

## MOHO RESOURCES LTD CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at 19 October 2018 and has been approved by the Board of the Company on that date.

The Board is committed to complying with the principles of best practice in corporate governance and intends and has adopted a Corporate Governance Plan to ensure that the Company will be able to comply with as many of the ASX Corporate Governance Principles and Recommendations (**Recommendations**), as the Board considers practicable taking into account the size of the Company and its stage of development.

The Board will aim to conduct the Company's affairs in accordance with the Recommendations to the extent that it is applicable to an entity of the size and structure of the Company. Due to the current size and nature of the existing Board and the magnitude of the Company's operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilized in other areas as the Board is of a strong view that at this stage the experience and skill set of the current Board is sufficient to perform these roles. Under the Company's board Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

**1. Lay solid foundations for management and oversight: A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.**

The Board is responsible for evaluating and setting the strategic direction for the Company, establishing goals for management and monitoring the achievement of these goals.

The principal functions and the responsibilities of the Board include but are not limited to the following;

- Determining in conjunction with management, corporate strategy, objectives, operations, plans and approving and appropriately monitoring plans, investments, major capital and operating expenditure and acquisitions;
- Monitoring actual performance against budget expectations;
- Identifying areas of significant business risk and ensure the Company is appropriately positioned to manage those risks;
- Overseeing the management of safety, WHS and environmental issues;
- Satisfying itself there are appropriate reporting systems and controls in place;
- Authorising the issue of any shares, options, equity instruments within the constraints of the ASX Listing Rules and Corporations Act; and
- Monitoring the performance of senior management, including ensuring appropriate resources are available and strategy is being implemented.
- The Board has adopted Charters on Audit and Risk and Remuneration and Nomination but at this time the full board will undertake the roles of each committee.

The directors may at an appropriate time implement a performance management system and further develop the roles and responsibilities as they are understood in greater detail. If the Company's activities increase, in size, scope and nature, the appointment of separate committees will be reviewed by the Board and implemented if appropriate.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 1.1	Yes	The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management. Given the size of the Company all matters are undertaken by the Board. A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website.

Recommendation 1.2	Yes	<p>The Company has adopted a Nomination Committee Charter dealing, allows the Board, to ensure the appropriate checks are undertaken before appointing a person or putting forward a candidate to security holders for election as a Director.</p> <p>Furthermore, the Nomination Committee Charter requires all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the notice of meeting containing the resolution to elect or re-elect a Director.</p>
Recommendation 1.3	Yes	<p>The Company's Nomination Committee Charter requires the Nomination Committee to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company has entered formal engagement agreement with the Directors and senior executives setting out their roles and responsibilities and basis of remuneration.</p>
Recommendation 1.4	Yes	<p>The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>
Recommendation 1.5	Yes	<p>The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity.</p> <p>The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website.</p> <p>The Board does not presently intend to set measurable gender diversity objectives because:</p> <ul style="list-style-type: none"> <li>(a) the Board does not anticipate there will be a need to appoint any new Directors or senior executives due to limited nature of the Company's existing and proposed activities and the Board's view that the existing Directors and senior executives have sufficient skill and experience to carry out the Company's plans; and</li> <li>(b) if it becomes necessary to appoint any new Directors or senior executives, the Board considered the application of a proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merits.</li> </ul> <p>The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executives" for these purposes) for each financial year will be disclosed in the Company's Annual</p>

		Report. As at the date of this Statement the Board consists of all men.
Recommendation 1.6:	Yes	<p>The Company has adopted a Nomination Committee Charter is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. The functions are currently undertaken by the Board as a whole and can be done with the aid of an independent advisor.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process.</p>
Recommendation 1.7	Yes	<p>The Company's Nomination Committee is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. Details of the application processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the senior executives for each financial year in accordance with the applicable processes.</p> <p>At this stage, the Company has appointed Mr Robert Affleck as a senior executive in his role as exploration manager.</p>

**2. Structure the board to add value: A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.**

The current board structure, skill and commitment is suitable for a start-up mining and exploration company. The Company undertakes comprehensive reference checks prior to appointing a director or putting a person forward as a candidate. This ensures the candidate is competent, experienced and would in no way impair their ability to undertake their duty as a director.

The Board is responsible for the nomination and selection of directors. The Board reviews the size and composition of the Board at least once a year as part of the Board evaluation process. Generally, a list of potential candidates is identified based on skills required, geographic location and diversity criteria.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 2.1	No	<p>The Board has adopted a Charter in respect of Nomination and Remuneration, however given the size of the Company the Company does not have a committee because the Board considers the Company will not currently benefit from its establishment.</p> <p>In accordance with the Board Charter, the Board will undertake the role of the committee outlined in the</p>

		<p>Charter.</p> <p>All skills and experience of prospective directors are disclosed to shareholders.</p>
Recommendation 2.2	No	<p>Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skill matrix setting out the mix of skills and diversity that the Board currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction.</p> <p>The Company has determined that a skills matrix is not necessary given the current size and scope of the Company's operations. Instead, the Board as a whole regularly reviews the collective skills of the Board, with the Board proposing candidates for directorships having regard to the desired skills and experience required by the Company as well as the proposed candidates' diversity of background.</p> <p>The Board may adopt such a matrix at a later time as the Company's operations grow and evolve.</p>
Recommendation 2.3	Yes	<p>The Board Charter requires the disclosure of the names of Directors considered by the board to be independent. The company will disclose those Directors it considers to be independent in its Annual Report and on its ASX website.</p> <p>The Board considers the following Directors independent:</p> <ol style="list-style-type: none"> <li>1. Terry Streeter.</li> </ol> <p>The Company will disclose in its Annual Report and ASX website any instances where this applies and an explanation of the Board's opinion why the relevant Directors is still considered to be independent.</p> <p>The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.</p>
Recommendation 2.4	No	<p>The Company's Board Charter requires that, where practical, the majority of the Board should be independent.</p> <p>The Board currently consists of one (1) independent director out of the four (4) directors of the Board. As such, independent directors are not currently an independent majority of the Board.</p> <p>The Board does not consider an independent majority of the Board to be appropriate given:</p> <ol style="list-style-type: none"> <li>(a) the speculative nature of the Company's business, and its limited scale of activities, which therefore means the Company only needs, and can only commercially sustain, a small Board of three (3) Directors and no</li> </ol>

		<p>senior executives other than the executive Director; and</p> <p>(b) the Company considers at least one (1) Director needs to be an executive Director for the Company to be effectively managed;</p> <p>(c) the Company considers at least one (1) Director needs to be an executive Director for the Company to be effectively managed;</p> <p>(d) the Company considers it necessary, given its speculative and small scale activities, to attract and retain suitable Directors by offering Directors an interest in the Company; and</p> <p>(e) the Company considers it appropriate to provide remuneration to its Directors in the form of securities in order to conserve its limited cash reserves.</p> <p>The Board has agreed on procedures for Directors to have access to independent professional advice in appropriate circumstances to facilitate independent decision making.</p> <p>As the Company grows, the Board will consider the appointment of additional independent Directors.</p>
Recommendation 2.5	Yes	<p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director.</p> <p>The Chairman is considered independent and is not the CEO/Managing Director.</p>
Recommendation 2.6	Yes	<p>In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional developments.</p> <p>It is the policy of the Company that each new Director undergoes an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, an induction package and presentations.</p>

### 3. Act ethically and responsibly: A listed entity should act ethically and responsibly.

The Company is an Australian company, therefore falling under the jurisdiction of the Corporations Act. All directors are required to act ethically and responsibly at law and further adoptions of policy with regard to this issue, are not warranted at this stage.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 3.1	Yes	<p>The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.</p> <p>The Company has a Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on its website.</p>

**4. Safeguard integrity in corporate reporting: A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.**

All ASX listed entities are required by the Listing Rules to report on various matters. The manner and form of reporting is governed by the ASX. All directors are obliged to make declarations as to their obligations in relation to reporting amongst other things. The external auditor provides annual reporting to the Board.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 4.1	Yes	<p>(a) The Company does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chair.</p> <p>(b) The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p>(i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and</p> <p>(ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</p>
Recommendation 4.2	Yes	<p>The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a sign off on these terms.</p> <p>The Company intends to have the CEO and Company Secretary to sign off on these terms for each of its financial statements in each financial year.</p>
Recommendation 4.3	Yes	<p>The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM.</p> <p>The security holders are afforded an opportunity to attend and ask questions of the external auditor in respect of the accounts at any AGM.</p>

**5. Make timely and balanced disclosure: A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.**

The Board has designated the Company Secretary as the person responsible for communication with the ASX. The Chairman and Company Secretary are responsible for ensuring all Company announcements are made in a timely manner, that announcements are factual and do not omit any material information required to be disclosed under the ASX Listing Rules or Corporations Act and that Company announcements are expressed in a clear and objective manner.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 5.1	Yes	The Company has a continuous disclosure and shareholder communication policy detailed in the Corporate Governance Plan, which is available on its website <a href="http://www.mohoresources.com.au">www.mohoresources.com.au</a>

**6. Respect the rights of security holders: A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.**

Being a Company seeking listing on the ASX, the Company provides all security holders with a medium for access to all appropriate information. The services of the Company Secretary also ensure security holders have at all times direct contact with the Company.

The Company recognises the value of providing current, relevant and objective information to its shareholders. The Company is committed to communicating effectively with shareholders, once listed this will be through releases to the market via the ASX and General meetings.

The Company makes available a telephone number and email address of the Company Secretary for shareholders to make enquiries.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 6.1	Yes	The Company's website is <a href="http://www.mohoresources.com.au">www.mohoresources.com.au</a> contains the Corporate Governance Plan which contains information about the Company and its governance.  The security holders have access to all announcements through the ASX website.
Recommendation 6.2	Yes	The Company has a shareholders communications strategy to facilitate effective two-way communication with investors. The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.
Recommendation 6.3	Yes	The Company encourages participation of security holders at all general meetings and AGMs of the Company. Security holders are informed of their right to participate at all general meetings and AGMs.
Recommendation 6.4	Yes	The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.

		Shareholders queries should be referred to the Company Secretary at first instance.
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**7. Recognise and manage risk: A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.**

The directors as a group are responsible for the risk management of the Company. The Board is committed to the identification, assessment and management of risk throughout the Company's activities. As the Company is still in its early stages, the level of risk processes in place to mitigate any risk and the management of any such issues remain a work in progress.

The board requires management to design and implement a risk management and internal compliance and control system to manage the Company's material business risks.

The Company's process of risk management and internal compliance and control is focused on;

- Formulating risk management strategies;
- Identifying and measuring risks that impact upon the achievement of the Company's direction and objectives; and
- Monitoring the business environment for emerging factors and trends that affect those risks.

The Company has adopted a Charter in respect of Audit and Risks however as the Company currently has 4 directors, establishing a separate risk committee at this stage would not be feasible. Senior management and the Board are aware of the risks as disclosed in the Company's Prospectus and will continue to develop and implement a risk management framework.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 7.1	Yes	<p>The Board has adopted a Charter in respect of Audit and Risks, contained in the Company's Corporate Governance Plan. The Company has not established a Audit and Risk Committee as the Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate risk committee.</p> <p>In accordance with the Board Charter the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter.</p>
Recommendation 7.2	Yes	<p>The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose at least annually whether such a review of the Company's risk management framework has taken place.</p>
Recommendation 7.3	No	<p>The Board has not yet formed an internal audit function as it considers that this is not currently feasible given the size of the Company and the relatively small management and employee team. The Audit and Risk committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function.</p> <p>As set out in Recommendation 7.1, the Board is responsible for overseeing the establishment and</p>



		<p>implementation of the Audit and Risk Committee.</p> <p>The Board reviews and monitors the parameters under which risks will be managed. Management accounts will be prepared and reviewed with the Company Secretary at subsequent Board meetings. Budgets are prepared and compared against actual results.</p>
Recommendation 7.4	Yes	<p>The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p> <p>The Company's Corporate Governance Plan requires the Company to disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company will disclose this information in its Annual Report and on its ASX website as part of its continuous disclosure obligations.</p>

**8. Remunerate fairly and responsibly: A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.**

Remuneration of the directors is included within the Company's prospectus.

As the Company further increases its activity, the remuneration of the directors and senior managers will be assessed by the Board as a whole, due to the size of the Board and the Company a remuneration committee at this point in time is unnecessary, as it will not add value to the independence of any decisions. The Board has adopted a Nomination and Remuneration Charter.

Recommendation	Adopted (Yes/No)	Reason
Recommendation 8.1	No	<p>The Company does not have a Remuneration Committee. The Board has adopted a Corporate Governance Plan containing a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three (3) members, a majority of whom must be independent Directors, and which must be chaired by an independent Director.</p> <p>In accordance with the Company's Board Charter, the Board carries out functions under the Remuneration Committee Charter including the following process which are delegated to it in the Company's Remuneration Committee Charter. As part of its processes to set the level and composition of remuneration for Directors and senior executives and ensuring that the remuneration is appropriate and not excessive:</p> <p>The Board devotes time at the annual Board meeting to assess the level and composition of remuneration for</p>

		Directors and senior executives.
Recommendation 8.2	Yes	<p>Remuneration of all directors and senior management is disclosed in any annual report as required by the Company's Corporate Governance Plan. The board deals with this on a year by year basis at this stage.</p> <p>The Company's Corporate Governance Plan is available on its website.</p>
Recommendation 8.3	Yes	<p>The Board has an equity based remuneration scheme. The Company has a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p> <p>A copy of the policy will be provided on the Company's Annual Report.</p>