

TARGET MARKET DETERMINATION

Made by: Latrobe Magnesium Limited ACN 009 173 611 (**LMG** or **Company**)

Product: Unlisted Underwriter Options and Sub-Underwriter Options (**Broker Options** or the **product**) to acquire fully paid ordinary shares in the capital of the Company issued under a prospectus dated on or about 3 June 2024 (as replaced or supplemented, from time to time) (**Prospectus**)

Effective Date: 3 June 2024

IMPORANT NOTICE

This document (**TMD**) has been prepared by the Company in relation to the offer of Broker Options in connection with the Company's non-renounceable entitlement offer of 1 new shares for every 14.52 Shares held at an issue price of \$0.045 to raise approximately \$6 million (before costs) (**Entitlement Offer**). The Prospectus contains an offer for Broker Options with each Broker Option having an exercise price of \$0.079 and expiring on the date which is 3 years from the date of issue (**Cleansing Offer**).

As LMG is a person who is required to prepare a disclosure document in respect of the Broker Options, this TMD is required under section 994B of the *Corporations Act 2001* (Cth) (**Corporations Act**) and sets out the information prescribed under that section. This TMD is **not** a disclosure document and the information in this TMD does **not** purport to be complete, comprehensive or to comprise all the information which a potential investor may require in order to determine whether to acquire or deal in Broker Options or Shares, **nor** does it contain all the information which would be required in a disclosure document prepared in accordance with the

Corporations Act. This TMD has not been lodged and does not require lodgement with the Australian Securities and Investments Commission (**ASIC**). This TMD must be read in conjunction with the Prospectus.

The information in this TMD is not financial product advice and does not take into account your investment objectives, financial situation or particular needs. Persons interested in acquiring the Broker Options should carefully read the Prospectus and if you do not fully understand this TMD or the Prospectus or are in doubt as to how to analyse or interpret them, you should seek professional guidance from your stockbroker, lawyer, accountant or other professional advisor before deciding whether to invest in the Broker Options.

The Prospectus can be obtained from the Company's website at <https://www.latrobemagnesium.com>.

Capitalised terms used in this TMD have the meaning given to those terms throughout the TMD, or, where not defined in this TMD, have the meaning given to those terms in the Prospectus.

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The product is likely to be appropriate for a consumer seeking exposure to resources company seeking to utilise patented technological processes to produce magnesium metal from magnesium rich waste resources and:

1. should the technological process and its commercialisation prove to be successful, exposure to potential for capital growth;
2. should production of magnesium metal commence, exposure to potential for income distribution (if the products are exercised and the resultant Shares are issued); and
3. for inclusion as a part of a diversified portfolio where the consumer has a medium to long term investment timeframe (if the products are exercised and the resultant Shares are issued).

Class of consumers that fall within this target market 994B(5)(b)	<p>The Broker 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 Broker Options are for those who:</p> <ul style="list-style-type: none">• are permitted to apply for Broker Options pursuant to the Cleansing Offer under the Prospectus, being the parties who have agreed to underwrite and sub-underwrite the Entitlement Offer (Eligible Persons);• 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 development of the Demonstration Plant and future
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	<p>commercial plants prove to be successful and production of magnesium commences; and</p> <ul style="list-style-type: none"> are accustomed to participating in speculative investments in the diversified resources / mineral exploration sector. <p>The Broker Options are issued only to Eligible Persons pursuant to the Cleansing Offer under the Prospectus and consequently have been designed for consumers who:</p> <ul style="list-style-type: none"> have the financial ability to consider the economic risk of the exercise of the Broker Options; give the speculative nature of the Broker Options, have adequate means to provide for their current needs and to withstand a loss of the entire investment; have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of exercising the Broker Options; and have determined that the Broker Options are a suitable investment. <p>The key product attributes of the Broker Options are described in the Prospectus and in summary are:</p> <ul style="list-style-type: none"> the holders of Broker Options will be entitled to one Share upon exercise of each Option; the Broker Options will be issued for nil consideration and are exercisable at \$0.079 per Broker Options with an expiry date of 3 years from the date of issue.
<p>Excluded class of consumers 994B(5)(b)</p>	<p>The Broker Options have not been designed for retail individuals who:</p> <ul style="list-style-type: none"> require an income stream from their investment; do not ordinarily invest in speculative investments in the resources / mineral exploration sector; are resident outside of Australia or other permitted jurisdictions; and/or are not Eligible Persons.
<p>Conditions and restrictions on distribution 994B(5)(c)</p>	<p>The key restrictions on distribution of Broker Options are:</p> <ul style="list-style-type: none"> a consumer may only receive Broker Options if that person is an Eligible Person and has applied for them pursuant to the Prospectus (the Corporations Act requires that securities to be issued under the Prospectus must be in response to an application form which the Company has reasonable grounds to believe was included in or accompanied by the Prospectus); and a consumer may not directly apply for Broker Options (unless they are Eligible Persons and pursuant to the Prospectus).
<p>Review Triggers 994B(5)(d)</p>	<p>The Company will review this TMD where any event or circumstance has arisen that would suggest this TMD is no longer appropriate (Review Trigger). This may include (but is not limited to):</p> <ul style="list-style-type: none"> where ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Broker Options or this TMD; an unreasonable number of consumer complaints or feedback from those who distribute or acquire the product; and significant adverse changes to the Company's circumstances or the circumstances affecting the Broker Options. <p>This TMD will be reviewed within 10 business days upon the occurrence of a Review Trigger.</p>
<p>Periodic Review 994B(5)(e)</p>	<p>As the offer of the Broker Options is to a discrete class of persons, being the Eligible Persons and the Company's Prospectus is only open for acceptance for a</p>

	<p>limited period (until 3 July 2022), the Company will review this TMD no later than 30 June 2024.</p>
<p>Subsequent Review 994B(5)(f)</p>	<p>The Company will undertake a subsequent review no later than 3 July 2024. This TMD will finish after all Broker Options have been issued under the Prospectus and no later than 4 months after the date of the TMD.</p>
<p>Reporting Requirements 994B(5)(g)-(h)</p>	<p>Complaints relating to the Broker Options should be provided directly to the Company as soon as practicable by any person including distributors of the Broker Options to info@latrobemagnesium.com. The Company will review all complaints received in relation to the Broker 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 (including any lead manager or broker) who becomes 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 Broker Options 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 Broker Options or acquire the resultant Share.</p>