
Target Market Determination

Made by: Adslot Ltd ACN 001 287 510 of Level 2, 419 Collins Street, Melbourne VIC 3000 (**Company**)

Product: Unlisted options to acquire ordinary shares in the Company with a nil issue price, exercisable at \$0.006 each and expiring on 31 December 2024, which are being issued under a prospectus dated 9 June 2023 (as amended by a supplementary prospectus dated 13 June 2023) and in connection with the issue of fully paid ordinary shares in the capital of the Company (**Options**)

Effective Date: 14 June 2023

1 Important information

This target market determination (**TMD**) has been prepared by the Company in relation to the following offers to issue the Options made by the Company under a prospectus dated 9 June 2023, as amended by a supplementary prospectus dated 13 June 2023 (as so amended, **Prospectus**):

- (a) a fully underwritten, non-renounceable pro-rata entitlement offer of 1 new ordinary share (**New Share**) for every 2.8 existing ordinary shares held by shareholders in Adslot Ltd with a registered address in Australia or New Zealand as at the record date, at an issue price of \$0.004 per New Share to raise approximately \$3.15 million before costs. Every 1 New Share will be accompanied, at a nil issue price, by 1 attaching new option (**New Option**) with an exercise price of \$0.006 per New Option and an expiry date of 31 December 2024 (**Entitlement Offer**); and
- (b) an offer to Placement Participants of up to 250,000,000 New Options at a nil issue price (**Placement Offer**),

(together the **Offers**).

The initial Prospectus and the supplementary Prospectus were lodged with the Australian Securities and Investments Commission (**ASIC**) on 9 June 2023 and 13 June 2023, respectively, and they were released to ASX on those respective dates. An electronic copy of the Prospectus is available on the Company's website, <https://www.adslot.com/>. The Company will send a copy of the Prospectus, or instructions about how to download it, to eligible recipients outlined above.

The Offers will be made under, or accompanied by, a copy of the Prospectus. Any recipient of this TMD who is eligible and interested in acquiring Options 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 is eligible and wishes to acquire Options under the Offers will need to complete the application form that will be in, or will accompany, 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) (**Corporations Act**), and therefore has not been lodged, and does not require lodgement, with ASIC.

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.

Capitalised terms used, but not defined, in this TMD, have the meaning ascribed to them in the Prospectus.

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 Corporations Act.

2 Target Market

The Offers are to be made under the Prospectus only to, and therefore can only be accepted by, certain eligible recipients, being:

- (a) Participants in the placement announced by the Company on 9 June 2023;
- (b) Participants in the Entitlement Offer, also announced on 9 June 2023; and
- (c) Shortfall participants who are issued New Shares forming the shortfall from the Entitlement Offer.

The information below summarises the overall class of investors that fall within the target market for the Options, based on the key attributes of the product and the objectives, financial situation and needs that they have been designed to meet. The Options have been designed for investors whose likely objectives, financial situation and needs are aligned with the product.

The Company expects an investment via the acquisition of Options would be suitable to investors who take a short to medium term outlook on their investment and are accustomed to making speculative investments in the online services sector, in particular ASX listed online services companies. Particularly, those eligible recipients outlined above who have subscribed for New Shares.

Investors with a short to medium term outlook for their investment will benefit from the ability to trade the underlying ordinary shares issued on exercise of the Options prior to the expiry date of 31 December 2024, should the exercise price be lower than the then-share price of ordinary shares in the Company.

Investors with a medium term outlook will benefit from the ability to exercise the Options prior to the expiry date of 31 December 2024 and receive ordinary shares and exposure to potential upside on the ordinary shares of the Company into the future.

An exercise price is required to be paid on exercise of the Options in order to acquire ordinary shares in the Company. As such, 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 Options prior to their expiry date. An investors' ability to sell ordinary shares issued upon exercise of Options may be limited by a lack of liquidity in the trading of the ordinary shares, and by the price of the Company's ordinary shares.

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 would need to be able to withstand potential fluctuations in the value of their investment. Options and ordinary shares issued upon exercise of the Options offer no income guarantee or capital protection for investors.

The Company considers that an investment in the Options and ordinary shares issued upon exercise of the Options 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 (including the Options and ordinary shares issued upon exercise of the Options) as an asset class generally and the more specific risks of investing in the Company including the risks as described in the Prospectus.

3 Distribution Conditions

The Offers of Options are being made under the Prospectus, and only to those eligible recipients as identified in the Prospectus. Acceptances of or applications for Options can only be made under the Prospectus by completing an application in the form or manner that will be in, accompanied by or described in, the Prospectus.

The Company will send each eligible recipient a link to the Prospectus and a personalised application form.

The Prospectus includes details of how eligible recipients are identified (by reference to their participation in the placement and/or the entitlement offer described above).

The Company will include a copy of this TMD on its website, <https://www.adslot.com/>. By making an application for Options under the Prospectus, the applicant warrants that they have obtained, read and understood this TMD (as the TMD is applicable to the Options) and that they meet the eligibility criteria of, and fall within, the target markets set out in this TMD.

The Company considers that these distribution conditions will ensure that persons who receive 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 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 under the Prospectus. It follows that the TMD will only apply in the period between the commencement of the Offers of the Options under the Prospectus and the issue of the Options shortly after the close of the Offers (**Offer Period**), after which the TMD will be withdrawn.

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) if there is a material change to the key attributes of the Options or the regulatory environment under which they are offered that make them no longer consistent with the likely objectives, financial situation and needs of clients in the target market;

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- (b) either ASIC or the ASX raise concerns with the Company regarding the adequacy of the Prospectus, the design or distribution of the Options or this TMD;
 - (c) the Company lodges with ASIC a further supplementary or replacement prospectus in relation to the Prospectus; or
 - (d) 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 is a significant dealing.

5 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 as soon as reasonably practicable.

The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the Offers. Given the length of the Offer Period (approximately 7 business days) the Company does not intend to undertake periodic reviews of this TMD.

6 Information Reporting

The requirements of all distributors to report to the Company are set out below:

- (a) On whether the distributor received any complaints about the Options.
 - (i) During the Offer Period, distributors are to give the Company a written report within 10 business days after the end of each quarter. A written report must also be given the Company 10 business days after the end of the Offer Period.
 - (ii) Each report is to include the number of complaints received and a summary of the nature of each complaint or a copy of each complaint.
- (b) On the occurrence of a significant dealing of the Options that is not consistent with this TMD.
 - (i) Give the Company a report as soon as reasonably practicable (and in any event no more than 10 business days) after the significant dealing occurs.
 - (ii) Each report is to include details of the significant dealing and reasons the distributor considers the significant dealing is not consistent with this TMD.
- (c) A summary of steps to be taken by the distributor to ensure its conduct was consistent with this TMD.
 - (i) Within 10 business days after close of the Offers distributors are to give the Company a report which includes a summary of steps taken by the distributor to ensure its conduct was consistent with this TMD.

7 Contact Details

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

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