

Corporate Governance Statement

The Board is responsible for the overall corporate governance of Mediland Pharm. The Board monitors the operational and financial position and performance of Mediland Pharm and oversees its business strategy, including approving the strategic goals of Mediland Pharm and considering and approving its annual business plan and the associated budget. The Board is committed to maximising performance, generating appropriate level of Shareholder value and financial return and sustaining the growth and success of Company. In conducting Mediland Pharm's business with these objectives, the Board seeks to ensure that Mediland Pharm is properly managed to protect and enhance Shareholder interests and that the Company, its Directors, officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has developed and adopted a framework of corporate governance policies and practices, risk management practices and internal controls that it believes appropriate for Mediland Pharm's business.

The Board has adopted a Board Charter (Charter), which sets out the key corporate governance principles and procedures of the Company. The Charter and other corporate governance documents are available on the Company's website at www.MedilandPharm.com.au. These key documents will be kept under review by the Board and amended from time to time.

The Charter and the other governance measures adopted reflect the Board's endorsement of the recommendations contained in the ASX Corporate Governance Council's Principles and recommendations, 3rd edition, 2014 (Principles). Those Principles marked with either have not been fully implemented or are to be addressed during the FY2019 reporting year. The commentary addresses the reasons for the departure from the requirements.

Principle 1 – Lay solid foundations for management and oversight

1.1 The Board has outlined in its Charter, its roles and responsibilities and has established a clear distinction between its functions and those delegated to management.

1.2 Appropriate checks including criminal record checks have been carried out on all Board members prior to their appointment. The Company will provide Shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director at future general meetings.

1.3 All Directors and senior executives have a written agreement with the Company or a member of Mediland Pharm Group setting out the terms of their appointment.

1.4 The Company Secretary is accountable directly to the Board, through the Chairman on all matters to do with the proper functioning of the Board.

1.5 The Board has adopted a Diversity Policy (a copy of which is on the Company's website). The Diversity Policy requires the Board to set measurable objectives for

obtaining gender diversity. The Board has not yet set measurable objectives but intends to review the diversity statistics within the Company and use those measures to formulate measurable objectives.

1.6 At least once per year the Board will, with the advice and assistance of the Nomination and Remuneration Committee (NRC), review and evaluate the performance of the Board, each Board committee and each individual Director against the relevant charters, corporate governance policies, and agreed goals and objectives.

1.7 Performance reviews for Executive Directors and Senior Management will take place at least annually. The NRC has accountability in its Charter to oversee these reviews and report to the Board on their outcomes. The Company intends to ensure the appropriate disclosures in the remuneration report are made in relation to each reporting period as to the performance evaluations that were undertaken and the process that was followed.

Principle 2 – Structure the Board to add value

2.1 The Board has formed a Nomination and Remuneration Committee. The charter for the Nomination and Remuneration Committee is available on the Company's website. Membership of the Nomination and Remuneration Committee is: Tracey Lee Cray, Peter French and Jhon Shen.

2.2 In establishing the Board, regard was had to the skills and expertise required of the Directors relevant to Mediland Pharm's business and the Company's Listing in Australia. Directors with the desired skills and expertise were carefully selected for appointment to the Board.

2.3 & 2.4

The Board Charter sets out the criteria adopted by the Board for considering if a Director is independent.

Upon Listing the Board will be comprised of five members, three of whom are independent. Tracey Lee Cray, Peter French and Theo Renard are considered independent as none of them has a material shareholding in the Company or is an adviser or supplier to the Company or has any other material contractual relationship with the Company other than their position as a Director.

2.5 The Board recognises the recommendation that the Chairman should be an independent Non- Executive Director and has accordingly appointed Peter French, an independent non-executive director, as the Chairman.

2.6 All Non-Executive Directors have had an extensive induction into the business of the Company prior to accepting their appointment and have received continuing information on the Company and its operations since being appointed. The induction process has included presentations by management.

Principle 3 – Act ethically and responsibly

3.1 The Board has adopted a code of conduct applicable to all Directors, senior executives and employees, a copy of which is disclosed on the Company's website.

Principle 4 – Safeguard integrity in financial reporting

4.1 The Board has established an audit and risk committee (ARC). The audit and risk committee is comprised a majority of Non-Executive Directors. Its composition being Peter French, Tracey Lee Cray and Yeshween Mudaliar. A copy of the audit and risk committee's charter is on the Company's website.

4.2 The Board has not yet had to approve the entity's financial statements for a financial period and accordingly has not been required to receive relevant declarations from the Managing Director and CFO in respect of the financial records of the Group. It is the intention of the Board that these declarations will be required for both the half-year and full-year results and this fact has been communicated to both the Managing Director and CFO.

4.3 The Company has not yet held an Annual General Meeting (AGM) but it is the intention of the Board to ensure that its external auditor attends the AGM and is available to answer questions from security holders relevant to the audit.

Principle 5 – Make timely and balanced disclosure

5.1 The Board has established a written continuous disclosure policy to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability for compliance. Each Board meeting considers whether any continuous disclosure issues arose during the course of the meeting. The continuous disclosure policy is on the Company's website.

Principle 6 – Respect the rights of Shareholders

6.1 The Company has established a website which provides information about the Group, Directors and executives, key governance policies and other information relevant to its investors. The website will be a key communication tool between the Company and the Shareholders.

6.2 The Company has not yet designed and implemented an investor relations program to facilitate effective two-way communication with investors, however, the Board recognises its importance and will put in place a tailored program following the Completion.

6.3 The Board has adopted a Shareholder Communication Policy and will provide Shareholders with opportunities to have questions addressed at Shareholder meetings, irrespective of whether the Shareholder is able to attend. A copy of the Shareholder Communication Policy is on the Company's website.

6.4 All Shareholders will be able to communicate with the Company and its share registry electronically, which is an encouraged method of communication.

Principle 7 – Recognise and manage risk

7.1 The Board has established a combined audit and risk committee. The audit and risk committee is comprised majorly of Non-Executive Directors. Its composition is Peter French, Tracey Lee Cray and Yeshween Mudaliar.

A copy of the audit and risk committee’s charter is on the Company’s website.

7.2 The risk management framework for the Group has not yet been formally reviewed by the Board. The Board has appointed the ARC to assist it with discharging its oversight function in respect of material business risks and to determine if the system of risk management is sound. Outcomes of those reviews will be reported in the corporate governance statement annually.

7.3 The Group has various quality assurance functions throughout the business but not a dedicated internal audit function. It is the Board’s intention that the ARC reviews the need for an internal audit function, the scope of any function should one be required and whether it will be insourced or outsourced. The outcome of the review will be reported in the Company’s annual report.

7.4 As mentioned under Principle 7.2, the Board expects a report on the risk management framework in September 2019 and has requested that management address economic, environmental and sustainability risks. The outcome of that review will be reported in the Company’s annual report.

Principle 8 – Remunerate fairly and responsibly

8.1 The Board has formed a combined Nomination and Remuneration Committee. Membership of the Nomination and Remuneration Committee is: Tracey Lee Cray, Peter French and Jhon Shen. A copy of the charter for the NRC is provided on the company’s website.

A copy of the charter for the NRC is provided on the Company’s website.

8.2 The Board has adopted a remuneration policy for Non-Executive Directors. A remuneration policy for Executive Directors and other senior executives will be developed post Completion. A copy of the Non-Executive Director remuneration policy is provided on the Company’s website.

8.3 The Company’s Securities Trading Policy prohibits participants of any equity-based remuneration scheme entering into transactions which limits the economic risk of a participant.