

# Taiton Resources Ltd

## (ACN 062 284 084)

### Target Market Determination – Priority Offer

---

This Target Market Determination (**TMD**) is made in accordance with section 994B of the Corporations Act 2001 (Cth) (**Corporations Act**) for the priority offering of free-attaching Options to be issued to existing Shareholders of Taiton Resources Ltd (the **Company**), made under the Company's Prospectus dated 23 September 2022 (**Prospectus**) (**Priority Offer**). Similarly, those Priority Offer Options not taken up by Eligible Shareholders may be allocated by the Company to Eligible Shareholders who take up their full entitlement under the Priority Offer (**Shortfall Offer**). A copy of the Company's Prospectus is available on the Company's website, accessible at [www.taiton.com.au](http://www.taiton.com.au).

This document is not a prospectus or product disclosure statement, and should not supplant your review of the prospectus, which contains full details of the risks associated with applying for Securities under 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 Priority Offer Options under the Priority Offer will need to follow the instructions set out in Section 1.12 of the Prospectus. There is no cooling off period in respect of the issue of the Priority Offer Options under the Offer. 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 Priority Offer Options.

Terms not otherwise defined in this document have the meaning given to them in the Company's Prospectus.

## 1. Target Market

---

Factor	Target Market
Investment Objective	The Company expects that an investment in the Priority Offer Options and Shortfall Options (together the <b>Options</b> ) will be suitable to investors who wish to gain further exposure to

Factor	Target Market
	equities in a small/mid-cap mining Company listed on the Australian Securities Exchange (ASX).
<b>Investment Timeframe</b>	<p>The target market of investors will take a short to medium term outlook on their investment. Investors with a short-term outlook for their investment will benefit from an ability to exercise the Options and trade the underlying Shares issued on exercise should the exercise price of the Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise Options within the 4 year term of the Options and increase their shareholding and exposure to the potential upside in the Company's Shares into the future.</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 Options over a 4 year timeperiod, during which their ability to liquidate their Priority Offer Options in the Company may be limited the trading price of the Company's 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 potential fluctuations in the value of their investment. The Options offer no guaranteed income or capital protection.
<b>Risk</b>	The Company considers that an investment in the Options is highly 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 risks of investing in Options as an asset class generally and the more specific risks of investing in an Australian listed mining company.

## 2. Distribution Conditions

---

The offer of Priority Offer Options under the Prospectus is being made to those shareholders in the Company registered at the Record Date specified in the Prospectus and who subscribe for a minimum of 10,000 Shares under the Capital Raising Offer (**Eligible Shareholders**).

Any entitlement not taken up under the offer will form a Shortfall Offer. The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open from the Opening Date for the Offers until the Closing Date.

The issue price for each Option to be issued under the Priority Offer and Shortfall Offer shall be nil.

The Directors reserve the right to issue Shortfall Options at their absolute discretion, though will have regard to those factors set out in Section 1.2(b) of the Prospectus. You may apply for Shortfall Options as set out in the Prospectus.

The Prospectus will include jurisdictional conditions on eligibility. The Company will also include on its relevant web landing page for the offer of the Options, a copy of this TMD and require that retail clients confirm that they meet the eligibility criteria of the expected target market outlined in this TMD before they apply for the Options.

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

### 3. Review Triggers

---

The Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the 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 Options and the issue of the Options shortly after the close of the Offer (**Offer Period**).

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

- (a) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;
- (b) any event or circumstance that would materially change a factor taken into account in making this TMD;
- (c) the existence of a significant dealing of the Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
- (d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (e) material changes to the regulatory environment that applies to an investment in the Options.

### 4. 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.

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

## 5. Information Reporting

---

The reporting requirements of all distributors is set out 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 Options.	<ul style="list-style-type: none"><li>For such time as the Offer Period remains open, within 10 business days after the end of each quarter.</li><li>Within 10 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 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 10 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 10 business days after the end of the close of the offer of Shares in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

## 6. Contact details

---

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

Ian Gregory  
Company Secretary  
Phone: (03) 8648 6431  
Email: [info@taiton.com.au](mailto:info@taiton.com.au)