

Target Market Determination

Made by:	Athena Resources Limited ACN 113 758 900 (Company)
Product:	Options to acquire shares in the Company (Shares) under the Company's prospectus dated 22 November 2022 (Prospectus). A pro rata non-renounceable entitlement issue of to be quoted Options (\$0.018 exercise price, 20 October 2025 expiry date) (Options) at an issue price of \$0.002 per New Option to Eligible Shareholders on the basis of 1 Option for every 3 Shares held as at the Record Date (Offer).
Effective Date:	22 November 2022

This target market determination (**TMD**) has been prepared by the Company in relation to an offer of new Options under the Prospectus pursuant to the Offer above.

A copy of the Prospectus is available on the following link :

<https://athenaresources.com.au/investor-centre/rights-issue/>

Copeak Corporate Pty Ltd (ACN 632 277 144) <The Trustee for Peak Asset Management Unit Trust> trading as Peak Asset Management has been appointed as the lead manager to the Offer (**Lead Manager**).

The 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 if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wants to acquire Options under the Offer will need to complete payment by BPAY® or EFT in accordance with the instructions contained in 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 *Corporations Act 2001* (Cth), and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**ASIC**) nor does it contain a full summary of the terms and conditions of the New Options.

This TMD does not take into account what you currently have, or what you want and need, for your financial future. It is important for you to consider these matters and read the Prospectus before you make an investment decision. 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.

1. Target Market

(a) Investment objective

The Company expects that an investment in Options will be suitable to investors who wish to gain exposure to equities in a small/mid-cap mining company listed on the Australian Securities Exchange (**ASX**).

(b) Investment timeframe

The target market of investors will take a short to medium term outlook on their investment. Investors with a short-term outlook for their

investment will benefit from an anticipated listing of the Options on ASX, as well as an ability to exercise Options and trade the underlying Shares issued on exercise should the Option exercise price of the Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise Options within the term of the Options and increase their shareholding and exposure to the potential upside in the Company's Shares into the future.

Given the need to pay the exercise price in order to acquire Shares, investors in the target market are in a financial position that is sufficient for them to invest their funds on exercise of the Options before the expiry date on 20 October 2025, during which their ability to liquidate their Options in the Company may be limited by a lack of liquidity in the Options and by the trading price of Shares.

(c) Investment metrics

While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment.

(d) The Options offer no guaranteed income or capital protection

An exercise price is required to be paid to acquire Shares on exercise of new Options. As such, the capacity to realise the underlying value of the new Options would require that they be exercised on or before the expiry date. Investors in the target market will need to be in a financial position to have sufficient available funds so as to facilitate an exercise of the new Options prior to the expiry date. Prior to the expiry date, investors' ability to liquidate the new Options may be limited by a lack of liquidity in the trading of new Options and Shares and the price of the Shares. The new Options offer no guaranteed income or capital protection.

(e) Risk

The Company considers that an investment in the Options is highly speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some or all of the investment. Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the risks of investing in Options as an asset class generally and the more specific risks of investing in an Australian listed mining company.

2. Distribution Conditions

Only existing shareholders of the Company who:

- (a) are a registered holder of a Share as at 4.00pm (WST) on 25 November 2022 (being the record date for the Offer); and
- (b) have a registered address, on the Company share register, in Australia, New Zealand or Hong Kong,

will be entitled to participate in the Offer of Options under the Prospectus (**Eligible Shareholders**).

Any entitlement not taken up under the Offer will form a shortfall offer (**Shortfall Offer**). The Shortfall Offer may potentially be allocated to other Eligible Shareholders or other third parties. Eligible Shareholders may subscribe for New Options above their entitlement under the Shortfall Offer. In addition, the Lead Manager may subscribe, or procure that subscriptions are made by third party investors, under the Shortfall Offer pursuant to the lead manager mandate.

A copy of the Prospectus and access to this TMD will only be made available to Eligible Shareholders and the Lead Manager (and its nominees) before they apply for Options.

The Company 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 Company.

3. 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 by way of issue. It follows that the TMD will only apply in the period between the commencement of the offer of the Options and the issue of the Options shortly after the close of the Offer (**Offer Period**).

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Options and should be reviewed, the following review triggers apply for the Offer Period:

- (a) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;
- (b) any event or circumstance that would materially change a factor taken into account in making this TMD;
- (c) the existence of a significant dealing of the Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
- (d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (e) material changes to the regulatory environment that applies to an investment in the Options.

4. Review Period

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger.

The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the Offer.

5. Information reporting

The reporting requirements of all distributors is set out in the table below.

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Options.	<ul style="list-style-type: none">• For such time as the Offer Period remains open, within 10 business days after the end of each quarter.• Within 10 business days after the end of the Offer Period.	<ul style="list-style-type: none">• The number of complaints received.• A summary of the nature of each complaint or a copy of each complaint.
A significant dealing of the Options that is not consistent with this TMD	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than 10 business days after the significant dealing occurs.	<ul style="list-style-type: none">• Details of the significant dealing.• Reasons why the distributor considers that the significant dealing is not consistent with this TMD.
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.	Within 10 business days after the end of the close of the offer of Options in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

6. Contact details

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

Edmond Edwards

Company Secretary

Phone: +61 448 895 664

Email: ahn@athenaresources.com.au