

**Rubix Resources Limited**

**ACN 649 096 917**

**Target Market Determination**

**Proposed Issue of Listed Options**

**Made by:** Rubix Resources Limited ACN 649 096 917 (*Issuer*)  
**Product:** Listed options to acquire fully paid ordinary shares (*Shares*) in the Issuer  
(*Options*) to be issued under a Prospectus dated 16 May 2022 (*Prospectus*)  
**Effective Date:** 16 May 2022

**1 Background**

- (a) 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*).
- (b) 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.
- (c) The Options are targeted at those investors who seek profit from an increase in the market price of Shares and those investors who are familiar with speculative nature of an investment in an ASX-listed junior exploration company.
- (d) The Offer will be made under the Prospectus. 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.
- (e) Unless otherwise defined in this TMD, capitalised terms have the meaning given to them in the Prospectus.

## 2 Target Market Determination

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<b>Eligibility for product</b>	1	Only applicants under the Entitlement Offer and applicants under the Shortfall Offer are entitled to participate in the offer of Options under the Prospectus.
	2	An applicant under the Entitlement Offer is:  (a) a Shareholder whose details appear on the Register as at the Record Date with a registered address in Australia or New Zealand; and  (b) who is eligible under all applicable securities laws to receive an offer under the Entitlement Offer at the record date which is 19 May 2022 ( <b>Record Date</b> ).
	3	Any entitlement not taken up under the Entitlement Offer will form the Shortfall Offer, which is a separate offer made pursuant to the Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Option under the Shortfall Offer is \$0.001 being the same price at which Options are offered under the Entitlement Offer. The Directors reserve the right to issue Shortfall Options at their absolute discretion.
	4	The Issuer considers that the distribution conditions will ensure that persons who invest in the Options fall within the target market (those who have received and apply under the Prospectus and subscribe for Shares).

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<b>Key terms of the product and key attributes</b>	1	Each Option has an issue price of \$0.001.
	2	The Options are exercisable at \$0.20 each.
	3	Under the Entitlement Offer, each Eligible Shareholder is entitled to one (1) Option for every two (2) fully paid ordinary shares held by those shareholders registered on the Record Date.
	4	Each Option entitles the holder to be issued one (1) fully paid ordinary share in the Company on payment of the exercise price.
	5	The Options expire at 5.00pm (AWST) on 16 June 2025 ( <b>Expiry Date</b> ).
	6	The Options may be exercised at any time after the date of issue of the Options and on or before the Expiry Date
	7	The underlying Shares that would be issued on the exercise of the Options will rank equally with the Shares on issue in the Company.
	8	The Options will be listed on ASX.
	9	The Options are transferable.

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<b>Investment objectives, financial situation and needs</b>	<p>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 short to medium term (approximately three years) to acquire the Shares, and thereby become exposed to the risks and benefits of holding equity interests in the Issuer.</p> <p>The Company expects that an investment in the Options will be suitable to investors who wish to gain exposure to equities in an ASX-listed junior exploration company.</p>
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**Investment timeframe** The target market of investors will take a short to 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 a time period of up to approximately three years should they wish to exercise their Options.

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**Investor suitability metrics** 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 and who will be able to withstand potential fluctuations in the value of their investment. The Options offer no guaranteed income or capital protection.

The Options are not suitable for investors:

- 1 who are not seeking to have the potential to increase their investment in the Issuer; and
- 2 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.

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.

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**Maximum period** 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**).

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

- 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.
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**Reporting period** If a review trigger occurs during the Offer Period, the Issuer will undertake a review of the TMD in light of the review trigger within 10 business days upon the occurrence of the review trigger.

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

The Issuer may also amend this TMD at any time.

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**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 and that the existence of a fixed exercise price provides increased leverage to movements in the price of Shares. The Issuer considers that an investment in the Options is highly speculative, such that an investment in the Issuer 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 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.

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**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 in relation to this TMD:

- 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.

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.

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**Contact Details** For further information, please contact:

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