

TARGET MARKET DETERMINATION

MADE BY: **Iltani Resources Limited** (ACN 649 345 308) c/o JM Corporate Services Level 21, 459 Collins Street, Melbourne VIC 3000 (**Iltani** or **the Company**)

PRODUCT: Unquoted options (**Options**) to acquire fully paid ordinary shares in the capital of the Company (**Shares**) that are to be issued under the prospectus dated 5 May 2023 (**Prospectus**) in connection with the Company's initial public offering of Shares.

EFFECTIVE DATE: 5 May 2023

Capitalised terms used but not otherwise defined within this target market determination (**TMD**) have the meaning ascribed to them within the Prospectus.

This TMD has been approved by the Company in relation to the offer of Options made by the Company in the Prospectus (**Offer**). The Prospectus was lodged with Australian Securities and Investments Commission (**ASIC**) on 5 May 2023.

The Offer will be made in the Prospectus. Recipients of this TMD are only entitled to acquire Options under the Offer if they are Directors (or their nominees) or Lead Managers (or their nominees) (**Participants**) and will need to complete the relevant Application Form that accompanies a copy of the Prospectus. This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth) (**Corporations Act**) and therefore has not been lodged, and does not require lodgement, with ASIC.

This TMD does not take into account a Participants' investment objectives, financial situation or particular needs. This TMD is not, and should not, be treated as a full summary of the terms and conditions of the Options and is not intended to provide financial advice. Participants should refer to the Prospectus for the terms and conditions of the Options when making a decision in respect of the Options. The Company is not licensed to provide financial product advice in relation to the Options.

Target market

The Offer is to Participants.

Shares that are issued on exercise of the Options will rank equally in all respects with the then issued Shares in the Company.

The information below summarises the overall class of investors that fall within the target market for the Options.

The Company expects an investment in Options will be suitable to Participants, on the basis that they are likely to be persons who take a medium to long term outlook on their investment and are accustomed to making speculative investments in the mining exploration sector and who will be in a financial position to have sufficient available funds so as to facilitate an exercise of the Options over the period for which the Options can be exercised.

Investors with a medium to long term outlook for their investment will benefit from the ability to, prior to the relevant expiry date for the Options (**Expiry Date**), exercise the Options prior to the Expiry Date and increase their Share holding and exposure to potential upside on the Shares of the Company into the future.

An exercise price is required to be paid to acquire Shares on the exercise of Options. As such the

capacity to realise the underlying value of the Options could require that they be exercised on or before the Expiry Date. Persons in the target market will need to be in a financial position to have sufficient available funds so as to facilitate an exercise of the Options prior to the Expiry Date.

While the Company does not have an established eligibility framework for investors such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment and will be those who wish to obtain optionality for exposure to the Company's ongoing operations. The Options offer no income guarantee or capital protection for investors.

The Company considers that an investment in the Options will have a different risk profile to a direct upfront investment in shares, including the fact that there is no obligation to exercise the Options. An investment in the Options is highly speculative, such that an investment in the Company may not be appropriate for an investor who would not be able to bear the loss of some or all of their investment. Investors should also have sufficient financial literacy and resources (including appropriate advisers) to understand and appreciate the potential risk of investing in the Company (including the Options) as an asset class generally and the more specific risks of investing in the Company.

The Options are not suitable for investors:

- (a) who are not seeking to have the potential to increase their investment in the Company; and
- (b) who do not understand and appreciate the risks of investing in options as an asset class generally and the more specific risks of investing in the Company.

Distribution conditions

The Offer of Options is made under the Prospectus to be sent to Participants, such Participants being Directors (or their nominees) and the Lead Manager (or its nominees) who will be provided with a personalised Application Form that accompanies a copy of the Prospectus.

The Company considers that these distribution conditions will ensure that persons who invest in the Options will fall within the target market.

Review triggers

The Options are being offered for a limited offer period as set out in the Prospectus (**Offer Period**).

The Options will not be available following the end of the Offer Period. Accordingly, this TMD applies for the duration of the Offer Period.

To allow the Company to determine whether circumstances exist indicating this TMD is no longer appropriate to the Options, the following review triggers apply for the Offer Period:

- (a) the Company receiving notice that:
 - i. there is a material statement in the Prospectus that is false or misleading;
 - ii. there is an omission from the Prospectus of material required by the Corporations Act to be including in the Prospectus;
 - iii. there is a significant change affecting any matter contained in the Prospectus; or
 - iv. the Company becoming aware of any significant new matter having arisen, the inclusion of information in respect of which would have been required to be included if the matter had arisen prior to the lodgement of the Prospectus;
- (b) the Company issuing, or becoming aware of the need to issue, a supplementary or replacement prospectus for the Offer;

- (c) the Company identifies a substantial divergence in how the Options are being distributed from this TMD;
- (d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; or
- (e) the Company becoming aware of any material change to the legislative regime applying to the Offer in Australia.

Review period

If a review trigger occurs during the Offer Period, the Company will review this TMD in light of the review trigger. The Company will otherwise complete a review of the TMD immediately prior to the end of the Offer Period, and after such time the TMD will no longer apply.

Review Trigger information reporting requirements

Distributors of the Options must provide the following information to the Company, within the required timeframes:

Information type	Description	Timeframe for reporting
Complaints about the Options	Information relating to the number of complaints received and a summary of the nature of each complaint or a copy of each complaint	During the Offer Period, the distributor is to make a report within 10 business days after the end of each quarter. A report is also to be made 10 business days after the end of the Offer Period
A significant dealing of the Options that is not consistent with this TMD	Information to include details of the significant dealing and reasons the distributor considers the significant dealing is not consistent with this TMD	Report as soon as reasonably practicable (and in any event no more than 10 business days) after the significant dealing occurs

Contact

For further information please contact the Company Secretary, Justin Mouchacca, by email at justin@iltaniresouces.com.au.