

TARGET MARKET DETERMINATION

MADE BY:	Queensland Pacific Metals Limited (ACN 125 368 658) of Level 10, 307 Queen Street, Brisbane, Queensland, 4000 (QPM or the Company)
PRODUCT:	Free attaching options (New Options) to acquire fully paid ordinary shares in the capital of the Company (Shares). The New Options are to be granted on the basis of one (1) New Option for every two (2) Shares (New Shares) issued under both the QPM share purchase plan (SPP) and an institutional placement (Placement) announced by QPM on 22 August 2023. The New Options are offered under a prospectus dated 12 September 2023 (Prospectus).
EFFECTIVE DATE:	12 September 2023

This target market determination (**TMD**) has been prepared by the Company in relation to the offer of the New Options made by the Company under the Prospectus (**Offer**). The Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 12 September 2023 and was released to ASX on that date. An electronic copy of the Prospectus can be accessed in the ASX announcements for the Company on ASX's website available at: <https://www.asx.com.au/markets/company/qpm>.

As noted above, the New Options are to be granted under the Offer (subject to the necessary shareholder approvals) as free securities attaching to New Shares issued under both the SPP and the Placement on the basis of 1 New Option for every 2 New Shares issued. For the avoidance of doubt, the New Options will not be granted other than as free securities attaching to the New Shares.

The Offer will only 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 advisers if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wishes to acquire New Options under the Offer will need to:

- in respect of the New Options to be granted under the SPP, follow the instructions within the SPP and SPP options application form that will be in, or will accompany, both the offer booklet for the SPP and the Prospectus that were made available on 12 September 2023; and
- in respect of the New Options to be granted under the Placement, follow the instructions within the Placement options application form that will be in, or will accompany, the Prospectus that was made available on 12 September 2023.

This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth). This TMD is not to be treated as a full summary of the product terms and conditions and is not intended to provide financial advice. Investors should refer to the Prospectus for the terms and conditions of the product and when making a decision in respect of the product.

TARGET MARKET

The information below summarises the overall class of investors that fall within the target market for the New Options, based on the key attributes of the product and the objectives, financial situation and

needs that they have been designed to meet. The New Options have been designed for investors whose likely objectives, financial situation and needs are aligned with the product.

Investment metrics

New Options are to be granted as free securities attaching to the New Shares. The Company expects an investment in the New Options will be suitable to investors who are accustomed to making speculative investments and wish to have the right, but not obligation, to gain exposure to equities in a small cap materials sector entity listed on ASX. Particularly, it will be those investors (being SPP and Placement investors) that are granted New Options pursuant to the Offer made by the Company under the Prospectus.

Investment timeframe

The target market of investors will take a medium term outlook in relation to their investment.

Investors with a medium term outlook will benefit from the ability to exercise the New Options prior to their expiry date, being 18 October 2026 (**Expiry Date**), and increase their shareholding and exposure to potential upside on the Shares of the Company into the future (although no upside can be guaranteed).

New Option holders will have an ability to exercise New Options and trade the underlying Shares issued on exercise, however investors should be aware that such dealing is only likely to be commercially viable in the event that the trading price exceeds the exercise price (being \$0.10) of the New Options both at the date of exercise and at the date of sale.

Given the need to pay the exercise price in order to acquire the underlying Shares, investors in the target market are those in a financial position to have sufficient available funds so as to facilitate an exercise of the New Options prior to the Expiry Date, being a 3 year time horizon, during which time period their ability to liquidate their New Options may be limited by the trading price of the underlying Shares.

Investor suitability metrics

It is also expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment. The New Options (and New Shares in respect of which the New Options will be granted as free attaching securities) offer no income guarantee or capital protection for investors.

Risks

The Company considers that an investment in the New Options (including an investment in the Shares following the exercise of the New 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 New Options) as an asset class generally and the more specific risks of investing in an ASX-listed materials entity.

The Company has assessed the New Options and formed the view that the key attributes of the New Options are likely to be consistent with the objectives, financial situation and needs of investors in the target market described above.

DISTRIBUTION CONDITIONS

As the New Options are being granted as free securities attaching to the New Shares, the Offer of New Options is made under the Prospectus to those who are eligible to participate:

- in the SPP (being those shareholders with an address in Australia or New Zealand in the register of members of the Company as at 7.00pm (Brisbane time) on 21 August 2023); and
- in the Placement (being those sophisticated or professional investors who have already been issued New Shares under the Placement).

The Prospectus includes jurisdictional conditions on eligibility. The New Options will also be subject to the distribution condition that retail investors will be provided with a copy of the Prospectus and access to this TMD before they apply for New Options.

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

REVIEW TRIGGERS

The New Options are being offered for a limited offer period set out in the Prospectus. The New Options will no longer be available for investment by way of granting following close of the offer period. Accordingly, this TMD applies between the commencement of the Offer and the granting of the New Options (**Offer Period**), after which the TMD will be withdrawn.

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

- the Company lodges with ASIC a supplementary or replacement prospectus in relation to the Prospectus;
- any event or circumstance occurs that materially changes a factor that was taken into account in making this TMD;
- the existence of a significant dealing of the New Options that is not consistent with this TMD;
- an unexpectedly high number of complaints are received from customers that indicate the New Options are not suitable for the target market or that the product is not being distributed to the target market;
- ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the New Options or this TMD; or
- there are material changes to the regulatory environment that applies to an investment in the New Options.

REVIEW PERIOD

If a review trigger occurs during the Offer Period, the Company will review this TMD in light of the review trigger as soon as reasonably practicable. The Company will otherwise complete a review of the TMD immediately prior to the granting of the New Options under the Offer. If the Offer extends for more than three months, the TMD will also be reviewed on a monthly basis.

INFORMATION REPORTING

The reporting requirements of all distributors is set out below:

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the New Options	<ul style="list-style-type: none"> For such time as the Offer Period remains open, within five business days after the end of each quarter Within five business days after the end of the Offer Period 	<ul style="list-style-type: none"> The number of complaints received A summary of the nature of each complaint or a copy of each complaint
A significant dealing of the New 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 business days after the significant dealing occurs	<ul style="list-style-type: none"> Details of the significant dealing Reasons why the distributor considers that the significant dealing is not consistent with this TMD
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD	Within five business days after the end of the close of the 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

CONTACT

For further information, contact the Company Secretary, Mauro Piccini, by email at MP@miradorcorporate.com.