

Target Market Determination W.A. Blue Gum Project 2025

LEGAL DISCLAIMER

This Target Market Determination (**TMD**) is required under section 994B of the *Corporations Act 2001* (Cth) (**the Act**). It sets out the class of consumers for whom the product, including its key attributes, would likely be consistent with their likely objectives, financial situation and needs. In addition, the TMD outlines the triggers to review the target market and certain other information. It forms part of W.A. Blue Gum Limited's design and distribution arrangements for the product.

This document is **not** a product disclosure statement and is **not** a summary of the product features or terms of the product. This document does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this product should carefully read the Product Disclosure Statement (**PDS**) for the W.A. Blue Gum Project 2025 before making a decision whether to buy this product.

Important terms used in this TMD are defined in the TMD Definitions which supplement this document. Capitalised terms have the meaning given to them in the product's PDS, unless otherwise defined. The PDS can be obtained online by making an enquiry through our phone line on 1300 888 511 or from our website at <http://www.wablugum.com.au/pds.php>.

TARGET MARKET SUMMARY

W.A. Blue Gum Project 2025 ("Project") is a registered managed investment scheme that offers the opportunity to become a grower of Tasmanian Blue Gum trees and to carry on the business of commercially grown timber plantations. This product is appropriate for a consumer seeking delayed income derivation together with tax-deductible contributions designed to be used as a Satellite allocation within a consumer's portfolio. It is for consumers with a medium-to-high risk/return profile who are willing to invest for a timeframe matching the maturity date and will not need access to their funds before maturity.

Fund and Issuer Identifiers

Issuer	W.A. Blue Gum Limited
Issuer ABN	91 060 179 982
Issuer AFSL	246264
Fund Name	W.A. Blue Gum Project 2025
ARSN	To be confirmed
Date TMD approved	
TMD Version	3.0
TMD Status	Current

DESCRIPTION OF TARGET MARKET

TMD Indicator Key

The Consumer Attributes for which the product is likely to be appropriate have been assessed using a red/amber/green rating methodology with appropriate colour coding:

In target market	Potentially in target market	Not considered in target market
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Instructions

In the tables below, Column 1, Consumer Attributes, indicates a description of the likely objectives, financial situation and needs of the class of consumers that are considering this product. Column 2, TMD indicator, indicates whether a consumer meeting the attribute in column 1 is likely to be in the target market for this product.

Generally, a consumer is unlikely to be in the target market for the product if:

- **one or more** of their Consumer Attributes correspond to a **red** rating, or
- **three or more** of their Consumer Attributes correspond to an **amber** rating.

Investment products and diversification

A consumer (or class of consumer) may intend to hold a product as part of a diversified portfolio (typically with an intended product use of satellite/small allocation). In such circumstances, the product should be assessed against the consumer's attributes for the relevant portion of the portfolio, rather than the consumer's portfolio as a whole. For example, a consumer may seek to construct a conservative portfolio with a satellite/small allocation to growth assets. In this case, it may be likely that a product with a *High* or *Very High* risk/return profile is consistent with the consumer's objectives for that allocation notwithstanding that the risk/return profile of the consumer as a whole is *Low* or *Medium*. In making this assessment, distributors should consider all features of a product (including its key attributes).

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's investment objective		
Capital Growth	Not considered in target market	The product is designed for investors looking for delayed income derivation together with tax-deductible contributions.
Capital Preservation	Not considered in target market	
Capital Guaranteed	Not considered in target market	The directors believe that Initial Investors in the Project should receive a tax deduction equal to 100% of their paid contributions (both initial and ongoing) and that subsequent investors should receive a tax deduction for their ongoing contributions.
Delayed Income Derivation and Tax-Deductible Contributions	In target market	

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's intended product use (% of Investable Assets)		
Solution/Standalone (75-100%)	Not considered in target market	The Project involves the Establishment and tending of Tasmanian Blue Gum (Eucalyptus globulus) plantations on land in the south-west of Western Australia between Bunbury and Albany for the Harvesting and sale of timber. The proceeds from the sale of the wood will be pooled and the net proceeds distributed to Growers on a pro rata basis, i.e. in the same proportion that the number of hectares of Project Land held by each Grower bears to the total of all hectares comprising the Project. The directors believe that an Investor should, upon payment, be entitled to an immediate tax deduction upon payment of 100% of the total Application Money payable (pursuant to Division 394 of the ITAA 1997). In addition, all the annual or other fees should also be deductible in the respective years of payment. An application for a Product Ruling has been made to the Australian Taxation Office (ATO). For investors with medium, high and very high risk and return profiles, the Project may be suitable for the target market as a satellite/small allocation component. Investors seeking to invest greater than 25% of their total investable assets in the Project (as a Core component) are not in the target market.
Core Component (25-75%)	Not considered in target market	
Satellite/small allocation (<25%)	In target market	

Consumer Attributes	TMD Indicator	Product description including key attributes
Consumer's investment timeframe		
Short (≤ 2 years)	Not considered in target market	Once the application fee has been paid and the Applicant's application has been accepted, there is no right to withdraw until the project terminates.
Medium (> 2 years)	Not considered in target market	
Long (≥ 10 years)	In target market	
Consumer's Risk (ability to bear loss) and Return profile		
Low	Not considered in target market	The Project is long term and speculative in nature. There are risks involved in investing in the Project, including but not limited to: - Market risks such as changes in demand and price for timber due to economic downturn, global and Australian competition and consumer product requirements and preferences, or reductions in demand caused by geopolitics and similar factors. - Regulatory risks such as withdrawal of Product Rulings that have been applied for concerning the taxation treatment for the Project by the ATO and changes in government and regulatory legislation and requirements. - Agricultural risks such as climate change, natural disasters, fire, windstorms, flooding, insect infestations vermin infestations and agricultural diseases. - Financial risks such as inability to achieve particular yields and prices. - Other risks.
Medium	In target market	
High	In target market	
Very High	In target market	

Consumer Attributes	TMD Indicator	Product description including key attributes
		Investors with a low risk profile are not in the target market. Investors with medium, high and very high risk and return profiles are in the target market, if interests in the Project are held as a satellite/small portfolio component.
Consumer's need to withdraw money		
Daily	Not considered in target market	There is no current redemption facility available to any investors. Investors must therefore be comfortable with the absence of any ability to redeem their interests from the Project.
Weekly	Not considered in target market	
Monthly	Not considered in target market	
Quarterly	Not considered in target market	
Annually or longer	Not considered in target market	

Appropriateness

The Issuer has assessed the product and formed the view that the product, including its key attributes, is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market as described above, as the features of this product in Column 3 of the table above are likely to be suitable for consumers with the attributes identified with a green TMD Indicator in Column 2.

Distribution conditions/restrictions

Distribution Channel	Distribution Conditions
Consumers who have not received personal financial advice	- Where a consumer has not received personal financial advice from a third party and is making an application for the product with the issuer, as part of the investment application process, and in addition to confirming the PDS has been read, the consumer is required to acknowledge the product's attributes set out in the target market determination and a record of the acknowledgement is retained. - The acknowledgement will be retained in a questionnaire to be completed and returned by consumers as part of the application process. This

Distribution Channel	Distribution Conditions
	questionnaire will require consumers to tell the Issuer about themselves, their interest in the Fund and general level of investment experience for the purpose of assisting the Issuer to understand, at a high level whether the potential investor may be within the target market. If the consumer is not within the target market, they shall be notified regarding the same. This will make it likely that the consumers who acquire the product are in the target market.
Consumers who have received personal financial advice	The product is considered suitable for a consumer who has received personal financial advice from a third party such as an External Licensee or their Authorised Representative that the product is suitable for the consumer.

Review triggers
Material change to key attributes, fund investment objective and/or fees.
Material deviation from benchmark / objective over sustained period.
Key attributes have not performed as disclosed by a material degree and for a material period.
Determination by the issuer of an ASIC reportable Significant Dealing.
Material or unexpectedly high number of complaints (as defined in section 994A(1) of the Act) about the product or distribution of the product.
The use of Product Intervention Powers, regulator orders or directions that affects the product.

Mandatory review periods	
Review period	Maximum period for review
Initial review	Period ending 30 June 2025
Subsequent review	Period ending 30 June 2026

Distributor reporting requirements		
Reporting requirement	Reporting period	Which distributors this requirement applies to
Complaints (as defined in section 994A(1) of the Act) relating to the product design, product availability and distribution. The distributor should provide all the content of the complaint, having regard to privacy.	Within 10 business days following end of calendar quarter.	All distributors

Significant dealing outside of target market, under s994F(6) of the Act. See Definitions for further detail.	As soon as practicable but no later than 10 business days after distributor becomes aware of the significant dealing.	All distributors
To the extent a distributor is aware, dealings outside the target market, including reason why acquisition is outside of target market, and whether acquisition occurred under personal advice.	Within 10 business days following the end of the calendar quarter.	All distributors

Disclaimer:

This material is general information only and does not take into account your individual objectives, financial situation or needs and you must consider whether the Fund is appropriate for you. You should seek professional advice and consider the Product Disclosure Statement (PDS) before investing in the Fund. The PDS may be obtained by making an enquiry through the W.A. Blue Gum Project 2025 website at www.wabluegum.com.au. This material is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction. This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

DEFINITIONS

Term	Definition
Consumer's investment objective	
Capital Growth	The consumer seeks to invest in a product designed to generate capital return. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate.
Capital Preservation	The consumer seeks to invest in a product to reduce volatility and minimise loss in a market down-turn. The consumer prefers exposure to defensive assets (such as cash or fixed income securities) that are generally lower in risk and less volatile than growth investments.
Capital Guaranteed	The consumer seeks a guarantee or protection against capital loss whilst still seeking the potential for capital growth (typically gained through a derivative arrangement). The consumer would likely understand the complexities, conditions and risks that are associated with such products.
Delayed Income Derivation and Tax-Deductible Contributions	The consumer seeks to invest in a product designed to provide delayed income and tax deductions.
Consumer's intended product use (% of Investable Assets)	
Solution/Standalone (75-100%)	The consumer intends to hold the investment as either a part or the majority (up to 100%) of their total <i>investable assets</i> (see definition below). The consumer typically prefers exposure to a product with at least High portfolio diversification (see definitions below).
Core Component (25-75%)	The consumer intends to hold the investment as a major component, up to 75%, of their total <i>investable assets</i> (see definition below). The consumer typically prefers exposure to a product with at least Medium portfolio diversification (see definitions below).
Satellite (<25%)	The consumer intends to hold the investment as a smaller part of their total portfolio, as an indication it would be suitable for up to 25% of the total <i>investable assets</i> (see definition below). The consumer is likely to be comfortable with exposure to a product with Low portfolio diversification (see definitions below).
Investable Assets	Those assets that the investor has available for investment, excluding the family home.
Portfolio diversification (for completing the key product attribute section of consumer's intended product use)	
Low	Single asset class, single country.

Term	Definition
Medium	1-2 asset classes, single country, broad exposure within asset class, e.g. Australian equities "All Ords".
High	Highly diversified across either asset classes, countries or investment managers, e.g. Australian multi-manager balanced fund or global multi-asset product (or global equities).
Consumer's intended investment timeframe	
Short (≤ 2 years)	The consumer has a short investment timeframe and may wish to redeem within two years.
Medium (> 2 years)	The consumer has a medium investment timeframe and is unlikely to redeem within two years.
Long (≥ 10 years)	The consumer has a long investment timeframe and will not redeem within ten years or at all.
Consumer's Risk (ability to bear loss) and Return profile	
Low	The consumer is conservative or low risk in nature, seeks to minimise potential losses and is comfortable with a low target return profile. Consumer typically prefers defensive assets such as cash and fixed income.
Medium	The consumer is moderate or medium risk in nature, seeking to minimise potential losses and comfortable with a moderate target return profile. Consumer typically prefers a balance of growth assets such as shares, property and alternative assets and defensive assets such as cash and fixed income.
High	The consumer is higher risk in nature and can accept higher potential losses in order to target a higher target return profile. Consumer typically prefers predominantly growth assets such as shares, property and alternative assets with only a smaller or moderate holding in defensive assets such as cash and fixed income.
Very high	The consumer has a more aggressive or very high risk appetite, seeks to maximise returns and can accept higher potential losses and possibly other risk factors, such as leverage). Consumer typically prefers growth assets such as shares, property and alternative assets.
Distributor Reporting	
Significant dealings	Section 994F(6) of the Act requires distributors to notify the issuer if they become aware of a significant dealing in the product that is not consistent with the TMD. Neither the Act nor ASIC defines when a dealing is 'significant' and distributors have discretion to apply its ordinary meaning.

Term	Definition
	The issuer will rely on notifications of significant dealings to monitor and review the product, this TMD, and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC. Dealings outside this TMD may be significant because: • they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the product, or • they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer). In each case, the distributor should have regard to: • the nature and risk profile of the product (which may be indicated by the product's risk rating or withdrawal timeframes), • the actual or potential harm to a consumer (which may be indicated by the value of the consumer's investment, their intended product use or their ability to bear loss), and • the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red or amber ratings attributed to the consumer). Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if: • it constitutes more than half of the distributor's total retail product distribution conduct in relation to the product over the reporting period, or • the consumer's intended product use is <i>Core component</i> and the consumer's risk (ability to bear loss) and return profile is <i>Low</i>.