TARGET MARKET DETERMINATION INVESTMENT IN MCMF

EFFECTIVE DATE: 2 NOVEMBER 2026



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MURDOCH CLARKE MORTGAGE FUND

MURDOCH CLARKE MORTGAGE MANAGEMENT LIMITED
ABN 84 115 958 560

TARGET MARKET DETERMINATION INVESTMENT IN MCMF

(Effective Date: 2 November 2026)

MURDOCH CLARKE MORTGAGE FUND
ARSN 093 255 559

This Target Market Determination ("**TMD**") is provided by Murdoch Clarke Mortgage Management Limited ACN 115 958 560 as responsible entity for Murdoch Clarke Mortgage Fund ARSN 093 255 559 ("**MCMF**" or "**Fund**") in accordance with section 994B of the Corporations Act 2001 (Cth) ("**Act**"). The purpose of this TMD is to describe the class of consumers that comprise the target market for MCMF's investment product ("**Product**"), conditions and restrictions on the distribution of the Product and mechanisms for the review of this TMD.

Murdoch Clarke Mortgage Management Limited as responsible entity for MCMF ("**MCMML**") is the issuer of the Product.

MCMF.
MURDOCH CLARKE MORTGAGE FUND

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Murdoch Clarke Mortgage Fund
ARSN: 093 255 559

Responsible Entity:
Murdoch Clarke Mortgage Management Limited
ABN 84 115 958 560

Australian Financial Services Licence Number 296758

Australian Credit Licence Number 296758

KEY ATTRIBUTES OF THE PRODUCT

The key attributes of the Product are:

a. funds received from investors are pooled and either lent to borrowers or invested in at call or term deposit accounts with banks, credit unions and building societies, or invested in pooled mortgage schemes which are managed investment schemes regulated by the Corporations Act and are operated by responsible entities which hold Australian Financial Services Licences;

b. loans to borrowers are interest only loans which require interest to be paid quarterly in arrears and principal to be repaid on demand by MCMML;

c. funds lent to borrowers are secured by registered first mortgages over real property (i.e. land which is either vacant or built on) that is, with very few exceptions, located in Tasmania and any additional security that MCMML requires;

d. loans are only approved on the basis of valuations of real property offered as security obtained from registered valuers or on the basis of adjusted government valuations;

e. the proportion that the amount of a loan bears to the value of the property by which it is secured at the time the loan is first advanced (i.e. loan to valuation ratio) does not generally exceed a specified percentage which is fixed by reference to the nature of the property (i.e. whether the property is urban residential, rural residential, commercial, rural or a hotel or specialised security);

f. as part of the loan approval process the financial position of each applicant borrower and their capacity to pay interest is assessed;

g. the income of MCMF comes from interest payable by mortgage loan borrowers and interest accrued on money invested with banks, credit unions and building societies, and in pooled mortgage schemes;

h. distributions are made to investors out of the accrued income of MCMF on a quarterly basis (for the three month periods ending on 31st March, 30th June, 30th September and 31st December in each year);

i. investors in MCMF do not have an interest in particular mortgage loans, but have an interest in the assets of MCMF as a whole;

j. the Constitution of MCMF provides that withdrawal requests must be met within 90 days while MCMF is "liquid" for the purposes of the Corporations Act, however requests for withdrawal of funds invested will generally be met within seven days;

k. withdrawal requests are facilitated by MCMML maintaining a minimum liquidity percentage of 25% for the Fund (i.e. the percentage of the value of the assets of the Fund held in at call or term deposit accounts with banks, credit unions and/or building societies or invested in pooled mortgage schemes which are managed investment schemes regulated by the Corporations Act and are operated by responsible entities which hold Australian Financial Services Licences);

l. if the Fund ceases to be "liquid" for the purposes of the Corporations Act then investors will only have a limited right to withdraw that is explained on page 30 of the MCMF Product Disclosure Statement; and

m. MCMF does not borrow or invest in the share market.

TARGET MARKET

The Product is designed for the class of consumers who wish to invest in a product that has the following attributes:

a. low to medium risk (further explained at the end of this section);

b. quarterly income distributions with a variable rate of return that are either paid to the consumer or reinvested in the Product at the request of the consumer;

c. capital stability, but no capital growth;

d. entitlement to withdraw capital invested within not more than 90 days of a withdrawal request while MCMF is "liquid" for the purposes of the Corporations Act;

e. low portfolio diversification (refer to paragraphs (a) and (c) of the Key Attributes of the Product section on page 3 of this TMD)

and are prepared to accept the following risks

f. no government guarantee of the return of their capital invested or that income distributions will be made;

g. variable rates of return that may be less than current or previous rates of return for the Product;

h. returns that depend on the performance of the Product's underlying mortgage loan portfolio;

i. MCMF's low geographic diversification of properties over which MCMF holds mortgages as security for MCMF's loan portfolio exposing the loan portfolio to the risk of factors negatively impacting the Tasmanian economy resulting in a reduction in the value of the properties held as security for loans across MCMF's entire loan portfolio; and

j. that the consumer may not be able to withdraw capital invested sooner than 90 days after a withdrawal request while MCMF is "liquid" for the purposes of the Corporations Act and will only have a limited right to withdraw capital invested if MCMF ceases to be "liquid" for the purposes of the Corporations Act – the limited withdrawal rights are explained on page 30 of the MCMF Product Disclosure Statement and the risks of the Fund ceasing to be liquid are explained on pages 33 to 37 of the Product Disclosure Statement.

A consumer who wishes to invest in a Product that has the attributes set out above and is prepared to accept the risks set out above should give careful consideration to what percentage of their investable assets they wish to invest in the Product. The Australian Financial Services Licence issued to MCMML by the Australian Securities and Investments Commission authorises MCMML to explain the attributes of the Product, but does not authorise MCMML to provide advice to a consumer about what percentage of their investable assets it is appropriate for them to invest in the Product or to provide advice to a consumer about whether an investment in the Product is appropriate for their objectives, individual financial situation and needs.

EXPLANATION OF THE PRODUCT'S RISK CATEGORY

The Financial Services Council and the Association of Superannuation Funds of Australia published a Guidance Paper on Standard Risk Measure that is used as industry guidance for the disclosure of investment risk. The Standard Risk Measure is designed to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The Standard Risk Measure is not a complete assessment of all forms of investment risk or potential loss. For example, it does not detail what the size of the negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives.

The description of risk as "low to medium" means that MCMML considers that the Product is likely to experience 1 to less than 2 years of negative annual returns over any 20 year period.

CONSUMERS FOR WHOM THE PRODUCT IS NOT SUITABLE

The Product is **not** suitable for consumers who:

a. wish to invest to achieve capital growth;

b. are not prepared to accept the risk of capital loss;

c. require a fixed rate of return on their investment;

d. want to invest in a bank deposit or in a term deposit with a bank that is guaranteed by the Australian Government's Deposit Guarantee Scheme;

e. wish to invest in an investment product the return on which is not primarily dependent on the performance of the Product's

underlying mortgage loan portfolio secured by mortgages over property located in Tasmania; or

f. are not prepared to accept the risk of MCMF ceasing to be "liquid" for the purposes of the Corporations Act and the associated limitations on the right of consumers to withdraw capital invested.

DISTRIBUTION CONDITIONS AND RESTRICTIONS

The following conditions and restrictions apply to the distribution of the Product to ensure that the Product is distributed to consumers in the Product's target market:

a. the Product is distributed exclusively by MCMML;

b. a consumer considering investing in the Product is provided with the Product's Product Disclosure Statement and this TMD; and

c. a consumer who makes an application to invest in the Product is required to complete an acknowledgement contained within the Investment Application Form to assist MCMML to determine whether it is likely that the consumer falls within the target market for the Product.

These conditions and restrictions will make it more likely that consumers who invest in the Product are in the Product's target market for the following reasons:

a. MCMML employees who liaise with potential investors in the Product have a clear understanding of the key attributes of the Product and the Product's target market and are instructed by MCMML to endeavour to establish that a potential investor is in the Product's target market before accepting an investment in the Product;

b. providing the Product's Product Disclosure Statement and this TMD to a potential investor gives the potential investor the opportunity to assess whether the potential investor is within the Product's target market; and

c. the acknowledgement provided by a consumer contained within the Investment Application Form assists MCMML employees to identify whether the consumer is within the target market for the Product or not.

REVIEWS

PERIODIC REVIEWS

MCMML will carry out a review of this TMD in October 2027.

Subsequent reviews will be carried out at regular 12 month intervals.

REVIEW TRIGGERS

MCMML will carry out a review of this TMD within 10 business days of becoming aware that one or more of the following trigger events has occurred:

a. the Product ceases to be consistent with the Product's target market criteria;

b. the law changes in a way which materially affects the Product or its distribution;

c. the distribution conditions cease to make it likely that consumers who acquire the Product are in the Product's target market;

d. an event or circumstances that materially changes a factor taken into account in preparing this TMD for the Product that MCMML considers results in the target market for the Produce no longer being appropriate; and

e. a "significant dealing" in the Product that is not consistent with this TMD which MCMML reasonably considers indicates that this TMD is no longer appropriate.

REPORTING

Distributors of the Product must provide MCMML with information relating to any complaints about the Product, especially complaints relating to the design and distribution of the Product, within 10 business days after the end of every quarter.

Distributors of the Product must notify MCMML of a dealing in the Product that is not consistent

with this TMD as soon as practicable, but in any event within 10 business days after becoming aware.

FURTHER INFORMATION

Further information about the Product may be obtained from the MCMF website at www.mcmf.com.au or by contacting MCMML by calling (03) 6235 9311 or 1800 00 62 63 or emailing info@mcmf.com.au.

DISCLAIMER

This TMD is not a representation that the Product is an appropriate investment for any person.

A person considering investing in the Product should read the Product's Product Disclosure Statement (available on the MCMF website or by contacting MCMML) and should consider whether an investment in the Product is appropriate for their needs, objectives and circumstances.