

9 August 2023

Target Market Determination

Made by: AnteoTech Limited ACN 070 028 625 (**Issuer** or **AnteoTech**)

Product: Options to acquire fully paid ordinary shares (**Shares**) in the Issuer (**Options**) to be issued under a transaction specific prospectus dated 9 August 2023 (**Prospectus**)

Effective Date: 9 August 2023

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**) and has been designed to help investors understand who the offer of Options is most suitable for.

This TMD sets out the class of consumers for which the Options would likely be consistent with their financial objectives, the distribution conditions and restrictions imposed on the distribution of the Options, as well as reporting requirements for distributors in accordance with the requirements of section 994B of the Act.

A copy of the Prospectus is available on the Issuer's website, www.anteotech.com and the ASX's website, www.asx.com.au. The offer of Options is made under, or accompanied by, a copy of the Prospectus. Any applicant under the Prospectus should carefully read and consider the Prospectus in full and consult their stockbroker, accountant, solicitor and/or other professional adviser if they have any questions regarding the contents of the Prospectus. There is no cooling off period in respect of the issue of the Options.

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 what you currently have, or what you want and need, for your financial future. The Company is not licensed to provide financial product advice in relation to the Options.

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

2. Product Information

The key features of the Options are as follows:

Offer	An offer to each: • participant under a Placement to sophisticated and professional investors who subscribed for Shares at the Offer Price of \$0.032 (3.2 cents) per Share (Placement Offer); • Eligible Shareholder who subscribes for Shares under the SPP at the Offer Price, the record date of which is 25 July 2023 (SPP Option Offer); to subscribe for one free attaching Option for every two Shares issued, exercisable at \$0.064 (6.4 cents) on or before the date which is three years
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	after the date of issue (Options). The Placement Offer and the SPP Option Offer are being made under the Prospectus. These offers involve the offer of Options to Eligible Shareholders and to professional and sophisticated investors.
Eligibility	In respect of the SPP and SPP Option Offer, only existing Eligible Shareholders of the Issuer: • who are a registered holder of Shares as at 7.00pm (AEST) on 25 July 2023 (being the record date for the SPP); and • whose registered address was in Australia or New Zealand. In respect of the Placement Offer, these are only open to participants in the Placement.
Exercise price	The exercise price for the Options will be \$0.064 (6.4 cents) per Option.
Expiry date	Each Option will expire on the date which is three years after the date of issue (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse at that time.
Exercise period	The Options are exercisable at any time on or prior to the Expiry Date.
Shares issued on exercise	Shares issued on exercise of the Options will rank equally in all respects with the then issued Shares in the Issuer.
Transferability	Application will <u>not</u> be made for the Options to be quoted on ASX. Accordingly, the Options will be unlisted. The Options will be transferrable, subject to registration of the transfer by the Company.

3. 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 are provided below:

Investment objective	As the Options may be exercised at any time prior to the Expiry Date, 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 term to acquire the Issuer's shares and have exposure to the Issuer's current products and pipeline of future products. The Options are for those who: • are entitled to apply for them under the Prospectus; • seek to profit from an appreciation in the market price of Shares in the Company, and/or who have a medium to long-term view on the Shares or the underlying assets of the Company; and • who are accustomed to investing in speculative investments in the clean energy and life sciences sectors.
Investment timeframe	The Options will only be issued to investors under the Placement and SPP, and consequently have been designed for consumers who: • have acquired or will acquire Shares under the Placement or SPP; • have the ability to consider the economic risk of the exercise of the

	Options; • given the speculative nature of the Shares and Options, have adequate means to provide for their current needs and to withstand a loss of the entire investment of the Shares and Options; • have such knowledge and experience that they are capable of evaluating the merits and risks of exercising the Options; • take a medium 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 the time period to the Expiry Date, should they wish to exercise their Options; and • have determined that the Shares and Options are a suitable investment.
Investor suitability metrics	While the Issuer does not have an established eligibility framework for Investors based on metrics (for instance 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 targeted future growth. Only Eligible Shareholders and Placement participants, who are already investors in the Issuer, will be permitted to apply for Options.
Risk	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 prior to the Expiry Date. 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 and the more specific risks of investing in the Issuer.
Excluded class of consumers	The Options are not suitable for investors: • who are not seeking to have the potential to increase their investment in the Issuer; • 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; • who require an income stream from their investment; • who do not ordinarily invest in speculative investments in the hemp and nutraceutical sectors; and • who are resident outside Australia and are not applicants under the Placement or SPP.

The Issuer has assessed the Options and formed the view that the Options are likely to be consistent with the objectives, financial situation and needs of investors in the target market as described above in this section 3.

4. Distribution conditions and restrictions

The Options will also be subject to the distribution condition that investors will be provided with a copy of the Prospectus before they apply for Options, and access to this TMD.

The key restrictions on distribution for the Placement Offer are that the Options will only be offered and issued to participants in the Placement.

The key restrictions on distribution for the SPP Option Offer are that the Options will only be offered and issued to Eligible Shareholders who participate in the SPP.

The Issuer considers that these distribution conditions will ensure that persons who invest in Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Issuer.

5. Review triggers

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. It follows that the TMD will only apply in the period between the commencement of the offer of the Options under the Prospectus and the Closing Date (**Offer Period**), after which the TMD will be withdrawn.

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:

- 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;
- it is apparent that Shareholders will not approve the issue of Options by the requisite majority;
- the Issuer lodges with ASIC a supplementary or replacement prospectus in relation to the Prospectus;
- the occurrence of a significant dealing in Options that is not consistent with this TMD;
- the Issuer identifies a substantial divergence in how the Options are being distributed and purchased from this TMD;
- 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
- material changes to the regulatory environment that applies to an investment in the Options.

The Issuer may also amend this TMD at any time.

6. Review

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 10 business days of the review trigger occurring.

Periodic reviews of the TMD will occur regularly during the Offer Period. If the Offer Period extends for more than one month, the TMD will in addition be reviewed on a monthly basis.

7. Reporting requirements

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:

- (a) complaints received by the Issuer in relation to the Options;
- (b) significant dealings in the Options which are inconsistent with this TMD;
- (c) any dealings outside the target market (to the extent that the Issuer is aware of such dealings); and
- (d) 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.

8. Authorisation

This document was approved and authorised by the Directors of the Issuer.

For Further Information

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About Anteotech - Anteotech Ltd (ASX:ADO)

Anteotech is a revenue stage particle surface chemistry company leveraging our proprietary nano polymer technology to solve global industry problems for our customers in the clean energy and life sciences sectors. In the rapidly growing clean energy market, our lead product Anteox™, has been proven to provide significant improvement in anode performance and the Company has partnered with global suppliers to the lithium-ion battery manufacturing, with first revenues targeted for late 2023 from our Brisbane based commercial plant. The portfolio includes a proprietary micro silicon anode in late-stage development, made with unrefined silicon which offers advantages of size, weight and cost. The life sciences division services the point of care and diagnostics markets from global diagnostics companies to technology developers. The unique characteristics of Anteobind™ provides strong advantages in bioconjugation to rapidly speed up testing procedures and improve accuracy.

See more at www.anteotech.com