

# Tivan Limited

## ACN 000 817 023

### Target Market Determination

**Made by:** Tivan Limited ACN 000 817 023 (**Issuer**)

**Product:** Unquoted options to acquire fully paid ordinary shares in the Issuer and convertible securities, each to be issued under a prospectus dated 9 July 2024 (the **Prospectus**)

**Effective Date:** 9 July 2024

#### 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 Prospectus prepared in accordance with section 713 of the *Corporations Act 2001* (Cth) (**Act**):

- an offer of convertible securities (**Convertible Securities**) to SBC Global Investment Fund or its nominee (**Investor**) (**Convertible Securities Offer**); and
- an offer of one (1) free-attaching unquoted option (**Placement Option**) for every two (2) fully paid ordinary shares in the Issuer the subject of confirmed commitments by participants in the Issuer's institutional placement to raise up to approximately \$4.5 million (before costs) announced 3 July 2024 (**Placement**), exercisable at an exercise price of \$0.12 per Placement Option on or before 30 June 2027 (**Placement Options Offer**),

(together, the **TMD Offers**).

The table below sets out the classes of investors that fall within the target market for the TMD Offers of the Convertible Securities and Placement Options (collectively, the **TMD Offer Securities**) based on the TMD Offer Securities' key attributes and the objectives, financial situation and needs that they have been designed to meet.

This TMD does not provide a full summary of the product features or terms of the TMD Offer Securities. 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 TMD Offer Securities.

This TMD is not intended to provide financial advice or take into account any particular objectives, financial situations or needs. The Issuer is not licensed to provide financial product advice in relation to the TMD Offer Securities. It is important for the investor to consider these matters and carefully read and consider the Prospectus in full 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: [www.tivan.com.au](http://www.tivan.com.au).

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 TMD Offer Securities are as follows:

<b>Eligibility</b>	<ol style="list-style-type: none"><li>1. The Convertible Securities Offer is made only to, and the Convertible Securities will only be issued to, the Investor or its nominee, subject to the execution of an accession deed in a form acceptable to the Issuer and provided the nominee is a sophisticated or professional investor under section 708(8) or section 708(11) of the Act, pursuant to the Convertible Securities Agreement between the Issuer and SBC Global Investment Fund announced to the ASX on 22 March 2024. The Convertible Securities Offer is therefore only capable of acceptance by the Investor, and is not being, and will not be offered to (and are not available to) any investor other than the Investor.</li><li>2. The Placement Options Offer is made only to, and the Placement Options will only be issued to, those persons who participated in the Placement, and whose commitment has been confirmed by the Company (the <b>Placement Participants</b>). The Placement Options Offer is therefore only capable of acceptance by Placement Participants, and is not being, and will not be offered to (and are not available to) any investor other than the Placement Participants.</li></ol>
<b>Terms</b>	<ol style="list-style-type: none"><li>1. Each Convertible Security has a face value of \$1.00 each and will mature on the date which is 18 months after the purchase date of 25 June 2024. Subject to any acceleration of repayment, the face value of the Convertible Securities will be subject to monthly repayments over 17 months from the purchase date in cash or Shares at the Issuer's election. Any face value that is still owing at the end of the 18 month term is repayable in cash.<ol style="list-style-type: none"><li>(a) For a repayment in Shares (at the Issuer's election), the conversion price will be the lesser of:<ol style="list-style-type: none"><li>(i) 93% of the average of 3 daily VWAPs selected by the Investor from among the daily VWAPs during the 20 trading days prior to the relevant repayment date; or</li><li>(ii) the Fixed Conversion Price (as defined in the Prospectus and which is \$0.065 as of the date of this TMD), with a nominal floor price of \$0.01.</li></ol></li><li>(b) If the Issuer:<ol style="list-style-type: none"><li>(i) issues or agrees to issue Shares to any person at a per Share price (whether actual or deemed) or issues options to acquire Shares to any person with an exercise price, in either case at a price that is less than the Fixed Conversion Price, other than under prescribed exceptions (including issues under the Convertible Securities Agreement or to employees and officers of the Issuer as compensation for services performed by them for the Issuer); or</li><li>(ii) issues any debt, equity or equity-linked securities to any person which are convertible into, exchangeable or exercisable for, or include the right to receive Shares or other</li></ol></li></ol></li></ol>

	<p style="text-align: center;">securities at a fixed price that is less than the Fixed Conversion Price,</p> <p style="text-align: center;">(all of which prices will be a <b>Lesser Price</b>), then the Fixed Conversion Price will be reduced to the Lesser Price.</p> <p>(c) The Investor may in its discretion elect to convert one or more Convertible Securities on issue at the Fixed Conversion Price. The Investor may also elect for the Issuer to redeem the Convertible Securities at their face value by the issue of Shares, with each acceleration redemption capped at the lesser of \$750k or the amount outstanding, subject to the aggregated accelerated redemptions not exceeding \$1.5 million.</p> <p>(d) The Investor may at any time where the Issuer raises funds from any source (other than from the Investor) in excess of an aggregate of \$5,000,000 require the Issuer to apply up to 20% of the proceeds of the funds raised that exceed \$5,000,000 in the aggregate to the redemption of outstanding Convertible Securities. Otherwise, on the maturity date, the Issuer must redeem the outstanding Convertible Securities by paying the amount outstanding in respect of the relevant Convertible Securities in cash.</p> <p>(e) The Convertible Securities have standard anti-dilution adjustments.</p> <p>Refer to Section 4.8 of the Prospectus for a summary of the key terms and conditions of the Convertible Securities.</p> <p>2. Each Placement Option will confer on the holder the right to subscribe for one Share at an exercise price of \$0.12 per Placement Option, exercisable on or before 5:00pm (Darwin time) on 30 June 2027 (<b>Expiry Date</b>). A Placement Option not exercised before the Expiry Date will automatically lapse at that time. The Placement Options will be exercisable at any time prior to the Expiry Date, where Shares issued on exercise of the Placement Option will rank equally in all respects with the then issued Shares.</p> <p>The Placement Options will not be quoted on the ASX. There is a risk that the Placement Options may become worthless in value if the Share price remains less than the exercise price of the Placement Options.</p> <p>Refer to Section 4.9 of the Prospectus for the key terms and conditions of the Placement Options.</p>
<p><b>2 Target Market</b></p> <p><b>The objectives, financial situation and needs of investors which are suitable for investment in the TMD Offer Securities and an explanation of why those particular financial circumstances are suitable.</b></p>	
<p><b>Investment objective</b></p>	<p>1. The Convertible Securities are targeted at the Investor who is familiar with speculative nature of an investment in a mining company. Further, the terms of the Convertible Securities have been negotiated by, and therefore are taken to have been designed for, the SBC Global Investment Fund as an investor whose apparent likely objectives, financial situation and needs are aligned with the Convertible Securities' terms negotiated by</p>

	<p>it. The Issuer therefore expects the Investor understands and appreciates the risks of investing in Convertible Securities as an asset class generally and the more specific risks of investing in the Issuer.</p> <p>2. The Placement Options are targeted at the Placement Participants, who may seek to profit from an increase in the market price of Shares and who are familiar with speculative nature of an investment in a mining company. As the Placement Options may be exercised at any time prior to the Expiry Date, the Issuer expects that an investment in the Placement Options will be suitable to a Placement Participant who wishes to have the right, but not the obligation, in the medium to long term (up to the Expiry Date) to acquire Shares, and thereby become exposed to the potential risks and benefits of holding further equity interests in the Issuer.</p>
<b>Investment timeframe</b>	<p>1. The target market for the Convertible Securities (i.e. the Investor) will likely take a short to medium term outlook in relation to their investment in the Issuer by way of the Convertible Securities, which have a maturity date of 18 months after the relevant purchase date.</p> <p>2. The target market for the Placement Options (i.e. the Placement Participants) will take a medium to long term outlook in relation to their investment in the Issuer by way of the Placement Options. The Placement Participants may choose to invest their funds via paying the exercise price such that it is received no later than the Expiry Date, should they wish to exercise their Placement Options.</p>
<b>Investor suitability metrics</b>	<p>It is expected that the target market for the TMD Offer Securities (i.e. the Investor or Placement Participants, as applicable) are investors who wishes to obtain optionality for exposure to the Issuer's ongoing operations by way of an investment in the TMD Offer Securities. The Issuer has assessed the TMD Offer Securities and formed the view that the TMD Offer Securities are likely to be consistent with the objectives, financial situation and needs of the potential investors in the target markets described above.</p> <p>The TMD Offer Securities are not suitable for investors other than the potential investors offered them, being the Investor or the Placement Participants (as applicable).</p>
<b>Risk</b>	<p>The Issuer considers that an investment in the applicable TMD Offer Securities will have a different risk profile to a direct upfront investment in Shares, including, for example in respect of the Placement Options, due to the fact that there is no obligation to exercise the Placement 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 applicable TMD Offer Securities (including an investment in Shares following (i) the conversion of Convertible Securities into Shares; or (ii) the exercise of the Placement Options to acquire Shares) is speculative, such that an investment in the Issuer may not be appropriate for an investor who would not be the able to bear the loss of some or all of their investment. The Issuer expects that:</p> <p>1. the SBC Global Investor Fund, being a fund who is familiar with speculative nature of an investment in a mining company, and any nominee they select; and</p>

	<p>2. the Placement Participants, being persons that do not require a disclosure document under the Act,</p> <p>are able to bear the loss of some or all of their investment.</p> <p>The Issuer considers that the Investor and Placement Participants have a sufficient level of financial literacy to understand and appreciate the risks of investing in the applicable TMD Offer Securities as an asset class generally (as opposed to ordinary shares) and the more specific risks of investing in the Issuer.</p> <p>Further potential risk factors that apply to the TMD Offers are summarised in Section 3.2 of the prospectus.</p>
<p><b>Distribution conditions</b></p>	<p>The Convertible Securities are only being offered to the Investor, and Placement Options are only being offered to the Placement Participants. The Prospectus includes jurisdictional conditions on eligibility for the TMD Offers.</p> <p>Applications for the applicable TMD Offer Securities can only be made under the Prospectus by completing an application in the form or manner that will be in, accompanied by or described in, the Prospectus. Only those investors that the Directors consider eligible to participate in the applicable TMD Offer (or any other offer in the Prospectus) will be sent the Prospectus and the accompanying application form.</p> <p>In respect of the Placement Options Offer, Placement Participants will be invited by the Joint Lead Manager to the Placement (CLSA Australia Pty Limited) to apply for Placement Options under the Placement Options Offer and will be provided with a copy of the Prospectus and an applicable Application Form for completion and return to the Joint Lead Manager.</p> <p>The Company will include a copy of this TMD on its website, <a href="http://www.tivan.com.au">www.tivan.com.au</a>. By making an application for the applicable TMD Offer Securities under the Prospectus, the applicant must warrant that it has obtained, read and understood this TMD (as the TMD applicable to the TMD Offer Securities) and that they meet the eligibility criteria of, and fall within, the target markets set out in this TMD.</p>
<p><b>Review triggers</b></p>	<p>The TMD Offer Securities are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the TMD Offer Securities will no longer be available for investment by way of issue.</p> <p>This TMD will only apply in relation to a particular TMD Offer for the period between the date of the Prospectus until the last issue of the corresponding TMD Offer Securities (<b>Review Period</b>), after which this TMD will be withdrawn with respect to that particular TMD Offer.</p> <p>To allow the Issuer to determine whether circumstances exist that indicate this TMD is no longer appropriate to the TMD Offers and should be reviewed, the following review triggers will apply for the Review Period:</p> <ol style="list-style-type: none"> <li>1. a new offer of TMD Offer Securities that requires preparation of a further disclosure document is made;</li> <li>2. any event or circumstance occurs that materially changes a factor that was taken into account in making this TMD;</li> </ol>

	<ol style="list-style-type: none"> <li>3. the existence of a significant dealing of the TMD Offer Securities that is not consistent with this TMD;</li> <li>4. ASIC raises concerns with the Issuer regarding the adequacy of the Prospectus, the design or distribution of the TMD Offer Securities, or this TMD; and</li> <li>5. there are material changes to the regulatory environment that applies to an investment in the TMD Offer Securities.</li> </ol> <p>The Issuer may also amend this TMD at any time.</p>
<b>Review</b>	<p>If a review trigger occurs in relation to a particular TMD Offer during the Review Period, the Issuer will undertake a review of this TMD in light of the review trigger as soon as reasonably practicable and, in any case, within five business days of the review trigger occurring.</p> <p>Periodic reviews of this TMD will not occur during the relevant Review Period. If the offer period for the any of the TMD Offers is extended by more than one month, this TMD will be reviewed on a monthly basis.</p>
<b>Reporting requirement</b>	<p>The Issuer will consider any of the following matters:</p> <ol style="list-style-type: none"> <li>1. complaints received by the Issuer in relation to the TMD Offer Securities;</li> <li>2. significant dealings in the TMD Offer Securities which are inconsistent with this TMD;</li> <li>3. any dealings outside the target market (to the extent that the Issuer is aware of such dealings); and</li> <li>4. the conduct of the Issuer under this TMD.</li> </ol> <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>

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

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