeting Presentation
18/11/2021	Proposed issue of securities - AUK
17/11/2021	Aumake raises \$2.2 million
15/11/2021	Trading Halt
12/11/2021	Aumake Investor Presentation
29/10/2021	Quarterly Activities/Appendix 4C Cash Flow Report
27/10/2021	Aumake positions for growth with reopening of borders
21/10/2021	Notice of Annual General Meeting/Proxy Form
21/10/2021	Letter to Shareholders - Annual General Meeting
8/10/2021	Cleansing Statement
7/10/2021	Application for quotation of securities - AUK
5/10/2021	Reopening international borders and placement positions AUK
5/10/2021	Proposed issue of securities - AUK
4/10/2021	Date of Annual General Meeting
30/09/2021	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website <https://investors.aumake.com.au/asx-announcements/>.

7.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.014	1 - 4, 7, and 9 - 11 March 2022
Lowest	\$0.007	12, 13, 16, 20, 23 - 26 and 31 May 2022
Last	\$0.007	31 May 2022

7.4 Details of substantial holders

Based on publicly available information as at 31 May 2022, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Zhou Australia Holding Pty Ltd <Zhou Australia Holding A/C> ¹	62,560,672	8.11%

Notes:

1. Director Mr Jiahua (Joshua) Zhou is a substantial holder of the Company. Please refer to section 7.5 for further details.

7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options	Performance Rights
Jiahua (Joshua) Zhou ¹	62,560,672	15,516,666	1,687,500
Jacky Yang ²	15,794,268	24,833,333	3,125,000
Stephen Harrison ³	nil	6,000,000	nil
Stratos Karousos ⁴	nil	3,000,000	nil

Notes:

1. Indirectly held by Zhou Australia Holding Pty Ltd (Zhou Australia Holding A/C) comprising:
 - a. 62,727,339 ordinary fully paid shares;
 - b. 8,100,000 unquoted options exercisable at \$0.20 each on or before 4 December 2024;
 - c. 416,666 quoted options exercisable at \$0.14 each on or before 16 March 2024;
 - d. 7,000,000 zero exercise price options expiring 30 April 2025; and
 - e. 1,687,500 unquoted performance rights Class A.
2. Indirectly held by EC Capital Pty Ltd ATF EC Capital Trust comprising:
 - a. 3,831,144 ordinary fully paid shares;
 - b. 4,034,853 ordinary fully paid shares under voluntary escrow until 23 July 2022;
 - c. 7,928,271 ordinary fully paid shares under voluntary escrow until 23 July 2023;
 - d. 15,000,000 unquoted options exercisable at \$0.20 each on or before 4 December 2024;
 - e. 833,333 quoted options exercisable at \$0.14 each on or before 16 March 2024;
 - f. 9,000,000 zero exercise price options exercisable on or before 30 April 2025; and
 - g. 3,125,000 unquoted performance rights class A.
3. Directly held by Stephen Harrison comprising:
 - a. 1,000,000 Options exercisable at \$0.03 each on or before 30 April 2025;
 - b. 1,000,000 Options exercisable at \$0.06 each on or before 30 April 2025;
 - c. 1,000,000 Options exercisable at \$0.09 each on or before 30 April 2025; and
 - d. 3,000,000 zero exercise price Options expiring 30 April 2025.
4. Indirectly held by 4 Drachmas Pty Ltd, a company controlled by Stratos Karousos, comprising:
 - a. 3,000,000 zero exercise price Options expiring 30 April 2025.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors in each of the past two financial years and the proposed remuneration for the current financial year.

Director	30 June 2020	30 June 2021	30 June 2022
Jiahua (Joshua) Zhou	247,356 ¹	398,928 ²	220,162 ⁶
Jacky Yang	186,000 ³	331,063 ⁴	134,367 ⁷
Stephen Harrison ⁵	n/a	n/a	127,786 ⁸
Stratos Karousos ⁵	n/a	n/a	87,000 ⁹

Notes:

1. Comprising \$227,564 in cash salary and fees and \$19,792 in superannuation.
2. Comprising \$307,478 in cash salary and fees, \$25,558 in superannuation and \$40,430 in equity settled options.
3. Comprising of \$283,689 in cash salary and fees, \$9,938 in superannuation and \$37,436 in equity settled options.
4. Comprising \$171,581 in cash salary and fees and, \$14,419 in superannuation.
5. Appointed as a non-executive director on 1 March 2022.
6. Comprising \$115,500 in cash salary and fees, \$13,662 in superannuation, and \$91,000 in options.
7. Comprising \$62,742 in cash salary and fees, \$13,125 in superannuation, and \$58,500 in options.
8. Comprising \$74,545 in cash salary and fees, \$7,455 in superannuation, and \$45,786 in options.
9. Comprising \$43,636 in cash salary and fees, \$4,364 in superannuation, and \$39,000 in options.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin between \$5,000 and \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$70,269.49 (excluding GST and disbursements) for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the New Options), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.8 Estimated expenses of Offer

The total expenses of the Offer are estimated to be approximately \$14,206 as follows:

Expense	(\$)
ASIC Fees	3,206
Legal Fees	10,000
Miscellaneous, printing and other expenses	1,000
Total	14,206

7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 429 995 000 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing Share certificates, New Option certificates or certificates for Options of the same class as New Options. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Options issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.11 Privacy Act

If you complete an application for New Options, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

A handwritten signature in black ink, reading "Stephen Harrison". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

STEPHEN HARRISON
CHAIRMAN
For and on behalf of
Aumake Limited

9. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for New Options pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

Company means AuMake Limited (ACN 150 110 017).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

New Options means the 10,000 options in the capital of the Company offered pursuant to this Prospectus on the terms and conditions set in Section 5.1 of this Prospectus.

Offer means the offer of the New Options referred to in the "Details of the Offer" Section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

Option means an option to acquire a Share on the terms and conditions set in Section 5.1 of this Prospectus.

Prospectus means this prospectus.

Section means a section of this Prospectus.

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

Shareholder means a shareholder of the Company.

Share Registry means Computershare Investor Services Pty Ltd (ACN 078 279 277).

WST means western standard time as observed in Perth, Western Australia.