
TARGET MARKET DETERMINATION – CONVERTIBLE NOTES

MADE BY: Dimerix Limited (ACN 001 285 230) of 425 Smith Street, Fitzroy, Victoria, 3065
(the Company)

PRODUCT: This Target Market Determination (**TMD**) relates to convertible notes (**Notes**) proposed to be offered and issued to a single recipient pursuant to the prospectus of the Company dated 26 June 2023 (**Prospectus**).

The terms of the Notes and the offer of the Notes (**the Noteholder Offer**) are described in the Prospectus.

EFFECTIVE DATE: 26 June 2023

This target market determination (**TMD**) has been prepared by the Company in relation to the Noteholder Offer which is made by the Company under the Prospectus.

The Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 26 June 2023 and was released to ASX on that date. An electronic version of the Prospectus is available in the ASX announcements of the Company (www2.asx.com.au/markets/trade-our-cash-market/announcements.dxb).

The Company will send a copy of the Prospectus to the proposed recipient of the Notes, to Mercer Street Global Opportunity Fund, LLC, a US-based investment fund managed by Mercer Street Capital Partners, LLC (together, **Mercer**). A copy of the Prospectus can also be downloaded from the ASX at the website above. Readers of this TMD should also obtain and carefully read and consider the Prospectus in full and consult their professional adviser if they have any questions regarding the contents of the Prospectus or this TMD. This TMD is not a disclosure document for the purposes of the Corporations Act and therefore has not been lodged, and does not require lodgement, with ASIC.

This TMD is not to be treated as a full summary of the product terms and conditions and is not intended to provide financial advice. Investors should refer to the Prospectus for the terms and conditions of the product and when making a decision in respect of the product.

Target market

The Noteholder Offer is only made to, and the Notes will only be issued, to Mercer, as set out in the Prospectus. The Noteholder Offer is therefore only capable of acceptance by Mercer. The Notes are not being and will not be offered to (and are not available to) retail investors or any investor other than Mercer.

The terms of the Notes have been negotiated by, and therefore are taken to have been designed for, the sole proposed recipient of the Notes as an investor whose apparent likely objectives, financial situation and needs are aligned with the product's terms as negotiated by it. The only investor that would potentially fall within the target market for the product would be the sole proposed recipient of the Notes, based on the proposed recipient having negotiated the terms of the product.

The Company considers the Notes:

- are suitable only for a sophisticated, institutional investor apparently experienced in making and managing substantial investments and capable of setting and assessing investments against
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its own investment criteria and objectives, undertaking its own due diligence, and negotiating terms acceptable to it in line with its own view of its outlook term(s) for its investment which is accustomed to making speculative investments in the life sciences sector particularly in companies involved in drug discovery and development including clinical trials, and which seeks to potentially benefit from the ability to trade the Shares that would be issued upon conversion of the Notes (if converted) should the conditions for conversion be fulfilled and/or from exposure to potential upside on such Shares into the future with the potential alternative of redemption of the Notes while holding the security interest(s) provided for in the terms of issue of the Notes until converted or redeemed; and

- are not suitable for other investors including retail investors.

Investors' ability to sell Shares issued if the Notes are converted may be limited by a lack of liquidity in the trading of Shares, and the price of the Shares.

It is also expected that the target market (being the sole proposed recipient) will be able to withstand potential fluctuations in the value of the investment. The Notes (and Shares issued upon conversion of the Notes, if any) offer no income guarantee or capital protection for the investors beyond the security interest(s) provided for in the terms of issue of the Notes.

The Company considers that an investment in the Notes and Shares that would be issued if the Notes are converted 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 Notes and Shares that would be issued if the Notes are converted) as an asset class generally and the risks of investing in the Company.

Distribution conditions

The Notes are only being offered and issued under the Prospectus to Mercer.

Applications for the Notes 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 include a copy of this TMD on its website, www.dimerix.com. By making an application for Notes under the Prospectus, the applicant warrants that they have obtained, read and understood this TMD (as the TMD applicable to the Notes) and that they meet the eligibility criteria of, and fall within, the target markets set out in this TMD.

Review triggers

The Notes are being offered under the Prospectus for a limited offer period as set out or provided for in the Prospectus. The Notes will no longer be available for investment by way of issue under the Prospectus following close of the applicable offer period. Accordingly, this TMD applies until the issue of the Notes under the Prospectus (**Offer Period**) unless the Noteholder Offer is withdrawn or the issue of the Notes otherwise does not proceed.

To allow the Company to determine whether circumstances exist indicating this TMD is no longer appropriate to the Notes, the following review triggers apply for the Offer Period:

- the Company lodges a supplementary prospectus relevant to the Noteholder Offer or issue of the Notes or a replacement prospectus with ASIC;
- a new offer of Notes that requires preparation of a further disclosure document is made;
- any event or circumstance occurs that materially changes a factor that was taken into account in making this TMD;
- the existence of a significant dealing of the Notes that is not consistent with this TMD (noting conversion or redemption of the Notes and on-sale of Shares issued if the Notes are converted is not considered to be a significant dealing);
- ASIC raises concerns with the Company regarding the adequacy of the Prospectus, the design or distribution of the Notes, or this TMD; and
- there are material changes to the regulatory environment that applies to an investment in the Notes.

Review period

If a review trigger occurs during the Offer Period, the Company will review this TMD in light of the review trigger. The Company will otherwise complete a review of the TMD immediately prior to the issue of the Notes under the Offers.

Information reporting

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

Whether the distributor received complaints about the Notes

- 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 also to be given the Company 10 business days after the end of the Offer Period.
- 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.

A significant dealing of the Notes that is not consistent with this TMD

- 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.
- Each report is to include details of the significant dealing and reasons the distributor considers the significant dealing is not consistent with this TMD.

Summary of steps to be taken by the distributor to ensure its conduct was consistent with this TMD

Within 10 business days after close of the Noteholder Offer 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.

Other offers under the Prospectus

The Prospectus contains other offers including a Rights Issue of Shares and free attaching options to eligible shareholders and an issue of options to sub-underwriters. This TMD is made solely in respect of the Notes. The Company has issued, and relevant readers should refer to, a separate TMD in respect of options offered under the Prospectus. That TMD is available at the Company's website at www.dimerix.com.

Contact

For further information please contact the Company by email at investor@dimerix.com