

Genesis Minerals Limited

ACN 124 772 041

Target Market Determination Proposed Issue of Unlisted Options

Made by: Genesis Minerals Limited ACN 124 772 041 (**Issuer**)

Product: Unlisted options to acquire fully paid ordinary shares (**Shares**) in the Issuer (**Options**) to be issued under a Prospectus dated 22 November 2021 (**Prospectus**)

Effective Date: 22 November 2021

1 Background

This target market determination (**TMD**) has been produced by the Issuer in relation to an offer to issue the Options made by the Issuer under the Prospectus pursuant to section 713 of the *Corporations Act 2001* (Cth) (**Act**).

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

The Options are targeted at those investors who seek profit from an increase in the market price of Genesis Shares and those investors who are familiar with speculative nature of an investment in a mining company.

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 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. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. This TMD is not intended to provide financial advice or take into account any particular objectives, financial situations or needs.

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

1 Product Information and key features	
The key features of the Options are as follows:	
Eligibility	<ol style="list-style-type: none"> 1 An applicant under the Placement Offer is a professional or sophisticated investor invited to participate by the Company. 2 An applicant under the Entitlement Offer is: <ol style="list-style-type: none"> (a) a Shareholder whose details appear on the Register as at the Record Date with a registered address in Australia, New Zealand, Canada, Malaysia, Singapore, Chile or the United States; and (b) who is eligible under all applicable securities laws to receive an offer under the Entitlement Offer at the record date which is 26 November 2021.
Terms of the Option	<ol style="list-style-type: none"> 1 The Options are exercisable at \$0.10 each. 2 Each Option entitle the holder to be issued one (1) fully paid ordinary share in the Company on payment of the exercise price. 3 The Options expire at 5.00pm (AWST) on the day which is two years after the date of issue of the Options (Expiry Date). 4 The Options may be exercised at any time after the date of issue of the Options and on or before the Expiry Date 5 The underlying Shares that would be issued on the exercise of the Options will rank equally with the Shares on issue in the Company. 6 The Options will not be listed on ASX. 7 The Options are transferable.
2 Target Market	
The objectives, financial situation and needs of investors which are suitable for investment in the Options and an explanation of why those particular financial circumstances are suitable.	
Investment Objective	As the 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 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 the Shares, 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

	<p>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 Options.</p>
<p>Investor suitability metrics</p>	<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 Options are not suitable for investors:</p> <ol style="list-style-type: none"> 1 seeking to obtain a tradeable investment, as the options will not be quoted for trading on ASX; 2 who are not seeking to have the potential to increase their investment in the Issuer; and 3 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 Options and formed the view that the issue of 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>
<p>Risk</p>	<p>The Issuer considers that an investment in the 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 Options and that the existence of a fixed exercise price provides increased leverage to movements in the price of Shares.</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>
<p>Review Triggers</p>	<p>The Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the Options will no longer be available for investment.</p> <p>The TMD will only apply for the period between the commencement of the offer of the Options under the Prospectus to the Expiry of the Options, 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 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 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 Options that is not consistent with this TMD; 4 the Issuer identifies a substantial divergence in how the Options are being distributed and purchased from this TMD; 5 an unexpectedly high number of complaints are received from customers that indicate the 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 Options. <p>The Issuer may also amend this TMD at any time.</p>
Review	<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, noting that the Offer Period is (subject to any decision to extend) less than one month. If the Offer Period is extended for more than one month, the TMD will be reviewed on a monthly basis.</p>
Reporting Requirement	<p>As the Issuer is not appointing external distributors of the Options in respect of retail clients, the Issuer will consider any of the following matters:</p> <ol style="list-style-type: none"> 1 complaints received by the Issuer in relation to the Options; 2 significant dealings in the 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. <p>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.</p>