

Revasum, Inc.

ARBN 629 268 533 (the 'Company')

2018 Corporate Governance Statement

This Corporate Governance Statement sets out the Company's compliance with the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**) during the reporting period (4 December 2018, the date of admission to ASX, to 31 December 2018). The Principles and Recommendations are not mandatory; however, the Company seeks to follow the Principles and Recommendations to the extent that it is practicable having regard to the size and nature of its operations. This Statement outlines the extent to which the Company has followed the Principles and Recommendations during the reporting period.

The Board of the Company currently has in place corporate governance policies and charters which have been posted in a dedicated corporate governance information section on the Company's website at <u>www.revasum.com</u>.

This Statement is current as at 26 February 2019 and has been approved by the Board.

Princip	les and Recommendations	Comply Yes / No	Explanation
1	Lay solid foundations for management and oversight		
1.1	 Companies should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management. 	Yes	The respective roles and responsibilities of the Board and management are defined under the Board Charter, a copy of which is available on the Company's website at <u>www.revasum.com</u> . There is a clear delineation between the Board's responsibility for the Company's strategy and activities, and the day-to-day management of operations conferred upon the Chief Executive Officer and certain other officers of the Company.
1.2	Companies should: Yes		The process for selection, appointment, and re-appointment of directors is detailed in the Remuneration and Nomination Committee Charter, a copy of which is available on the Company's website at <u>www.revasum.com</u> .

Princip	les and Recommendations	Comply Yes / No	Explanation
	(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.		Under the Remuneration and Nomination Committee Charter, shareholders are required to be provided with all material information in the Committee's possession relevant to a decision on whether or not to elect or re-elect a director including, biographical details, qualifications, a statement as to whether the Board supports the nomination of the director and the degree of independence of the director and, details of any existing directorships held. Such information will be provided for consideration in relation to all future director elections by shareholders. Prior to any appointment of a director, background checks will be undertaken which may include checks in relation to the person's character, experience and qualification, criminal history and bankruptcy. No new directors were appointed since the Company's listing on the ASX.
1.3	Companies should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company has a written agreement in place with each director and senior executive, setting out the terms of their appointment.
1.4	The company secretary (or person nominated by the Board to perform the role of company secretary) should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Company has appointed Ryan Benton as Company Secretary under Delaware General Corporation Law effective 28 December 2018. In accordance with the Board Charter, the Company Secretary is directly accountable to the Board through the Chair on all matters to do with the proper functioning of the Board. The Company has also appointed Naomi Dolmatoff of Company Matters Pty Ltd as its ASX liaison officer.
1.5	Companies should:Yes(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;(b) disclose that policy or a summary of it; and(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:		 The Company has adopted a Diversity Policy, a copy of which is available on the Company's website at <u>www.revasum.com</u>. The Diversity Policy requires the Board to establish measurable objectives to assist the Company to achieve gender diversity and to assess the Company's progress in achieving these objectives. The Remuneration and Nomination Committee will report to the Board on the Company's progress towards achieving its measurable objectives each year. The Company has not yet adopted measurable objectives as it has recently listed on the ASX however it expects to consider adopting appropriate measurable objectives during the course of 2019 which will be disclosed in the subsequent Corporate Governance

Princip	Principles and Recommendations			Comply Yes / No	Explanation		
		(i) (ii)	the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.		positions (defined as all as follows: Board Senior Executive All Employees	Male (%) 100 82 79 79	h on the Board, in senior executive and across the whole organisation are Female (%) 0 18 21 the Workplace Gender Equality Act.
1.6	 6 Companies should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 			Under the Board Charter, the Board is required, at least once per year, with the advid and assistance of the Remuneration and Nomination Committee, to review an evaluate the performance of the Board, its Committees and individual directors again the relevant charters, corporate governance policies, and agreed goals and objective (as applicable). The Board did not undertake such evaluations during the reporting period, however will ensure that an evaluation of the Board, its committees and individual director undertaken in accordance with the Board Charter during 2019. The Company provide details as to its compliance with these recommendations in its future and		ination Committee, to review and ttees and individual directors against ies, and agreed goals and objectives uring the reporting period, however it ommittees and individual directors is ter during 2019. The Company will	
1.7	 Companies should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. 			Remuneration and Nom the performance of the r The Board did not under	ination Committee) is resp nembers of the executive l ertake an evaluation of the ng period but will ensure s	the advice and assistance of the onsible for reviewing and approving leadership team. e members of its executive leadership such evaluations occur during 2019 in	

Princip	les and Recommendations	Comply Yes / No	Explanation
2	Structure the board to add value?		
2.1	 The board should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an Independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. 	Yes	 The Board has established a Remuneration and Nomination Committee to oversee the selection and appointment practices of the Company. The Remuneration and Nomination Committee is governed by a Remuneration and Nomination Committee Charter, which is available on the Company's website at www.revasum.com. The Remuneration and Nomination Committee consists of three members, Vivek Rao (Chair), Kevin Landis and Paul Mirabelle, all of whom are non-executive directors. Vivek Rao and Paul Mirabelle are independent directors, making up a majority of independent directors on the Committee. The Remuneration and Nomination Committee is chaired by Vivek Rao, who is an independent non-executive director. There were no Board or Committee meetings during the reporting period.
2.2	Companies should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	No	The Company's Remuneration and Nomination Committee is responsible for regularly reviewing the size, composition and skills of the Board to ensure that the Board is able to discharge its duties and responsibilities effectively and to identify any gaps in the skills or experience of the Board. The Company has not prepared a Board Skills Matrix as yet but expects to do so in 2019. The Company will provide details of any board skills matrix it adopted (if any) in either its future annual reports or subsequent Corporate Governance Statements.

Princip	Principles and Recommendations			Explanation
2.3	(a) (b) (c)	nies should disclose: the names of the directors considered by the board to be independent directors; if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and the length of service of each director.	Yes	 The Company assesses the independence of its directors against the requirements for independence set out in the Board Charter which reflect the independence criteria set out in the ASX Corporate Governance Principles. Director independence is initially assessed upon each director's appointment and reviewed each year, or as required when a new personal interest or conflict of interest is disclosed. Directors are required to disclose all actual or potential conflicts of interest on an ongoing basis. Paul Mirabelle and Vivek Rao are the directors considered by the Board to be independent. Jerry Cutini is not considered to be independent due to his executive role as CEO of the Company. Ryan Benton is not considered independent due to his executive role as CFO of the Company. Kevin Landis is not considered independent due to his position as the nominee director appointed to the Revasum Board by Firsthand Venture Investors (a substantial shareholder of the Company). The length of service of each director on the Board is as follows: Jerry Cutini: October 2016 - present Kevin Landis: August 2016 - present Vivek Rao: October 2018 - present Paul Mirabelle: November 2018 - present

Princip	les and Recommendations	Comply Yes / No	Explanation
2.4	A majority of the board should be independent directors	No	The Company has five directors and two of these are considered to be independent. The Board believes that the current mix of directors is appropriate for the Company's business and circumstances and is in the best interests of shareholders as a whole. Further, the Board believes that, the Board as a whole is not hindered in its ability to exercise independent view and judgement. The Board is mindful of the recommendation that a majority of the Board should be independent directors and will continue to take this into consideration when considering the future nomination, election or re-election of directors to the Board.
2.5	The chair of the board should be an independent director and, in particular, should not be the same person as the CEO.	No	The Chairman of the Board is Jerry Cutini. Jerry Cutini is not considered to be an independent director. The role of CEO is also held by Jerry Cutini. The Board is mindful of the recommendation that the chair of the Board should be an independent director and should not be the same person as the CEO. The Board will continue to take this into consideration when considering the future nomination of the Chair of the Board, however, the Board believes Jerry Cutini's exercise of these two roles are appropriate for the Company's business and circumstances and is in the best interests of shareholders as whole.
2.6	Companies should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	No	 The Company's Remuneration and Nomination Committee is responsible for establishing and facilitating induction for new directors and providing new directors with all such information and advice which may be considered necessary or desirable for the director to commence their appointment to the Board. The Company's Remuneration and Nomination Committee is also responsible for providing directors with access to continuing education for directors for the purpose of updating and maintaining their skills and knowledge to perform their roles as directors effectively. The committee has not set a continuing education program however it is expected to consider this during 2019. A copy of the Remuneration and Nomination Committee Charter is available on the Company's website at <u>www.revasum.com</u>.

Principles	Principles and Recommendations			Explanation		
3 A	Act ethically and responsibly					
(8	 Companies should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it. 		Yes	The Company has adopted a Code of Conduct which applies to all directors, officers and employees of the Company as well as a Securities Trading Policy. Each of these has been prepared having regard to the ASX Corporate Governance Principles and Recommendations and is available on the Company's website at <u>www.revasum.com</u> .		
4 Safeguard integrity in corporate reporting						
	(i) (ii)	 uld: an audit committee which: has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and is chaired by an independent director, who is not the chair of the board, sclose: the charter of the committee; the relevant qualifications and experience of the members of the committee; and in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or 	Yes	 The Company has established an Audit and Risk Management Committee to oversee the management of financial and internal risks. The Audit and Risk Management Committee consists of three members, Paul Mirabelle (Chair), Kevin Landis, and Vivek Rao. All members of the Committee are non-executive directors. Vivek Rao and Paul Mirabelle are independent directors, making up a majority of independent directors on the Committee. The Audit and Risk Management Committee is chaired by Paul Mirabelle, who is an independent non-executive director. The Audit and Risk Management Committee is governed by an Audit and Risk Management Committee Charter, a copy of which is available on the Company's website at www.revasum.com. Details as to the relevant qualifications and experience of the members of the committee are set out in the Directors' Report, which forms part of the Company's Annual Report. There were no meetings of the Audit and Risk Committee during the reporting period 		

Princip	les and Recommendations	Comply Yes / No	Explanation
	(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		
4.2	The board should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	Prior to the Board approving the Company's financial statements, the Board ensures that it receives from the CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. The Company has obtained the required declaration from the CEO and CFO in respect of the 2018 full year financial statements.
4.3	Companies should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	The Company requires its external auditor to attend its AGM to answer any questions from shareholders relevant to the audit and this is specifically set out in the Company's Shareholder Communications Policy which is available on the Company's website. The Company will hold its first AGM as an ASX listed entity in May 2019 and will ensure that it's auditor, BDO East Coast Partnership, attends and is available to answer questions relevant to the audit.
5	Make timely and balance disclosure	-	
5.1	 Companies should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it. 	Yes	The Company is committed to taking a proactive approach to continuous disclosure and creating a culture within the Company that promotes and facilitates compliance with the Company's continuous disclosure obligations. The Company has adopted a written policy to ensure compliance with their ASX Listing Rule disclosure obligations. A copy of the Company's Continuous Disclosure Policy is available on its website at <u>www.revasum.com</u> .

Princip	Principles and Recommendations		Explanation
			The Company has appointed its CFO as the reporting officer and its local agent (Company Matters Pty Ltd) as the ASX liaison officer. However, the Board retains ultimate responsibility for compliance with the Company's continuous disclosure obligations.
6	Respect the rights of security holders		
6.1	Companies should provide information about itself and its governance to investors via its website.	Yes	The Company provides investors with comprehensive and timely access to information about itself and its governance on its website at <u>www.revasum.com</u> , including copies of the Company's Certificate of Incorporation and Bylaws, Board and committee charters and key corporate governance policies, copies of all material information lodged with ASX, copies of all announcements, briefings and speeches made to the market, analysts or the media, press releases or announcements made by the Company, financial data for the Company, the Company's annual reports and notices of shareholder meetings. Further details are set out in the Company's Shareholder Communications Policy which is available on the Company's website.
6.2	Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	The Company has adopted a Shareholder Communications Policy for shareholders wishing to communicate with the Board, a copy of which is available on the Company's website at <u>www.revasum.com</u> . The Company seeks to utilise numerous modes of communication, including electronic communication to ensure that its communication with shareholders is frequent, clear and accessible.
6.3	Companies should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	All shareholders are invited to attend the Company's general meetings either in person or by representative. Shareholders have an opportunity to submit questions to the Board or the Company's external auditor. Shareholders who are unable to attend a general meeting are encouraged to vote on the proposed motions by appointing a proxy via the proxy form that accompanies the notice of meeting, CDI Holders are also encouraged to attend general meetings of the Company. CDI Holders will be provided a voting form and are encouraged to lodge their vote on the proposed motions.

Princi	Principles and Recommendations			Comply Yes / No	Explanation
6.4	Companies should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically		Yes	The Company gives shareholders the option to receive and send communications electronically. Shareholders who wish to elect to receive communications electronically should contact the Company's share registry. CDI holders who wish to elect to receive communications electronically should contact the Company's CDI Registry. The Company encourages shareholders to submit questions or requests for information directly to the Company via the Company's website at <u>www.revasum.com</u> .	
7	Recog	nise an	d manage risk		
7.1	Comp (a) (b)	 (i) (ii) and di (iii) (iv) (v) if it di 	a committee or committees to oversee risk, each of which: has at least three members, a majority of whom are independent directors; and is chaired by an independent director, isclose: the charter of the committee; the members of the committee; and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or oes not have a risk committee or committees that satisfy	Yes	In conjunction with the Company's other corporate governance policies, the Company has adopted a Risk Management Policy which is designed to assist the Company to identify, assess, monitor and manage its risk, including any material changes to its risk profile. The Board has delegated responsibility for the day-to day oversight and management of the Company's risk profile to the Audit and Risk Management Committee. The Audit and Risk Management Committee is responsible for ensuring that the Company maintains effective risk management and internal control systems and processes and provides regular reports to the Board on these matters. The Audit and Risk Management Committee consists of three members, Paul Mirabelle (Chair), Kevin Landis, and Vivek Rao. All members of the Committee are non-executive directors. Vivek Rao and Paul Mirabelle are independent directors, making up a majority of independent directors on the Committee. The Audit and Risk Management Committee is chaired by Paul Mirabelle, who is an independent non-executive director. The Board has conferred responsibility on the Company's management to develop and maintain a risk management program and internal control systems which identify
	(b)	(a) ab	oes not have a risk committee or committees that satisfy bove, disclose that fact and the processes it employs for eeing the entity's risk management framework.		maintain a risk management program and internal control systems which identify material risks in light of the day to day needs of the Company. A formal risk management program has not been developed during the reporting period, however the Company expects this will occur during 2019.

Princip	es and Recommendations	Comply Yes / No	Explanation
			The Board is responsible for oversight of the overall system of internal control and provides final consideration and direction on any risk management issues.
			Details as to the relevant qualifications and experience of the members of the committee are set out in the Directors' Report, which forms part of the Company's Annual Report. There were no meetings of the Audit and Risk Committee during the reporting period.
			A copy of the Company's Risk Management Policy is available on the Company's website at <u>www.revasum.com</u> .
7.2	 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place. 	Yes	 The Audit and Risk Management Committee will annually review and evaluate the effectiveness of its risk management framework to ensure that its internal control systems and processes are monitored and updated on an ongoing basis. The division of responsibility between the Board, Audit and Risk Management Committee and management aims to ensure that specific responsibilities for risk management are clearly communicated and understood. The Risk Management Policy provides for regular reporting to the Board which supplements the Company's quality system, complaint handling processes and standard operating procedures which are all designed to address various forms of risks. A formal review of the Company's risk management framework did not occur during the reporting period; however such a review is expected to occur during 2019.
7.3	 Companies should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes 	Yes	Due to the Company's current size and business circumstances, the Company does not have an internal audit function. The Company will reconsider this decision as appropriate and appoint an internal auditor if, and when, the Company considers this necessary. Under the Audit and Risk Management Committee Charter, the Audit and Risk Management Committee is responsible providing an independent and objective assessment to the Board regarding the adequacy, effectiveness and efficiency of the Company's risk management and internal control process.
7.4	Companies should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	The Company does not consider, based on its risk assessment, that it has any material exposure to economic, environmental and social sustainability risks.

Princip	Principles and Recommendations			Comply Yes / No	Explanation
					Economic and financial risks applicable to Revasum are set out in the notes to the Company's 2018 annual report.
8	Remu	inerate	fairly and responsibly		
8.1	Comp (a) (b)	 (i) (ii) (iii) (iv) (v) if it d and comp 	 a remuneration committee which: has at least three members, a majority of whom are independent directors; and is chaired by an independent director, and disclose: the charter of the committee; the members of the committee; and as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or oes not have a remuneration committee, disclose that fact the processes it employs for setting the level and osition of remuneration for directors and senior executives ensuring that such remuneration is appropriate and not 	Yes	 The Company has a Remuneration and Nomination Committee, which is governed by a Remuneration and Nomination Committee Charter. A copy of the Remuneration and Nomination Committee Charter is available on the website at www.revasum.com. The Remuneration and Nomination Committee consists of three members, Vivek Rao (Chair), Kevin Landis and Paul Mirabelle, all of whom are non-executive directors. Vivek Rao and Paul Mirabelle are independent directors, making up a majority of independent directors on the Committee. The Remuneration and Nomination Committee is chaired by Vivek Rao, who is an independent non-executive director. Details as to the relevant qualifications and experience of the members of the committee are set out in the Directors' Report, which forms part of the Company's Annual Report. There were no meetings of the Remuneration and Nomination Committee during the reporting period.

Principles and Recommendations		Comply Yes / No	Explanation
8.2	Companies should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	The Remuneration and Nomination Committee is responsible for setting and reviewing the policies and practices of the Company regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives, separately. The Company's 2018 Annual Report discloses components of the remuneration of the Company's non-executive directors and executive directors.
8.3	 A company which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it. 	Yes	The Company has adopted a Securities Trading Policy which provides that participants must not, without prior written approval by the relevant person specified in the Policy, engage in hedging arrangements, deal in derivatives or enter into other arrangements which vary economic risk related to the Company's securities. A copy of the Securities Trading Policy is available on the Company's website at <u>www.revasum.com</u> .