

# Target Market Determination

**Made by:** Titan Minerals Limited (ACN 117 790 897) of Suite 1, 295 Rokeby Road, Subiaco WA 6008 (**Company**)

**Product:** Options to acquire fully paid ordinary shares in the capital of the Company (**Shares**), exercisable at \$0.35 each, expiring on 31 January 2025 (**Replacement Attaching Options**).

**Effective Date:** 30 July 2024

## 1. About this document

This target market determination (**TMD**) has been prepared by the Company in relation to the offers to issue Replacement Attaching Options under the transaction specific prospectus pursuant to section 713 of the *Corporations Act 2001* (Cth) (**Corporations Act**) and dated 30 July 2024 (**Prospectus**).

In November 2023, the Company undertook an accelerated pro-rata non-renounceable entitlement offer of new fully paid ordinary shares in the Company (**New Shares**), together with:

- (a) one (1) free attaching option for every New Share issued, exercisable at \$0.035 per option and expiring on 31 January 2025 (**Attaching Options**); and
- (b) one (1) bonus option for every two (2) Attaching Options subscribed for and issued, exercisable at \$0.07 per option and expiring on 31 January 2027 (**Bonus Options**),

(the **Entitlement Offer**).

Each Bonus Option vests, and becomes exercisable, if the holder of the Bonus Option exercises two (2) Attaching Options prior to the Attaching Options' expiry date of 31 January 2025 (**Vesting Condition**).

The Entitlement Offer was made pursuant to a prospectus dated 29 November 2023. The Attaching Options (and accompanying Bonus Options) were issued to Shareholders who participated in the Entitlement Offer (**Entitlement Offer Participants**).

Post the closure of the Entitlement Offer, the Company examined the potential listing of the Attaching Options in order to provide the Entitlement Offer Participants with liquidity for the Attaching Options. However, due to the operation of the Vesting Condition, it is not practical (both legally and administratively) for the Company to list the Attaching Options.

Accordingly, in order to achieve this, the Company is offering each Entitlement Offer Participant, other than the Directors, (**Eligible Participants**) the choice to:

- (a) cancel their Attaching Options and Bonus Options; and
- (b) receive an equivalent number of Replacement Attaching Options for nil consideration.

The Company intends to apply to ASX for quotation of the Replacement Attaching Options, subject to the requirements for quotation of the Replacement Attaching Options on the ASX being satisfied.

The Company is offering, pursuant to the Prospectus, Replacement Attaching Options (post-Consolidation) to all Eligible Participants in consideration for the cancellation of all Attaching Options and Bonus Options held by Eligible Participants (**Options Offer**).

Each Replacement Attaching Option will, upon exercise, entitle its holder to subscribe for, and be issued with, one Share, which will rank equally in all respects with all other Shares then on issue.

In addition, for every two (2) Replacement Attaching Options exercised by a holder, the Company will issue one (1) replacement Bonus Options (**Replacement Bonus Options**) on the same terms and conditions as the Bonus Options, for nil consideration, to the holder who exercised the Replacement Attaching Options.

A copy of the Prospectus is available on the Company's website, <http://www.titanminerals.com.au>.

This TMD sets out the class of consumers for which the Replacement Attaching Options would likely be consistent with their financial objectives, the distribution conditions and restrictions imposed on the distribution of the Replacement Attaching Options as well as reporting requirements for distributors in accordance with the requirements of section 994B of the Corporations Act.

The Options Offer will be made under, or accompanied by, a copy of the Prospectus. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional adviser if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wants to acquire Replacement Attaching Options under the Options Offer will need to complete the application form that will be in, or will accompany, the Prospectus. There is no cooling off period in respect of the issue of the Replacement Attaching Options. This TMD is not a disclosure document for the purposes of the Corporations Act, and, therefore, has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**ASIC**).

This TMD does not take into account what you currently have, or what you want and need, for your financial future. It is important for you to consider these matters and read the Prospectus before you make an investment decision. The Company is not licensed to provide financial product advice in relation to the Replacement Attaching Options.

Unless otherwise defined in this TMD, capitalised terms have the meaning given to them in the Prospectus.

## 2. Target Market

The table below summarises the overall class of consumers that fall within the target market for Replacement Attaching Options, based on the product key attributes and the objectives, financial situation and needs that it has been designed to meet.

Factor	Target Market
<b>Investment Objective</b>	The Company expects that an investment in the Replacement Attaching Options under the Options Offer will be suitable for current investors who have the right, but not the obligation, to gain further exposure to equities in a small cap mining exploration company listed on Australian Securities Exchange ( <b>ASX</b> ). Particularly, it will be those investors (being the Eligible Participants) that are allocated Replacement Attaching Options, pursuant to the Options Offer made by the Company under the Prospectus.
<b>Investment Timeframe</b>	<p>The target market of investors will take a short to medium term outlook in relation to their investment in the Company and are in a financial position that is sufficient for them to invest their funds until the 31 January 2025 expiry of the Replacement Attaching Options, should they wish to exercise their Replacement Attaching Options. The Company will apply for quotation of the Replacement Attaching Options on the ASX.</p> <p>Holders of Replacement Attaching Options will also have an ability to exercise such Replacement Attaching Options and trade the underlying Shares issued on exercise, however, investors should be aware that such a dealing is only likely to be commercially viable in the event the trading price of the Shares exceeds the exercise price of the Replacement Attaching Options and sale of the underlying Shares.</p> <p>Given the need to pay the exercise price in order to acquire Shares, investors in the target market are in a financial position that is sufficient for them to invest their funds on exercise of the Replacement Attaching Options over an approximate 6 month time horizon, during which their ability to liquidate their Replacement Attaching Options may be limited by a lack of liquidity and by the trading price of Shares.</p>
<b>Investment Metrics</b>	While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand potentially large fluctuations and the potential for the losses in the value of their investment. The Replacement Options offer no guaranteed income or capital protection.

## Risks

The Company considers that an investment in the Replacement Attaching Options is high risk and speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some or all of the investment.

Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the high risks of investing in Replacement Attaching Options as an asset class generally and the high risks of investing in the Company.

### 3. Distribution Conditions

Only the Eligible Participants may apply for Replacement Attaching Options under the Options Offer.

The Replacement Attaching Options will also be subject to a distribution condition that investors be provided with a copy of the Prospectus and access to this TMD before they apply for Replacement Attaching Options. The offer of Replacement Attaching Options under the Options Offer is being made to Eligible Participants.

The Company considers that these distribution conditions will ensure that persons who invest in Replacement Attaching Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

### 4. Review Triggers

The Replacement Attaching Options are only being offered for limited offer periods detailed in the Prospectus, after the conclusion of which the Replacement Attaching Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between the commencement of the offer of the Replacement Attaching Options and the issue of the securities under the Options Offer (**Offer Period**), after which the TMD will be withdrawn.

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Options Offer and should be reviewed, the following review triggers apply for the Offer Period:

- (a) there is a material change to the Replacement Attaching Options key attributes that make it no longer consistent with the likely objectives, financial situation and needs of clients in the target market;
- (b) the Company lodges with ASIC a supplementary or replacement prospectus in relation to the Prospectus;
- (c) the occurrence of a significant dealing in Replacement Attaching Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Replacement Attaching Options on market is a significant dealing;
- (d) the Company identifies a substantial divergence in how the Replacement Attaching Options are being distributed and purchased from this TMD;
- (e) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Replacement Attaching Options or this TMD; and
- (f) material changes to the regulatory environment that applies to an investment in the Replacement Attaching Options.

The Company may also amend this TMD at any time.

### 5. Review Period

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger as soon as reasonably practicable and, in any case, within five (5) business days of the review trigger occurring.

The Company will otherwise complete a review of the TMD immediately prior to the issue of Replacement Attaching Options under the Options Offer.

Periodic reviews of the TMD will not occur during the Offer Period, noting that the Offer Period is (subject to any decision to extend) less than one month. If the Offer Period is extended for more than one month, the TMD will be reviewed on a monthly basis.

## 6. Information Reporting

The reporting requirements of all distributors is detailed in the table below:

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Replacement Attaching Options.	<ul style="list-style-type: none"> <li>For such time as the Offer Period remains open, within five (5) business days after the end of each quarter.</li> <li>Within five (5) business days after the end of the Offer Period.</li> </ul>	<ul style="list-style-type: none"> <li>The number of complaints received.</li> <li>A summary of the nature of each complaint or a copy of each complaint.</li> </ul>
A significant dealing of the Replacement Attaching Options that is not consistent with this TMD.	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than five (5) business days after the significant dealing occurs.	<ul style="list-style-type: none"> <li>Details of the significant dealing.</li> <li>Reasons why the distributor considers that the significant dealing is not consistent with this TMD.</li> </ul>
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.	Within five (5) business days after the end of the close of the Options Offer in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

## 7. Contact Details

Contact details in respect of this TMD for the Company are:

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