
Panoramic Resources Limited

ABN 47 095 792 288

Target Market Determination

Made by: Panoramic Resources Limited ACN 095 792 288 (**Issuer** or **Panoramic**)

Product: Unlisted options to acquire fully paid ordinary shares (**Shares**) in the Issuer (**Options**) to be issued under a Prospectus dated 3 August 2023

Effective Date: 3 August 2023

1 Background

This target market determination (**TMD**) has been produced by the Issuer in relation to the following offers made by the Issuer under its transaction specific prospectus prepared in accordance with section 713 of the *Corporations Act 2001* (Cth) (**Act**) dated 3 August 2023 (**Prospectus**):

- (a) an offer to Eligible Shareholders to subscribe for up to \$30,000 of new fully paid ordinary shares in the Issuer (**New Shares**) under a “share purchase plan” at an issue price of \$0.05 per New Share, with one free option exercisable at \$0.075 each on or before the date that is two years from the date of issue (**New Options**) for every two New Shares subscribed for, targeting to raise \$5 million (before expenses), with the ability to accept oversubscriptions (**SPP Offer**); and
- (b) an offer to participants in the Issuer’s fully underwritten two-tranche institutional placement to raise \$40 million (before costs) announced on 26 July 2023 (**Placement**) (**Placement Participants**) to subscribe for New Options on the basis of one New Option for every two New Shares subscribed for by the Placement Participants (**Placement Options Offer**),

(together, the **Offers**). The Offers are subject to Panoramic Shareholder approval.

The table below sets out the class of investors that fall within the target market for the New Options based on the products key attributes and the objectives, financial situation and needs that they have been designed to meet.

This TMD is not a disclosure document for the purposes of the Act and does not provide a full summary of the product features or terms of the New Options. This TMD is not to be used except for the purpose of a regulated person complying with their obligations under Part 7.8A of the Act. This TMD is not a disclosure document for the purposes of the Act, and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**ASIC**). To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. There is no cooling off period in respect of the issue of the New Options.

This TMD is not intended to provide financial advice or take into account any particular objectives, financial situations or needs. The Company is not licensed to provide financial product advice in relation to the New Options. It is important for each investor to consider these matters and carefully read and consider the Prospectus in full before they make an investment decision and consult their professional adviser if they have any questions regarding the contents of the Prospectus. A copy of the Prospectus is available on the Issuer’s website: <https://panoramicresources.com/>. Any person who

wants to acquire New Options will need to complete the application form that will be in, or will accompany, the Prospectus.

Unless otherwise defined in this TMD, capitalised terms have the meaning given to them in the Prospectus.

<p>1 Product Information and key features</p> <p>The key features of the New Options are as follows:</p>	
<p>Eligibility</p>	<p>1 An applicant under the Placement Options Offer is a participant in the Issuer’s Placement announced on 26 July 2023, who are invited to participate in the Placement Options Offer.</p> <p>2 An applicant eligible to participate in the SPP Offer must:</p> <ul style="list-style-type: none"> (a) have held Shares at the Record Date of 7:00pm (AEST) on Tuesday, 25 July 2023; (b) have had a registered address shown on the Issuer’s register of shareholders in Australia or New Zealand; and (c) not be located in the United States and not be acting for the account or benefit of a person in the United States.
<p>Terms of the New Options</p>	<p>Each New Option will confer on the holder the right to subscribe for one Share at an exercise price of \$0.75, exercisable on or before the date two years from issue. The offer of New Options is subject to Panoramic Shareholder approval. A New Option not exercised before the expiry date automatically lapse at that time. The New Options will be exercisable at any time on or prior to the expiry date. Shares issued on exercise of the New Options will rank equally in all respects with the then issued ordinary shares in the Company. The New Options will not be quoted on the ASX. A key feature to the New Options is expected to be that the exercise price of each New Option is at a premium to the market price of Shares as at the date of the Prospectus. There is a risk that the New Options may become worthless in value if the Share price on the expiry date of the New Options is less than the exercise price of the New Options.</p> <p>Refer to Section 6.7 of the Prospectus for the terms and conditions of the New Options.</p>
<p>2 Target Market</p> <p>The objectives, financial situation and needs of investors which are suitable for investment in the New Options and an explanation of why those particular financial circumstances are suitable.</p>	
<p>Investment objective</p>	<p>The New Options are targeted at those investors who seek profit from an increase in the market price of Shares and those investors who are familiar with speculative nature of an investment in a mining company. As the New Options may be exercised at any time prior to the expiry date, within two years of the issue, the Issuer expects that an investment in the New Options will be suitable to investors who wish to have the right, but not obligation, in the medium to long term (up to two years) to acquire Shares,</p>

	and thereby become exposed to the risks and benefits of holding equity interests in the Issuer.
Investment timeframe	The target market of investors will take a medium to long term outlook in relation to their investment in the Issuer and are in a financial position that is sufficient for them to invest their funds over a time period of up to two years should they wish to exercise their New Options.
Investor suitability metrics	<p>While the Issuer does not have an established eligibility framework for Investors based on metrics such as employment status, income levels, age or an expected return or volatility, it is expected that the target market of investors will be those investors that wish to obtain optionality for exposure to the Issuer's ongoing operations.</p> <p>The New Options are not suitable for investors:</p> <ol style="list-style-type: none"> 1 ineligible to apply for or receive the New Options; 2 looking for immediate returns; 3 seeking to obtain a tradeable investment, as the options will not be quoted for trading on ASX; 4 who are not seeking to have the potential to increase their investment in the Issuer; and 5 who do not understand and appreciate the risks of investing in options as an asset class generally and the more specific risks of investing in the Issuer. <p>The Issuer has assessed the New Options and formed the view that the issue of New Options having the key attributes set out above, is likely to be consistent with the objectives, financial situation and needs of investors in the target market as described above.</p>
Risk	<p>The Issuer considers that an investment in the New Options will have a different risk profile to a direct upfront investment in Shares, including due to the fact that there is no obligation to exercise the New Options and that the existence of a fixed exercise price provides increased leverage to movements in the price of Shares.</p> <p>The Issuer considers that an investment in the New Options (including an investment in Shares following the exercise of the New Options) is speculative, such that an investment in Panoramic may not be appropriate for an investor who would not be able to bear the loss of some or all of their investment.</p> <p>Investors should also have a sufficient level of financial literacy to understand and appreciate the risks of investing in options as an asset class generally (as opposed to ordinary shares) and the more specific risks of investing in the Issuer.</p>
Distribution conditions	The New Options are being offered to Eligible Shareholders who subscribe for New Shares under the SPP, and the Placement Participants who participated in the Placement. The Prospectus includes jurisdictional

	<p>conditions on eligibility for the Offers. The Company will include a copy of this TMD on its website and require investors to confirm they meet the eligibility criteria of the expected target market outlined in this TMD before they apply for New Options.</p> <p>The Company considers that these distribution conditions will ensure that persons who invest in New Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.</p>
<p>Review triggers</p>	<p>The New Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the New Options will no longer be available for investment.</p> <p>The TMD will only apply for the period between the commencement of the Offers of the New Options under the Prospectus to the closing of the Offers under the Prospectus , after which the TMD will be withdrawn.</p> <p>To allow the Issuer to determine whether circumstances exist that indicate this TMD is no longer appropriate and that distribution of the New Options should cease, the following review triggers will apply for the Offer Period:</p> <ol style="list-style-type: none"> 1 there is a material change to the New Options' key attributes that make it no longer consistent with the likely objectives, financial situation and needs of clients in the target market; 2 the Issuer lodges with ASIC a supplementary or replacement prospectus in relation to the Prospectus; 3 the occurrence of a significant dealing in New Options that is not consistent with this TMD; 4 the Issuer identifies a substantial divergence in how the New Options are being distributed and purchased from this TMD; 5 an unexpectedly high number of complaints are received from customers that indicate the New Options are not suitable for the target market or the product is not being distributed to the target market; and 6 material changes to the regulatory environment that applies to an investment in the New Options. <p>The Issuer may also amend this TMD at any time.</p>
<p>Review</p>	<p>If a review trigger occurs during the Offer Period, the Issuer will undertake a review of the TMD in light of the review trigger as soon as reasonably practicable and, in any case, within 5 business days of the review trigger occurring.</p> <p>Periodic reviews of the TMD will not occur during the Offer Period. If the Offer Period is extended for more than one month, the TMD will be reviewed on a monthly basis.</p>

Reporting requirement

As the Issuer is not appointing external distributors of the New Options in respect of retail clients, the Issuer will consider any of the following matters:

- 1 complaints received by the Issuer in relation to the New Options;
- 2 significant dealings in the New Options which are inconsistent with this TMD;
- 3 any dealings outside the target market (to the extent that the Issuer is aware of such dealings); and
- 4 the conduct of the Issuer under this TMD.

Where relevant, the Issuer will consider any of the above matters and determine appropriate steps that will be taken including, where appropriate, reporting of matters to ASIC.

Contact details in respect of this TMD for the Issuer are:

Susan Park
Company Secretary
Telephone: +61 8 6374 1700
Email: info@panres.com

This TMD has been authorised for release by the board of directors of Panoramic Resources Limited.