

Target Market Determination

Made by: Avecho Biotechnology Limited (ACN 056 482 403) (**Company**)

Effective Date: 3 April 2023

Product: Free-attaching options in connection with an entitlement offer under a prospectus dated 3 April 2023

Important information about this document

This target market determination (**TMD**) has been prepared by the Company in relation to the following offers pursuant to the Company's prospectus dated 3 April 2023 (**Prospectus**):

- (a) an offer of up to 2,756,804,016 free attaching options exercisable at \$0.012 each and expiring on three years from the date of issue (**New Options**) in connection with an entitlement offer;
- (b) an offer of up to 75,000,000 options in connection with joint lead manager services (**JLM Options**) to be provided by Copeak Corporate Pty Ltd ACN 632 277 144 ATF Peak Asset Management Unit Trust (**Peak**); and
- (c) an offer of up to 75,000,000 JLM Options in connection with joint lead manager services to be provided by CPS Capital Group Pty Ltd ACN 088 055 636 (**CPS**).

The Company will apply for the New Options and JLM Options to be quoted on ASX.

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 apply for Shares under the Entitlement Offer and Additional Share Facility are being offered 3 New Options for every 2 Shares subscribed for under the Entitlement Offer and Additional Share Facility (**New Option Offer**); and
- (b) sophisticated and institutional who apply for Shares under the Shortfall Offer will be offered 3 options (**Shortfall Options**) for every 2 Shares subscribed for under the Shortfall Offer (**Shortfall Option Offer**);
- (c) Peak is being offered, pursuant to its joint lead manager mandate, 75,000,000 JLM Options (**Peak Offer**); and
- (d) CPS is being offered, pursuant to its joint lead manager mandate, up to 75,000,000 JLM Options (**CPS Offer**),

(together, the **Offers**).

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 New Options, Shortfall Options and JLM Options under the

Offers will need to complete the Application Form. There is no cooling off period in respect of the issue of the New Options, Shortfall Options and JLM Options. This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth) (**Corporations Act**), and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**ASIC**).

This TMD has been designed to help our investors understand who the Offers are most suitable for consistent with their likely objectives, financial situation and needs (**target market**). This TMD also describes:

- (a) who the Offers are not suitable for;
- (b) how the Offer is distributed;
- (c) how often the Company will review this TMD and when the next review will be;
- (d) the events and circumstances that could mean the Company need to review whether this TMD is still appropriate;
- (e) the information the Company would need in order to decide that this TMD is no longer appropriate; and
- (f) how the Company report information related to this TMD.

This TMD does not take into account your individual objectives, financial situation and needs. 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 New Options, Shortfall Options and JLM Options.

This TMD is current as at 3 April 2023 and will be withdrawn following the issue of the New Options, Shortfall Options and JLM Options under the Offers. The Company may review and amend this TMD at any time.

Target Market

Offer	Target Market
New Option Offer	<p>The Company expects that an investment in New Options under New Option Offer will be suitable for current investors in the Company:</p> <ul style="list-style-type: none"> • who wish to gain further exposure to equities in a small/mid-cap life science company listed on the ASX by participating in the Entitlement Offer; • who is an Eligible Shareholder under the Entitlement Offer, being persons who: <ul style="list-style-type: none"> ○ are registered as a holder of fully paid ordinary shares in Avecho as at 7:00 pm (AEST) on Thursday, 6 April 2023; ○ have a registered address in Australia or New Zealand as noted on the Company's share register, or are a Shareholder that the Company has

Offer	Target Market
	<p>otherwise determined is eligible to participate in the Entitlement Offer;</p> <ul style="list-style-type: none"> ○ are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person holds existing shares for the account or benefit of such person in the United States); and ○ are eligible under all applicable securities laws to participate in the Entitlement Offer; and <ul style="list-style-type: none"> • who are in a position to pay any subscription amounts required to take up their Entitlements, in order to be entitled to the New Options.
Shortfall Option Offer	<p>The Company expects that an investment in Shortfall Options under the Shortfall Option Offer will be suitable for:</p> <ul style="list-style-type: none"> • new and existing institutional and sophisticated investors that are invited to invest in the Company to gain exposure to equities in a small/mid-cap life science company listed on the ASX; and • who are in a position to pay any subscription amounts required to subscribe for New Shares under the Shortfall Offer, in order to be entitled to the Shortfall Options.
Peak Offer and CPS Offer	<p>The Company expects that an investment in the Peak Offer and CPS Offer will be suitable for Peak and CPS, being the joint lead managers to the Entitlement Offer.</p>

Target Market Details

TMD requirement	Determination	
Investment Objectives, financial situation and needs	Offer	Determination
	New Option Offer	<p>The Company expects this offer to be appropriate for those:</p> <ul style="list-style-type: none"> • looking to increase their level of investment in the Company; • who are in a financial position to take up all or part of their Entitlements; and • looking to diversify their personal investment portfolio by

TMD requirement	Determination	
		increasing their investment in the Company.
	Shortfall Option Offer	<p>The Company expects this offer to be appropriate for those:</p> <ul style="list-style-type: none"> • looking to invest in small/mid-cap life science company listed on the ASX; • who are in a financial position to take up the Shortfall Offer; and • looking to diversify their investment portfolio.
	Peak Offer and CPS Offer	<p>The Company expects this offer to be appropriate for those:</p> <ul style="list-style-type: none"> • looking to be rewarded for acting as lead manager on the Entitlement Offer and who wish to hold equity in a small/mid-cap life science company listed on the ASX; • who are capable of accepting the offer in exchange for services; and • looking to diversify their investment holdings.
Investment Timeframe	<p>The target market of investors will take a short to medium outlook on their investment. The Company will apply for quotation of the New Options, Shortfall Options and JLM Options on ASX and will be transferable.</p> <p>Holders of New Options, Shortfall Options and JLM Options will also have an ability to exercise such 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 New Options, Shortfall Options and JLM Options (as applicable) and sale of the underlying Shares.</p> <p>Investors with a medium-term outlook will benefit from an ability to either trade the New Options, Shortfall Options and JLM Options on the ASX or alternatively exercise the New Options, Shortfall Options and JLM Options prior to expiry of the New Options, Shortfall Options and JLM Options 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 Shares, investors in the target market are those in a financial position sufficient for them to invest their funds on exercise of the New Options, Shortfall Options and JLM Options over an approximate 3</p>	

TMD requirement	Determination
	year time horizon, during which their ability to liquidate their New Options, Shortfall Options and JLM Options in the Company may be limited by a lack of liquidity in the New Options, Shortfall Options and JLM Options and by the trading price of the underlying Shares.
Investment Metrics	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 New Options, Shortfall Options and JLM Options offer no guaranteed income or capital protection.
Risk	The Company considers that, while the issue price of the New Options and Shortfall Option is free and a nominal amount is payable for the issue of the JLM Options, an investment in the Company offered in connection with the Prospectus (for example, through the exercise of the New Options, Shortfall Options and JLM 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 New Options, Shortfall Options and JLM Options as an asset class generally and the more specific risks of investing in an Australian listed life science company.
Distribution Conditions	<p>The New Option Offer is being made directly to Eligible Shareholders who apply for Shares under the Entitlement Offer and Additional Share Facility.</p> <p>The Prospectus includes jurisdictional conditions on eligibility. The Company will also include on its web landing page for the New Option Offer a copy of this TMD and require that Eligible Shareholders confirm that they meet the eligibility criteria of the expected target market outlined in this TMD.</p> <p>To the extent any entitlement to New Options is not taken up by Eligible Shareholders under the New Option Offer, the balance of any shortfall of Shares and Shortfall Options after the close of the Entitlement Offer and Additional Share Facility may be placed by the Company to sophisticated and institutional investors within 3 months of the Closing Date pursuant to the Shortfall Offer.</p> <p>The Company considers that these distribution conditions will ensure that persons who invest in New Options and Shortfall Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.</p>
Review Triggers	The New Options, Shortfall Options and JLM Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the New Options, Shortfall Options and JLM

TMD requirement	Determination
	<p>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 New Options, Shortfall Options and JLM Options (Offer Period) at which point the TMD will be withdrawn.</p> <p>To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the New Options, Shortfall Options and JLM Options and should be reviewed, the following review triggers apply for the Offer Period:</p> <ul style="list-style-type: none"> (a) a new offer of New Options, Shortfall Options and JLM Options that requires preparation of a disclosure document is made after completion of the Offer Period; (b) the Company significantly changes the eligibility criteria for the Offers; (c) the Company re-issues the Prospectus; (d) the Company receives a significant number of complaints in relation to the TMD and its contents; (e) the Company identifies an instance where the Offers have been made or accepted outside of the target market; (f) any event or circumstance that would materially change a factor taken into account in making this TMD; (g) the existence of a significant dealing of the New Options, Shortfall Options and JLM Options that is not consistent with this TMD. The Company does not consider that an on-sale of the New Options, Shortfall Options and JLM Options on market is a significant dealing; (h) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the New Options, Shortfall Options and JLM Options or this TMD; and (i) material changes to the regulatory environment that applies to an investment in the New Options, Shortfall Options and JLM Options.
Review Period	<p>If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD within 10 business days in light of the review trigger.</p> <p>The Company will otherwise complete a review of the TMD 12 months following its issue and then every 12 months after that period until such time as the TMD is withdrawn.</p>
Information Reporting	<p>The Company records all complaints that it receives about the Offers or this TMD. If the Company believes that the Offers have</p>

TMD requirement	Determination												
	<p>been made or accepted by a person who does not fit within this TMD, we will report this to ASIC within 10 business days.</p> <p>The reporting requirements of all distributors are set out in the table below:</p> <table><tr><th>Reporting Requirement</th><th>Period for reporting to the Company by the distributor</th><th>Information to be provided</th></tr><tr><td>Whether the distributor received complaints about the New Options, Shortfall Options and JLM Options.</td><td><ul style="list-style-type: none">For such time as the duration of the Offer Period remains open, within 10 business days after the end of each quarter.Within 10 business days after the end of the Offer Period.</td><td><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.</td></tr><tr><td>A significant dealing of the New Options, Shortfall Options and JLM Options that is not consistent with this TMD.</td><td>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><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.</td></tr><tr><td>A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.</td><td>Within 10 business days after the end of the close of the Offer Period of New Options, Shortfall Options and JLM Options (which will occur upon the date the New Options, Shortfall Options and JLM Options are issued) in</td><td>A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.</td></tr></table>	Reporting Requirement	Period for reporting to the Company by the distributor	Information to be provided	Whether the distributor received complaints about the New Options, Shortfall Options and JLM Options.	<ul style="list-style-type: none">For such time as the duration of the Offer Period remains open, within 10 business days after the end of each quarter.Within 10 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, Shortfall Options and JLM 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">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 10 business days after the end of the close of the Offer Period of New Options, Shortfall Options and JLM Options (which will occur upon the date the New Options, Shortfall Options and JLM 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:

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