Montec International Limited
ABN: 62 104 600 544

Level 3, 70 Pitt Street
SYDNEY NSW 2000
PO Box 991 Rozelle
NSW 2039 Australia

montec@montec-international.com
www.montec-international.com

Telephone: +61 1300 134 875
Facsimile: +61 2 9233 4497

2 May 2014

[Shareholder address]

Dear Shareholder

Renounceable Rights Issue – Information for Shareholders

On 1 May 2014, Montec International Limited (the Company) announced to ASX that it was to undertake a renounceable Rights Issue of New Ordinary Shares to Eligible Shareholders.

Renounceable Rights Issue

It is proposed that the Company issue approximately 3,177,771,279 New Ordinary Shares at a price of $0.001 per New Ordinary Share to acquire three New Ordinary Shares for every one Share held at the Record Date of 7 May 2014.

The Rights Issue is partially underwritten to a value of **$2,560,000** by a number of convertible noteholders and lenders who have agreed that the face value of the convertible notes and loans they hold can be offset by them subscribing for any Shortfall Shares under the Offer.

Any funds raised under the Rights Issue that are not applied to the repayment of convertible notes or loan funds will be applied towards the costs of the Offer and the Company's working capital to support its focus on the distribution of Lark whisky and other spirit products into the super premium market in China and investigating other business opportunities in China for those dairy products and wines that are available to it through existing distribution arrangements. The market for premium and artisan whisky and spirits is growing globally and the Company believes that there is a significant potential for it to develop the distribution of internationally awarded premium whisky and spirits in China.

A copy of the Offer Document has been lodged with the ASX and is available on the ASX website.

Timetable

ACTION	DATE
Lodgement of Offer Document, Appendix 3B and Announcement of Rights Issue	Before 10am, 1 May 2014
Notice sent to Security Holders	2 May 2014
Ex Date and Rights Trading Commences (date from which securities commence trading without the entitlement to participate in the Rights Issue)	5 May 2014

Record Date (date for determining entitlements of eligible shareholders to participate in the Rights Issue)	7 May 2014
Offer Document dispatched to Shareholders	12 May 2014
Rights Trading Ends	14 May 2014
Securities Quoted on a Deferred Settlement Basis	15 May 2014
Closing Date (5pm AEST)	21 May 2014
Company to notify ASX of Undersubscriptions	26 May 2014
Despatch Holding Statements/ Deferred Settlement Trading Ends	28 May 2014

Applications

In the event this Rights Issue is not fully subscribed, the Directors have determined to offer Eligible Shareholders the right to apply for New Shares arising out of any shortfall. The Shortfall Facility will be made available to Eligible Shareholders prior to being made available to the Underwriters. The number of additional New Shares available will depend on the size of the shortfall.

Eligible Shareholders will not be allocated additional New Shares under the Shortfall Facility if the effect of doing so would result in that shareholder obtaining voting power in the Company in excess of 20% or if that shareholder already holds voting power in excess of 20%, increasing that voting power.

If there is still a shortfall after all applications for additional New Shares from Eligible Shareholders have been satisfied in full (subject to the Corporations Act), the Directors will call on the Underwriters' commitments. To the extent that there remains any shortfall following the issue of additional New Shares to the Underwriters, the Directors, reserve the right pursuant to the Corporations Act and Listing Rule 7.2 (Exception 3) to place the shortfall at an issue price per New Share of not less than $0.001 within 3 months of the close of the Offer on normal commercial terms.

The Entitlement and Acceptance Form will be dispatched together with the Offer Document. Eligible Shareholders must complete the Entitlement and Acceptance Form in order to take up their Entitlements and to apply for Shortfall Securities. Entitlement and Acceptance Forms must be properly completed and received by the Company's Share Registry no later than 5.00pm (AEST) on 21 May 2014 in order for Applicants to be issued New Ordinary Shares and Shortfall Securities.

Quotation

New Ordinary Shares issued under the Offer Document will rank equally with the Company's existing Shares. The Company has applied to ASX for quotation of the New Ordinary Shares on the Official List of the ASX. If approval is not granted by ASX within 3 months after the date of the Offer Document, the Company will not issue any New Ordinary Shares and will repay all Application monies without interest.

Enquiries

If you have any questions regarding this renounceable Rights Issue, please telephone the Company's

Share Registry, Boardroom Pty Limited, on (02) 9290 9600 (within Australia) +61 2 9290 9600 (outside Australia).

The Directors recommend this renounceable Rights Issue to you.

Yours sincerely

Terry Cuthbertson
Chairman