
TARGET MARKET DETERMINATION

Made by: Race Oncology Limited (ACN 149 318 749) Level 36, 1 Macquarie Place
Sydney NSW 2000 (**Company**)

Product:

- (a) Bonus options in connection with a non-renounceable bonus issue (**Bonus Options**); and
- (b) options to acquire fully paid ordinary shares to be issued on exercise of the Bonus Options (**Piggyback Options**),

offered under a prospectus dated 22 November 2023 (**Prospectus**)(together the **Offers**).

Effective date: 22 November 2023

This target market determination (**TMD**) has been prepared by the Company in relation to an offer to issue the Bonus Options made by the Company under the Prospectus. A copy of the Prospectus is available on the Company's website, www.raceoncology.com.

Capitalised terms in this TMD have the same meanings as under the Prospectus unless the context requires otherwise.

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. As the issue of Options under the Offers involves:

- (a) a bonus issue of options; and
- (b) the issue of the Piggyback Options to Eligible Optionholders who will submit exercise notices,

Eligible Shareholders and Eligible Optionholders are not required to apply for the Bonus Options and Piggyback Options respectively. As such, there is no application form attached to the Prospectus.

There is no cooling off period in respect of the issue of the Bonus 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 Bonus 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 Bonus Options.

2. TARGET MARKET

Factor	Target market
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Investment Objective	<p>The Company expects that an investment in Bonus Options and Piggyback Options will be suitable to investors who wish to gain exposure to equities in a small-cap pharmaceuticals, biotechnology and life sciences company listed on the Australian Securities Exchange (ASX).</p>
Investment Timeframe	<p>Bonus Options</p> <p>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 ability to exercise Bonus Options and trade the underlying Shares issued on exercise should the exercise price of the Bonus Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise the Bonus Options within the [6 month] term of the Bonus Options and increase their shareholding and exposure to the potential upside in the Company's Shares into the future.</p> <p>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 over a [6 month] time horizon should they wish to exercise their Bonus Options. Any decision to exercise the Bonus Options is likely to be based on the trading price of the Shares.</p> <p>Piggyback Options</p> <p>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 ability to exercise Piggyback Options and trade the underlying Shares issued on exercise should the exercise price of the Piggyback Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise the Piggyback Options within the term of the Piggyback Options and increase their shareholding and exposure to the potential upside in the Company's Shares into the future.</p> <p>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 over a time horizon should they wish to exercise their Piggyback Options. Any decision to exercise the Piggyback Options is likely to be based on the trading price of the Shares.</p>
Investment Metrics	<p>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.</p> <p>An exercise price is required to be paid to acquire shares on exercise of Bonus Options or Piggyback Options. As such, the capacity to realise the underlying</p>

	<p>value of the Bonus Options or Piggyback 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 Bonus Options or Piggyback Options prior to the expiry date. Prior to the expiry date, investors' ability to liquidate the Bonus Options or Piggyback Options may be limited by a lack of liquidity in the trading of Shares and the price of the Shares.</p> <p>The Bonus Options and Piggyback Options offer no guaranteed income or capital protection.</p>
Risk	<p>The Company considers that an investment in the Bonus Options and Piggyback 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 Bonus Options or Piggyback Options as an asset class generally and the more specific risks of investing in an Australian listed pharmaceuticals, biotechnology and life sciences company.</p>

3. DISTRIBUTION CONDITIONS

The offer of:

- (a) Bonus Options under the Prospectus is being made to Eligible Shareholders; and
- (b) Piggyback Options under the Prospectus is being made to Eligible Optionholders.

The Prospectus will include jurisdictional conditions on eligibility. The Company will also include on its web landing page for the offer of Bonus Options and Piggyback Options a copy of this TMD and the Prospectus.

As the issue of Options under the Offers involves:

- (a) a bonus issue of options; and
- (b) the issue of the Piggyback Options to Eligible Optionholders who will submit exercise notices,

Eligible Shareholders and Eligible Optionholders are not required to apply for the Bonus Options and Piggyback Options respectively. As such, there is no application form attached to the Prospectus. This means that retail clients cannot meet the eligibility criteria of the expected target market outlined in this TMD if they do not have a registered address in Australia or New Zealand.

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

4. REVIEW TRIGGERS

The Bonus Options and Piggyback Options are being offered for a limited offer period set out in the Prospectus, after the conclusion of which the Bonus Options and Piggyback Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between:

- (a) the commencement of the offer of the Bonus Options and the issue of the Bonus Options shortly after the close of the Bonus Options Offer, for the purposes of the issue of Bonus Options (**Bonus Options Offer Period**); and
- (b) the commencement of the offer of the Piggyback Options and the issue of the Piggyback Options shortly after the close of the Piggyback Options Offer, for the purposes of the issue of Piggyback Options (**Piggyback Options Offer Period**),

(together, the **Offer Periods**).

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

- (c) a new offer of Bonus Options or Piggyback Options that requires preparation of a disclosure document is made after completion of the relevant Offer Period;
- (d) any event or circumstance that would materially change a factor taken into account in making this TMD;
- (e) the existence of a significant dealing of the Bonus Options or Piggyback Options that is not consistent with this TMD;=;
- (f) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Bonus Options, Piggyback Options or this TMD; and
- (g) Material changes to the regulatory environment that applies to an investment in the Bonus Options or Piggyback Options.

5. REVIEW PERIOD

If a review trigger occurs during the Offer Periods, 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:

- (a) the issue of Bonus Options under the Bonus Options Offer; and
- (b) the issue of Piggyback Options under the Piggyback Options Offer.

6. 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 Bonus Options or Piggyback Options.	<ul style="list-style-type: none"> For such time as the Offer Periods remain open, within 10 business days after the end of each quarter. Within 10 business days after the end of the Offer Periods. 	<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 Bonus Options or Piggyback 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 Bonus Options or Piggyback 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.

7. CONTACT DETAILS

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

Peter Webse
Company Secretary
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Email: info@raceoncology.com