

# Target Market Determination

For Auris Minerals Limited ACN 085 806 284 – Options

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## 1. About this document

This target market determination (**TMD**) seeks to offer investors with an understanding of the class of investors for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Investors should refer to prospectus dated 19 October 2021 issued by Auris Minerals Limited (**Auris, Company or us**) and any supplementary documents which outline the relevant terms and conditions under the product when making a decision about this product.

### Product to which this target market determination applies

This TMD applies to the options (**Options**) to acquire fully paid ordinary shares in the capital of Auris (**Shares**) referred to in the following document:

- Entitlement Offer Prospectus dated 19 October 2021 (**Prospectus**).

### Date from which this target market determination is effective

19 October 2021

## 2. Class of investors that fall within this target market

The information below summarises the overall class of investors that fall within the target market for Options, based on the product key attributes and the objectives, financial situation and needs that they have been designed to meet.

The Options have been designed for investors whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). The Options are for those who:

- seek leverage to profit from an appreciation in the market price of shares in Auris; and
- are accustomed to participating in speculative investments in the mining exploration sector.

### Product description and key attributes

The key eligibility requirements and product attributes of Options are:

- all applicants for Options must be shareholders in the Company on the record date specified in the Prospectus (**Record Date**), being persons entitled to participate in the entitlement offer of Options specified in the Prospectus (**Entitlement Offer**), or persons determined by the Company as applicants for the "shortfall" to the Entitlement Offer as specified in the Prospectus;
- following the issue of Options under the Prospectus, the Options will be quoted on the cash market Australian Securities Exchange (**ASX**) and will be tradeable on ASX;
- each Option entitles the holder to be issued one (1) fully paid ordinary share in the Company (**Share**) on payment of the exercise price of \$0.08 per Option;
- the Options expire on 30 November 2023;

- the market price of Options may increase if the market price of Shares traded on ASX increases;
- the market price of Options may decrease if the market price of Shares traded on decreases.

### **Objectives, financial situation, and needs**

This product has been designed for individuals who have:

- the financial ability to bear the economic risk of the investment in Options;
- adequate means to provide for their current needs and other contingencies and to withstand a loss of the entire investment in the Options;
- no need for liquidity with respect to the investment in the Options;
- no need to derive income from an investment in the Options;
- such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of acquiring the Options; and
- determined that the Options are a suitable investment both in the nature and number of the Options being acquired.

### **Excluded class of consumers**

This product has not been designed for individuals who:

- require an income stream from their investment; and/or
- cannot bear the consequences of potential losses without material impact on their standard of living.

### **Consistency between target market and the product**

The key feature of the Options is that they provide leverage in respect of share price appreciation of Shares. However, there is a risk that Options may become:

- lower in value in the event that the Company's share price does not appreciate; and
- worthless if the Company's share price on the expiry date is less than the exercise price of Options.

Accordingly, investing in Options is a high risk / high reward strategy and is only suitable for investors who can bear the risk of losing all their money.

## **3. How this product is to be distributed**

### **Distribution channels**

This product is designed to be distributed through the following means:

- under the Prospectus to Company shareholders as at the Record Date only;
- under the Prospectus to persons determined by the Company or the underwriter to the Entitlement Offer, as applicants for the "shortfall" to the Entitlement Offer as specified in the Prospectus; and
- on ASX's cash market once the Options are issued and granted quotation; investors may only trade Options by placing orders through their financial advisors or through online platforms.

### **Distribution conditions**

This product should only be distributed under the following circumstances:

- in accordance with applications made by Company's shareholders using an application form accompanying the Prospectus;

- under the Prospectus to persons determined by the Company persons determined by the Company or the underwriter to the Entitlement Offer, as applicants for the “shortfall” to the Entitlement Offer as specified in the Prospectus;
- once quoted, Options should only be traded on the ASX trading platform;
- third party distribution of Options issued by us must only occur in accordance with the client suitability and understanding procedures specified by us. Third party distributors must establish, implement, and maintain appropriate procedures, processes, and controls with a view of ensuring that the Options are distributed in accordance with this TMD. No third-party distributor is permitted to distribute Options issued by us to retail clients unless the distributor considers on reasonable grounds that each relevant retail client is likely to be within the target market.

### **Adequacy of distribution conditions and restrictions**

For the purposes of the offer of Options under the Prospectus, the Company has emphasised that an investment in Options, and in the Shares underlying the Options, is speculative in nature and not suitable for investors for whom such an investment is inappropriate.

Once the Options are issued and trading on ASX, the Company will ensure that this TMD is displayed prominently on the Company’s website. However, to a significant extent, it will be market intermediaries who will play a significant role in minimising the risk that Options are acquired by non-members of the target market.

## **4. Reviewing this target market determination**

We will review this target market determination in accordance with the below:

<b>Initial review</b>	Within six (6) months of the effective date.
<b>Periodic reviews</b>	At least every six (6) months from the initial review until the Expiry Date.
<b>Review triggers or events</b>	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to): <ul style="list-style-type: none"> <li>• a material adverse change to economic conditions;</li> <li>• external events such as adverse media coverage or regulatory attention; and</li> <li>• significant adverse changes to the Company’s circumstances such as suspension from trading or the appointment of administrators</li> </ul>

Where a review trigger has occurred, this target market determination will be reviewed within 10 business days.

## **5. Reporting and monitoring this target market determination**

Auris may collect the following information in relation to this TMD.

<b>Complaints</b>	The Company will review all complaints received in relation to the Options on a continuous basis.
<b>Significant dealings</b>	The Company will not be in a position to determine whether “significant dealings” occur in an “on market” environment as it has no capacity to identify the objectives, financial situation and needs of investors who acquire Options on-market.

