

## Target Market Determination

**Made by:** Riedel Resources Limited (ACN 143 042 022) (**Company**)

**Effective Date:** 10 July 2023

**Product:** Free-attaching options in connection with an offer under a prospectus dated 10 July 2023

### Important information about this document

This target market determination (**TMD**) has been prepared by the Company in relation to an offer of up to 235,900,001 free-attaching unquoted options exercisable at \$0.01 each on or before that date which is 2 years from the date of issue (**Options**) made by the Company under a prospectus pursuant to section 713 of the *Corporations Act 2001* (Cth) dated 10 July 2023 (**Prospectus**). A copy of the Prospectus is available on the Company's website at [www.riedelresources.com.au](http://www.riedelresources.com.au).

Capitalised terms used, but not defined, in this TMD have the meaning ascribed to them in the Prospectus.

Pursuant to the Prospectus:

- (a) Eligible Shareholders who applied for Shares under the SPP are being offered up to 29,233,334 Options on the basis of one (1) Option for every three (3) Shares subscribed for under the SPP (**SPP Options Offer**);
- (b) Placement Participants who applied for Shares under the Placement are being offered up to 166,666,667 Options on the basis of one (1) Option for every three (3) Shares subscribed for under the Placement (**Placement Options Offer**); and
- (c) Canaccord (or its nominee) is being offered, pursuant to the Lead Manager Mandate, up to 40,000,000 Options (**Lead Manager Options Offer**),

(together, the **Offers**).

The Offers 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 Options under the Offers will need to complete the relevant Application Form that will be in, or will accompany, the Prospectus. There is no cooling off period in respect of the issue of the Options. This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth), 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 Options.

## Details

TMD requirement	Determination
Investment Objective	<p>The Company expects that an investment in Options will be suitable to investors who wish to gain exposure to equities in a small/mid-cap mining company listed on the ASX.</p>
Investment Timeframe	<p>The target market of investors will take a short to medium term outlook on their investment.</p> <p>The Company will not apply for quotation of the Options. The Options are not transferable (except with the prior written approval of the Company and subject to compliance with the Corporations Act and the ASX Listing Rules) and are therefore not suitable for investors looking to trade the Options prior to exercise of the Options.</p> <p>Option holders will also have an ability to exercise 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 Options both at the date of exercise and sale.</p> <p>Investors with a medium-term outlook will benefit from an ability to exercise Options within the 2 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 the underlying Shares, investors in the target market are those who are in a financial position that is sufficient for them to invest their funds over a 2 year time horizon, during which time their ability to liquidate their Options may be limited on exercise of the Options by the trading price of the underlying Shares.</p>
Investment Metrics	<p>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.</p>
Risk	<p>The Company considers that, while the issue price of the Options is free, an investment in the Company offered in connection with the Prospectus (for example, through the exercise of the Options) should be considered 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</p>

TMD requirement	Determination
	generally and the more specific risks of investing in an Australian listed mineral exploration company.
Distribution Conditions	<p>The SPP Options Offer is only being made to Eligible Shareholders (being a Shareholder with a registered address in Australia, New Zealand or the United Kingdom as at the SPP Record Date) who subscribed for SPP Shares under the SPP.</p> <p>The Placement Options Offer is only being made to investors who have participated in the Placement.</p> <p>The Lead Manager Options Offer is only being made to the Lead Manager (or its nominees).</p> <p>The Prospectus includes jurisdictional conditions on eligibility. The Company will also include on its web landing page for the Offers, a copy of this TMD and require that persons accessing the page confirm that they meet the eligibility criteria of the expected target market outlined in this TMD.</p> <p>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.</p>
Review Triggers	<p>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 up to the issue of the Options (<b>Offer Period</b>).</p> <p>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:</p> <ul style="list-style-type: none"> <li>a) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;</li> <li>b) any event or circumstance that would materially change a factor taken into account in making this TMD;</li> <li>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;</li> <li>d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and</li> <li>e) material changes to the regulatory environment that applies to an investment in the Options.</li> </ul>

TMD requirement	Determination												
Review Period	<p>If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger.</p> <p>The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the Offers.</p>												
Information Reporting	<p>The reporting requirements of all distributors is set out in the table below:</p> <table border="1" data-bbox="584 600 1385 1971"> <thead> <tr> <th data-bbox="584 600 852 775">Reporting Requirement</th> <th data-bbox="852 600 1120 775">Period for reporting to the Company by the distributor</th> <th data-bbox="1120 600 1385 775">Information to be provided</th> </tr> </thead> <tbody> <tr> <td data-bbox="584 775 852 1285">Whether the distributor received complaints about the Options.</td> <td data-bbox="852 775 1120 1285"> <ul style="list-style-type: none"> <li>For such time as the duration of the Offers (<b>Offer Period</b>) 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> </td> <td data-bbox="1120 775 1385 1285"> <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> </td> </tr> <tr> <td data-bbox="584 1285 852 1675">A significant dealing of the Options that is not consistent with this TMD.</td> <td data-bbox="852 1285 1120 1675">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.</td> <td data-bbox="1120 1285 1385 1675"> <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> </td> </tr> <tr> <td data-bbox="584 1675 852 1971">A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.</td> <td data-bbox="852 1675 1120 1971">Within 10 business days after the end of the close of the Offer Period of Options (which will occur upon the date the Options are issued) in</td> <td data-bbox="1120 1675 1385 1971">A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.</td> </tr> </tbody> </table>	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 duration of the Offers (<b>Offer Period</b>) 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 Period of Options (which will occur upon the date the Options are issued) in	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.
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TMD requirement	Determination		
		accordance with the Prospectus.	

### Contact Details

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

**Susan Field**

Company Secretary

Riedel Resources Limited

email: [admin@riedelresources.com.au](mailto:admin@riedelresources.com.au)