



## TARGET MARKET DETERMINATION

<b>MADE BY</b>	Cann Group Limited ACN 603 949 739 of 23 Greentek Court, Koorlong, Victoria, 3501 ( <b>Cann</b> or the <b>Company</b> )
<b>PRODUCT</b>	<p>(a) Quoted options (<b>Attaching Options</b>) to acquire fully paid ordinary shares in the capital of the Company (<b>Shares</b>) and Piggyback Options (defined below) with an exercise price of 1.15 cents and an expiry date of 15 June 2026;</p> <p>(b) quoted options (<b>Piggyback Options</b>) to acquire Shares with an exercise price of 2.85 cents and an expiry date of 15 June 2028; and</p> <p>(c) quoted options (<b>SPP Shortfall Commitment Options</b>) to acquire Shares with an exercise price of 1.15 cents and an expiry date of 15 June 2026;</p> <p>(together <b>Options</b>), to be issued in connection with a prospectus lodged by the Company on or around Monday, 22 December 2025 (<b>Prospectus</b>).</p>
<b>EFFECTIVE DATE</b>	22 December 2025

### 1. Introduction

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This Target Market Determination (**TMD**) is made in accordance with section 994B of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to offers to issue Options to be made by the Company pursuant to the Prospectus, with respect to:

- the offer of one (1) free Attaching Option for every one (1) Share issued to:
  - institutional and sophisticated investors, under the placement (**Placement**) announced by the Company to the Australian Securities Exchange (**ASX**) on 27 October 2025 (**Placement Participants**);
  - Eligible Shareholders under the share purchase plan (**SPP**) announced by the Company to ASX on 27 October 2025 (**SPP Participants**); and
- the offer of one (1) free Piggyback Option for every one (1) Attaching Option exercised by a holder of Attaching Options (**Eligible Optionholders**) (**Piggyback Options Offer**); and

- the offer of up to 15,000,000 SPP Shortfall Commitment Options to the shortfall participants (**SPP Shortfall Participants**),

(the Placement Participants, SPP Participants, Eligible Optionholders and SPP Shortfall Participants, the **Eligible Participants**).

The offer of Options (together, **Options Offer**) is being made by the Company under the Prospectus, being a transaction specific prospectus, a copy of which will be made available on the Company's website (<https://www.cannngrouplimited.com/>) and has been released to the ASX.

The Options are being offered under the Prospectus to Eligible Participants so that the Shares issued on exercise of those Options will be freely tradeable due to the operation of *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

The issue of the Options, is subject to shareholder approval. The Company will also seek quotation of the Attaching Options and Piggyback Options on ASX, subject to the receipt of such shareholder approval and satisfying the relevant quotation requirements.

The Options Offer will only be made under, or accompanied by, a copy of the Prospectus. Recipients of this TMD are only entitled to acquire Options under the Options Offer as set out in the Prospectus. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional advisers if they have any questions regarding the contents of the Prospectus.

Any recipient of this TMD who wishes to acquire Attaching Options or SPP Shortfall Commitment Options under the Options Offer will be deemed to have applied for their relevant allocations of the Attaching Options or SPP Shortfall Commitment Options and will not need to submit a separate application form unless those recipients wish to opt out of the Options Offer. As the Piggyback Options will be issued on exercise of the Attaching Options, there is no need for an application form to be completed for Piggyback Options.

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, and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (**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. 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.

Unless otherwise defined in this TMD, capitalised terms have the meaning given to them in the Prospectus.

## 2. Product Information

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The key features of the Attaching Options are as follows:

Information	Description
<b>Eligibility</b>	The offer of Attaching Options is made under the Prospectus to Placement Participants and SPP Participants.
<b>Share and option entitlement</b>	<p>Each Attaching Option entitles the holder to subscribe for, and be allotted, one (1) Share and one (1) Piggyback Option.</p> <p>Shares issued on the exercise of Attaching Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.</p> <p>Please refer to the following table for a summary of key terms of the Piggyback Options.</p>
<b>Shareholder approval</b>	The issue of Attaching Options is subject to shareholder approval.
<b>Exercise price</b>	The Attaching Options confer on the holder the right to subscribe for one (1) Share and one (1) Piggyback Option at an exercise price of 1.15 cents.
<b>Expiry date</b>	15 June 2026 ( <b>Attaching Options Expiry Date</b> ). Attaching Options not exercised before the Attaching Options Expiry Date will automatically lapse at that time. The Attaching Options are exercisable at any time on or prior to the Attaching Options Expiry Date.
<b>Quotation</b>	If the Attaching Options are quoted on the ASX, subject to meeting the requirements of the ASX Listing Rules for quotation of a new class of securities, the Company will apply to the ASX for, and will use its best endeavours to obtain official quotation on the ASX of the Attaching Options.
<b>Transferability</b>	Until such time as the Attaching Options are quoted on the ASX (if at all), the Attaching Options are not capable of being transferred, sold, mortgaged, charged, hedged or made subject to any margin lending arrangement or otherwise disposed of or dealt with or encumbered in any way, and the Attaching Options will lapse immediately if any such thing purports to occur.

The key features of the Piggyback Options are as follows:

Information	Description
<b>Eligibility</b>	The offer of Piggyback Options is made under the Prospectus to Eligible Optionholders who have validly exercised the Attaching Options.
<b>Share entitlement</b>	<p>Each Piggyback Option entitles the holder to subscribe for, and be allotted, one (1) Share.</p> <p>Shares issued on the exercise of Piggyback Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.</p>
<b>Shareholder approval</b>	The issue of Piggyback Options is subject to shareholder approval.
<b>Exercise price</b>	The Piggyback Options confer on the holder the right to subscribe for one (1) Share at an exercise price of 2.85 cents.
<b>Expiry date</b>	<p>15 June 2028 (<b>Piggyback Options Expiry Date</b>).</p> <p>Piggyback Options not exercised before the Piggyback Options Expiry Date will automatically lapse at that time. The Piggyback Options will be exercisable at any time on or prior to the Piggyback Options Expiry Date.</p>
<b>Quotation</b>	If the Shares are quoted on the ASX, subject to meeting the requirements of the ASX Listing Rules for quotation of a new class of securities, the Company will apply to the ASX for, and will use its best endeavours to obtain official quotation on the ASX of the Piggyback Options.
<b>Transferability</b>	Until such time as the Piggyback Options are quoted on the ASX (if at all), the Piggyback Options are not capable of being transferred, sold, mortgaged, charged, hedged or made subject to any margin lending arrangement or otherwise disposed of or dealt with or encumbered in any way, and the Piggyback Options will lapse immediately if any such thing purports to occur.

The key features of the SPP Shortfall Commitment Options are as follows:

Information	Description
<b>Eligibility</b>	The offer of SPP Shortfall Commitment Options is made under the Prospectus to SPP Shortfall Participants.
<b>Share entitlement</b>	<p>Each SPP Shortfall Commitment Option entitles the holder to subscribe for, and be allotted, one (1) Share.</p> <p>Shares issued on the exercise of SPP Shortfall Commitment Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.</p>
<b>Shareholder approval</b>	The issue of SPP Shortfall Commitment Options is subject to shareholder approval.
<b>Exercise price</b>	The SPP Shortfall Commitment Options confer on the holder the right to subscribe for one (1) Share at an exercise price of 1.15 cents.
<b>Expiry date</b>	<p>15 June 2026 (<b>SPP Shortfall Commitment Options Expiry Date</b>).</p> <p>SPP Shortfall Commitment Options not exercised before the SPP Shortfall Commitment Options Expiry Date will automatically lapse at that time. The SPP Shortfall Commitment Options will be exercisable at any time on or prior to the SPP Shortfall Commitment Options Expiry Date.</p>
<b>Quotation</b>	If the SPP Shortfall Commitment Options are quoted on the ASX, subject to meeting the requirements of the ASX Listing Rules for quotation of a new class of securities, the Company will apply to the ASX for, and will use its best endeavours to obtain official quotation on the ASX of the SPP Shortfall Commitment Options.
<b>Transferability</b>	Until such time as the SPP Shortfall Commitment Options are quoted on the ASX (if at all), the SPP Shortfall Commitment Options are not capable of being transferred, sold, mortgaged, charged, hedged or made subject to any margin lending arrangement or otherwise disposed of or dealt with or encumbered in any way, and the SPP Shortfall Commitment Options will lapse immediately if any such thing purports to occur.

### 3. Target Market

The Options have been designed for investors whose likely objectives, financial situation and needs (as detailed below) are aligned with the product (including the key attributes) as set out in this section 3.

Market attribute	Description
<b>Class of investors within target market</b>	<p>The information below summarises the overall class of investors that fall within the target market, based on the key attributes of the product and the objectives, financial situation and needs that they have been designed to meet.</p> <p>The Options have been designed for persons whose likely objectives, financial situation and needs (as listed below) are consistent with the product (including the key attributes).</p> <p>The Options are for those persons who:</p> <ul style="list-style-type: none"><li>• in respect of the Attaching Options and SPP Shortfall Commitment Options, are entitled to apply for them under the Prospectus;</li><li>• in respect of the Piggyback Options, have an existing holding of Attaching Options and choose to exercise them;</li><li>• are accustomed to participating in speculative investments;</li><li>• wish to gain exposure to equities in a pharmaceutical and biotechnology company listed on the ASX;</li><li>• are in a position to pay any exercise amounts in relation to the Options in due course; and</li><li>• are looking to diversify their investment holdings.</li></ul>
<b>Objectives, financial situation and needs</b>	<p>The Options are issued only to specific parties as set out in the Prospectus and consequently have been designed for persons who would:</p> <ul style="list-style-type: none"><li>• be in a financial position to have sufficient available funds so as to facilitate an exercise of the Options prior to the relevant expiry date, as an exercise price of:<ul style="list-style-type: none"><li>- 1.15 cents is required to be paid to acquire Shares and Piggyback Options on exercise of each Attaching Option;</li><li>- 2.85 cents is required to be paid to acquire Shares on exercise of each Piggyback Option; and</li></ul></li></ul>

Market attribute	Description
	<ul style="list-style-type: none"> <li>- 1.15 cents is required to be paid to acquire Shares on exercise of each SPP Shortfall Commitment Option,</li> <li>• be able to bear the loss of some or all of their investment as the Options offer no income guarantee or capital protection for investors;</li> <li>• have sufficient financial literacy and resources (including appropriate advisers) to understand and appreciate the potential risk of investing in the Company (including the Options) as an asset class generally and the more specific risks of investing in an ASX listed pharmaceutical and biotechnology company;</li> <li>• not have a need to derive income from an investment in the Options; and</li> <li>• have adequate means to provide for their current needs and other contingencies and to withstand a loss of their entire investment in the Options.</li> </ul>
Investment Timeframe	<p><b>Attaching Options</b></p> <p>The target market of investors will take a short to medium term outlook in relation to their investment in the Company.</p> <p>Investors with a short-term outlook for their investment will benefit from an ability to exercise Attaching Options and trade the underlying Shares and, subject to satisfying quotation conditions, the Piggyback Options, issued on exercise should the Attaching Option exercise price be lower than the trading price of the Company's Shares.</p> <p>Investors with a medium-term outlook will benefit from an ability to exercise Attaching Options prior to the Attaching Options Expiry Date 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 on the Attaching Options to acquire Shares and Piggyback Options, investors in the target market are in a financial position that is sufficient for them to invest further funds over the time period prior to Attaching Options Expiry Date, should they wish to exercise their Attaching Options.</p> <p><b>Piggyback Options</b></p> <p>The target market of investors will take a short to medium term outlook in relation to their investment in the Company.</p> <p>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 Piggyback Option exercise price be lower than the trading price of the Company's Shares.</p>

Market attribute	Description
	<p>Investors with a medium-term outlook will benefit from an ability to exercise Piggyback Options prior to the Piggyback Options Expiry Date 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 on the Piggyback Options to acquire Shares, investors in the target market are in a financial position that is sufficient for them to invest further funds over the time period prior to the Piggyback Options Expiry Date, should they wish to exercise their Piggyback Options.</p> <p><b>SPP Shortfall Commitment Options</b></p> <p>The target market of investors will take a short to medium term outlook in relation to their investment in the Company.</p> <p>Investors with a short-term outlook for their investment will benefit from an ability to exercise SPP Shortfall Commitment Options and trade the underlying Shares issued on exercise should the SPP Shortfall Commitment Option exercise price be lower than the trading price of the Company's Shares.</p> <p>Investors with a medium-term outlook will benefit from an ability to exercise SPP Shortfall Commitment Options prior to the SPP Shortfall Commitment Options Expiry Date 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 on the SPP Shortfall Commitment Options to acquire Shares, investors in the target market are in a financial position that is sufficient for them to invest further funds over the time period prior to the SPP Shortfall Commitment Options Expiry Date, should they wish to exercise their SPP Shortfall Commitment Options.</p>
<b>Investment Metrics</b>	<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 accustomed to participating in speculative investments in the pharmaceutical and biotechnology sector and who will be able to withstand potential fluctuations in the value of their investment. The Options offer no guaranteed income or capital protection.</p>
<b>Risk</b>	<p>The Company considers that an investment in the Options is high risk and speculative, such than an investment in the Company is not appropriate for any persons who would not be able to bear a loss of some or all of the investment.</p> <p>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 high risks of investing in Options as an asset class generally and the high risks of investing in the Company.</p>



Market attribute	Description
<b>Excluded class of consumers</b>	<p>The product is not suitable for:</p> <ul style="list-style-type: none"> <li>any person who is not a specified recipient under the Prospectus;</li> <li>any investor who is ineligible to receive the Options;</li> <li>inexperienced investors, especially those who do not understand the risks of investing in options as an asset class or in Shares; and</li> <li>investors looking for immediate returns or those not seeking to have the potential to increase their investment in the Company.</li> </ul>
<b>Appropriateness statement</b>	<p>The Company has assessed the Options and formed the view that the Options are likely to be consistent with the objectives, financial situation and needs of investors in the target market described in this section.</p>

## 4. Distribution Conditions

The offer of Attaching Options is designed to be distributed under the Prospectus to Eligible Participants only.

The offer of Piggyback Options is designed to be distributed under the Prospectus to Eligible Optionholders who have exercised the Attaching Options. The issue of Piggyback Options is conditional on the Eligible Optionholders exercising the Attaching Options.

The Prospectus will include jurisdictional conditions on eligibility.

A copy of the Prospectus only be made available to the specified persons eligible for the Options Offer (and/or their nominee(s) acceptable to the Company) before they apply for Options. As the Attaching Options will be issued only to those Eligible Participants who participated in the Placement or SPP, there is no need for an application form to be completed for Attaching Options.

As the Piggyback Options will be issued on exercise of Attaching Options there is no need for an application form to be completed for Piggyback Options. The Company considers that these distribution conditions will ensure that persons who invest in Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

## 5. Review Triggers

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The Options are being offered to a discrete class of persons for a limited offer period set out in the Prospectus. The Options will no longer be available for investment by way of issue following close of the relevant offer period. Accordingly, this TMD will only apply in the periods between:

- (a) in respect of the Attaching Options, the commencement of the offer of Attaching Options to Placement Participants and SPP Participants (**Attaching Options Offer**) and the issue of the Attaching Options shortly after the close of the Attaching Options Offer;
- (b) in respect of the Piggyback Options, the commencement of the Piggyback Options Offer and the issue of the Piggyback Options, shortly after the close of the Piggyback Options Offer; and
- (c) in respect of the SPP Shortfall Commitment Options, the commencement of the SPP Shortfall Commitment Options Offer and the issue of the SPP Shortfall Commitment Options, shortly after the close of the SPP Shortfall Commitment Options Offer;

(such periods, separately or collectively being (as the context requires), the **Offer Period**).

To allow the Company to determine whether circumstances exist indicating this TMD is no longer appropriate to the Options and should be reviewed, the following review triggers apply during the Offer Period:

- (a) there is a material change to the Options' key attributes that make the Options no longer consistent with the likely objectives, financial situation and needs of persons in the target market;
- (b) the Company lodges with ASIC a supplementary or replacement prospectus in relation to the Prospectus;
- (c) the occurrence of a significant dealing in Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options is a significant dealing;
- (d) the Company identifies a substantial divergence in how the Options are being distributed and purchased from this TMD;
- (e) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (f) there are material changes to the regulatory environment that applies to an investment in the Options.

The Company may also amend this TMD at any time.

## 6. Review Period

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If a review trigger occurs during the Offer Period, the Company will review this 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:

- (a) the issue of Attaching Options under the Attaching Options Offer;
- (b) the issue of Piggyback Options under the Piggyback Options Offer; and
- (c) the issue of SPP Shortfall Commitment Options under the SPP Shortfall Commitment Options Offer.

Periodic reviews of the TMD will not occur during the Offer Period given its duration (subject to any decision to extend the Offer Period). If the Offer Period is extended for more than three months, the TMD will be reviewed on a monthly basis.

## 7. Information Reporting

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In the event than an external distributor is appointed to undertake retail product distribution of the Options, the following reporting requirements will apply:

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Options.	Weekly report during the Offer Period.	<ul style="list-style-type: none"><li>• The number of complaints received.</li><li>• A summary of the nature of each complaint or a copy of each complaint.</li></ul>
A significant dealing of the 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"><li>• Details of the significant dealing.</li><li>• Reasons why the distributor considers that the significant dealing is not consistent with this TMD.</li></ul>
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 Options Offer in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

## 8. Contact details

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For further information, contact the Company Secretary, Mr Steven Notaro on +61 3 9095 7088 between the hours of 8:00am and 5:00pm Monday to Friday During the Offer Period.