MOHO RESOURCES LIMITED

ACN 156 217 971

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

Directors

Mr Terry Streeter	Non-Executive Chairman
Mr Shane Sadleir	Managing Director
Mr Ralph Winter	Commercial Director
Mr Adrian Larking	Non-Executive Director

Joint Company Secretaries

Mr Ralph Winter
Mr David McEntaggart

Registered Office

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PERTH WA 6000
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Principal Place of Business

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Advanced Share Registry
110 Stirling Highway
NEDLANDS WA 6009
Tel: 1300 113 258

Stock Exchange Listing

ASX Code: MOH

Website

www.mohoresources.com.au

Annual report
for the year ended 30 June 2019

Chairman's Letter

Dear Investor

On behalf of the directors of Moho Resources Limited (**Moho** or the **Company**), it gives me great pleasure to present Moho's first Annual Report as an ASX-listed company.
Last year was a very busy year for us, both on the corporate front and with our exploration programs.

In addition to assembling our highly prospective exploration projects for gold and nickel in Western Australia and Queensland, the Company brought together a highly experienced and expert group of geologists, geochemists and geophysicists to advance these exciting projects.

Shortly after listing on the ASX on 7th November last year after raising $5.3 million via its initial public offering (IPO), Moho's exploration team hit the ground running. At our highly regarded Empress Springs gold project, close to the 1.2 million oz Au historic goldfield in Central North Queensland the Company mobilised aircore and reverse circulation rigs in October to undertake reconnaissance drilling over selected exploration targets along station tracks.

The highlight of this first ever drill program for gold at our Empress Springs project was the discovery of significant gold mineralisation and associated base metal zonation in the bedrock at the Arrowhead Prospect. The presence of anomalous zones of precious and base metals and pathfinder elements supports Moho's belief that we are on the cusp of discovering a very large mineralised system in the bedrock (refer to Empress Springs Exploration section of this Annual Report).

This view is supported by the work of world-renowned geologist Dr Jon Hronsky who identified two major trans-crustal structures as being significant potential pathways for formation of mineralisation in the area. Based on this early encouragement Moho has since applied for an additional 2,116km^2 of highly prospective ground encompassing these structures, making the Company potentially the largest tenement holder in the Croydon area.

By January this year, Moho had met the initial 51% earn-in on the tenements at Empress Springs by expending more than $1,000,000 under the terms of the Letter Agreement with Independence Newsearch Pty Ltd (INPL) a wholly-owned subsidiary of Independence Group NL, details below. Moho also notified INPL that it elected to proceed with the exploration to earn an additional 19% interest in the tenements.

In September 2018 the Company undertook a successful RC drill program which confirmed high grade gold mineralisation at the East Sampson Dam prospect at the Silver Swan North projects, 50km north of Kalgoorlie. The drilling extended the mineralised zone along strike over 220m and identified zones of near-surface supergene enrichment and multiple deeper zones of primary gold mineralisation.

This program resulted in Moho earning 51% interest in two key tenements under the farmin agreement negotiated with Odin Metals Ltd and is now proceeding to earn 70% interest in these tenements. The Company also holds 100% ownership of six other adjoining granted and applied for tenements, giving the Company a strategic tenure position close to Poseidon Nickel Limited's Black Swan Nickel Processing Facility.

During the year the Company reviewed the historical data for nickel sulphides at the Silver Swan North project. Historic electromagnetic (EM) targets were initially tested by Moho using high sensitivity SQUID EM technology. This was followed up by an RC drill program in April which showed that these EM conductors were due to unmineralised black shale. The Company is continuing to explore areas prospective for nickel sulphides and will undertake further work when tenements under application are granted, particularly areas close to the Silver Swan and Black Swan nickel deposits.

In conclusion, I am pleased with the great progress Moho and our exploration team has made this year. The recent improvement in gold and nickel prices are very encouraging and I believe Moho has some of the most prospective exploration ground in the business and in the best serviced and lowest risk jurisdictions in the world.

I take this opportunity to thank all our shareholders for their support throughout the year and also to thank the many stakeholders who have assisted Moho during this time.

Yours sincerely

Terry Streeter
Chairman
Moho Resources Limited

The Directors of Moho Resources Limited ("Moho" or "the Company") present their report together with the annual report of the Company for the financial year ended 30 June 2019.

Director details

The following persons were Directors of the Company during or since the end of the financial year:

Name	Particulars
Mr Terry Streeter	**Non-Executive Chairman – Appointed 6 July 2018.** Mr Streeter has extensive experience in funding, listing and overseeing junior explorers in all exploration and economic cycles and has served in various roles in the nickel sulphide industry for over 30 years.
Mr Shane Sadleir *BSc (Hon), FAusIMM*	**Managing Director – Appointed 12 March 2012.** 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.
Mr Ralph Winter *BCom, Grad Dip Prof Acct, GAICD*	**Commercial Director – Appointed 12 March 2012.** 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

Mr Adrian Larking
BSc (Hon, 1st) UWA and Adelaide, MSc & Dip Imperial College (RSM, London), LLB (Adelaide), Grad. Dip. Legal Practice (SA); FAusIMM, FAIG

Non-Executive Director – Appointed 7 March 2014.
Mr Larking is a geoscientist and lawyer with extensive minerals, petroleum and energy industry experience in Australia and internationally. He spent over 25 years with Western Mining Corporation Limited (WMC) holding various senior and management positions in exploration, mine geology, research, commercial, analyst, and 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 resource companies and consultant to exploration companies. He is a Councillor of the Association of Mining and Exploration Companies (AMEC).

Company secretary

Mr Ralph Winter, appointed on 8 October 2018.

Mr David McEntaggart was appointed joint company secretary on 3 December 2018. Mr McEntaggart is a Chartered Accountant and Chartered Secretary with over 10 years' experience in the resource industry and accounting profession in Australia and the UK. He provides services to a number of ASX listed companies specialising in financial accounting and corporate compliance.

Mr Keith Bowker, resigned 8 October 2018.

Remuneration Report (Audited)

The remuneration report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for key management personnel (KMP) who are defined as those persons having the authority and responsibility for planning and directing the major activities of the Company, directly and indirectly, including any director (whether executive or otherwise).

Remuneration Philosophy

The performance of the Company depends on the quality of the Company's Directors, executives and employees and therefore the Company must attract, motivate and retain appropriately qualified industry personnel.

Remuneration policy

Remuneration levels for the executives are competitively set to attract the most qualified and experienced candidates, taking into account prevailing market conditions and the individual's experience and qualifications.

During the period, the Company did not have a separately established remuneration committee. The Board is responsible for determining and reviewing remuneration arrangements for the executive and non-executive Directors.

The remuneration of executive and non-executive Directors is not dependent on the satisfaction of performance conditions. Remuneration and share based payments are issued to align Directors' interest with that of shareholders.

Executive Director Remuneration
The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Mr Sadleir was appointed as a Director on 12 March 2012. His employment conditions are governed by an Executive Services Agreement dated 5 July 2018. Mr Sadleir is entitled to receive $180,000 per annum (exclusive of statutory superannuation) and 2,400,000 Options which were granted on 17 July 2018. Mr Sadleir was also entitled to receive a bonus of $20,000 on the Company's listing on the ASX. The terms of the agreement can be terminated by the Company by providing three (3) months written notice and then paying Mr Sadleir an amount equal to three (3) months salary at the end of that notice period. Mr Sadleir may terminate the terms of the agreement by providing three (3) months written notice.

Mr Winter was appointed as a Director on 12 March 2012. His employment conditions are governed by an Executive Services Agreement dated 5 July 2018. Mr Winter is entitled to receive $150,000 per annum (exclusive of statutory superannuation) and 2,400,000 Options which were granted on 17 July 2018. Mr Winter was also entitled to receive a bonus of $20,000 on the Company's listing on the ASX. The terms of the agreement can be terminated by the Company by providing three (3) months written notice and then paying Mr Winter an amount equal to three (3) months salary at the end of that notice period. Mr Winter may terminate the terms of the agreement by providing three (3) months written notice.

Non-Executive Directors Remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

Mr Streeter was appointed as a Director on 5 July 2018. His appointment is governed by a Non-Executive Director appointment letter dated 5 July 2018. Mr Streeter is entitled to receive $100,000 per annum (exclusive of statutory superannuation) and 1,000,000 Options which were granted on 29 October 2018. Mr Streeter was also entitled to receive a bonus of $20,000 on the Company's listing on the ASX.

Mr Larking was appointed as a Director on 7 March 2014. His appointment is governed by a Non-Executive Director appointment letter dated 5 July 2018. Mr Larking is entitled to receive $48,000 per annum (exclusive of statutory superannuation) and 2,400,000 Options which were granted on 17 July 2018. Mr Larking was also entitled to receive a bonus of $20,000 on the Company's listing on the ASX.

The Company's Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting. Before a determination is made by the Company in a general meeting, the aggregate sum of fees payable by the Company to the Non-Executive Directors is a maximum of $300,000 per annum. Summary details of remuneration of the Non-Executive Directors are provided in the table below. The remuneration is not dependent on the satisfaction of a performance condition.

Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

Relationship between the Remuneration Policy and Company Performance:

	30 June 2019	30 June 2018	30 June 2017	30 June 2016	30 June 2015
	$	$	$	$	$
Revenue	213,432	-	-	-	5,318
Loss after income tax	(1,142,670)	(554,433)	(424,626)	(116,662)	(46,221)
Basic loss per share (cents)	(3.46)	(7.66)	(7.24)	(1.06)	(0.45)
Diluted loss per share (cents)	(3.46)	(7.66)	(7.24)	(1.06)	(0.45)

Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the Directors and Key Management Personnel of the Company for the year ended 30 June 2019 and 30 June 2018 are:

2019								
Key Management Person	**Short-term Benefits**		**Post-employment Benefits**	**Other Long-term Benefits**	**Equity-settled share based Payments**		**Total**	**Options as a percentage of Remuneration**
	Cash, salary & bonus	**Other**	**Super-annuation**	**Other**	**Equity**	**Options**		
	$		**$**	**$**	**$**	**$**	**$**	**%**
Directors								
Shane Sadleir	138,000	-	11,210	-	-	32,938	182,148	18%
Ralph Winter	130,333	-	9,342	-	-	32,938	172,613	19%
Terry Streeter[1]	85,555	-	6,228	-	-	144,262	236,045	61%
Adrian Larking	51,467	-	2,989	-	-	32,938	87,394	38%
TOTAL	**405,355**	**-**	**29,769**	**-**	**-**	**243,076**	**678,200**	

[1] Appointed on 6 July 2018

2018								
Key Management Person	**Short-term Benefits**		**Post-employment Benefits**	**Other Long-term Benefits**	**Equity-settled share based Payments**		**Total**	**Options as a percentage of Remuneration**
	Cash, salary & bonus	**Other**	**Super-annuation**	**Other**	**Equity**	**Options**		
	$		**$**	**$**	**$**	**$**	**$**	**%**
Directors								
Shane Sadleir	80,000	-	-	-	-	-	80,000	-
Ralph Winter	15,000	-	-	-	-	-	15,000	-
Adrian Larking	-	-	-	-	-	-	-	-
TOTAL	**95,000**	**-**	**-**	**-**	**-**	**-**	**95,000**	

Options and Rights Over Equity Instruments Granted as Compensation

Details of options over ordinary shares in the Company that were granted as compensation during the financial period to each key management person during the period and details of options are as follows:

	Granted	Grant date	Fair value per option	Exercise price per option	Expiry date	Number Options vested
Directors						
	1,000,000	17 July 2018	$0.0777	$0.25	17 July 2023	-
Shane Sadleir	700,000	17 July 2018	$0.0714	$0.35	17 July 2023	-
	700,000	17 July 2018	$0.0645	$0.50	17 July 2023	-
	1,000,000	17 July 2018	$0.0777	$0.25	17 July 2023	-
Ralph Winter	700,000	17 July 2018	$0.0714	$0.35	17 July 2023	-
	700,000	17 July 2018	$0.0645	$0.50	17 July 2023	-
	1,000,000	17 July 2018	$0.0777	$0.25	17 July 2023	-
Adrian Larking	700,000	17 July 2018	$0.0714	$0.35	17 July 2023	-
	700,000	17 July 2018	$0.0645	$0.50	17 July 2023	-
Terry Streeter	1,000,000	29 October 2018	$0.1443	$0.25	29 October 2023	1,000,000

There were no options granted to Key Management Personnel during the financial year ended 30 June 2018.

Transactions with related parties

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

On 12 January 2018, Shane Sadleir received 562,886 (post consolidation) ordinary shares at a deemed issue price of $0.15 per share for the conversion of loan and expenses totalling $84,433. Shane Sadleir had an outstanding amount of $8,000 as at 30 June 2018.

On 13 January 2018, Adrian Larking received 41,086 (post consolidation) ordinary shares at a deemed issue price of $0.15 per share for the conversion of expenses totalling $6,162.

Ralph Winter had an outstanding amount of $3,300 (including GST) as at 30 June 2018.

Loan to Directors and their related parties

No loans have been made to any Director or any of their related parties during the period. There were no further transactions with Directors including their related parties other than those disclosed above.

KMP Shareholdings

The number of ordinary shares in Moho Resources Limited held by each KMP of the Company during the financial period is as follows:

	Balance at beginning of period	Granted as remuneration during the period	Issued on exercise of options during the period	Other changes during the period	Balance at end of period
30 June 2019					
Shane Sadleir	2,828,597	-	-	-	2,828,597
Ralph Winter	516,668	-	-	-	516,668
Terry Streeter[1]	-	-	-	1,981,250	1,981,250
Adrian Larking	637,903	-	-	-	637,903

[1] Appointed on 6 July 2018

	Balance at beginning of period	Granted as remuneration during the period	Issued on exercise of options during the period	Other changes during the period	Balance at end of period
30 June 2018					
Shane Sadleir	2,265,711	-	-	562,886[1]	2,828,597
Ralph Winter	516,668	-	-	-	516,668
Adrian Larking	596,817	-	-	41,086[1]	637,903

[1] Shares issued on conversion of amounts owing

KMP Options Holdings

The number of options over ordinary shares held during the financial period by each KMP of the Company is as follows:

	Balance at beginning of period	Granted during the period	Exercised during the period	Purchased during the period[2]	Other changes during the period	Balance at end of period	Vested and exercisable
30 June 2019							
Shane Sadleir	-	2,400,000	-	942,866	4,242,894	7,585,760	5,185,778
Ralph Winter	-	2,400,000	-	172,223	775,004	3,347,227	947,227
Terry Streeter[1]	-	1,000,000	-	660,417	-	1,660,417	1,660,417
Adrian Larking	-	2,400,000	-	212,635	956,855	3,569,490	1,169,490

[1] Appointed on 6 July 2018
[2] Purchased through participation in the Loyalty Option Entitlement Issue, consideration paid of $0.005 per option.

There were no options held by KMP during the 2018 financial year.

End of Remuneration Report

Principal activities

The principal activity of the Company during the financial period was the completion of an initial public offer (IPO) to commence listing on the Australian Securities Exchange (ASX) and ongoing exploration activities.

There was no significant change in the nature of the Company's activity during the financial year.

Review of operations

Corporate

The Company successfully completed an Initial Public Offer (IPO) for the issue of 26,507,500 shares at an issue price of $0.20 per share to raise $5,301,500 (before costs). On 5 November 2018, the Company was admitted to the official list of the ASX and its securities commenced trading on 7 November 2018.

EMPRESS SPRINGS EXPLORATION

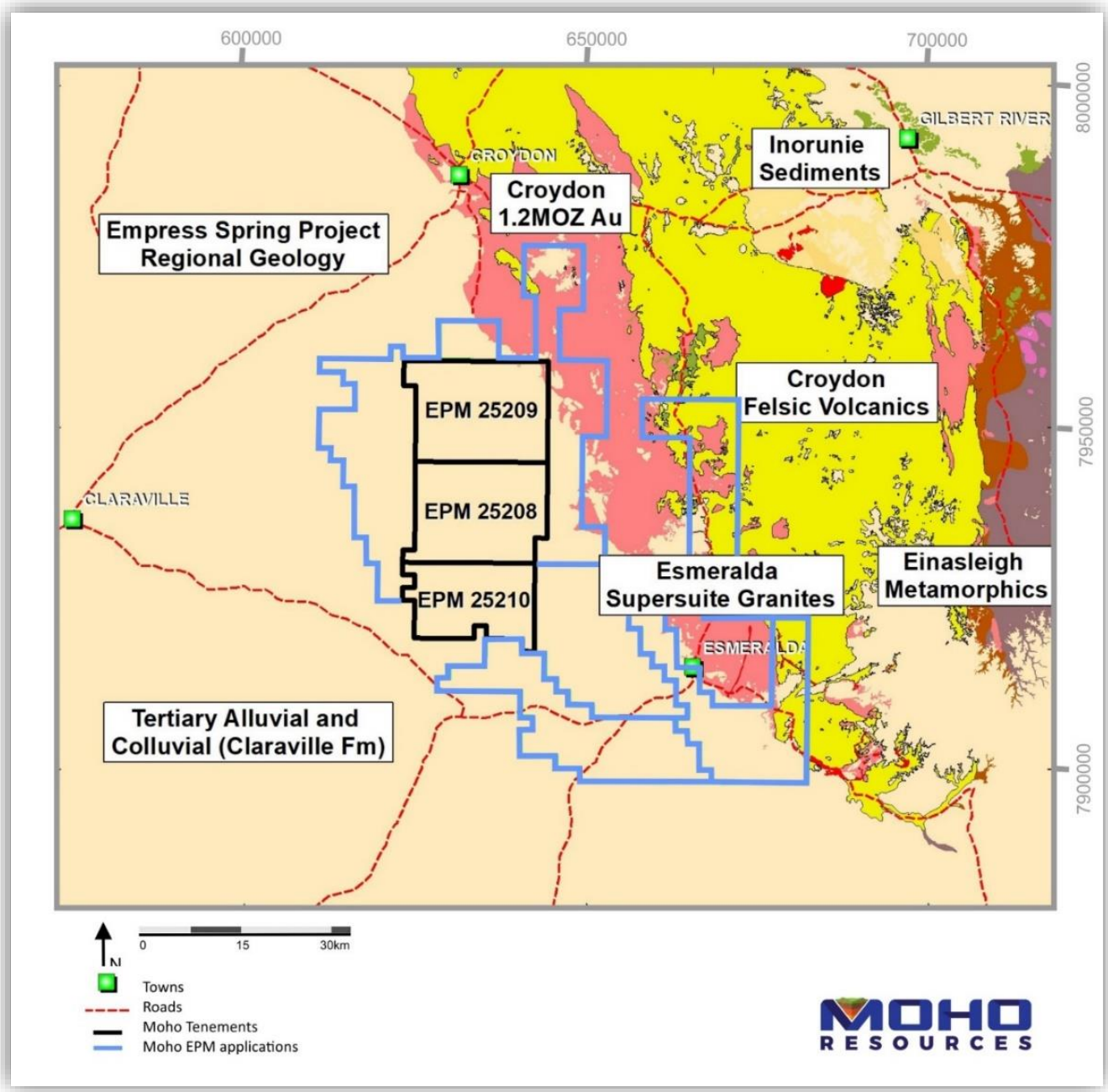

Figure 1: District geology of the Empress Springs Gold Project area

The Empress Springs Project is located 25 km to the south of the town of Croydon and comprises three adjacent exploration permits (EPM25208, EPM25209 and EPM25210), with a total area of 773 km² (Figure 1). The Croydon Goldfield, which extends from north of the town, contained over 300 gold occurrences with historical production estimated at 1.2Moz of Au.

On 27 July 2016 the Company entered into a farm-in joint venture agreement with Independence Newsearch Pty Ltd (as amended on 6 April 2018) (INPL) (a wholly owned subsidiary of Independence Group NL) pursuant to which the Company may earn up to a 70% interest in EP25208, EPM25209 and EPM25210, within the Empress Springs Project

On 30th January 2019, Moho notified INPL that it had met the initial 51% Earn-in on the tenements at Empress Springs under the terms of the Letter Agreement (details below). Moho also notified INPL that it had elected to proceed with the exploration to earn an additional 19% interest in the tenements in accordance with the Empress Springs Letter Agreement.

The Croydon Goldfield was proclaimed in 1886 and at one stage Croydon was the largest goldfield in north Queensland. The outcropping parts of the Croydon Province (<40% of the total province area) host numerous gold, silver and tin occurrences. The granites and volcanics of the Croydon province have been classified as Meso-Proterozoic aged fractionated I-type granitic magmas of Hiltaba suite association. Historical production is estimated at 1.2 Moz Au.

The Empress Springs Project area is covered by unconsolidated sediments. The only previous drilling in the tenement areas was in 1972–1973 for uranium exploration by Esso Australia Ltd. This drilling which primarily targeted uranium mineralisation in the cover rock sequence intersected some basement rocks within the area at depths of between 45 m and 75 m. In addition to granites and some mafic rocks, fine-grained volcanic rocks were encountered in some holes with strong kaolinite and chlorite alteration. Gold was not assayed for in these drillholes and no residual drill samples exist.

During the reporting year Moho Resources Ltd (ASX:MOH) (Moho or Company) commenced and accelerated it's exploration on the Empress Springs project area. The company to date has completed 3 phases of drilling over the 773km2:

Phase 1: 5,727m (87 holes) of aircore drilling completed in November 2018

The November 2018 drill program targeted potential gold mineralisation over targets selected on the basis of Moho's detailed airborne magnetic survey flown in April 2018, and previous geochemical surveys conducted by Avalon Resources in 2008. Broad-spaced first pass drilling along existing tracks has been designed to penetrate the 30–70 m of surface sediments and sample the bedrock interface and into the bedrock.

Individual 1m samples were composited into 4m or 2m intervals as drilling proceeded through the overlying sediments, with separate 1.0m samples retained near the interface with the weathered bedrock until the end of the hole. A number of significant assay results in holes ESA023 and ESR046 were repeated by 50g Fire Assay at ALS Townsville and very good agreement between the techniques was observed.

<u>At the Arrowhead Prospect</u>, gold and base metal anomalism extends over a distance of 2.0km from ESR029 in the NW to ESA022 in the SE (Figure 2). Au-Zn-Pb-Cu anomalism in the discovery hole ESA023 increases rapidly downhole from the interface between the cover and basement rocks, to a peak of 0.26% Zn, 0.14% Pb and 0.02% Cu.

Anomalous silver mineralisation (1.6g/t Ag) with minor levels of base metals was intersected in ESR029 from within the basement at 58 - 59m, about 1.6km WNW of hole ESR023.

<u>Near the Racetrack Prospect</u> anomalous gold mineralisation (0.98g/t Au) was intersected at 63 – 65m in hole ESR46 in the basement just below the interface with the cover.

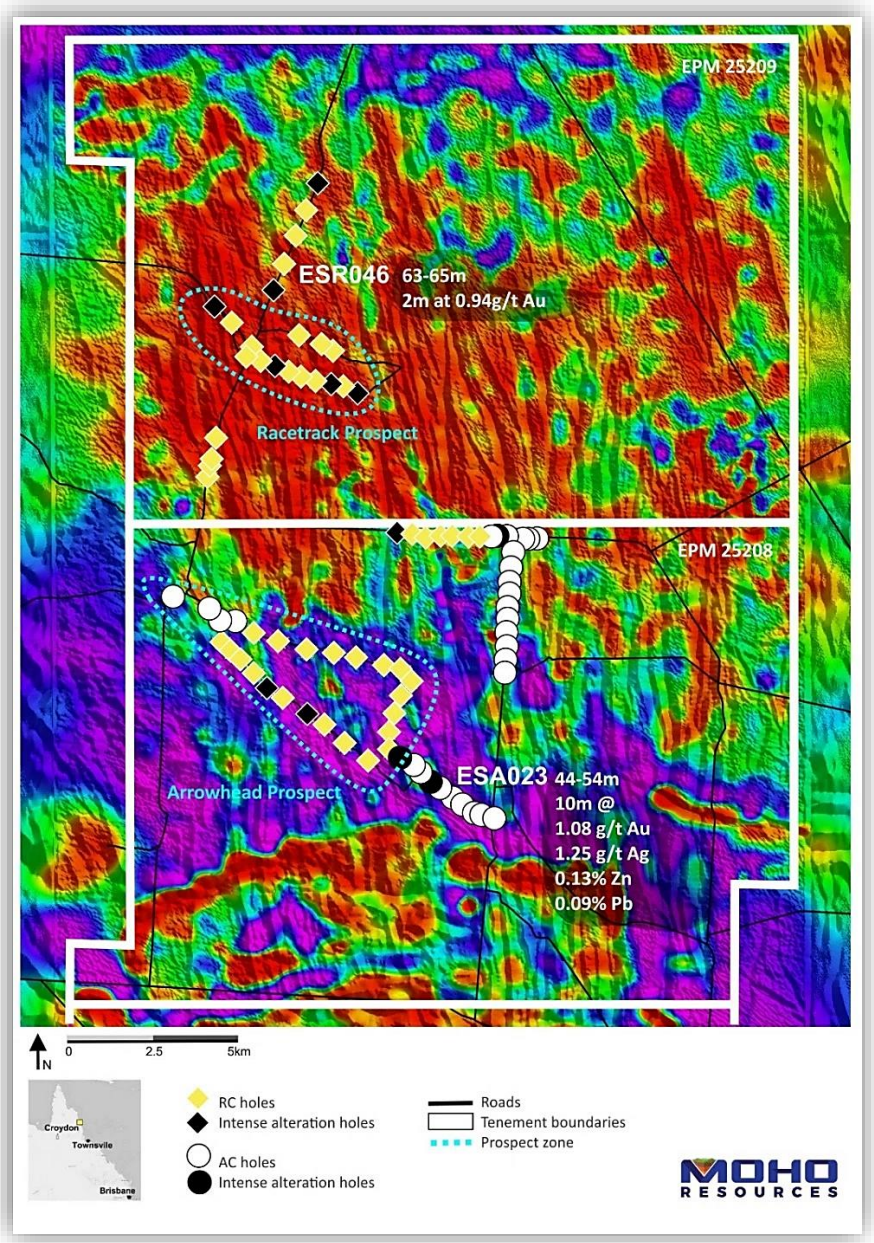

Figure 2: Location of reconnaissance holes drilled in 2018. Holes intersecting strong alteration in petrographic samples are shown as black squares (1st VD Gravity and Aeromagnetics)

Following on from the Phase 1 highly successful maiden reconnaissance drilling program, Moho engaged Dr Hronsky to undertake a high-level and independent review of the exploration data generated at Empress Springs by Moho during 2018.

Dr Hronsky's review which identified two major trans-crustal structures as being significant controls on geological and potential mineralisation in the area, encouraged Moho to apply for an additional 2,116km^2 of highly prospective ground adjacent to the Company's Empress Springs Gold Project in North Queensland (Figure 3).

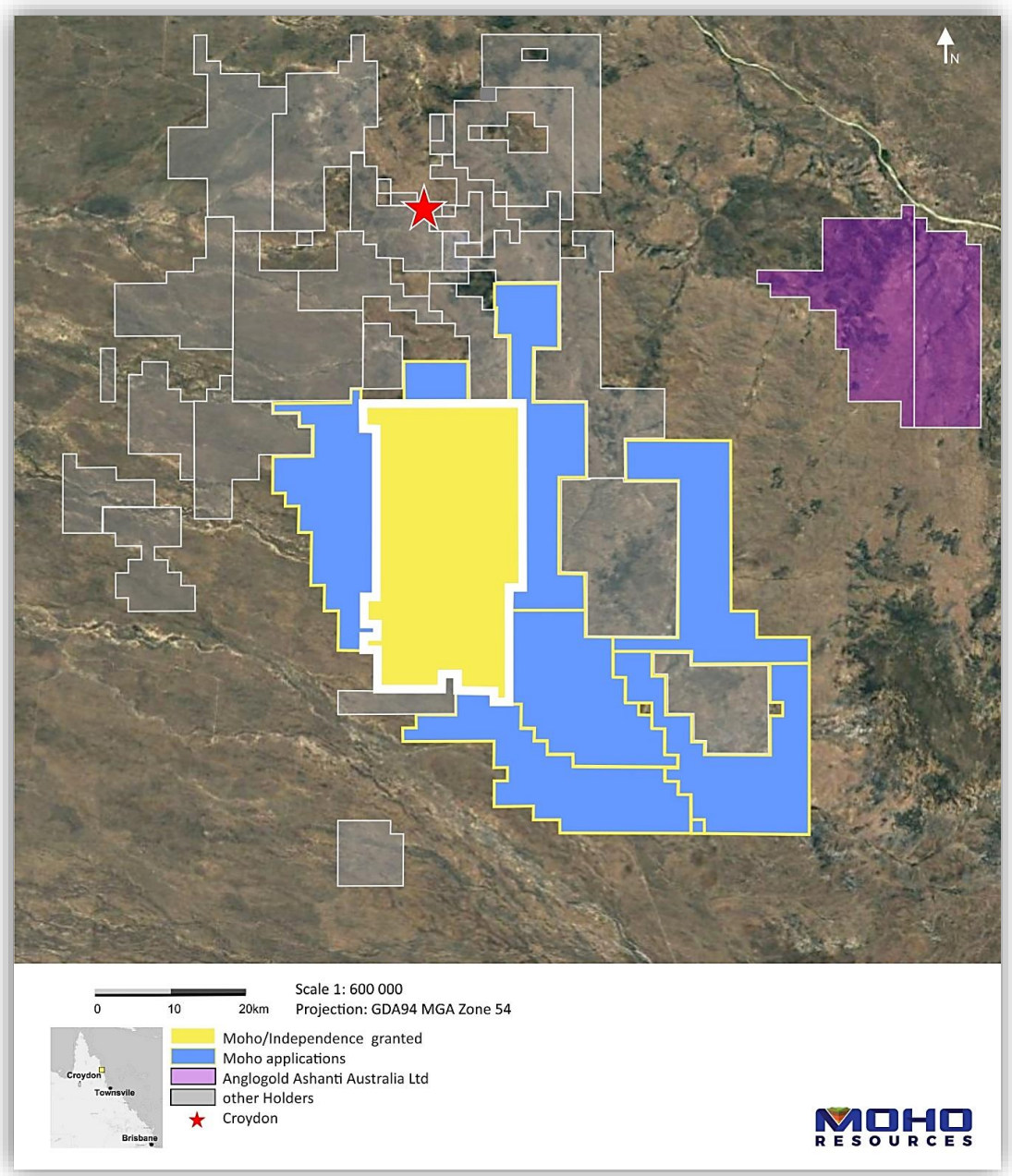

Figure 3: Location of Moho's recent land acquisition in relation to granted tenements at Empress Springs and surrounding tenements

Phase 2: 2,749m (24holes) of RC drilling completed in June 2019

The 24 hole RC drill program, which was restricted to existing tracks, was focused on extending the recently discovered gold mineralisation around reconnaissance hole ESA023 at the Arrowhead prospect. Assay results for fifteen RC holes drilled extending from discovery hole ESA023 (Table 1), which was a vertical reconnaissance hole that assayed at **9m @ 1.3g/t Au from 45m-54m**[1]. The hole ended in significant Au and base metal mineralisation (1m @ 1.7g/t Au, 1.0 g/t Ag, 0.15% Pb, 0.25% Zn) in intensely altered and silicified granite. Latest RC drilling was aimed to determine the extent of mineralisation laterally and vertically around hole ESA023.

[1] Refer to Table 1 in ASX announcement of 28 May 2019 "Exploration Update - Empress Springs"

Hole_ID	Results	Max_Depth	Dip	MAG_Azimuth	Z54_East	Z54_North	RL
ESMH0001	*Au;SBMP*	108	-90	360	633697	7937048	120
ESMH0002	NSA	120	-90	360	633723	7937030	120
ESMH0003	SBMP	132	-90	360	633672	7937066	120
ESMH0004	SBMP	78	-90	360	634039	7936805	120
ESMH0005	NSA	96	-90	360	633953	7936869	120
ESMH0006	SBMP	108	-90	360	633885	7936916	120
ESMH0007	NSA	96	-90	360	633791	7936988	120
ESMH0008*		114	-90	360	633589	7937131	120
ESMH0009*		96	-90	360	633511	7937195	120
ESMH0010*		114	-90	360	633419	7937283	120
ESMH0011*		108	-90	360	633330	7937366	120
ESMH0012*		108	-90	360	633261	7937422	120
ESMH0013*		108	-90	360	633179	7937486	120
ESMH0014*		96	-90	360	633102	7937545	120
ESMH0015*		126	-90	360	632500	7938117	120
ESMH0016*		121	-90	360	632517	7937975	120
ESMH0017*		132	-90	360	632587	7937898	120
ESMH0018	SBMP	132	-90	360	632682	7937808	120
ESMH0019	SBMP	108	-90	360	632820	7937713	120
ESMH0020	NSA	138	-90	360	632900	7937676	120
ESMH0021	NSA	108	-90	360	632988	7937628	120
ESMH0022	SBMP	132	-90	360	632703	7937793	120
ESMH0023	SBMP	120	-90	360	632660	7937826	120
ESMH0024	*Au;SBMP*	150	-59.2	294	633733	7937027	120

** - Assays Pending; Au;SBMP* - Au and base metal assays - refer to Tables 2, 3 and Appendix 1,
SBMP - Base metal and pathfinder assays - refer to Table 4; NSA - No significant assays

Table 1: RC holes drilled at Arrowhead Prospect

During the RC drilling program, Moho trialled and successfully used an onsite geo-analytical processing and pXRF system to determine indicative levels of base metal and pathfinder elements in drill samples within 24 hours of holes being drilled. Moho geologists were able to use the Zn, Cd, Pb and Cu readings in a timely manner to direct the rig to areas of greatest potential.

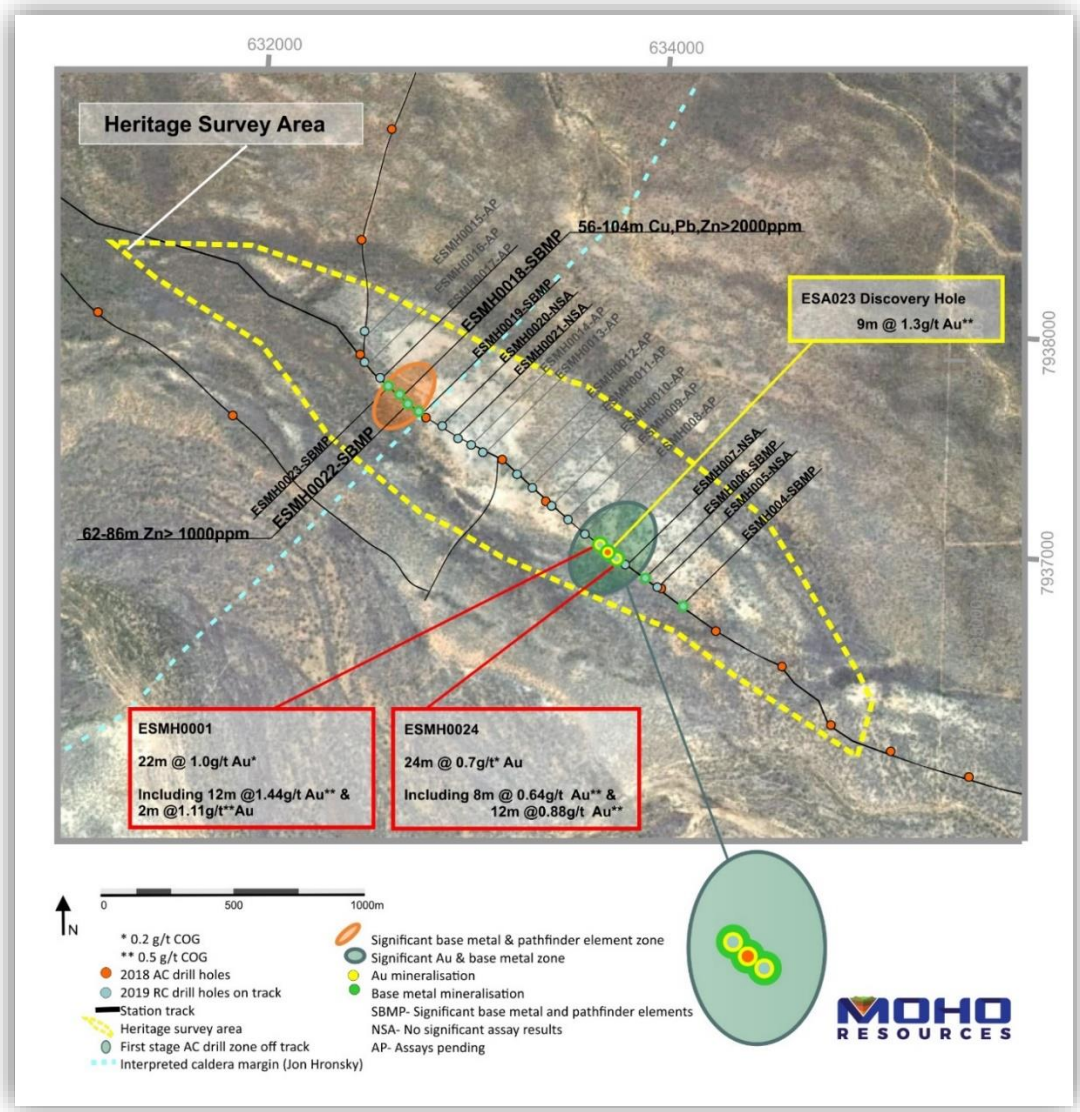

Figure 4: Recently completed RC drill holes at Arrowhead prospect

SIGNIFICANT GOLD INTERSECTIONS

Significant assay results received to date from the RC drilling at Arrowhead are shown in Table 2 and Table 3 below. Some assays were pending at the time and will be reported when the AC results are released.

RC drilling has successfully extended Au and base metal mineralisation at the Arrowhead prospect around discovery hole ESA023, both laterally and at depth (Figure 5). The Au mineralisation is situated in a broader zone of Cu, Pb and Zn sulphide mineralisation and occurs within a sequence of highly-altered granite, crosscut by numerous dolerite dykes (Figure 6).

HoleID	Depth From m	Depth To m	Interval Length m	Significant Intercept	Ag ppm	Cu ppm	Pb ppm	Zn ppm
ESMH0001	48	60	12	**12m @ 1.44g/t Au**	2.67	246	2656	3025
ESMH0001	66	68	2	**2m @ 1.11g/t Au**	0.7	99	885	3577
ESMH0024	48	56	8	**8m @ 0.64g/t Au**	0.65	87	908	226
ESMH0024	58	70	12	**12m @ 0.88g/t Au**	4.47	393	2675	2135

Table 2: Significant Au Intersections (0.5g/t Au cut-off) and associated base metals

HoleID	Depth From m	Depth To m	Interval Length m	Significant Intercept	Ag ppm	Cu ppm	Pb ppm	Zn ppm
ESMH0001	46	68	22	**22m @ 0.98g/t Au**	1.83	182	1881	2454
ESMH0001	72	74	2	**2m @ 0.4g/t Au**	9.6	615	3270	1785
ESMH0024	46	70	24	**24m @ 0.70g/t Au**	2.63	257	1844	1495
ESMH0024	76	77	1	**1m @ 0.23g/t Au**	7.8	473	5	7221

Table 3: Significant Au Intersections (0.2g/t Au cut-off) and associated base metals

SIGNIFICANT BASE METAL ANOMALISM

The gold and base metal/pathfinder element geochemistry has been reviewed by Dr Carl Brauhart of CSA Global, with the major findings as follows:

- The Au-Pb-Ag-(Cu-Zn-Cd-S-As) association is well developed in adjacent holes ESMH001 - ESMH0024 & ESA023
- A different Zn-S-Cu-Cd-Sn association is developed in ESMH0018 & ESMH0022, and in a third hole inbetween those two holes. This base metal association without Au and Pb lies about 1.3 km northwest of hole ESA023
- This associated mineralisation may represent a halo to gold mineralisation in a zoned hydrothermal system

Moho notes that the Zn-S-Cu-Cd-Sn mineralisation in ESMH0018 & ESMH0022 is situated close to the inferred rim of a buried caldera (Hronsky 2019).

Additional drilling in the heritage cleared area near the caldera was planned as part of the aircore program to follow (which has now been completed) to determine the nature and extent of this base metal/pathfinder anomalism and any gold mineralisation. Assays from the aircore program are pending.

HoleID	Depth From	Depth To	Interval Length	Cu_ppm	Pb_ppm	Zn_ppm
ESMH0001	36	74	22	184	1437	1745
ESMH0003	88	96	8	457	1607	1361
ESMH0018	56	108	52	280	29	1879
ESMH0022	62	86	24	46	25	1077
ESMH0024	46	108	62	255	1578	2017

Table 4: Significant Base Metal Intersections in RC drilling

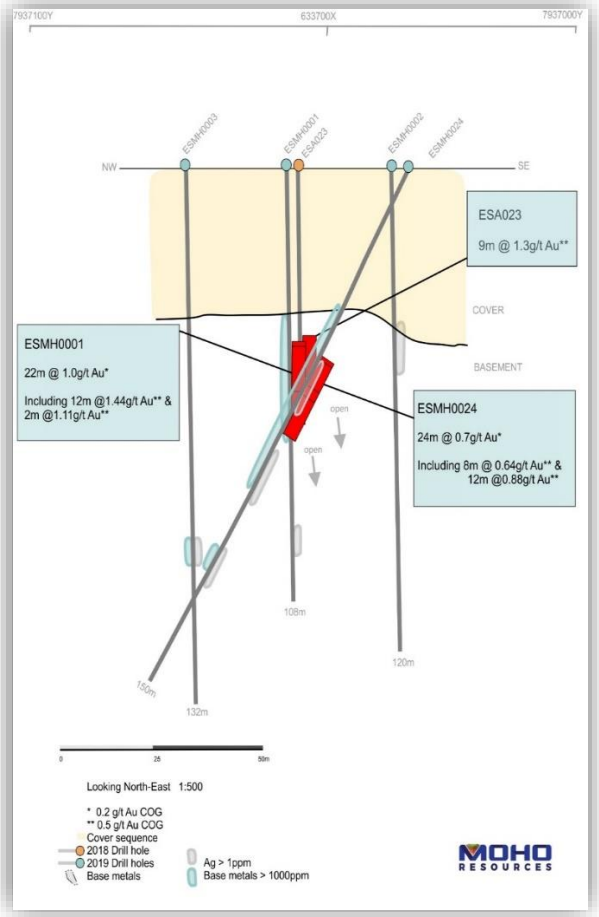

Figure 5: Significant Au intersections at Arrowhead prospect

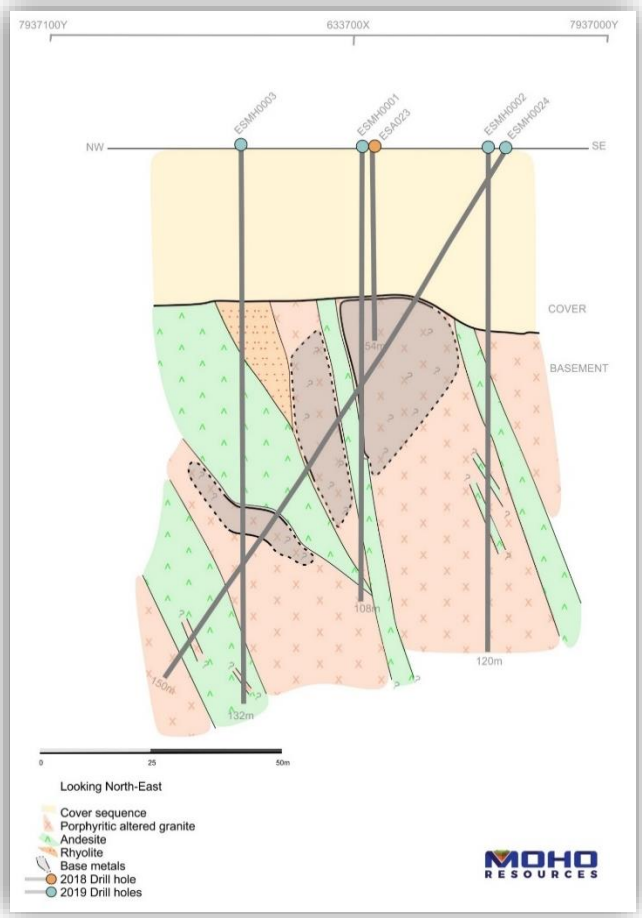

Figure 6: Base metal mineralisation envelopes (>1,000ppm Cu+Pb+Zn) in relation to interpreted geology

HERITAGE CLEARANCE FOR ARROWHEAD PROSPECT

A heritage survey of the area surrounding discovery hole ESA023 (Figure 5) was undertaken by representatives of the Tagalaka People (the traditional people of the area) and their consultant during May. Following notification that the heritage survey was approved, Moho commenced the follow-up aircore drilling program within the heritage cleared areas in late June.

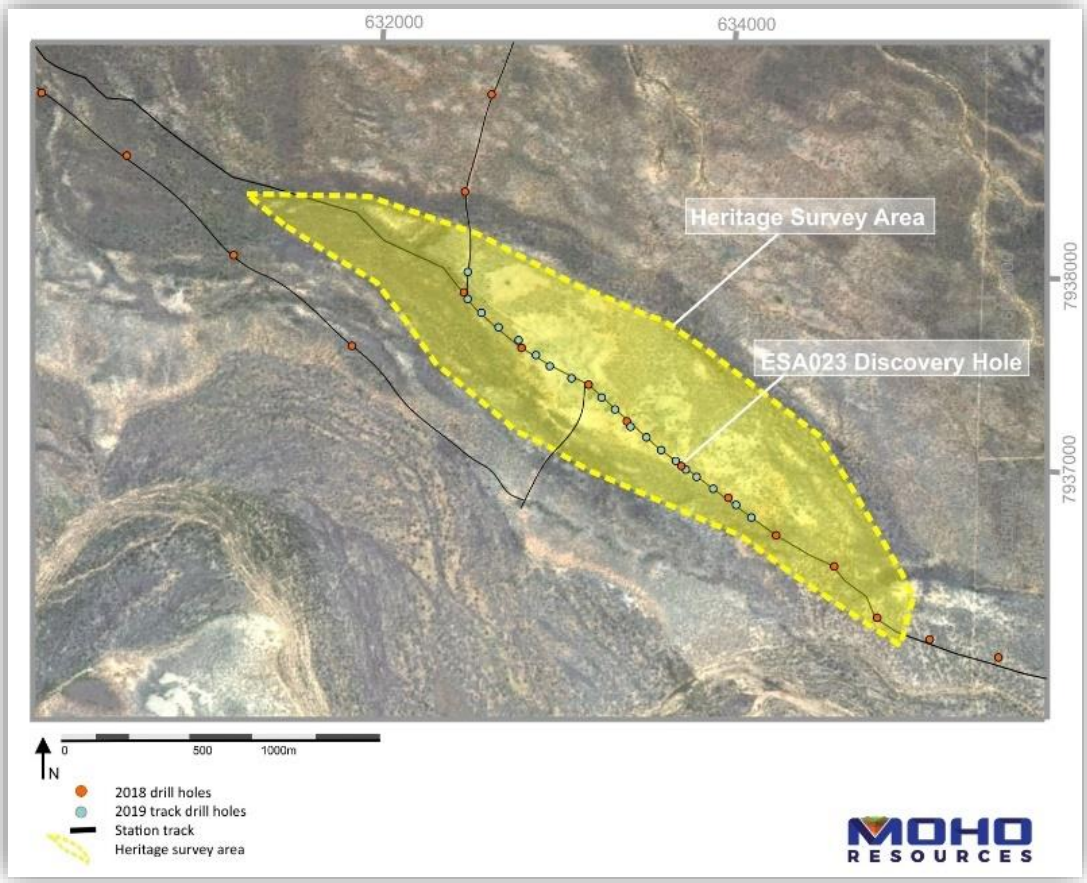

Figure 7: Heritage Survey area approved around Arrowhead Prospect

Subsequent to year end:

- In August 2019 Phase 3: 6,123m (92holes) of RC drilling completed in July 2019 focused on two aspects:
    - Firstly at the Arrowhead prospect was to determine the extent and orientation of the mineralisation within the heritage-cleared area near ESMH0001 & ESMH0024 at Arrowhead prospect, and ESMH0018 with anomalous base metal sulphides.
    - Secondly was to explore for additional zones of mineralisation along existing tracks across the Project area by testing favourable geophysical targets and structures (Figure 8)

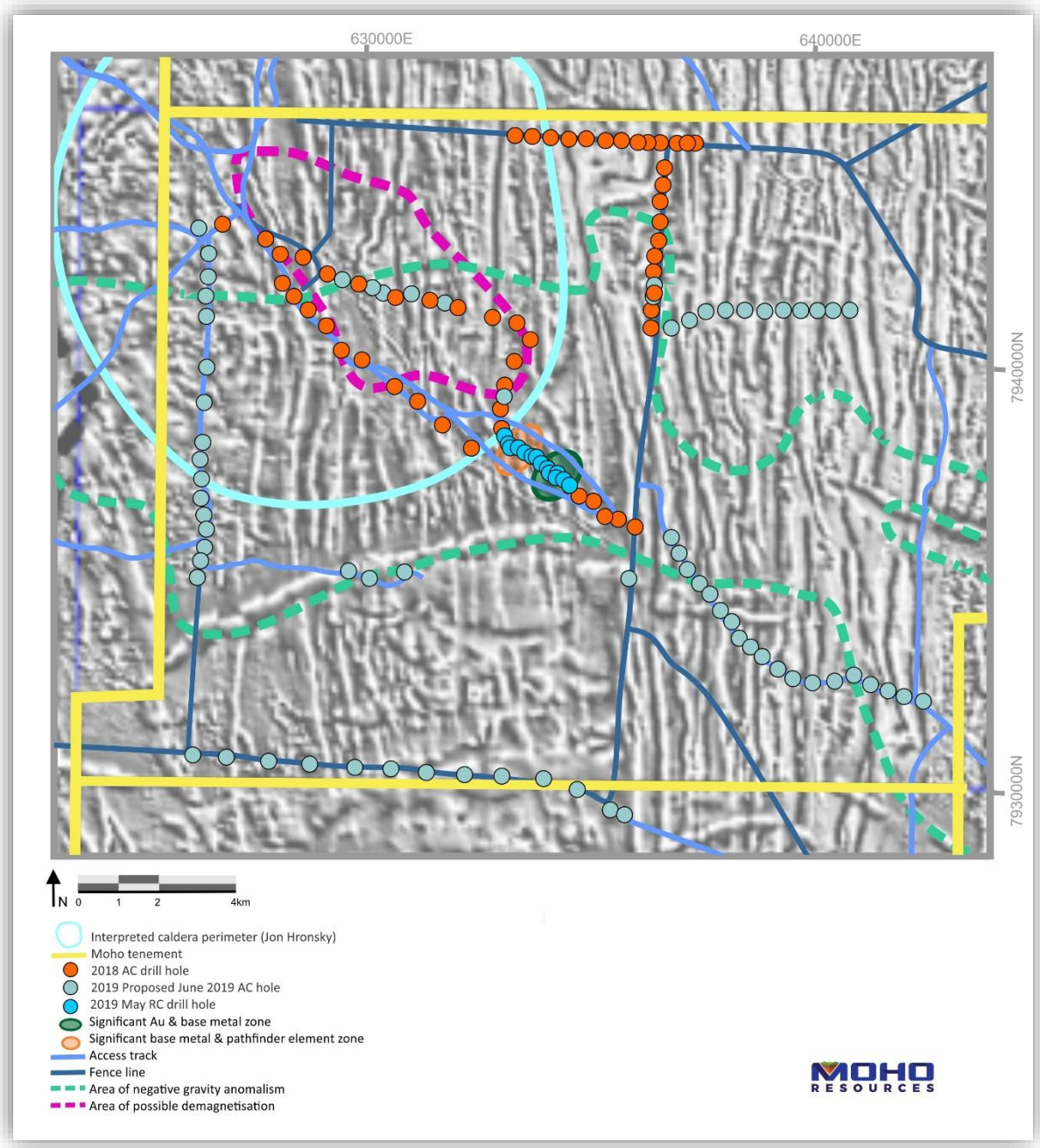

Figure 8: Recent RC and proposed reconnaissance Air Core drill holes - base airborne magnetics (1vd)

SILVER SWAN NORTH NICKEL EXPLORATION

The Silver Swan North Project is located about 50 km northeast of the regional mining centre of Kalgoorlie in Western Australia. The Project covers approximately 55 km² and comprises five granted tenements and three tenement applications within the Kalgoorlie Terrane.

Moho believes that the Silver Swan North Project area is under-explored and prospective for the discovery of both nickel and gold mineralisation. Moho is focused on identifying nickel sulphide deposits, as well as shear hosted and porphyry related gold mineralisation.

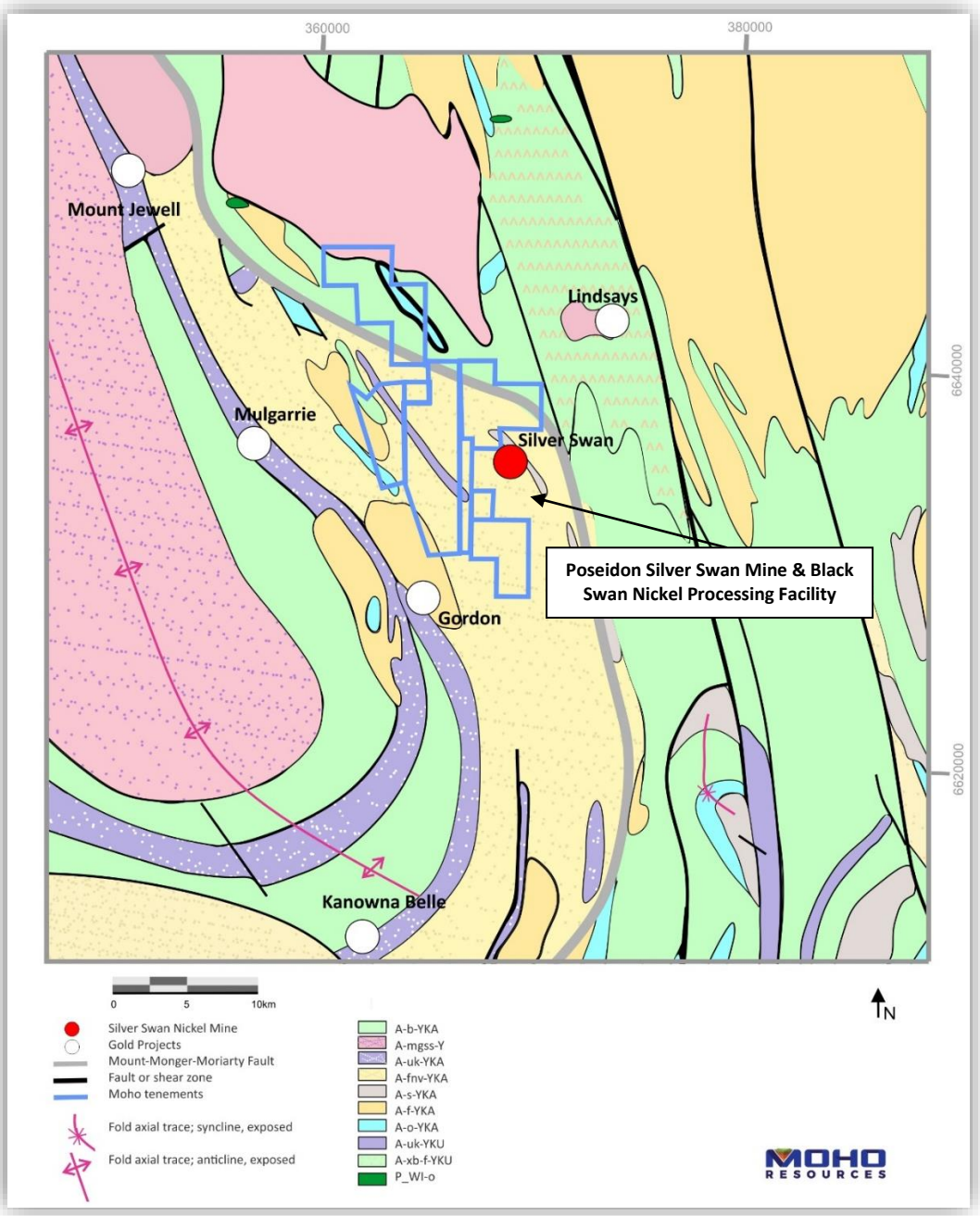

Figure 9: Regional geological setting of Moho's Silver Swan North Project

In July 2015 Moho entered into a farm-in and joint venture agreement with Odin Metals Ltd (ASX:ODM, then Lawson Gold Ltd) (**Odin**) to earn up to 70% interest in M27/263 and E27/345 at the Silver Swan North Project.

On 12th November 2018 Moho announced to the ASX that, as per the terms of the farm-in agreement, it has provided Odin with sufficient evidence that it has earned a 51% legal and beneficial interest in M27/263 and E27/345.

Moho and Odin have both signed formal documents and the documents were registered with DMIRS on 15 January 2019.

Moho has a 100% interest in three other tenements E27/528, P2232 and P27/2390. The company also has three tenement applications ELA27/613, ELA27/620 and PLA27/2418 which are pending for approval through the DMIRS.

During the reporting year Moho Resources Ltd (ASX:MOH) (Moho or Company) commenced and accelerated it's exploration on the Silver Swan North project area for gold and nickel sulphides. The company to date has completed 1 phase of Gold drilling and 2 phases of Nickel sulphide drilling:

Phase 1: 2,079m (1 AC hole and 21 RC holes) Au drilling completed in October 2018

Moho's maiden RC drill program at East Sampson Dam prospect on M27/263 at Silver Swan North which demonstrated encouraging results of a high grade gold mineralisation and extended the mineralised zone along strike for at least 220m. Of particular interest are the various gold zones observed down-hole, including near-surface supergene enrichment and multiple zones of primary gold mineralisation at depth.

The drill program was aimed at closing off the gold mineralisation which remained open along strike to the north, including a zone of flexure which represents an additional drill target in its own right.

High grade assay results have been received from individual 1 metres of recent RC drilling Moho's East Samson Dam prospect on M27/263, including:

MRC011	*1.0 m @ 7.02 g/t Au from 8m*
	2.0 m @ 16.1 g/t Au from 57m
including	*1.0m @ 29.9 g/t Au from 57m*
	1.0 m @ 34.8 g/t Au from 61m
MRC012	*2.0 m @ 12.8 g/t Au from 48m*
including	*1.0m @ 23.4 g/t Au from 49m*
	3.0 m @ 1.63 g/t Au from 84m
	3.0 m @16.3 g/t Au from 100m
including	*1.0 m @ 42.6 g/t Au from 100m*
MRC013	*2.0 m @ 7.23 g/t Au from 76m*
including	*1.0m @ 13.1 g/t Au from 77m*
MRC018	*1.0 m @ 2.31 g/t Au from 51m*
	2.0 m @ 6.1 g/t Au from 86m
MRC019	*2.0 m @ 7.76 g/t Au from 22m*
MRC020	*2.0 m @ 8.2 g/t Au from 90m*
	1.0 m @ 15.0 g/t Au from 97m
MRC021	*1.0 m @ 7.62 g/t Au from 5m*
	3.0 m @ 7.5 g/t Au from 57m

Further drilling planned by Moho for early 2019 to define limits of gold mineralisation at East Samson Dam Prospect and test new target

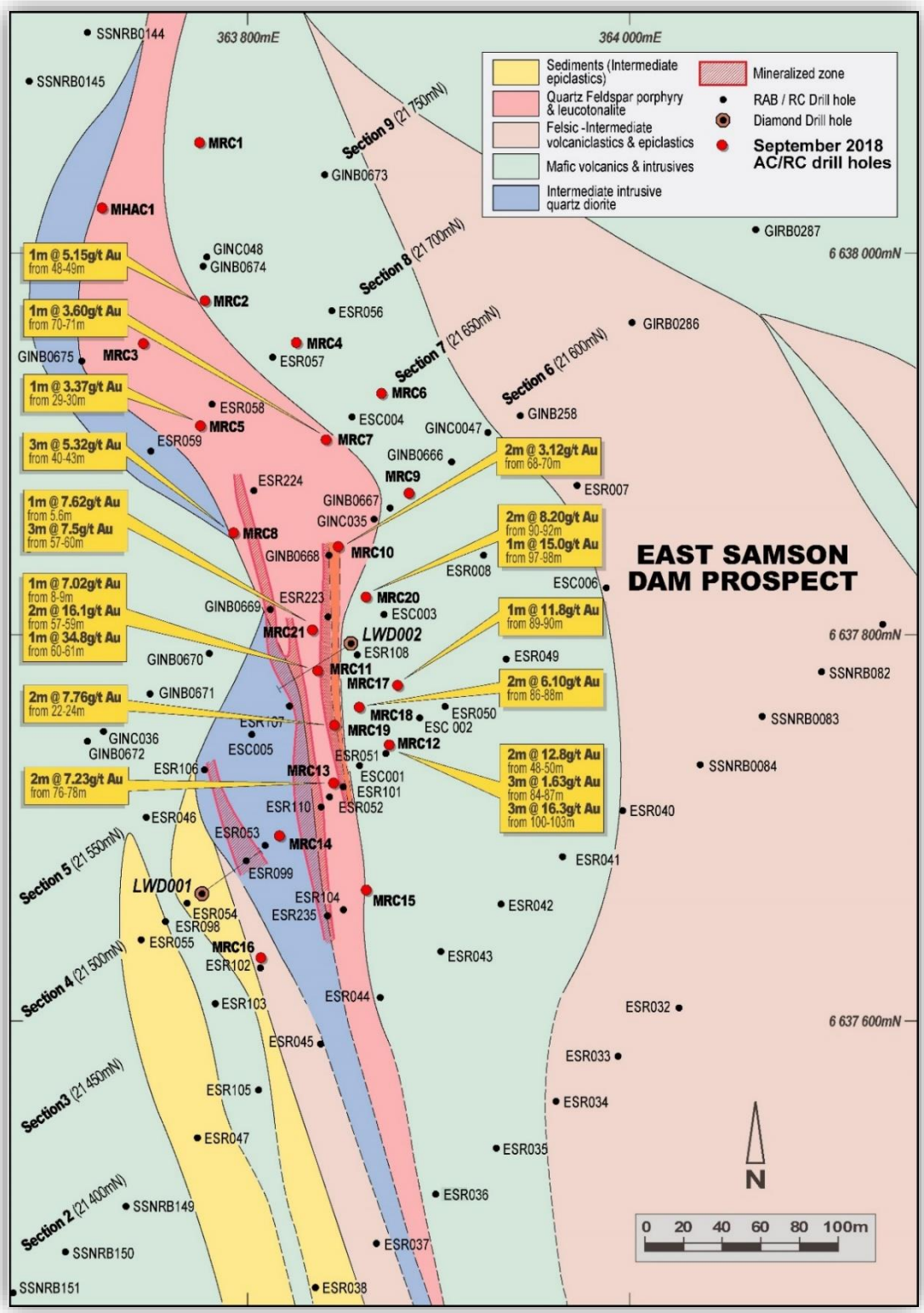

Figure 10: East Samson Dam September 2018 Drill Hole Plan at Silver Swan North M27/263

During the year the Company also released the results of its maiden nickel sulphide drilling program at the Silver Swan North project, 50 km NE of Kalgoorlie.

The RC program was designed to test electromagnetic (EM) conductors for potential nickel sulphide mineralisation, recently identified using high sensitivity SQUID technology.

PHASE 1 - RESULTS OF MAIDEN RC DRILL PROGRAM FOR NICKEL SULPHIDES

Five RC holes totalling 878 metres had been drilled at the Silver Swan North project from 7-15 March 2019. Hole locations are shown in Figure 11 and hole collars are tabulated in Table 5 below. Anomalous assay results of four metre composite samples were received from the laboratory (Table 6) and results of down-hole EM (DHEM) surveys undertaken on two holes were reviewed by Moho's geophysical consultant.

Prospect	Hole No.	GDA94_N	GDA94_E	Azimuth (°)	Dip (°)	RL (mASL)	Depth (m)
SSE1	SSMH0001	6636463	366390	235	-60	388	53
SSE1	SSMH0002	6638988	370330	160	-70	371	185
SSE2	SSMH0003	6639720	368499	275	-60	381	215
Hugo1	SSMH0004	6636509	366447	231	-60	388	185
Hugo2	SSMH0005	6636810	366329	230	-60	393	240

Table 5: Drill collar Information

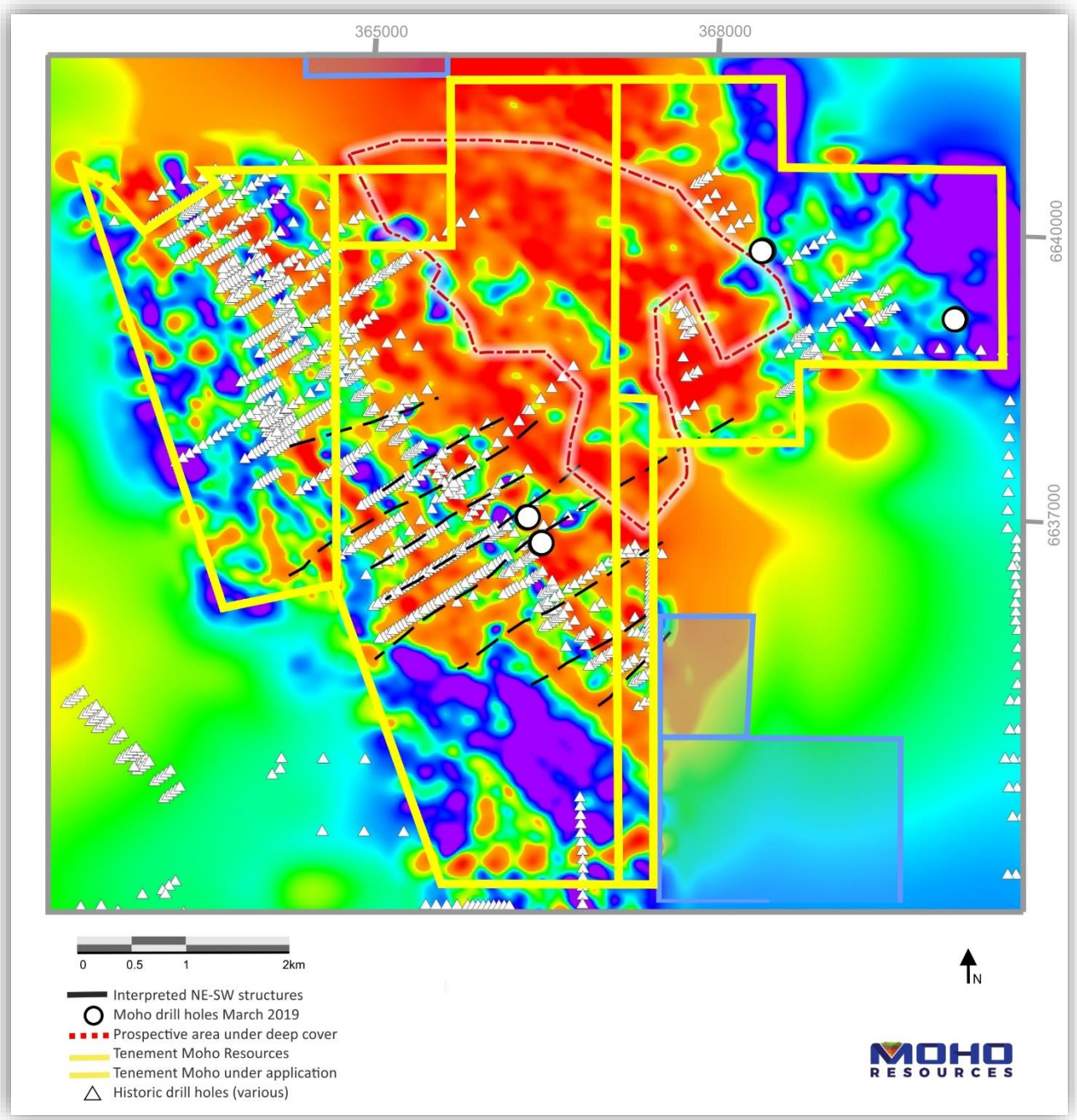

Figure 11: Location of RC drilling on E27/345 and E27/528 and untested prospective area under deep cover (background 1st VD of Bouguer gravity from 2018 Moho ground gravity survey)

Hole No.	From (m)	To (m)	Interval (m)	Grade
SSMH0003	160	188	28	0.81 g/t Ag, 0.22% Zn
including	160	164	4	0.9 g/t Ag, 0.40% Zn
and	164	168	4	0.9 g/t Ag, 0.34% Zn
SSMH0004	120	124	4	0.7 g/t Ag, 0.14% Zn

Table 6: Anomalous RC intersections

Moho notes that, while the RC drilling did not intersect any anomalous nickel mineralisation, the maiden drill program has provided valuable information about the geology and for other potential mineralisation that may be present in the underlying rocks.

Anomalous Ag and Zn mineralisation was intersected in holes SSMH0003 and SSMH0004 (Table 6). In addition, the same interval in hole SSMH0003 (160-188m) also contained elevated levels of Cd, Cu, Pb, and Sn. The anomalous mineralisation intersected in hole SSMH0003 is hosted in a massive black shale unit sandwiched within a larger sequence of felsic volcanic tuffs. The significance of this mineralisation is unclear however Moho notes that in this geological setting it is more akin to VMS-style occurrences in the Eastern Goldfields.

Down-hole EM surveying (DHEM) was completed on holes SSMH0004 and SSMH0005. The survey log of SSMH0004 showed the hole intersected the EM target that was defined by black shale in basalt rather than nickel sulphides. SSMH0005 log has a very weak off hole response at the target depth where there was quartz-carbonate veining and shearing in a basalt. These anomalies do not warrant further follow up work.

DHEM surveys were not possible in the other holes. Hole SSMH0002 had collapsed after the drill rods were extracted and SSMH0003 was blocked at 25m depth.

Magnetic gravels down to 16m depth were observed within the alluvial cover of holes SSMH0002 and SSMH0003, with magnetic susceptibility readings up to 30 x 10^{-3} SI units. The presence of maghemite-rich gravels and deep cover masks the underlying bedrock geology and in part explains why the high-resolution magnetics over this part of the Silver Swan North project are diffuse.

NICKEL SULPHIDE MINERALISATION RESPONSES TO EM SURVEYS

Like most other nickel sulphide explorers in the Eastern Goldfields, Moho's initial exploration effort at the Silver Swan North project has focussed on searching for massive nickel sulphide mineralisation like the small but high-grade Silver Swan nickel deposits. To date, Moho has utilised high sensitivity SQUID EM technology to aid in the detection of confined conductor responses that can be modelled with a plate, as is typically done for massive nickel sulphides.

The Company understands that, unlike the Silver Swan nickel deposit, the Black Swan deposit contains disseminated nickel sulphide mineralisation including a blebby style nickel sulphide phase as shown in Plate 1 which is generally less responsive to EM surveying.

Moho notes the broad intersections of disseminated sulphides including blebby style nickel sulphide mineralisation reported by Poseidon Nickel Ltd on the 6th May 2019. Hole PBSD001A intersected 223.1m @ 1.02%Ni, including 74m @ 1.5%Ni.

Plate 1: Coarse grained hopper-textured serpentinised olivine orthocumulate, showing subspherical segregation vesicles (black) partially filled by subspherical sulphide blebs [2] (Black Swan orebody, drill hole BSD064).

[2] Dowling et al, 2004. Komatiites and nickel sulfide ores of the Black Swan area, Yilgarn Craton, Western Australia. 2: Geology and genesis of the orebodies. Mineralium Deposita 39: 707-728

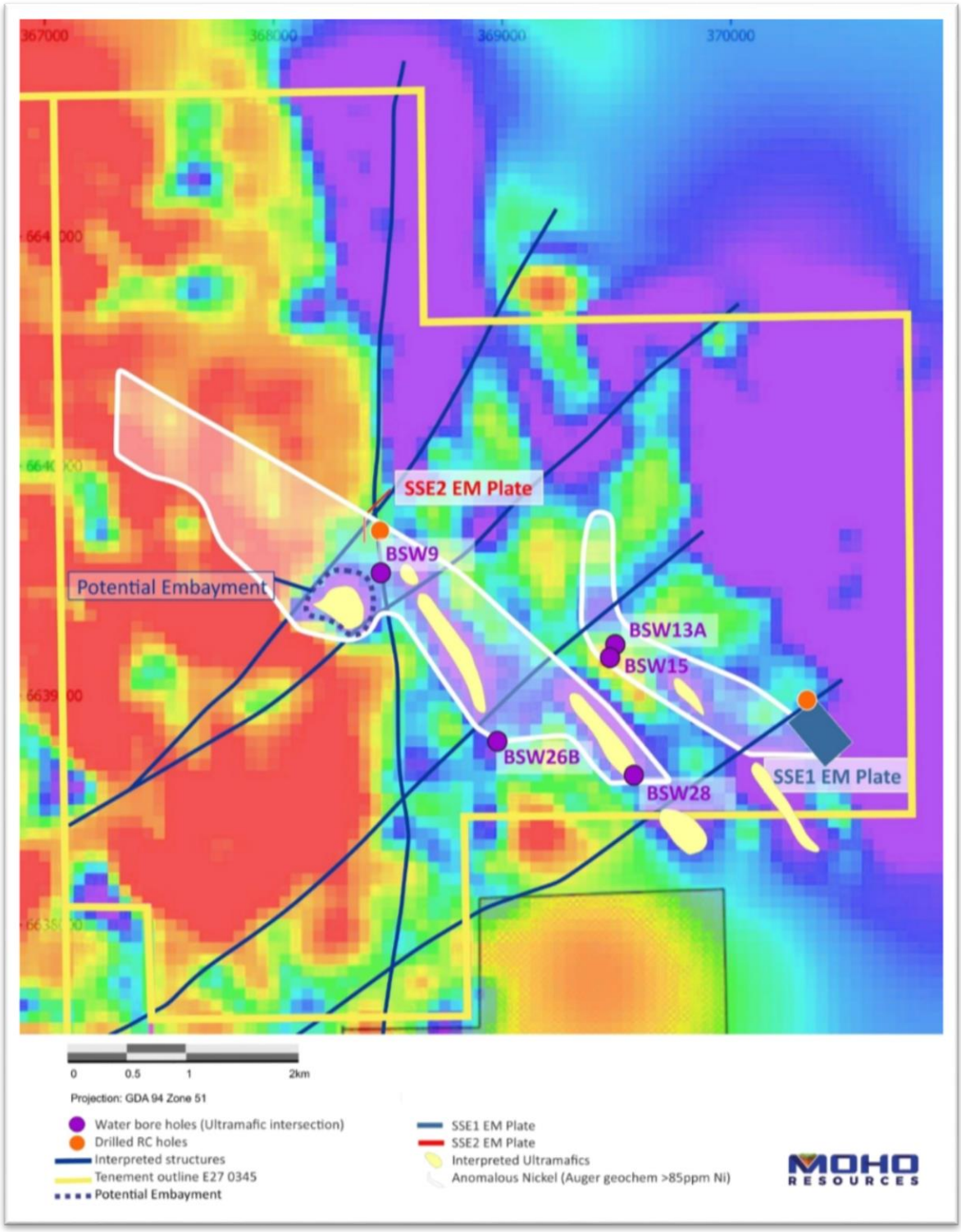

Figure 12*: EM Plates targeted by RC drilling on E27/345*

CSIRO COLLABORATIVE GEOCHEMICAL "FINGER PRINTING" STUDY

Researchers from CSIRO mobilised to Kalgoorlie at the beginning of April to undertake the first phase of geochemical "finger printing" research work. This work involved analysing historical drill core drilled in Moho tenements M27/263 and E27/528 and also core from the project area stored in GSWA's Joe Lord core library. The purpose of this work is to identify ultramafic stratigraphic units within the project area that have a higher probability of hosting potential nickel sulphide mineralisation.

Plate 2: Moho's Principal Geologist Max Nind and CSIRO researchers at GSWA Joe Lord core library, Kalgoorlie

NEW TENEMENT APPLICATIONS BY MOHO ADJOIN BLACK SWAN NICKEL OPERATIONS

Moho continues to actively monitor and acquire open ground prospective for nickel sulphide mineralisation in the vicinity of the Silver Swan North project. Since March 2018, Moho has increased by 30% its contiguous (granted and applied for) tenure at the Silver Swan North project from 59.6 km^2 to 85.4 km^2.

In April 2019, Moho applied for ELA27/620 and PLA27/2418 covering 10.3 km^2 adjoining the southern boundary of Poseidon Nickel's Black Swan Nickel Operations (Figure 13).

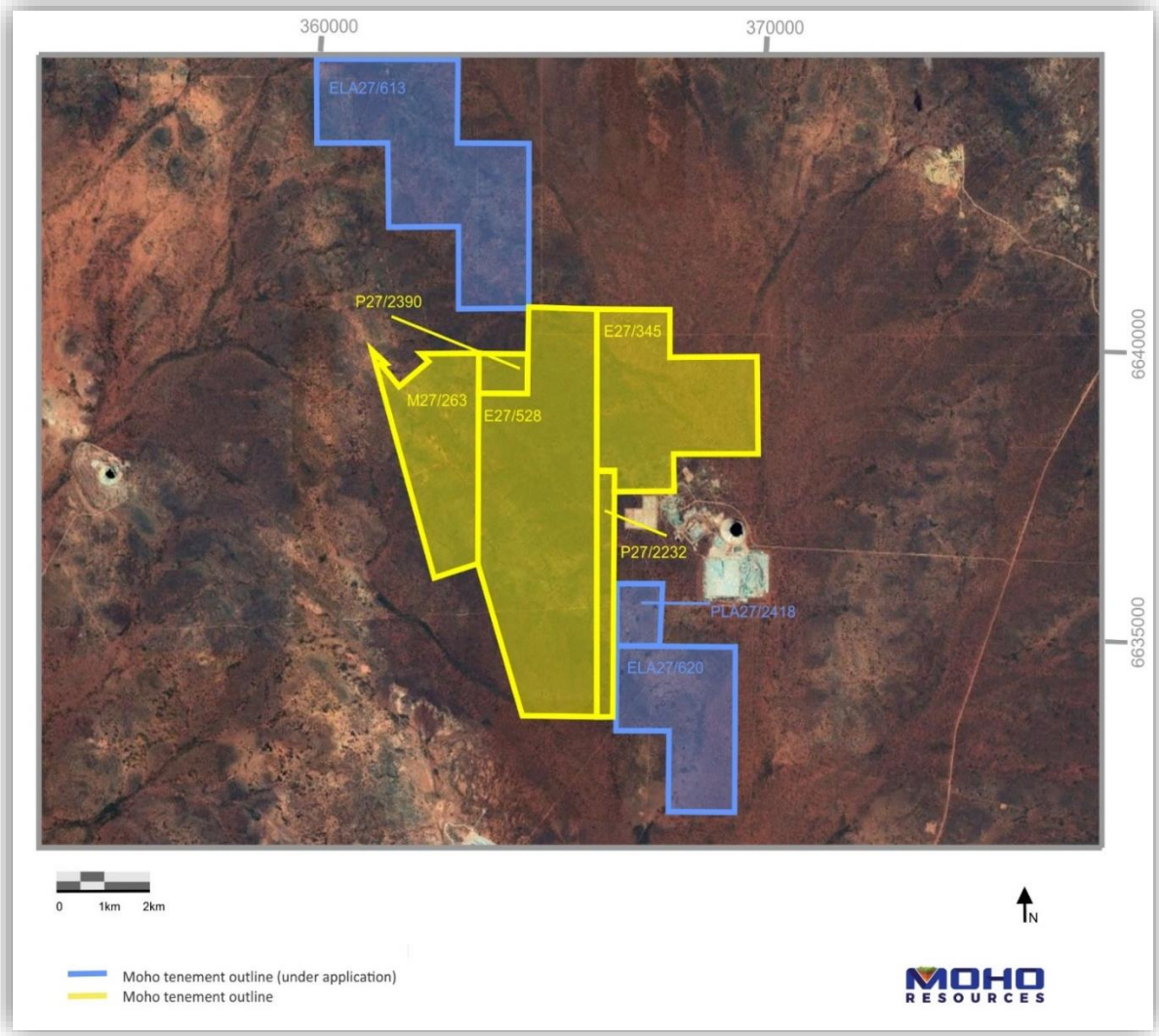

Figure 13: Moho tenure at Silver Swan North project

Subsequent to year end:

- In August 2019 the company completed the second phase of nickel sulphide exploration on E27/345 at the Silver Swan North project. The aircore drilling to the weathered bedrock interface (about 80m) was focussed on exploration targets with coincident gravity lows and elevated nickel in historic auger soil geochemistry. The program also included geochemical and stratigraphic aircore drilling across the northern area of E27/345 to identify suitable host rocks for nickel sulphide mineralisation under cover.

BURRACOPPIN GOLD EXPLORATION

The Burracoppin Project is located within the Southwest Terrane, the southwestern-most tectono-stratigraphic element of the Archaean aged Yilgarn Craton in Western Australia. The Project comprises two exploration licences (E70/4688) and (E70/5154) covering approximately 126 km².

The gold mineralisation found at Tampia, Griffin's Find and Katanning in the Southwest Terrane are all located near regional shears. In comparison the Burracoppin Project is located close to two regional shears and in particular on the aero-magnetically well-defined north-south regional shear which is also associated with the Tampia gold mineralisation to the south. The operating Edna May gold mine is located approximately 10 km east of the Burracoppin Project area, in the Westonia Greenstone Belt which is interpreted to be part of the Youanmi Terrane, a different greenstone terrane than located within Moho's tenements.

Moho reported in its prospectus a number of exploration targets at its Burracoppin Project located within the Tampia Structural Corridor of the Southwestern Terrane, were derived from ground-based gravity measurements. One of the targets was derived from ground-based gravity measurements but occurs within the Westonia Structural Corridor of the Southern Cross Domain of the Youanmi Terrane which also hosts Ramelius' Edna May mine.

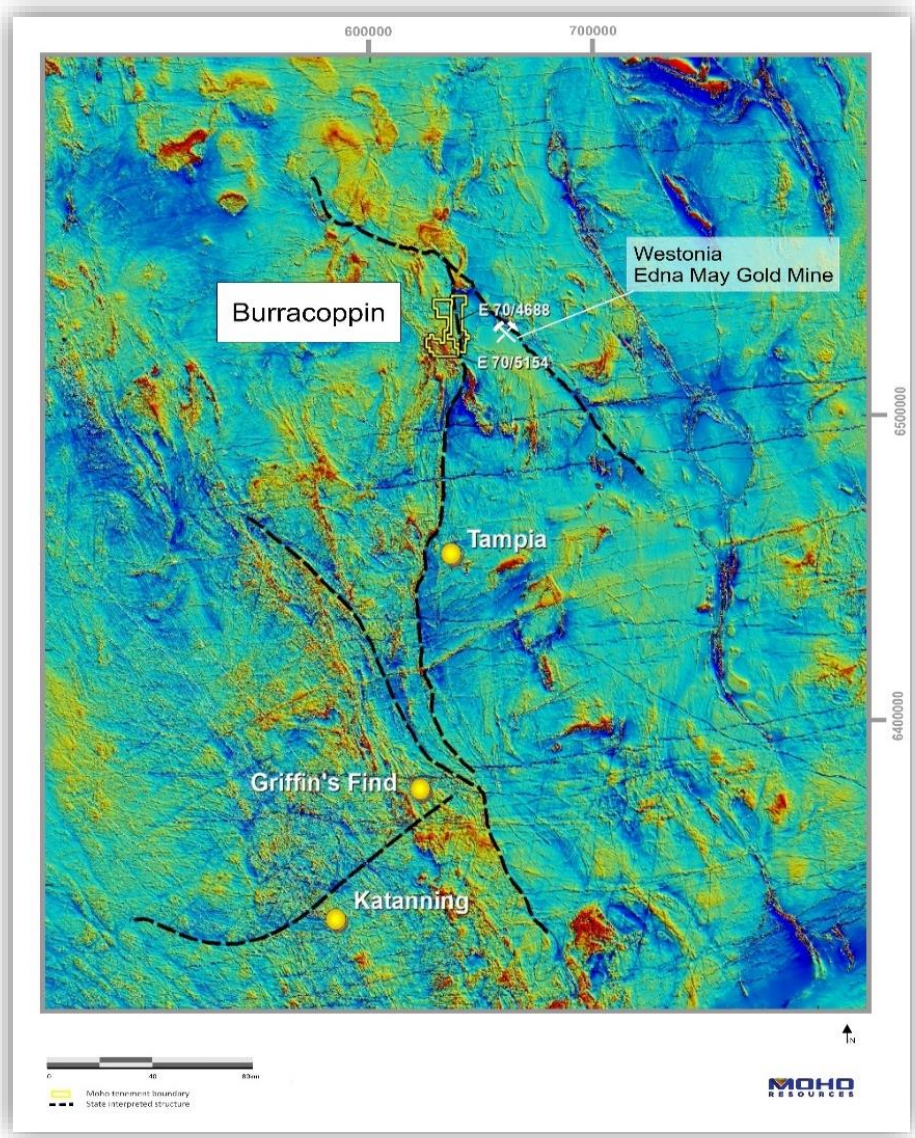

Figure 14: Location of Burracoppin Gold Project

During the year the company negotiated an extension of 12 months on it's farm-in and joint venture agreement with IGO on the Burracoppin project to give the company adequate time to complete the work on the ground was slightly delayed due to finalising the Land Access Agreements (LAA) with land owners and occupiers in the area and registering them with DMIRS. Once the LAA was finalised the Program of Works was lodged for a shallow auger drilling program to test key exploration targets with coincident gravity and gold in soil anomalies.

Subsequent to year end:

- In August 2019 the company conducted an auger drill program comprising 840 shallow auger holes commenced on 10th August 2019 targeting gravity and Au-in-soil anomalies within E70/4688

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on information and supporting documentation compiled by Mr Robert Affleck, Mr Max Nind and Mr Kim Frankcombe, who are Competent Persons and Members of the Australasian Institute of Geoscientists (AIG). Mr Affleck and Mr Nind are full-time employees of Moho Resources Ltd. Mr Frankcombe is a consultant to Moho Resources Ltd. Mr Affleck and Mr Frankcombe hold shares in the Company.

Mr Affleck, Mr Nind and Mr Frankcombe have sufficient experience relevant to the style of mineralisation under consideration and to the activity which is being undertaking to qualify as Competent Persons as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Affleck, Mr Nind and Mr Frankcombe all consent to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Note: Information on historical results, including JORC Code Table 1 information, is contained in the Independent Technical Assessment Report within Moho's Prospectus dated 10 August 2018. Moho is not aware of any new information or data that materially affects the information included in the Prospectus.

FORWARD LOOKING STATEMENTS

This report is provided on the basis that neither the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the report and nothing contained in the report is, or may be relied upon as a promise, representation or warranty, whether as to the past or future. The Company hereby excludes all warranties that can be excluded by law. The report contains material which is predictive in nature and may be affected by inaccurate assumptions or by unknown risks and certainties, and may differ materially from results ultimately achieved.

The Report contains "forward looking statements". All Statements other than those of historical facts included in the Report are forward- looking statements including estimates of Minerals Resources. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied, by such forward-looking statements. Such risks include, but are not limited to, gold, nickel and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events the date of the Report, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. All persons should consider seeking appropriate professional advice in reviewing the report and all other information in respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the Report nor the information contained in the Report or Subsequently communicated to any person in connection with the Report is, or should be taken as, constituting the giving of investment advice to any person.

Significant changes in the state of affairs

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

Subsequent events

On 19 July 2019 the Company announced that it had participated in a placement in St George Mining Limited with a $500,000 investment at $0.10 per share, giving the Company exposure to St George's high-grade nickel assets.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Likely developments

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental regulations

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. In this regard, the Department of Minerals and Petroleum of Western Australia from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

Dividends

No dividends have been paid by the Company during the financial year ended 30 June 2019, nor have the Directors recommended any dividend to be paid.

Unissued shares under option

Unissued ordinary shares of the Company under option at the date of this report are:

Type	Expiry date	Exercise price of shares ($)	Number under option
Listed	9 July 2023	$0.25	27,670,240
Unlisted	17 July 2023	$0.25	3,000,000
Unlisted	17 July 2023	$0.35	2,100,000
Unlisted	17 July 2023	$0.50	2,100,000
Unlisted	29 October 2023	$0.25	4,000,000
			38,870,240

These options do not entitle the holder to participate in any share issue of the Company.

No shares were issued during or since the end of the financial year as a result of the exercise of an option over unissued shares or interests.

Indemnification of officers and auditors

During or since the end of the financial year, the Company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor. In addition, the Company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

Directors' meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director is as follows:

Board Member	Entitled to Attend	Number Attended
Terry Streeter	4	4
Shane Sadlier	4	4
Ralph Winter	4	4
Adrian Larking	4	4

Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

Non-audit services

The following amounts were paid to the auditors of the Company, RSM Australia Partners, for non-audit services provided during the year:

	2019 $	2018 $
Non-audit services:		
Taxation services	4,500	-
Independent Accountants Report	11,500	-

The directors are of the opinion that the services as disclosed above do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and

- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is included within the annual report.

This Directors' report is signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

Shane Sadleir
Managing Director
27 September 2019

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Moho Resources Limited for the year ended 30 June 2019, 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

Perth, WA
Dated: 27 September 2019

TUTU PHONG
Partner

RSM Australia Partners

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

Opinion

We have audited the financial report of Moho Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2019, 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 then ended, 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 2019 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Expenditure – refer to Note 11	
As at the reporting date, the Company has capitalised exploration and evaluation expenditure of $3,053,249. This is considered a key audit matter as this balance requires significant management judgement including: • Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantity any impairment loss; and • Determination of whether exploration activities have reached a stage at which the existence of an economically recoverable reserves may be determined.	Our procedures included: • Ensuring that the right to tenure of each area of interest is current; • Assessing and evaluating management's assessment of impairment indicators; • Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest; and • Through discussions with the management and review of the Board Minutes, ASX announcements and other relevant documentation, assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined and that active and significant operations in, or relation to, the area of interest are continuing.
Share Based Payments – refer to Note 15	
During the year, 11,200,000 options were issued to directors and consultants of the Company. Management has performed the valuation of: • 7,200,000 options granted using the Barrier Option model, since management was unable to reliably measure the fair value of the services received, as well as achievement of the market performance condition; and • 4,000,000 options using the Black-Scholes Model since management was unable to reliably measure the fair value of the services received. We considered the valuation of these options to be a key audit matter as it involved management's judgement in determining the various inputs used in the option valuation models.	Our audit procedures included: • Reviewing the inputs used in the Black-Scholes and Barrier Options Models, which included assessing the volatility rate applied and the risk-free interest rate used; • Performing a recalculation of the valuation; • Reviewing the Circulatory Resolution of the Board of Directors for the directors' approval in relation to the granting of the options; and • Reviewing the adequacy and accuracy of the relevant disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019, 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 in accordance with Australian Accounting Standards and the Corporations Act 2001 and for 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: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Moho Resources Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 27 September 2019

TUTU PHONG
Partner

In the opinion of the Directors of Moho Resources Limited:

(a) the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

(b) the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

(c) the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

(d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

Shane Sadleir
Managing Director
27 September 2019

Statement of profit or loss and other comprehensive income
For the financial year ended 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Other Income		**213,432**	**-**
Continuing operations			
Corporate advisory and consulting expense		(84,132)	(32,000)
Compliance and regulatory expense		(352,935)	(74,198)
Depreciation		(4,829)	(167)
Directors and employee benefits expense		(313,202)	-
Exploration and evaluation expenditure	11	(62,016)	(359,663)
Finance costs		(2,198)	(14,674)
Share-based payments expense	15	(343,076)	(34,148)
Other expenses		(193,714)	(39,583)
Loss before income tax		**(1,142,670)**	**(554,433)**
Income tax expense	6	-	-
Loss for the year from continuing operations		**(1,142,670)**	**(554,433)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Moho Resources Limited		**(1,142,670)**	**(554,433)**
Loss per share:			
Basic and diluted (cents per share)	7	**(3.46)**	**(7.66)**

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

Statement of financial position
As at 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Current assets			
Cash and cash equivalents	8(a)	1,696,857	101,685
Trade and other receivables	9	113,536	71,068
Total current assets		**1,810,393**	**172,753**
Non-current assets			
Plant and equipment	10	46,471	2,333
Exploration and evaluation expenditure	11	3,053,249	-
Total non-current assets		**3,099,720**	**2,333**
Total assets		**4,910,113**	**175,086**
Current liabilities			
Trade and other payables	12	484,675	177,825
Provisions	13	37,471	-
Total current liabilities		**522,146**	**177,825**
Total liabilities		**522,146**	**177,825**
Net assets / (liabilities)		**4,387,967**	**(2,739)**
Equity			
Issued capital	14	5,992,362	1,205,655
Reserves	15	780,817	34,148
Accumulated losses		(2,385,212)	(1,242,542)
Total equity / (deficiency)		**4,387,967**	**(2,739)**

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

Statement of changes in equity
For the financial year ended 30 June 2019

	Issued capital $	Share based payment reserve $	Share premium reserve $	Accumulated losses $	Total $
Balance as at 1 July 2017	417,449	-	-	(688,109)	(270,660)
Loss for the year	-	-	-	(554,433)	(554,433)
Total comprehensive loss for the year	-	-	-	(554,433)	(554,433)
Issue of shares	262,606	-	-	-	262,606
Share issue costs	(34,400)	-	-	-	(34,400)
Issue of convertible note equity instruments	560,000	-	-	-	560,000
Share-based payment options	-	34,148	-	-	34,148
Balance as at 30 June 2018	**1,205,655**	**34,148**	**-**	**(1,242,542)**	**(2,739)**
Balance as at 1 July 2018	1,205,655	34,148	-	(1,242,542)	(2,739)
Loss for the year	-	-	-	(1,142,670)	(1,142,670)
Total comprehensive loss for the year	-	-	-	(1,142,670)	(1,142,670)
Issue of shares	5,412,037	-	-	-	5,412,037
Share issue costs	(1,065,330)	-		-	(1,065,330)
Issue of convertible note equity instruments	440,000	-		-	440,000
Option entitlement issue	-	-	70,810	-	70,810
Share-based payment options	-	675,859	-	-	675,859
Balance as at 30 June 2019	**5,992,362**	**710,007**	**70,810**	**(2,385,212)**	**4,387,967**

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

Statement of cash flows
For the financial year ended 30 June 2019

	Note	30 June 2019 $	30 June 2018 $
Cash flows from operating activities			
Payments to suppliers and employees		(664,723)	(95,058)
Payments related to exploration expenditure		-	(336,671)
Receipts from R&D tax grants		205,260	-
Interest and other finance costs paid		(6,394)	(261)
Net cash used in operating activities	8(b)	(465,857)	(431,990)
Cash flows from investing activities			
Payments for purchase of fixed assets		(48,967)	(2,500)
Payments for exploration expenditures		(3,060,308)	-
Net cash used in investing activities		(3,109,275)	(2,500)
Cash flows from financing activities			
Proceeds from issue of shares		5,301,500	-
Payments of capital raising costs		(642,006)	(20,000)
Proceeds from convertible note equity instruments		440,000	560,000
Proceeds from issue of options		70,810	-
Repayment of borrowings		-	(4,631)
Net cash provided by financing activities		5,170,304	535,369
Net increase in cash and cash equivalents		**1,595,172**	**100,879**
Cash and cash equivalents at the beginning of the year		101,685	806
Cash and cash equivalents at the end of the year	8(a)	**1,696,857**	**101,685**

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

Notes to the financial statements
For the year ended 30 June 2019

1. Nature of operations

Moho Resources Limited's ("Moho" or "the Company") principal activities are disclosed in the Directors' report.

2. General information and statement of compliance

These general purpose financial statements of the Company have been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company is a for-profit entity for the purpose of preparing the financial statements.

Moho Resources Limited is a listed public company incorporated and domiciled in Australia. The addresses of the Company's registered office and principal place of business are disclosed in the corporate directory.

The financial statements for the year ended 30 June 2019 were approved and authorised for issue by the Board of Directors on 27 September 2019.

3. Application of new or amended Accounting Standards and Interpretations

3.1. 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 (AASB) 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.

The following Accounting Standards and Interpretations are most relevant to the Company:

AASB 9 Financial Instruments

The Company has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers

The Company has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

3.2. Accounting Standards issued but not yet effective and not been adopted early by the Company

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 2019. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below:

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16.

For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company will adopt this standard from 1 July 2019. The impact of the adoption is not expected to be significant.

4. 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.

Basis of preparation

Historical costs convention
The financial report has been prepared on an accruals basis and is based on the historical costs modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 5.

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Plant and equipment

IT equipment and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10% - 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss. When re-valued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

4. Significant accounting policies (continued)

Exploration, evaluation and development expenditure

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified area of interest. Exploration and evaluation expenditure is measured at cost.

Exploration and evaluation expenditure related to each identifiable area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred. These costs are only carried forward to the extent that the following conditions are satisfied:

i) rights to tenure of the identifiable area of interest are current; and
ii) at least one of the following conditions is also met:
    a) the expenditure is expected to be recouped through the successful development of the identifiable area of interest, or alternatively, by its sale; or
    b) where activities in the identifiable area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and activities in, or in relation to, the area of interest.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written off in full in the statement of profit and loss and other comprehensive income in the year in which the decision to abandon the area is made.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and tested for impairment where such indicators exist. If the test indicates that the carrying value might not be recoverable the asset is written down to its recoverable amount. Any such impairment arising is recognised in profit or loss.

Where an impairment loss subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Once the technical feasibility and commercial viability of the extraction mineral resource 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 from exploration and evaluation expenditure to development expenditure.

Once a mining project has been established as commercially viable and technically feasible, expenditure other than that on land, buildings, plant and equipment is capitalised as development expenditure. Development expenditure includes previously capitalised exploration and evaluation costs, pre-production development costs, development studies and other subsurface expenditure pertaining to that area of interest. Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant and equipment.

Revenue recognition

The Company recognises revenue as follows:

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.

4. Significant accounting policies (continued)

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.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future. Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

4. Significant accounting policies (continued)

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the Company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Goods and services tax

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.

4. Significant accounting policies (continued)

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.

Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Post-employment benefits and short-term employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

4. Significant accounting policies (continued)

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Operating expenses

Operating expenses are recognised in the statement of profit and loss and other comprehensive income upon utilisation of the service or at date of their origin.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

4. Significant accounting policies (continued)

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.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

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.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares; and
- by the weighted average number of ordinary shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

4. Significant of accounting policies (continued)

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.

Share-based payments

Equity-settled and cash-settled share-based payments are provided by the Company. Equity-settled transactions are awards of shares, or options over shares, that are provided 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 an appropriate valuation model taking into account the terms upon which the instruments were granted, 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.

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 using an appropriate valuation 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 the recipient of the award, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the company or the recipient of the award 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.

Comparative amounts

When current period balances have been classified differently within current period disclosures when compared to prior periods, comparative disclosures have been restated to ensure consistency of presentation between periods.

5. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options issued are determined using an appropriate valuation model, using the assumptions detailed in the notes to the financial statements. The assumptions detailed in the note is also judgemental.

For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services the value of options is calculated using an appropriate valuation model.

For instruments issued with market-based conditions, alternative valuation methodologies would be adopted.

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

6. Income taxes

Income tax recognised in loss	**2019 $**	**2018 $**
Current tax	-	-
Deferred tax	-	-
Total income tax	**-**	**-**

The income tax expense for the financial year can be reconciled to the accounting profit/(loss) as follows:

Loss from continuing operations	(1,142,670)	(554,433)
Income tax benefit calculated at 30%	(342,801)	(166,330)
Effect of expenses that are not deductible	110,289	46,516
Effect of expenses that are deductible	(61,578)	(15,000)
Unused tax losses not brought to account as deferred tax assets	294,090	134,814
	-	**-**

The tax rate used for the 2019 reconciliation above is the corporate tax rate of 30% (2018: 30%) payable by Australian corporate entities on taxable profits under Australian tax law.

6. Income taxes (continued)

	2019 $	2018 $
Tax losses	1,480,610	324,236
Temporary differences	(682,798)	(36,271)
	797,812	**287,965**

7. Loss per share

	2019 Cents per share	2018 Cents per share
Basic and diluted loss per share	**(3.46)**	**(7.66)**

Basic and diluted loss per share

The loss and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share are as follows:

Loss for the year attributable to owners of the Company	**(1,142,670)**	(554,433)

	No.	No.
Weighted average number of shares for the purposes of basic and diluted loss per share	33,004,497	7,241,371

8. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2019 $	2018 $
(a) Reconciliation of cash		
Cash and bank balances	1,696,857	101,685
Cash and cash equivalents in the statement of financial position	**1,696,857**	**101,685**

(b) Reconciliation of loss for the year to net cash flows from operating activities

Loss for the year after income tax	(1,142,670)	(554,433)
Adjustments for:		
Depreciation	4,829	167
Share-based payments expense	343,076	34,148
Impairment of exploration expenditure	62,016	-
Other non-cash movements	(6,074)	1,026
Operating loss before changes in working capital	(738,823)	(519,092)
Movements in working capital		
Trade and other receivables	197,754	(45,794)
Trade and other payables	37,741	132,896
Provision	37,471	-
	(465,857)	**(431,990)**

9. Trade and other receivables

	2019 $	2018 $
Prepayments	31,480	15,957
Deposits paid	16,394	10,000
Goods and services tax recoverable	65,662	45,111
	113,536	**71,068**

All amounts are short-term. The net carrying values are considered a reasonable approximation of fair value.

There is no allowance for expected credit losses recognised for the year ended 30 June 2019.

10. Plant and equipment

	2019 $	2018 $
Plant and equipment – at cost	51,467	2,500
Less: accumulated depreciation	(4,996)	(167)
	46,471	**2,333**

Reconciliation:
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	$
Balance at 1 July 2017	-
Additions	2,500
Depreciation expense	(167)
Balance at 30 June 2018	2,333
Additions	48,967
Depreciation expense	(4,829)
Balance 30 June 2019	**46,471**

11. Exploration and evaluation expenditure

	2019 $	2018 $
Balance at beginning of the year	-	-
Costs capitalised	3,115,265	359,663
Impairment of cost (i)	(62,016)	(359,663)
	3,053,249	**-**

(i) An impairment expense was recognised in profit or loss for the year ended 30 June 2019 of $62,016 (2018: $359,663). The impairment expense recognised during the 2019 financial year was pre acquisition expenditure.

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or valuation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Company conducts impairment testing when indicators of impairment are present at the reporting date.

12. Trade and other payables

	2019 $	2018 $
Trade creditors	431,206	56,921
Accrued expenses	53,469	120,904
	484,675	**177,825**

All amounts are short-term. The net carrying values are considered a reasonable approximation of fair value.

13. Provisions

	2019 $	2018 $
Provisions for annual leave	37,471	-

14. Issued capital

	2019 $	2018 $
42,484,592 (2018: 7,718,389) fully paid ordinary shares	**5,992,362**	**1,205,655**

Details	Date	Shares	Issue Price	$
Balance	**30 June 2017**	**17,889,901**		417,449
Issue of shares – conversion of creditors	13 July 2017	480,000	$0.05	24,000
Issue of shares – conversion of creditors	22 Aug 2017	2,473,311	$0.05	123,011
Issue of shares – conversion of creditors	31 Aug 2017	300,000	$0.05	15,000
Issue of shares – conversion of creditors	20 Sept 2017	200,000	$0.05	10,000
Issue of shares – conversion of creditors/loans	12 Jan 2018	1,688,658	$0.05	84,433
Issue of shares – conversion of creditors/loans	13 Jan 2018	123,248	$0.05	6,162
Share consolidation on a 1 for 3 basis [1]	22 June 2018	(15,436,729)		-
Tranche 1 Convertible Notes [2]		-	$0.10	100,000
Tranche 2 Convertible Notes [3]		-	$0.12	460,000
Share issue transaction costs, net of tax		-		(34,400)
Balance	**30 June 2018**	**7,718,389**		**1,205,655**
Issue of Tranche 2 Convertible notes [3]		-	$0.12	40,000
Issue of Shares – Conversion of Convertible Notes (Tranche 1) [2]	9 July 2018	1,000,000	-	-
Issue of Shares – Conversion of Convertible Notes (Tranche 1) [3]	9 July 2018	4,166,667	-	-
Issue of Shares – In lieu of interest on Convertible Notes (Tranche 1 & 2)	9 July 2018	92,036	-	10,537
Issue of Shares – Conversion of Convertible Notes (Tranche 3) [4]	26 July 2018	2,500,000	$0.16	400,000
Issue of Shares – IPO Placement	31 October 2018	26,507,500	$0.20	5,301,500
Issue of Shares – Corporate Advisor [5]	31 October 2018	500,000	$0.20	100,000
Share issue transaction costs, net of tax		-		(1,065,330)
Balance		**42,484,592**		**5,992,362**

[1] The number of shares used in the 31 December 2017 earnings per share calculation reflects this share consolidation.

[2] 1,000,000 Tranche 1 Convertible Notes were issued over a period of time at an issue price of $0.10 each to raise $100,000 with an interest rate of 10% per annum. On 9 July 2018 the notes were converted into 1,025,350 ordinary shares including interest accrued of $2,535.

[3] 4,166,667 Tranche 2 Convertible Notes were issued over a period of time at an issue price of $0.12 each to raise $500,000 with an interest rate of 10% per annum. On 9 July 2018 the notes were converted into 4,233,353 ordinary shares including interest accrued of $8,002.

[4] 2,500,000 Tranche 3 Convertible Notes were issued over a period of time at an issue price of $0.16 each to raise $400,000. On 26 July 2018 the notes were converted into 2,500,000 ordinary shares.

[5] 500,000 ordinary shares were issued upon completion of the IPO. The total fair value was determined by the share price on the measurement date, being the date of completion of the IPO. The total fair value was recognised as share-based payment expense during the period.

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.

15. Reserves

	2019 $	2018 $
Share based payment reserve (a)	710,007	34,148
Share premium reserve (b)	70,810	-
	780,817	**34,148**

(a) Share based payment reserve is used to record the fair value of unlisted options issued to employees and suppliers.

(b) Share premium reserve is used to record amounts paid for options. During the financial year $70,810 (2018: Nil) was paid for options issued pursuant to the loyalty option entitlement issue.

Share based payment reserve	2019 $	2018 $
Opening balance	34,148	-
Options issued to Directors	243,076	-
Options issued to Lead Manager	432,783	34,148
Closing balance	**710,007**	**34,148**

Reconciliation to share based payment expense	2019 $	2018 $
Shares issued to Corporate advisor (refer to Note 14)	100,000	-
Options issued to Directors (refer below)	243,076	-
Options issued to corporate advisors (refer below)	-	34,148
Share based payment expense	**343,076**	**34,148**

15. Share option reserves (continued)

The following options arrangements were in existence at the reporting date:

Grant date	Expiry date	Exercise Price $	Balance at start of the period	Number issued during the period	Number exercised during the period	Number expired during the period	Balance at end of the period	Vested at the end of the year
27 Dec 2017	9 Jul 2023	0.25	520,000	-	-	-	520,000	520,000
9 Jul 2018 [1]	9 Jul 2023	0.25	-	11,577,588	-	-	11,577,588	11,577,588
17 Jul 2018[2]	9 Jul 2023	0.25	-	1,411,121	-	-	1,411,121	1,411,121
17 Jul 2018[3]	17 Jul 2023	0.25	-	3,000,000	-	-	3,000,000	-
17 Jul 2018[4]	17 Jul 2023	0.35	-	2,100,000	-	-	2,100,000	-
17 Jul 2018[5]	17 Jul 2023	0.50	-	2,100,000	-	-	2,100,000	-
31 Oct 2018[6]	31 Oct 2023	0.25	-	1,000,000	-	-	1,000,000	1,000,000
31 Oct 2018[7]	31 Oct 2023	0.25	-	3,000,000	-	-	3,000,000	3,000,000
1 April 2019[8]	9 Jul 2023	0.25	-	9,659,845			9,659,845	9,659,845
4 June 2019[8]	9 Jul 2023	0.25	-	4,501,686			4,501,686	4,501,686
			520,000	**38,350,240**	**-**	**-**	**38,870,240**	**31,670,240**

There has been no alteration of the terms and conditions of the above options arrangements since the grant date. The fair value of the following options issued during the current financial year was determined using with the following inputs:

Grant date	Expiry date	Share price at grant date $	Exercise price $	Expected volatility %	Dividend yield %	Risk-free rate %	Number options #	Value option $	Total value $
17 Jul 2018[3]	17 Jul 2023	0.25	0.25	100	-	2.178	3,000,000	0.0777	233,100
17 Jul 2018[4]	17 Jul 2023	0.35	0.35	100	-	2.178	2,100,000	0.0714	149,940
17 Jul 2018[5]	17 Jul 2023	0.50	0.50	100	-	2.200	2,100,000	0.0645	135,450
31 Oct 2018[6]	31 Oct 2023	0.25	0.25	100	-	2.200	1,000,000	0.1443	144,261
31 Oct 2018[7]	31 Oct 2023	0.25	0.25	100	-	2.200	3,000,000	0.1443	432,783
							11,200,000		**1,095,534**

[1] Options issued were free attaching to existing shareholders upon the share consolidation on the basis of 1 option for every 1.5 shares held.

[2] Options issued were free attaching to convertible note holders upon conversion.

[3] Options issued to directors vesting on the share price reaching a 20-day volume weighted average price of $0.25 and the Company completing 5,000 metres of drilling. A barrier option pricing model was used to determine the fair value at the grant date. The Company has recognised share-based payment expense of $21,319 during the period for the grant of these options.

[4] Options issued to directors vesting on the share price reaching a 20-day volume weighted average price of $0.35 and the Company completing 10,000 metres of drilling. A barrier option pricing model was used to determine the fair value at the grant date. The Company has recognised share-based payment expense of $13,713 during the period for the grant of these options.

[5] Options issued to directors vesting on the share price reaching a 20-day volume weighted average price of $0.50 and the Company completing 15,000 metres of drilling. A barrier option pricing model was used to determine the fair value at the grant date. The Company has recognised share-based payment expense of $12,388 during the period for the grant of these options.

[6] Options issued to Mr Terry Streeter on successful completion of the IPO. A Black-Scholes option pricing model was used to determine the fair value at the grant date. The total fair value was recognised as share-based payment expense during the period.

15. Share option reserves (continued)

[7] Options issued to the Lead Manager on successful completion of the IPO. A Black-Scholes option pricing model was used to determine the fair value at the grant date. The total fair value was recognised as share issue costs within equity.

[8] Options issued pursuant to the Entitlement Issue Prospectus lodged with ASIC and the ASX on 5 March 2019 on the basis of 1 option for every 3 shares held to eligible shareholders at an issue price of $0.005 per option.

	30 Jun 2019 $	30 Jun 2018 $
Recognised as share-based payment expense	243,076	34,148
Recognised in equity as share issue costs	432,783	-
Total value of options recognised during the period	675,859	34,148
Fair value yet to vest	419,675	-
Total fair value of options issued during the period	1,095,534	-

16. Contingent liabilities and contingent assets

In the opinion of the Directors, there are no contingent liabilities or contingent assets as at 30 June 2019 (2018: Nil) and none were incurred in the interval between the year-end and the date of this financial report.

17. Financial instruments

Financial risk management objectives

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Company's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the Company where such impacts may be material. The Board receives monthly financial reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. The main risks the Company is exposed to through its financial instruments are liquidity risk and market risk relating to interest rate risk.

Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.

Categories of financial instruments

Financial assets	**2019** **$**	**2018** **$**
Cash and cash equivalents	1,696,857	101,685
Trade and other receivables (non-interest bearing)	113,536	71,068
	1,810,393	**172,753**

Financial liabilities	**2019** **$**	**2018** **$**
Trade and other payables	484,675	177,825
	484,675	**177,825**

The fair value of the above financial instruments approximates their carrying values.

Interest rate risk

Interest rate risk is managed by investing cash with major institutions in cash on deposit. An increase in interest rates of 1% would have decreased the Company's loss by $16,968 (2018: $1,017). Where interest rates decreased, there would be an equal impact on the profit and opposite impact on the loss.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by monitoring forecast and actual cash flows and ensuring that adequate funding is maintained. The Company's operations include planned capital raising on an on-going basis to fund its planned acquisition program. If the Company does not raise capital in the short term, it can continue as a going concern by reducing planned but not committed acquisition or exploration expenditure until funding is available. The Company has not performed any sensitivity analysis and none is disclosed in the financial statements as the impact would not be material.

18. Remuneration of auditors

	2019 $	2018 $
Audit services – RSM Australia Partners		
Audit or review of the financial statements	18,000	12,000
	18,000	**12,000**
Non-audit services		
Taxation services	4,500	-
Independent accountant report	11,500	-
	16,000	**-**

19. Key management personnel

The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	2019 $	2018 $
Short-term employee benefits	405,355	95,000
Post employment benefits	29,769	-
Share based payments	243,076	-
	678,200	**95,000**

20. Related party transactions

20.1 Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company, are considered key management personnel.

For details of disclosures relating to key management personnel, refer to note 19.

20.2 Transactions with related parties

During the year ended 30 June 2019, fees of $28,395 (2018: $3,050) were paid or due to be paid to Deadset Visuals Pty Ltd, a company of which Mr Winter's spouse is a director of, for website and graphic design services.

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

Loan to Directors and their related parties

No loans have been made to any Director or any of their related parties during the period. There were no further transactions with Directors including their related parties other than those disclosed above.

21. Commitments for expenditure

Exploration Commitments

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

Those commitments may be varied as a result of renegotiations, relinquishments, farm-out or joint venture agreements, 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 2019 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.

	2019 $	2018 $
Within one year	827,466	632,657
One to five years	3,604,667	1,853,504

Operating Commitments

The Company has entered into various agreements requiring a minimum expenditure commitment. These commitments have not been provided for in the annual report:

	2019 $	2018 $
Within one year	52,050	-
One to five years	19,428	-

22. Events after the reporting period

On 19 July 2019 the Company announced that it had participated in a placement in St George Mining Limited with a $500,000 investment at $0.10 per share, giving the Company exposure to St George's high grade nickel assets.

No other matter or circumstance has arisen since 30 June 2018, which has significantly, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

23. Segment reporting

The Company operates in one business segment and one geographical segment namely the mineral exploration industry in Australia only.

The results of this segment are those of the Company as a whole and are set out in the statement of profit or loss and other comprehensive income. The assets and liabilities of this segment are those of the Company as a whole and are set out in the statement of financial position.

Schedule of Exploration Tenements

As of 4 September 2019.

PROJECT	TENEMENT	AREA (km^2)	TENURE TYPE	STATUS	EXPIRY DATE	MOH INTEREST
SILVER SWAN NORTH (WA)	E27/0345	11.01	EXPLORATION	GRANTED	26/11/2019	51%
	E27/0528	20.45	EXPLORATION	GRANTED	11/9/2020	100%
	M27/0263	7.93	MINING	GRANTED	7/7/2039	51%
	P27/2232	2	PROSPECTING	GRANTED	3/7/2020	100%
	P27/2390	0.92	PROSPECTING	GRANTED	3/2/2023	100%
	E27/0613	5	EXPLORATION	APPLICATION		
	E27/0620	3	EXPLORATION	APPLICATION		
	P27/2418	149	PROSPECTING	APPLICATION		
BURRACOPPIN (WA)	E70/4688	123.15	EXPLORATION	GRANTED	11/5/2020	0%**
	E70/5154	161.19	EXPLORATION	GRANTED	11/22/2023	0%
EMPRESS SPRINGS (QLD)	EPM25208	281	EXPLORATION	GRANTED	7/4/2024	51%
	EPM25209	291	EXPLORATION	GRANTED	7/4/2024	51%
	EPM25210	200	EXPLORATION	GRANTED	7/4/2024	51%
	EPM27193	48.9	EXPLORATION	APPLICATION		
	EPM27197	325.5	EXPLORATION	APPLICATION		
	EPM27194	325.7	EXPLORATION	APPLICATION		
	EPM27199	325.1	EXPLORATION	APPLICATION		
	EPM27195	324.9	EXPLORATION	APPLICATION		
	EPM27196	324.9	EXPLORATION	APPLICATION		
	EPM27198	325.4	EXPLORATION	APPLICATION		
	EPM27200	6.5	EXPLORATION	APPLICATION		
	EPM27260	87.75	EXPLORATION	APPLICATION		
	EPM27262	78	EXPLORATION	APPLICATION		

** Moho has yet to earn an interest in E70/4688. As at the 30 June 2019 Moho had incurred about $230,000 in eligible farm-in expenditure.

Shareholder Information

Additional information, current as at 4 September 2019 required by the ASX is as follows:

1. Voting Rights

Shareholder voting rights are specified in clause 2 of the Company's Constitution lodged with the ASX on 5 November 2018. Option holders do not have the right to vote at a general meeting of shareholders until such time as the options have been converted into ordinary shares in the Company.

2. Substantial Shareholders

The names of substantial shareholders listed in the company's register as at 4 September 2019 are:

Shane Sadleir 6.66%

3. Distribution of Equity Securities

Shareholders

Holdings Ranges	Holders	Total Units	Percentage %
1-1,000	22	3,893	0.01%
1,001-5,000	24	99,739	0.23%
5,001-10,000	94	896,094	2.11%
10,001-100,000	297	14,210,667	33.45%
100,001 and over	88	27,274,199	64.20%
Total	**525**	**42,484,592**	**100.00**

The number of Shareholders with less than a marketable parcel of shares is 48

Quoted Options

Holdings Ranges	Holders	Total Units	Percentage %
1-1,000	7	3,338	0.01%
1,001-5,000	81	255,533	0.92%
5,001-10,000	59	472,529	1.71%
10,001-100,000	136	4,669,768	16.88%
100,001 and over	50	22,269,072	80.48%
Total	**333**	**27,670,240**	**100.00**

The number of Option holders with less than a marketable parcel of options is 253.

4. Top 20

20 Largest Shareholders (fully paid ordinary shares)

	Name	Number Held	Percentage %
1.	SHANE SADLEIR	2,828,597	6.66
2.	TERENCE STREETER <KEEKA A/C>	1,500,000	3.53
3.	SARGON CT PTY LTD <VP CAPITAL FUND I>	1,000,000	2.35
4.	PATINA RESOURCES PTY LTD	852,143	2.01
5.	WESTONIA HIRE	820,110	1.93
6.	MGL CORP PTY LTD	812,509	1.91
7.	SANCOAST PTY LTD	700,000	1.65
8.	MR RICHARD THOMAS HAYWARD DALY + MRS SARAH KAY DALY <DALY FAMILY S/F TOM A/C>	670,460	1.58
9.	IBT HOLDINGS PTY LTD <IBT HOLDINGS PTY LTD FAM A/C>	574,914	1.35
10.	EXPLORE PTY LTD	574,888	1.35
11.	RALPH WINTER	516,668	1.22
12.	MR KEITH MAXWELL PARRY	500,000	1.18
13.	MR MICHAEL PEREIRA <CALIFORNIA INVESTMENT A/C>	500,000	1.18
14.	GEM GEOPHYSICAL PTY LTD	496,858	1.17
15.	MS LUCIANA CARLA DA SILVA	481,250	1.13
16.	PARKRANGE NOMINEES PTY LTD <PARKRANGE INVESTMENT A/C>	444,163	1.05
17.	ADRIAN LARKING	397,751	0.94
18.	RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	375,000	0.88
19.	MR MICHAEL FRANCIS MCMAHON + MRS SUSAN LESLEY MCMAHON <MCMAHON SUPER A/C>	375,000	0.88
20.	MR MICHAEL FRANCIS MCMAHON	354,383	0.83
		14,774,694	34.77%

20 Largest Optionholders (Quoted exercisable at $0.25 on or before 9 July 2023)

	Name	Number Held	Percentage %
1.	SHANE SADLEIR	5,185,760	18.74
2.	ATLANTIS MG PTY LTD <MG FAMILY A/C>	1,200,000	4.34
3.	EXPLORE PTY LTD	1,053,962	3.81
4.	RALPH WINTER	947,227	3.42
5.	TRADE HOLDINGS PTY LTD <KH & RM ALLISTER S/F A/C>	900,000	3.25
6.	GEM GEOPHYSICAL PTY LTD	745,287	2.69
7.	ADRIAN LARKING	729,211	2.64
8.	MR WILLIAM HENRY HERNSTADT	700,000	2.53
9.	BARCLAY WELLS LTD	631,000	2.28
10.	WESTONIA HIRE	503,370	1.82
11.	TERENCE STREETER <KEEKA A/C>	500,000	1.81
12.	MR SHANE ANTHONY MATCHETT + MRS MELITA ANGELA MATCHETT <SA MA MATCHETT S/F A/C>	500,000	1.81
13.	WORLDSCOPE PTY LTD	440,279	1.59
14.	BERNARD MOURITZ	427,779	1.55
15.	MS LAURA BAILEY	406,684	1.47
16.	MRS ELIZABETH JAUSEL + MR BRADY GLENN JAUSEL <THE CALASPI S/F A/C>	400,000	1.45
17.	MANGWANA PTY LTD <AFFLECK FAMILY A/C>	374,943	1.36
18.	MR COLIN RICHARD KORN	358,333	1.3
19.	SARGON CT PTY LTD <VP CAPITAL FUND I>	333,334	1.2
20.	MGL CORP PTY LTD	312,503	1.13
		16,649,672	60.19

5. The Name of the Joint Company Secretaries are Mr Ralph Winter and Mr David McEntaggart.

6. The address of the registered office is Level 11, 216 St Georges Terrace, Perth WA 6000 and principal place of business in Australia is Level 1, 46 Salvado Road Wembley WA 6014. Telephone (08) 9481 0389.

7. Registers of securities are held at the following address:

Advanced Share Registry
10 Stirling Highway
Nedlands WA 6009
Telephone: (08) 9389 8033

8. Stock Exchange Listing

Quotation has been granted for all the ordinary shares (ASX: MOH) and options (ASX:MOHO) of the company on the Australian Securities Exchange Limited.

9. Restricted Securities

The Company had the following restricted securities as at the date of this report:

Type	Number	Restriction period
Fully paid ordinary shares	5,414,929	7 November 2020
Listed options exercisable at $0.25 on or before 9 July 2023 (ASX: MOHO)	6,493,467	7 November 2020
Unlisted options exercisable at $0.25 on or before 17 July 2023	3,000,000	7 November 2020
Unlisted options exercisable at $0.35 on or before 17 July 2023	2,100,000	7 November 2020
Unlisted options exercisable at $0.50 on or before 17 July 2023	2,100,000	7 November 2020
Unlisted options exercisable at $0.25 on or before 29 October 2023	4,000,000	7 November 2020

10. Unquoted Securities

The Company has the following unquoted securities on issue as at the date of this report

Type	Expiry date	Exercise price of shares ($)	Number under option
Unlisted	17 July 2023	$0.25	3,000,000
Unlisted	17 July 2023	$0.35	2,100,000
Unlisted	17 July 2013	$0.50	2,100,000
Unlisted	29 October 2023	$0.25	4,000,000

11. Use of Funds

Between the date of listing on ASX and the date of this report the Company has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives and as set out in the Prospectus dated 10 August 2018.