

## TARGET MARKET DETERMINATION

### Broker Options

- MADE BY:** Midwest Lithium Limited (ACN 666 910 416) of Level 6, 400 Collins Street, Melbourne VIC 3000 (**the Company**)
- PRODUCTS:** Unlisted options (**Broker Options**) each with an exercise price of \$0.375 and expiring three years from issue.
- EFFECTIVE DATE:** 31 August 2023

This target market determination (**TMD**) has been prepared by the Company in relation to the offer of Broker Options made by the Company under the prospectus of the Company dated 31 August 2023 and lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

The Prospectus is available on the website of the Company. Capitalised terms not defined in this TMD are as defined in the Prospectus.

The Broker Options are being offered under the Broker Option Offer contained in the Prospectus. The Broker Option Offer is only be made to and capable of acceptance by invitees who receive a personalised application form to apply for Broker Options under the Broker Option Offer.

The Broker Option Offer will be made under, or accompanied by, a copy of the Prospectus. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional adviser regarding the contents of the Prospectus. Any recipient of this TMD who wishes to acquire Broker Options will need to complete the application form that will be in, or will accompany, the Prospectus. This TMD is not a disclosure document for the purposes of the Corporations Act and therefore has not been lodged, and does not require lodgement, with ASIC.

This TMD is not to be treated as a full summary of the product terms and conditions and is not intended to provide financial advice. Investors should refer to the Prospectus for the terms and conditions of the product and when making a decision in respect of the product.

#### Target market

The target market for the Broker Options is the Lead Manager and/or its nominee(s). The number of Broker Options to be issued is the number equal to 2% of the capital base of the Company at Listing.

The information below summarises the overall general class of investors that fall within the target market for the Broker Option Offer, based on the key attributes of the product and the objectives, financial situation and needs that they have been designed to meet.



The Broker Options have been designed for investors whose likely objectives, financial situation and needs are aligned with the product. The Company expects an investment in the Broker Options will be suitable to investors who take a short to medium term outlook on their investment and are accustomed to making speculative investments in the mining exploration sector.

Investors with a short-term outlook for their investment will benefit from the opportunity to trade the underlying share on exercise of the Broker Options prior to the expiry date should there be a financial benefit in exercising an Broker Option if the exercise price is lower than the share price.

Investors with a medium term outlook will benefit from the opportunity to exercise the Broker Options prior to the expiry date and increase their shareholding and exposure to potential upside on the Shares of the Company into the future.

An exercise price is required to be paid to acquire Shares on exercise of Broker Options. As such the capacity to realise the underlying value of the Broker Options could require that they be exercised on or before the expiry date. Investors in the target market will need be in a financial position to have sufficient available funds so as to facilitate an exercise of the Broker Options prior to the expiry date. Prior to the expiry date, investors' ability to liquidate the Broker Options may be limited by a lack of liquidity in the trading and the price of the Shares.

It is also expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment. The Broker Options provide no income guarantee or capital protection for investors.

The Company considers that an investment in the Broker Options and the Company generally is highly speculative, such that an investment in the Company may not be appropriate for an investor who would not be able to bear the loss of some or all of their investment. Investors should also have sufficient financial literacy and resources (including appropriate advisers) to understand and appreciate the potential risk of investing in the Company as an asset class generally and the more specific risks of investing in an ASX listed mining exploration entity and should consider the Prospectus.

#### Distribution conditions

The Broker Option Offer under the Prospectus is an offer that is available to invitees who receive a personalised application form to apply for Broker Options. The Company will include a copy of this TMD on its website and require participants in the Broker Option Offer to confirm they meet the eligibility criteria of the target market outlined in this TMD before they apply for Broker Options.

#### Review triggers

The Broker Option Offer is open for acceptance for a limited offer period set out in this Prospectus. The Broker Option Offer will no longer be available for investment by way of issue following close of the offer period. Accordingly, this TMD applies between the commencement of the Broker Option Offer and the issue of the Broker Options (**Offer Period**).

To allow the Company to determine whether circumstances exist indicating this TMD is no longer appropriate to the Broker Options, the following review triggers apply for the Offer Period:

- new offers of Broker Options that requires preparation of a disclosure document is made after completion of the Offer Period;
- any event or circumstance occurs that materially changes a factor that was taken into account in making this TMD;
- the existence of a significant dealing of the Broker Options that is not consistent with this TMD;
- ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Broker Options or this TMD; and

- Material changes to the regulatory environment that applies to an investment in the Broker Options.

#### Review period

If a review trigger occurs during the Offer Period, the Company will review this TMD in light of the review trigger. The Company will otherwise complete a review of the TMD immediately prior to the issue of the Broker Options.

#### Information reporting

The reporting requirements of all distributors is set out below:

##### *Whether the distributor received complaints*

- During the Offer Period, the distributor is to make a report within 10 business days after the end of each quarter. Report also to be made 10 business days after the end of the Offer Period.
- Report to include the number of complaints received and a summary of the nature of each complaint or a copy of each complaint.

##### *A significant dealing that is not consistent with this TMD*

- Report as soon as reasonably practicable (and in any event no more than 10 business days) after the significant dealing occurs.
- Report to include details of the significant dealing and reasons the distributor considers the significant dealing is not consistent with this TMD.

##### *Summary of steps to be taken by the distributor to ensure its conduct was consistent with this TMD*

- Within 10 business days after close of the Broker Option Offer.
- Report to include a summary of steps taken by the distributor to ensure its conduct was consistent with this TMD.

#### Contact

For further information please contact the Company on +61 8 9420 8270.