



Moho Resources NL

ABN 81 156 217 971

Annual Report - 30 June 2017

Moho Resources NL
Directors' report
30 June 2017

The directors present their report, together with the financial statements, of Moho Resources NL (referred to hereafter as the 'company'), for the financial year to 30 June 2017.

Directors

The following persons were directors of Moho Resources NL during the whole period since incorporation up to the date of this report, unless otherwise stated:

Adrian Larking
Shane Sadleir
Ralph Winter (Director and Company Secretary)

Principal activities

During the financial year the principal continuing activities of the company consisted of mineral exploration.

Dividends

No dividends were paid or declared during the financial year. The directors do not recommend the payment of a dividend.

Review of operations

The loss for the company after providing for income tax amounted to \$424,696 for the financial year to 30 June 2017 (2016: \$116,662).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

A list of all securities issued after balance date to the date of this report is below.

Issue of Securities	Date	Number	Price per share (\$)	Value (\$)
Issue of shares – Conversion of Creditors	13-Jul-17	480,000	0.05	24,000
Issue of shares – Conversion of Creditors	22-Aug-17	2,473,311	0.05	123,011
Issue of shares – Conversion of Creditors	31-Aug-17	300,000	0.05	15,000
Issue of shares – Conversion of Creditors	20-Sep-17	200,000	0.05	10,000
Issue of Shares – Conversion of Creditors/Loans	12-Jan-18	1,688,658	0.05	84,433
Issue of Shares – Conversion of Creditors/Loans	13-Jan-18	123,248	0.05	6,162

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

Shares under option

There are no unissued ordinary shares of Moho Resources NL under option as at the date of this report.

Likely developments and expected results of operations

Information on likely developments in the operations of the entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the entity.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Moho Resources NL
Directors' report
30 June 2017

Information on directors

Name: Adrian Larking
Title: Non-Executive Chairman
Qualifications: BSc (Hon, 1st) UWA and Adelaide, MSc & Dip Imperial College (RSM, London), LLB (Adelaide), Grad. Dip. Legal Practice (SA); FAusIMM, FAIG
Experience and expertise: Mr Larking is a geoscientist and lawyer with extensive minerals, petroleum and energy industry experience in Australia and internationally. He has spent over 25 years with Western Mining Corporation Limited (WMC) holding various senior and management positions in exploration, mine geology, research, commercial, analyst, marketing in the, minerals and petroleum divisions.

Mr Larking has been involved in the successful establishment of a number of junior gold companies which discovered multi-million ounce gold deposits and has substantial experience as a director of listed and unlisted companies and consultant to exploration companies. He is a Councillor of the Association of Mining and Exploration Companies (AMEC).

Special responsibilities: None

Name: Shane Sadleir
Title: Non-Executive Director
Qualifications: BSc (Hon), FAusIMM
Experience and expertise: Mr Sadleir is a geoscientist with over 30 years experience in exploration, mining, environmental and corporate aspects of the mining industry, having specialised in the mineralogy and geochemistry of Darling Range bauxite deposits at University. Throughout his career Mr Sadleir has been involved in the exploration of gold, uranium, nickel, base metals, bauxite and mineral sands in Australia and overseas.

Since 2005, he has been involved in the formation, project acquisition and successful listing of a number of public mining companies on the ASX and the Alternative Investment Market in London. He has previously held directorship positions with Bannerman Resources Limited, Trafford Resources Limited, Athena Resources Limited, Robust Resources Limited and Scotgold Resources Limited.

Special responsibilities: None

Name: Ralph Winter
Title: Non-Executive Director and Company Secretary
Qualifications: BCom, Grad Dip Prof Acct, GAICD
Experience and expertise: Mr Winter is a commerce graduate with 12 years of experience in the mining and exploration industry. He has specialised in corporate affairs and finance, marketing and promotion and business development in both exploration and development companies, with a wide range of commodities including gold, copper, silver, uranium and iron ore.

Mr Winter is a graduate of the Australian Institute of Company, Founding Director of Australian Remote Assistance and a Non-Executive Director of Breast Cancer Care WA which is a not for profit organisation.

Special responsibilities: None

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Full board	
	Attended	Held
Adrian Larking	1	1
Shane Sadleir	1	1
Ralph Winter	1	1

Moho Resources NL
Directors' report
30 June 2017

Held: represents the number of meetings held during the time the director held office.

Indemnity and insurance of officers

The company is in the process of obtaining insurance to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Shane Sadleir
Managing Director

21 June 2018

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Moho Resources NL for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS



ALASDAIR WHYTE
Partner

Perth, WA
Dated: 21 June 2018

Moho Resources NL

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General information

The financial statements cover Moho Resources NL for year ended 30 June 2017. The financial statements are presented in Australian dollars, which is Moho Resources NL's functional and presentation currency.

Moho Resources NL is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

22 Railway Rd
Subiaco
Perth WA 6000

Principal place of business

22 Railway Rd
Subiaco
Perth WA 6000

A description of the nature of the entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 21 June 2018. The directors have the power to amend and reissue the financial statements.

Moho Resources NL
Statement of profit or loss and other comprehensive income
For the financial year ended 30 June 2017

	Note	30 June 2017 \$	30 June 2016 \$
Expenses			
Consultants expense		(33,215)	(11,020)
Other expenses		(5,153)	(7,455)
Exploration and evaluation expenditure		(376,878)	(80,862)
Rental expense		(9,450)	(17,325)
		<hr/>	<hr/>
(Loss) before income tax expense		(424,696)	(116,662)
Income tax expense		-	-
		<hr/>	<hr/>
(Loss) after income tax expense for the year		(424,696)	(116,662)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the year attributable to the owners of Moho Resources NL		<u>(424,696)</u>	<u>(116,662)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Moho Resources NL
Statement of financial position
As at 30 June 2017

	Note	30 June 2017 \$	30 June 2016 \$
Assets			
Current assets			
Cash and cash equivalents	2	806	395
Other current assets		12,000	10,433
Total current assets		12,806	10,828
Total assets		12,806	10,828
Liabilities			
Current liabilities			
Trade and other payables	3	261,501	81,591
Borrowings	4	21,965	62,397
Total current liabilities		283,466	143,988
Total liabilities		283,466	143,988
Net liabilities		(270,660)	(133,160)
Equity			
Issued capital	5	417,449	130,253
Accumulated losses	6	(688,109)	(263,413)
Total equity		(270,660)	(133,160)

The above statement of financial position should be read in conjunction with the accompanying notes

Moho Resources NL
Statement of changes in equity
For the financial year ended 30 June 2017

	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2016	130,253	(263,413)	(133,160)
Loss after income tax expense for the year	-	(424,696)	(424,696)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(424,696)	(424,696)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	287,196	-	287,196
Balance at 30 June 2017	<u>417,449</u>	<u>(688,109)</u>	<u>(270,660)</u>

	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2015	105,253	(146,751)	(41,498)
Loss after income tax expense for the year	-	(116,662)	(116,662)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(116,662)	(116,662)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	25,000	-	25,000
Balance at 30 June 2016	<u>130,253</u>	<u>(263,413)</u>	<u>(133,160)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Moho Resources NL
Statement of changes in equity
For the financial year ended 30 June 2017

	Consolidated	
Note	2017	2016
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(1,568)	(7,311)
Payments related to exploration expenditure	<u>(10,025)</u>	<u>(55,861)</u>
Net cash from operating activities	<u>(11,593)</u>	<u>(63,172)</u>
Cash flows from financing activities		
Proceeds from issue of shares	7,500	-
Proceeds from borrowings	<u>4,504</u>	<u>62,397</u>
Net cash from financing activities	<u>12,004</u>	<u>62,397</u>
Net movement in cash and cash equivalents	411	(775)
Cash and cash equivalents at the beginning of the financial year	<u>395</u>	<u>1,170</u>
Cash and cash equivalents at the end of the financial year	<u><u>806</u></u>	<u><u>395</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the owners of Moho Resources NL. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the owners of Moho Resources NL.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. As disclosed in the financial statements, the Company incurred a loss of \$424,696 and had net cash outflows from operating activities of \$11,593 for the period ended 30 June 2017. As at that date the Company had net current liabilities of \$270,660 and net liabilities of \$270,660.

The Directors believe there are reasonable grounds to believe the Company can continue as a going concern, after consideration of the following:

- The Company plans to lodge a Prospectus with the ASIC to facilitate the listing of the Company's securities on the Australia Securities Exchange (ASX) and seeks to raise up to \$6 million through the issue of new shares. The target completion of the public offer is 21 July 2018.
- In the past, Directors and other creditors have agreed to deferred settlement or alternatively accept equity in lieu of cash settlement, for example Note 10. There is no reason to believe this will not continue in the event the public offer is delayed.

Accordingly, the Directors believe that the Company will be able to continue to operate as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the Company not achieve the factors set out above, there is a material uncertainty which may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company is not able to continue as a going concern.

Note 1. Significant accounting policies (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Note 1. Significant accounting policies (continued)

Exploration Expenditure

Exploration and evaluation costs, including the costs of acquiring permits and licenses, are capitalised as exploration and evaluation assets on an area of interest basis in the statement of financial position. Costs incurred before the company has obtained the legal rights to explore an area are recognised in the profit or loss.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- (a) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- (b) activities in the area of interest have not at the reporting date reached a state which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of minerals in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to development expenditure.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Note 1. Significant accounting policies (continued)

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2017. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Current assets - cash and cash equivalents

	2017	2016
	\$	\$
Cash on hand	806	395
	<u>806</u>	<u>395</u>

Note 3. Current liabilities - trade and other payables

	2017	2016
	\$	\$
Trade payables	261,501	81,591
	<u>261,501</u>	<u>81,591</u>

Trade payables are non-interest bearing and are normally settled on 30-day terms. The above amounts do not bear interest and their carrying amount is equivalent to their fair value.

Note 4. Current liabilities - borrowings

	2017	2016
	\$	\$
Loans from related parties	21,965	62,397
	<u>21,965</u>	<u>62,397</u>

The loans are unsecured, have no interest rate and are repayable on demand.

Note 5. Equity - issued capital

	2017	2016	2017	2016
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>17,889,901</u>	<u>11,035,003</u>	<u>417,449</u>	<u>130,253</u>

Moho Resources NL
Notes to the financial statements
30 June 2017

Movements in ordinary share capital

Details	Date	Shares	Issue price (\$)	\$
Balance	1 July 2015	10,260,003		105,253
Issue of Shares – Conversion of Creditors	25 July 2015	275,000	0.02	5,000
Issue of Shares – Conversion of Creditors	25 July 2015	500,000	0.04	20,000
Balance	30 June 2016	11,035,003		130,253
Issue of Shares – Conversion of Creditors/Loans	8 September 2016	5,004,898	0.04	200,196
Issue of Shares – Conversion of Creditors/Loans	10 September 2016	550,000	0.04	22,000
Issue of shares – Conversion of Creditors	10 September 2016	350,000	0.05	17,500
Issue of shares – Conversion of Creditors	22 August 2016	800,000	0.05	40,000
Issue of shares – Placement	14 June 2017	150,000	0.05	7,500
Balance	30 June 2017	17,889,901		417,449

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 6. Equity - Accumulated losses

	2017 \$	2016 \$
Accumulated losses at the beginning of the financial year	263,413	146,751
Loss after income tax expense for the year	424,696	116,662
Accumulated losses at the end of the financial year	688,109	263,413

Note 7. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company, its network firms and unrelated firms:

	2017 \$	2016 \$
Audit services – RSM Australia Partners		
Audit or review of the financial statements	5,000	5,000

Note 8. Contingent assets and liabilities

The directors are not aware of any contingent assets or liabilities that may arise from the entity's operations as at 30 June 2017.

Note 9. Commitments

Exploration Commitments

In order to maintain rights of tenure to exploration permits, the Company had certain obligations to perform minimum exploration work and expend minimum amounts of money.

Those commitments may be varied as a result of renegotiations, relinquishments, farm-outs, sales or carrying out work in excess of the permit obligations.

The minimum expenditure required by the Company on its exploration permits as at 30 June 2017 is estimated below. Commitments beyond the time frame below cannot be estimated reliably as minimum expenditure requirements are reassessed annually. These commitments have not been provided for in the financial report.

	2017	2016
	\$	\$
Within one year	851,020	703,020
One to five years	3,565,200	3,442,920

Note 10. Events after the reporting period

A list of all securities issued after balance date to the date of this report is below.

Issue of Securities	Date	Number	Price per share(\$)	Value (\$)
Issue of shares – Conversion of Creditors	13-Jul-17	480,000	0.05	24,000
Issue of shares – Conversion of Creditors	22-Aug-17	2,473,311	0.05	123,011
Issue of shares – Conversion of Creditors	31-Aug-17	300,000	0.05	15,000
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Issue of Shares – Conversion of Creditors/Loans	12-Jan-18	1,688,658	0.05	84,433
Issue of Shares – Conversion of Creditors/Loans	13-Jan-18	123,248	0.05	6,162

No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 11. Reconciliation of profit / loss after income tax to net cash from operating activities

	2017	2016
	\$	\$
Loss after income tax expense for the year	(424,697)	(116,662)
Non-cash payments of exploration expenditure through issue of shares	235,761	25,000
Change in operating assets and liabilities:		
- trade and other payables	178,910	27,481
- other current assets	(1,567)	1,009
	<hr/>	<hr/>
Net cash from operating activities	<u>(11,593)</u>	<u>(63,172)</u>

Moho Resources NL
Directors' declaration
30 June 2017

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the owners of Moho Resources NL;
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended 30 June 2017; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Shane Sadleir
Managing Director

21 June 2018
Perth

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOHO RESOURCES NL

Opinion

We have audited the financial report of Moho Resources NL, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 30 June 2017, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year ended 30 June 2017; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Company incurred a loss of \$424,696 and had net cash outflows from operating activities of \$11,593 for the period ended 30 June 2016 and, as of that date, the Company's had net current liabilities of \$270,660 and net liabilities of \$270,660. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's director's report for the period ended 30 June 2017 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/a4.pdf. This description forms part of our auditor's report.

RSM
RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 21 June 2018

AL White
ALASDAIR WHYTE
Partner