

---

## TARGET MARKET DETERMINATION

---

**Made by:** HORIZON MINERALS LIMITED (ACN 007 761 186) of 163-167 Stirling Highway, Nedlands, Western Australia (**Company**)

**Product:** Options (**Options**) to acquire fully paid ordinary shares (**Shares**) in the Company to be issued under a transaction specific prospectus dated 1 July 2022 (**Prospectus**).

**Effective date:** 1 July 2022.

This target market determination (**TMD**) has been prepared by the Company in relation to an offer made by the Company to issue the Options under the Prospectus (**Offer**).

This TMD has been designed to help investors understand for whom the Offer of Options is most suitable for.

This TMD sets out the class of consumers for which the Options would likely be consistent with their financial objectives, the distribution conditions and restrictions imposed on the distribution of the Options, as well as reporting requirements for distributors in accordance with the requirements of section 994B of the *Corporations Act 2001 (Cth)*.

A copy of the Prospectus is available on the Company's website, [www.horizonminerals.com.au](http://www.horizonminerals.com.au).

The Offer will be made 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 Options under the Offer will need to follow the instructions in 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.

---

## PRODUCT INFORMATION

---

The key product features of the Options are:

<b>Offer</b>	<p>For every one Share subscribed for at 9 cents per Share by an eligible participant (<b>SPP Share</b>) as part of a share purchase plan offer under the Prospectus (<b>SPP</b>), the eligible participant will be entitled to one free SPP Option under the Prospectus.</p> <p>For every one Share subscribed for at 9 cents per Share by a placee (<b>Placement Share</b>) in a placement announced on 24 June 2022 (<b>Placement</b>), the placee will</p>
--------------	--

	be entitled to one free Placement Option under the Prospectus.
<b>Eligibility</b>	<p>Only existing shareholders of the Company with a registered address in Australia or New Zealand at the SPP record date excluding directors and director controlled entities of the Company that are shareholders are entitled to participate in the offer of SPP Options under the Prospectus.</p> <p>Only places of the Placement are entitled to participate in the offer of Placement Options under the Prospectus.</p>
<b>Terms of Options</b>	The terms of the SPP Options and the Placement Options are the same. They each have an exercise price of 11 cents and an expiry date of 30 June 2025. Application will be made for each of the Options to be quoted as one class on ASX Limited. The Options are freely transferable.

---

## TARGET MARKET

The product (Options) is likely to be appropriate for a consumer seeking exposure to diversified mineral exploration in Australia and:

1. should exploration be successful, exposure to potential for capital growth; and
2. for inclusion as part of a diversified portfolio where the consumer has a medium to long term investment timeframe (if the product is exercised and the resultant Shares are issued).

<b>Class of consumers that fall within this target market</b>	<p>The Options have been designed for investors whose likely objectives, financial situation and needs are aligned with the product (including the key attributes).</p> <p>The Options are for those who:</p> <ul style="list-style-type: none"> <li>• are permitted to acquire securities pursuant to the Prospectus and are applying for SPP Shares under the Prospectus to which the Options attach or have been issued with Placement Shares to which the Options attach;</li> <li>• seek to profit from an appreciation in the market price of Shares in the Company and/or who have a long term view on the Shares or the underlying assets of the Company and wish to participate in any potential future distribution should mineral exploration be successful and production commence; and</li> <li>• are accustomed to participating in speculative investments in the diversified mineral exploration sector.</li> </ul> <p>The Options are issued only to applicants under the Offer and consequently have been designed for consumers who:</p> <ul style="list-style-type: none"> <li>• will acquire SPP Shares under the Offer or have acquired Placement Shares under the Placement;</li> </ul>
---	--

	<ul style="list-style-type: none"> <li>• have the financial ability to consider the economic risk of the exercise of the Options;</li> <li>• given the speculative nature of the Shares and Options, have adequate means to provide for their current needs and to withstand a loss of the entire investment of the Shares and Options;</li> <li>• have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of exercising the Options; and</li> <li>• have determined that the Shares and Options are a suitable investment.</li> </ul> <p>The key product features or attributes of the Options are described above.</p>
<p><b>Excluded class of consumers</b></p>	<p>The Options have not been designed for retail individuals who:</p> <ul style="list-style-type: none"> <li>• require an income stream from their investment;</li> <li>• do not ordinarily invest in speculative investments in the diversified mineral exploration sector;</li> <li>• are resident outside of Australia or New Zealand; and/or</li> <li>• are not applicants under the Offer.</li> </ul>
<p><b>Conditions and restrictions on distribution</b></p>	<p>The key restrictions on distribution for the SPP Options are the offer will only be made to shareholders in the Company at the SPP record date with a registered address in Australia or New Zealand excluding directors and director controlled entities of the Company that are Shareholders. Any entitlement not taken up under the SPP Offer will form a shortfall offer (<b>Shortfall Offer</b>). Investors who are not related parties may apply for SPP Shares and SPP Options under the Shortfall Offer.</p> <p>The key restriction on distribution for the Placement Options is that the offer will only be made to placees of the Placement.</p> <p>The Company considers that these distribution conditions will ensure that persons who invest in the Options fall within the target market.</p>
<p><b>Review Triggers</b></p>	<p>As the Offer of the Options is to a discrete class of persons in each case (being the Eligible Shareholders and, in the event of shortfall, any third party investors for the SPP Options and the placees of the Placement for the Placement Options), is only open for a limited time under the Prospectus and the Company is subject to continuous disclosure requirements, the Company considers it is not necessary or appropriate to implement the requirement of periodic reviews of this TMD.</p> <p>The Company will review this TMD where any event or circumstance has arisen that would suggest this TMD is no longer appropriate. This may include (but is not limited to):</p>

	<ul style="list-style-type: none"> <li>• ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD;</li> <li>• an unreasonable number of consumer complaints or feedback from those who distribute or acquire the product; and</li> <li>• significant adverse changes to the Company's circumstances.</li> </ul> <p>This TMD will be reviewed within 10 business days upon the occurrence of a review trigger.</p>
<b>Maximum Period</b>	Subject to any review triggers, the maximum period of this TMD is from 1 July 2022 to 15 October 2022 (the end date of any Shortfall Offer).
<b>Reporting Requirements</b>	<p>Complaints relating to the Options should be provided directly to the Company as soon as practicable by any person including distributors of the Options. The Company will review all complaints received in relation to the Options on a continuous basis.</p> <p>Distributors who become aware of any significant dealings (as that term is described in ASIC Regulatory Guide 274.158) must notify the Company as soon as practicable but no later than 10 business days after the distributor becomes aware of the significant dealing.</p> <p>Distributors who become aware of any dealings outside of the target market or receive complaints that would reasonably suggest that the TMD is no longer appropriate must notify the Company as soon as practicable but no later than 10 business days after the distributor becomes aware of the dealing or complaint outside of the target market with such information as reasonably necessary to allow the Company to identify the kinds of persons dealing or giving such complaints.</p> <p>The Company will not be in a position to determine any dealings that occur upon exercise of the Option or on-sale of any resultant Share, as it has no capacity to identify the objectives, financial situation and needs of investors who exercise the Options or acquire the resultant Shares.</p>

This TMD has been authorised by the directors of Horizon Minerals Ltd.