

Target Market Determination

Melbana Energy Limited

ACN 066 447 952

Contents

1.	Target market	2
2.	Distribution conditions	3
3.	Review triggers	4
4.	Review Period	5
5.	Information reporting	5
6.	Contact details	6

Target Market Determination

Made by: **Melbana Energy Limited** (ACN 066 447 952) of Mezzanine Floor, 388 George Street, Sydney, NSW 2000 (**Company**)

Product:

- (a) listed Attaching Options to Placement Participants on the basis of 1 Attaching Option for one Placement Share issued to the Placement Participants under the Placement;
- (b) unlisted Bonus Options to Placement Participants on the basis of 1 Bonus Option for every two Attaching Options exercised, to be issued to holders of Attaching Options following the expiry date of the Attaching Options; and
- (c) Lead Manager Options (which comprises Attaching Options and Bonus Options) to be issued to Bell Potter Securities Limited and PAC Partners Securities Pty Limited (in equal proportions) who acted as the Joint Lead Managers under the Placement,

offered under a prospectus dated 18 December 2025 (**Prospectus**) (together the **Offers**).

Attaching Options and Bonus Options will also be issued to the Company's Directors as part of their participation in the Placement.

Effective date: 18 December 2025

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

Placement Participants and Directors are not required to apply for the Attaching Options and Bonus Options respectively. The Lead Managers are not required to apply for the Lead Manager Options.

There is no cooling-off period in respect of the issue of the Attaching Options, Bonus Options or Lead Manager Options. This TMD is not a disclosure document for the purposes of the *Corporations Act 2001* (Cth) and, accordingly, has not been lodged, and does not require lodgement, with the ASIC. This TMD has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 in New Zealand.

This TMD does not contain a full summary of the terms and conditions applicable to the Attaching Options, Bonus Options, or Lead Manager Options. Eligible recipients of the Options (being Placement Participants and Lead Managers) should refer to the Prospectus and relevant offer documentation for detailed information regarding the rights, obligations, and risks associated with these securities.

This TMD does not take into account your individual financial situation, objectives, or needs.. 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 Attaching Options, Bonus Options, or Lead Manager Options.

1. Target market

Factor	Target market
Investment Objective	The Company expects that an investment in the Attaching Options, Bonus Options, and Lead Manager Options will be suitable for eligible recipients seeking exposure to equities in a small-cap energy exploration company listed on the Australian Securities Exchange (ASX), with a focus on oil and gas assets.
Investment Timeframe	<p>Attaching Options</p> <p>The target market comprises investors with a short to medium-term investment outlook who are seeking exposure to equities in a small-cap energy exploration company listed on the ASX. The Attaching Options are suitable for investors who are willing to monitor market conditions and act within a defined timeframe, noting that the Attaching Options must be exercised within one year of date of issue.</p> <p>Investors with a short-term outlook may benefit from the ability to exercise the Attaching Options and trade the underlying Shares issued upon exercise, particularly where the exercise price is below the prevailing market price of the Shares. Investors with a medium-term outlook may view the Attaching Options as a mechanism to increase their equity exposure in the Company within the exercise period, thereby participating in any potential upside in the Company's share price.</p> <p>Bonus Options</p> <p>The target market comprises investors with a short to medium-term investment outlook. Investors with a short-term focus may benefit from the ability to exercise Bonus Options and trade the underlying Shares issued upon exercise, particularly where the exercise price is below the prevailing market price of the Shares. Investors with a medium-term outlook may view the Bonus Options as an opportunity to increase their equity exposure in the Company within the three-year term of the Options, thereby participating in any potential upside in the Company's share price. Bonus Options will only be issued upon the valid exercise of Attaching Options. They will not be issued at the same time as the Attaching Options themselves.</p> <p>Given that the exercise of Bonus Options requires payment of the exercise price to acquire Shares, investors in the target market are expected to have the financial capacity to commit funds within a defined investment horizon of up to three years from the date of issue. The decision to exercise the Bonus Options is likely to be influenced by the trading price of the Shares at the relevant time.</p> <p>Lead Manager Options</p> <p>The Lead Manager Options are intended for Lead Managers who have a short-term investment horizon and are seeking potential upside through equity exposure in the Company. These participants may benefit from the opportunity to exercise their options and sell the</p>

Factor	Target market
	<p>resulting Shares, particularly in circumstances where the exercise price is lower than the prevailing market price.</p> <p>As exercising the Lead Manager Options involves a capital outlay, Eligible Recipients are expected to possess the financial capacity to fund the exercise price within a timeframe of up to one year from the date of issue. The decision to exercise will likely depend on market conditions at the time, especially the trading price of the Company's Shares.</p>
<p>Investment Metrics</p>	<p>The Company does not apply a formal eligibility framework based on investor characteristics such as age, expected return, or volatility preferences. However, it is expected that investors within the target market will have the financial resilience and risk tolerance to absorb potential fluctuations in the value of their investment.</p> <p>To acquire Shares through the exercise of Attaching Options, Bonus Options or Lead Manager Options, investors must pay the applicable exercise price. Accordingly, the ability to realise any value from these Options is contingent upon exercising them on or before their respective expiry dates. Investors must therefore be in a financial position to allocate sufficient funds to facilitate exercise within the required timeframe.</p> <p>Prior to the expiry dates, investors' ability to liquidate the Attaching Options, Bonus Options or Lead Manager Options may be limited by a lack of liquidity in the trading of Shares and the price of the Shares.</p> <p>The Attaching Options, Bonus Options and Lead Manager Options do not offer guaranteed returns, income, or capital protection.</p>
<p>Risk</p>	<p>The Company considers that an investment in the Attaching Options, Bonus Options and Lead Manager Options is highly speculative, such that an investment in the Company may not be appropriate for investors who are unable to bear the risk of losing some or all of their investment.</p> <p>Investors should have an adequate level of financial literacy and resources (either independently or with the assistance of a qualified adviser) to understand and assess the risks associated with investing in options as a financial product, and the specific risks of investing in an Australian-listed energy exploration company such as Melbana Energy Limited.</p>

2. Distribution conditions

The offer of:

- (a) Attaching Options under the Prospectus is being made to Placement Participants; and
- (b) Bonus Options under the Prospectus is being made to Placement Participants; and

- (c) Lead Manager Options under the Prospectus is being made to the Lead Managers in recognition of their services in connection with the Placement.

The Prospectus will include jurisdictional conditions on eligibility for participation in the offers of Attaching Options, Bonus Options, and Lead Manager Options.

Shareholders of the Company have approved the issue of the Attaching Options, the Bonus Options and the Lead Manager Options at its Annual General Meeting on 20 November 2025.

Placement Participants are not required to complete an application form to receive Attaching Options or Bonus Options, as these will be issued in accordance with their entitlements under the Placement and subject to Shareholder approval. Similarly, Lead Manager Options will be issued to the Lead Managers in accordance with the terms of their engagement and subject to Shareholder approval, and no application form is required for their issue.

The Bonus Options will be issued at the expiry of the Attaching Options, and not upon exercise of the Attaching Options.

To be eligible to acquire Attaching Options, the Bonus Options and the Lead Manager Options, investors must be registered in Australia or New Zealand. This means that Placement Participants and Lead Managers cannot meet the eligibility criteria of the expected target market outlined in this TMD unless they have a registered address in Australia or New Zealand. Accordingly, individuals or entities outside these jurisdictions do not satisfy the distribution conditions applicable to the offer of Attaching Options, Bonus Options, or Lead Manager Options, in circumstances where personal advice is not being provided by the Company.

The Company considers that these distribution conditions will ensure that persons who acquire Attaching Options, Bonus Options, or Lead Manager Options fall within the target market, in circumstances where personal advice is not being provided by the Company.

3. Review triggers

The Attaching Options, Bonus Options, and Lead Manager Options are being offered for a limited offer period as set out in the Prospectus. After the conclusion of the relevant offer periods, these Options will no longer be available for investment by way of issue.

It follows that this TMD will only apply during the following periods:

- (a) the commencement of the offer of the Attaching Options and the issue of the Attaching Options (**Attaching Options Offer Period**);
- (b) the commencement of the offer of the Bonus Options and the issue of the Bonus Options (**Bonus Options Offer Period**); and
- (c) the commencement of the offer of the Lead Manager Options and the issue of the Lead Manager Options in accordance with the terms of engagement (**Lead Manager 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 Attaching Options, Bonus Options, or Lead Manager Options and should be reviewed, the following review triggers apply for the Offer Periods:

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

4. Review Period

The Company will undertake a review of this TMD immediately prior to:

- (a) the issue of Attaching Options and Bonus Options under the Placement Participants; and
- (b) the issue of Lead Manager Options under the terms of engagement with the Lead Managers

This review is intended to ensure that the product remains consistent with the likely objectives, financial situation, and needs of the target market, particularly in light of the additional features associated with the Attaching Options, Bonus Options, and Lead Manager Options.

5. Information reporting

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Attaching Options, the Bonus Options or Lead Manager 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 Attaching Options, Bonus Options or Lead Manager	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than	<ul style="list-style-type: none"> • Details of the significant dealing.

Options that is not consistent with this TMD.	10 business days after the significant dealing occurs.	<ul style="list-style-type: none"> • 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 Attaching Options or Bonus 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:

Company Secretary: Uno Makotsvana

Email: admin@melbana.com