

**Besra Gold Inc**  
**ARBN 141 335 686**  
**SUPPLEMENTARY PROSPECTUS**

**IMPORTANT INFORMATION**

This is a supplementary prospectus for the purpose of Chapter 6D of the Corporations Act (**Supplementary Prospectus**) and supplements the replacement prospectus dated 8 July 2021 (**Prospectus**) issued by Besra Gold Inc (ARBN 141 335 686) (**Company**). The purpose of this Supplementary Prospectus is to update certain disclosures in the Prospectus in respect of matters which have arisen since the Prospectus was lodged with ASIC.

This Supplementary Prospectus is dated 20 September 2021 (**Supplementary Prospectus Date**) and was lodged with ASIC on that date. ASIC and ASX take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms and abbreviations used in this Supplementary Prospectus have the meaning given in the Prospectus.

A copy of this Supplementary Prospectus (together with the Prospectus) can be downloaded from the website of the Company at <https://besraoffer.thereachagency.com>. Persons who access the electronic version of this Supplementary Prospectus should ensure that they download and read the entire Supplementary Prospectus in conjunction with the Prospectus.

Other than the changes set out below, all other details in relation to the Prospectus remain unchanged.

The board of directors of the Company believe that the new circumstances set out in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for CDIs under the Prospectus.

This document is important and should be read in its entirety and in conjunction with the Prospectus. If you do not understand its contents, you should consult your professional adviser without delay.

## **1 Supplementary disclosure**

### **1.1 Purpose**

The purpose of this Supplementary Prospectus is to:

- (a) update the key Offer information and capital structure in relation to the Warrants;
- (b) update the indicative timetable for the Offers and certain consequential matters relating to the supplier settlement agreements described in section 8.9 of the Prospectus;
- (c) update Section 2.7(d) of the Prospectus and related disclosures in relation to the Unsecured Noteholders' approval of the extension of the deadline for a restructure of the Notes;
- (d) update Section 2.16 of the Prospectus in relation to escrow;
- (e) provide further disclosure relating to the basis for the grant of the Performance Rights and the maximum number of securities that may be issued under the Equity Incentive Plan;
- (f) provide a supplementary opinion to the Malaysian Solicitor's Report on Title in Attachment G of the Prospectus.

Except where defined in this Supplementary Prospectus, capitalised terms have the meaning set out in the Prospectus.

### **1.2 Key offer information and capital structure**

This information supplements, and should be read together with, the information set out at pages 2 to 3, Section 2.9 and Attachment F of the Prospectus.

As at the date of the Prospectus, a total of 1,776,440 Warrants were on issue to Forest Nominees, a Pre-IPO investor, exercisable at \$0.12 per Share. Those warrants expired unexercised at 5:00pm (AEST) on 31 July 2021. The full terms of these Warrants are set out in Attachment F of the Prospectus.

As a result of the expiry of these warrants, the waivers of Listing Rules 6.16, 6.19, 6.21 and 6.22 described in section 9.22 of the Prospectus are no longer required.

Accordingly, the “Key Offer Information” table on pages 2 and 3 of the Prospects is replaced with the following.

The Offers <sup>1</sup>	Minimum Subscription	Maximum Subscription
Offer Price per CDI	\$0.20	\$0.20
Ratio of CDIs per Shares	1 for 1	1 for 1
<b>Shares/CDIs</b>		
Shares on issue as at the Prospectus Date	4,818,622	4,818,622
CDIs to be issued to the Secured Creditors under the Restructure <sup>2</sup>	83,942,611	83,942,611
CDIs to be issued to Pre-IPO Investors under the Restructure <sup>3</sup>	52,274,000	52,274,000
CDIs to be issued under the Noteholder Offer under the Restructure <sup>4</sup>	69,844,355	69,844,355
CDIs to be issued to Gladioli under the SPSA Variation <sup>5</sup>	12,500,000	12,500,000
CDIs to be issued to Pangaea under the SPSA Variation <sup>5</sup>	20,000,000	20,000,000
CDIs to be issued to settle trade creditors <sup>6</sup>	532,457	532,457
CDIs to be issued under the Public Offer	50,000,000	62,500,000
<b>Total number of Shares and CDIs on issue at Listing</b>	<b>293,912,045</b>	<b>306,412,321</b>
<b>Options</b>		
Lead Manager Options <sup>7</sup> - Canaccord	2,990,385	4,528,846
Broker Options <sup>7</sup> - Boustead	1,625,000	1,625,000

The Offers <sup>1</sup>	Minimum Subscription	Maximum Subscription
Class A Incentive Options <sup>8</sup>	3,625,000	3,625,000
Class B Incentive Options <sup>8</sup>	3,625,000	3,625,000
Bonus Options <sup>9</sup>	2,500,000	2,500,000
<b>Total number of Options on issue at Listing</b>	<b>14,365,385</b>	<b>15,909,846</b>
<b>Performance Rights<sup>10</sup></b>		
Class A Performance Rights <sup>10</sup>	2,600,000	2,600,000
Class B Performance Rights <sup>10</sup>	3,650,000	3,650,000
<b>Total number of Performance Rights on issue at Listing</b>	<b>6,250,000</b>	<b>6,250,000</b>
<b>Key Offer Metrics</b>		
Fully diluted number of securities on issue at completion of the Offers	314,527,706	328,572,167
Gross proceeds of the Public Offer (before costs and expenses)	\$10.0 million	\$12.5 million
Indicative market capitalisation at the Offer Price <sup>11</sup>	\$58.8 million	\$61.3 million

Notes:

1. See Section 2 in the Prospectus for details of the Offers.
2. See Section 2.7(a) in the Prospectus for more information on CDIs to be issued to the Secured Creditors under the Restructure.
3. See Section 2.7(b) in the Prospectus for more information on CDIs to be issued to the Pre-IPO Investors under the Restructure.
4. See Section 2.7(d) in the Prospectus for more information on CDIs to be issued under the Noteholder Offer under the Restructure.
5. See Section 2.8 in the Prospectus for more information on CDIs to be issued to Gladioli and Pangaea.
6. See Section 2.7(c) in the Prospectus for more information.
7. See Attachment D in the Prospectus for more information on the Lead Manager Options and Broker Options.
8. See Attachment B in the Prospectus for more information on the Class A and Class B Incentive Options.
9. See Attachment C in the Prospectus for more information on the Bonus Options.
10. See Attachment E in the Prospectus for more information on the Performance Rights.
11. The market capitalisation is calculated based on the Offer Price multiplied by the total number of Shares and CDIs on issue after the Offers. There is no guarantee that the CDIs will trade at the Offer Price upon Listing.

Additionally, the capital structure summary on pages 22, 30, 31 and 32 of the Prospectus is replaced with the following:

The Offers <sup>1</sup>	Minimum Subscription	Maximum Subscription
Offer Price per CDI	\$0.20	\$0.20

The Offers <sup>1</sup>	Minimum Subscription	Maximum Subscription
Ratio of CDIs per Shares	1 for 1	1 for 1
<b>Shares/CDIs</b>		
Shares on issue as at the Prospectus Date	4,818,622	4,818,622
CDIs to be issued to the Secured Creditors under the Restructure <sup>2</sup>	83,942,611	83,942,611
CDIs to be issued to Pre-IPO Investors under the Restructure <sup>3</sup>	52,274,000	52,274,000
CDIs to be issued under the Noteholder Offer under the Restructure <sup>4</sup>	69,844,355	69,844,355
CDIs to be issued to Gladioli in consideration for variation of existing agreement <sup>5</sup>	12,500,000	12,500,000
CDIs to be issued to Pangaea for acquisition of NBG shares <sup>5</sup>	20,000,000	20,000,000
CDIs to be issued to settle trade creditors	532,457	532,457
CDIs to be issued under the Public Offer	50,000,000	62,500,000
<b>Total number of Shares and CDIs on issue at Listing</b>	<b>293,912,045</b>	<b>306,412,321</b>
<b>Options</b>		
Lead Manager Options <sup>6</sup> - Canaccord	2,990,385	4,528,846
Broker Options <sup>6</sup> - Boustead	1,625,000	1,625,000
Class A Incentive Options <sup>7</sup>	3,625,000	3,625,000
Class B Incentive Options <sup>7</sup>	3,625,000	3,625,000
Bonus Options <sup>8</sup>	2,500,000	2,500,000
<b>Total number of Options on issue at Listing</b>	<b>14,365,385</b>	<b>15,909,846</b>

The Offers <sup>1</sup>	Minimum Subscription	Maximum Subscription
<b>Performance Rights<sup>9</sup></b>		
Class A Performance Rights	2,600,000	2,600,000
Class B Performance Rights	3,650,000	3,650,000
<b>Total number of Performance Rights on issue at Listing</b>	<b>6,250,000</b>	<b>6,250,000</b>

Notes:

1. See Section 2 in the Prospectus for details of the Offers.
2. See Section 2.7(a) in the Prospectus for further information on CDIs to be issued to the Secured Creditors under the Restructure.
3. See Section 2.7(b) in the Prospectus for information on CDIs to be issued to Pre-IPO Investors under the Restructure.
4. See Section 2.7(d) in the Prospectus for information on CDIs to be issued under the Noteholder Offer under the Restructure.
5. See Section 2.8 in the Prospectus for information on CDIs to be issued to Gladioli and Pangaea.
6. See Attachment D in the Prospectus for more information on the Lead Manager Options and Broker Options.
7. See Attachment B in the Prospectus for more information on the Incentive Options.
8. See Attachment C in the Prospectus for more information on the Bonus Options.
9. See Attachment E in the Prospectus for more information on the Performance Rights.

### 1.3 Indicative timetable

This information supplements, and should be read together with, the information set out at page 3 and Section 2.10 of the Prospectus.

The Closing Date of the Offer has been extended to 7.00pm (AEST) on 23 September 2021, and as a result there are a number of changes to the dates in the indicative timetable for the Offer. An updated indicative timetable is set out below:

Event	Date <sup>1</sup>
Lodgement of the Original Prospectus with ASIC	22 April 2021
Lodgement of Replacement Prospectus with ASIC	8 July 2021
Opening Date of the Offers	12 July 2021
Lodgement of this Supplementary Prospectus with ASIC	20 September 2021
Closing Date of the Offers (7.00pm AEST)	23 September 2021
Settlement Date of the Offers	30 September 2021
Issue of Securities under this Prospectus	1 October 2021
Despatch of holding statements and allotment confirmation notices	4 October 2021
Expected date for Shares/CDIs to commence trading on the ASX	7 October 2021

Notes:

1. *This timetable is indicative only. Unless otherwise indicated, all times given are Eastern Standard Time, Australia. The Company, in consultation with the Lead Manager, reserves the right to vary any and all of the above dates and times without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offers early, to extend the Closing Date, or to accept late Applications or bids, either generally or in particular cases, or to cancel or withdraw the Offers, in each case without notifying any recipient of this Prospectus or Applicants). If an Offer is cancelled or withdrawn before the allocation of CDIs, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offers open.*

All references to the key dates relating to the Offers in the Prospectus, including in Sections 1.5, 2.13 and 2.15 of the Prospectus, are replaced (as applicable) with the dates as set out in the above table.

#### **1.4 Supplier Settlement Agreements**

As a result of the delay in Listing, each of SGS and Indodrill have agreed to extend the arrangements described in Section 8.9 of the Prospectus as follows:

- (a) **SGS:** The Company did not make the payments due to SGS on 28 July 2021 or 28 August 2021, however SGS has agreed to waive that default and defer payment of those amounts to 30 September 2021; and
- (b) **Indodrill:** The parties agree that payment of the Overdue Payments is deferred to the earlier of 30 September 2021 and 7 days after the IPO Proceeds Availability Date.

In all other respects the agreements described in Section 8.9 of the Prospectus remain unchanged.

#### **1.5 Noteholder Offer**

This information supplements, and should be read together with, the information set out at Section 2.7(d) of the Prospectus.

On 3 December 2020, the Unsecured Noteholders agreed to amend the Note terms in order to allow the Company to accept the relevant Noteholder Offer on their behalf, subject to Conditional Admission occurring prior to 28 February 2021.

At a further meeting on 18 March, the Unsecured Noteholders agreed to extend this deadline to 30 May 2021. The Unsecured Noteholders had a further meeting on 28 June, which was adjourned to 3 August 2021, to further extend the approval deadline. At the meeting held on 3 August 2021, the Unsecured Noteholders approved the extension of this deadline to 30 September 2021.

Accordingly, the Company considers that the risks disclosed in Sections 1.4 and 7.2(c) of the Prospectus relating to the adjourned meeting of Noteholders do not apply as at the date of this Prospectus.

#### **1.6 Escrow**

This information supplements, and should be read together with, the information set out at Section 2.16 of the Prospectus.

Following discussions with ASX:

- (a) 26,137,000 CDIs to be issued to Pre-IPO Investors, which were at the date of the Prospectus expected to be subject to escrow, are no longer expected to be subject

to escrow (as the relevant funds were advanced more than 12 months prior to the Listing); and

- (b) 19,936,214 CDIs to be issued to the Secured Creditors under the Restructure (of a total of 83,942,611 CDIs), which were not at the date of the Prospectus expected to be subject to escrow, are now expected to be subject to escrow for a period of 24 months from Listing.

## 1.7 Additional information in relation to the Equity Incentive Plan and Performance Rights

This information supplements, and should be read together with, the information set out at Section 9.3 of the Prospectus regarding the Equity Incentive Plan and the grant of the Performance Rights which are being issued to further remunerate and incentivise Messrs John Seton, Ray Shaw and Kevin Wright (**Recipients**).

### (a) Terms of the Performance Rights

The terms of the Performance Rights set out in Attachment E of the Prospectus are replaced with the terms set out in Annexure 2 of this Supplementary Prospectus.

### (b) Maximum number of equity securities

The maximum number of equity securities proposed to be issued under the Equity Incentive Plan is 16,000,000.

### (c) Relationship of Recipients

As set out in further detail in Sections 6.1 and 6.2 of the Prospectus, the relationship of each of the Recipients with the Company is as follows:

- Mr John Seton is an Executive Director;
- Mr Ray Shaw is the proposed Chief Executive Officer; and
- Mr Kevin Wright is the proposed Bau Gold Project Manager.

### (d) Remuneration package and interests in Securities

The remuneration package of each Recipient is set out in Section 6.3 of the Prospectus.

The interests of each Recipient in Securities are set out below:

Recipient	Shares / CDIs	Options	Performance Rights
John Seton	90,929	Nil	Nil
Ray Shaw	Nil	Nil	Nil
Kevin Wright	Nil	Nil	Nil

Mr Seton (or entities which he controls) acquired these Shares on arms length terms under various historical transactions.

The number of Shares in which Mr Seton has an interest as set out in the above table differs from the number in the Prospectus by an immaterial amount. All references to the

number of Shares in which Mr Seton has an interest as at the Prospectus Date in Sections 1.2 and 9.5 are replaced by the number 90,929.

(e) Basis for grant of Performance Rights

The proposal to issue the Performance Rights was determined by the Board having regard to the Company's strategy following Listing, which is dependent on the retention of the Recipients to provide stability and investor confidence following Listing. The Company also considers the issue of Performance Rights will align their interests with those of the Company's Securityholders.

The number of Performance Rights to be issued was determined by the Board having regard to:

- the need to reward the recipients for their role in developing the Company and the Bau Gold Project to a position where it is able to list on the ASX; and
- the expected services to be provided from Listing and the role those services will play in achieving the vesting hurdles as set out above.

If each of the vesting hurdles for the Performance Rights are met, the Performance Rights will convert into 6,250,000 CDIs, which represents approximately 1.9% of the total number of Securities on issue at Completion on a fully diluted basis, assuming Maximum Subscription.

The Company considers the issue of the Performance Rights is an appropriate and equitable means of rewarding, retaining and incentivising the recipients.

(f) Role of Recipients in meeting vesting hurdles

The vesting hurdles for the Performance Rights are set out in Annexure 2 of this Supplementary Prospectus. The Class A Performance Rights will vest on the achievement of a Mineral Resource milestone at the Bau Gold Project, the sale of more than 33 1/3% interest in the Bau Gold Project or the change of control in the Company. The Class B Performance Rights will vest upon any of the above vesting hurdles being met or the Company completing a feasibility study on the Bau Gold Project which evidences an IRR in excess of 30%.

From Listing, the Recipients will play a crucial role in meeting the vesting hurdles as follows:

- Mr John Seton, as an Executive Director, will provide critical corporate support and expertise to the Board, and will be involved in the strategic direction of the Company; and
- Dr Raymond Shaw and Mr Kevin Wright will provide their relevant expertise to develop the Bau Gold Project.

## 1.8 Supplementary Opinion

Annexure 1 to this Supplementary Prospectus contains a supplementary opinion prepared for the Company by its Malaysian solicitors for title, Reddi & Co (**Supplementary Opinion**). The Supplementary Opinion is dated 20 September 2021. The key conclusion in the Supplementary Opinion is that there are no material impediments under Malaysian law to Besra carrying out its proposed work programme in the manner described in Sections 3.12 and 3.13 of the Prospectus.

This information supplements, and should be read together with, the information set out in the Solicitor's Report at Attachment G of the Prospectus.



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## 2 Consents and authorisations

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director of the Company has consented in writing to the lodgement of this Supplementary Prospectus with the ASIC.



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**Andrew Worland**  
Chair

**For and on behalf of Besra Gold Inc**

**Annexure 1**  
**Supplementary Opinion**

Yap Han Boon Barrister-at-Law, Lincoln's Inn  
Perpetua Phang LL.B (Hons) (University of Hull) Barrister-at-Law, Lincoln's Inn  
Sim Hui Chuang LL.B (Hons) (University of London) Barrister-at-Law, Lincoln's Inn  
Lim Lip Sze LL.B (Hons) (University of Malaya)  
Joy Chiam Ee Ling LL.B (Hons) (University of Malaya)  
Sandy Tang Pui Nyuk LL.B (Hons) (University of Liverpool)  
Nicholas Wung Duk Ying LL.B (Hons) (University of Reading) Barrister-at-Law, Lincoln's Inn  
Anastasia Chin Mengxing LL.B (Hons) (University of Malaya)  
Jane Sim Tze Chee LL.B (Hons) (University of Northumbria) Barrister-at-Law, Middle Temple  
Lorraine Gloria Chong Hui Liane LL.B (Hons), LL.M (QUT, AU)  
Loh Wei Siong LL.B (Hons) (University of Malaya)  
Stella Sim Mei Li LL.B (Hons) (University of London) Barrister-at-Law, Lincoln's Inn  
Joyce Ting Guo Jen LL.B (University of Adelaide, AU)  
Alan Bong Kit Khoo LL.B (Hons) (Cardiff University) Barrister-at-Law, Lincoln's Inn  
Maxine Ch'ng Shau Hui LL.B (Hons) (L.S.E.) Barrister-at-Law, Inner Temple  
Amy Ling Leh Sang LL.B (Hons) (University of Malaya)

葉漢文  
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沈威全  
林立智  
詹依琳  
鄧佩玉  
黃筠榮  
陳鄭心  
沈智琪  
張慧蓮  
羅偉雄  
沈美利  
陳欄臻  
黃吉坤  
庄昭慧  
林麗珊

禮帝律師

Reddi & Co

ADVOCATES

Notary Public  
Trade Mark Agents

Peguambela  
Penyaksi Awam  
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Our Ref: PP/MC/20200327

20 September 2021

**Besra Gold Inc**  
Parmelia House, Suite 2, Level 5  
191 St Georges Terrace  
Perth WA 6000


Attn: Ray Shaw, CEO

**RE: Supplementary Opinion in relation to the Summary Report dated 7 July 2021 prepared by Reddi & Co., for Besra Gold Inc. ("the Summary Report")**

- 1) We refer to the above matter. We have been informed by Besra Gold Inc ("Besra") that the Summary Report has been included in the Replacement Prospectus of Besra dated 8 July 2021 ("the Replacement Prospectus") as Attachment F. Unless the contrary indication appears, terms defined in the Summary Report have the same meaning as used herein.
- 2) We have been asked for further clarification regarding the legal rights of Besra (through its indirect interest in NBG) to undertake its work program pursuant to Clause 1.1 of the Amended and Restated ESA.
- 3) In making the following comments, reference is made to Paragraph 2.3 of our Summary Report and to the relevant clauses of the Amended and Restated ESA:
  - a. By virtue of the Amended and Restated ESA, the Gladioli Companies, being the holders of the Tenements, have granted the right to NBG to carry out Exploration on the Tenements. In brief, Clause 15.1 of the Amended and Restated ESA states that the Gladioli Companies irrevocably and unconditionally grant to NBG the right to do all things in relation to the Exploration Area which could be done by a person legally and beneficially entitled to the Tenements, including (amongst others), subject to NBG ensuring that all necessary permits or licenses are obtained, to enter thereon or any part or parts thereof;
    - i. To do thereon and therein such things as shall be necessary to undertake Exploration and to undertake each Project and to carry out its obligations thereunder.
  - b. Pursuant to Clause 1.1 of the Amended and Restated ESA, "Exploration" shall mean **all activities conducted** towards the discovering, location and delineation of commercial ore bodies within the Exploration Area and shall, without limitation, include the carrying out of **Final Feasibility Studies and other feasibility studies and any other work necessitated by or reasonably associated with such activities or calculated to lead to a decision to develop a Project.**

- c. It is our opinion that activities and works for the purposes of discovering and determining the location of commercial ores and for conducting a feasibility study in accordance to the terms of the Amended and Restated ESA within the areas of the valid Tenements, before NBG makes its decision to exercise any of the options available to it under Clause 16.3 of the Amended and Restated ESA ("the Options"), would not require the consent of the Minister of Urban Development and Natural Resources, Sarawak ("the Minister's Consent") nor the further consent of the Tenement holders. The Minister's Consent will only be necessary when NBG exercises any of the Options after completion of a Final Feasibility Study and upon a Development Decision being made. As of even date, we have been made to understand that NBG has yet to exercise any of the Options.
- 4) As legal advisers, we do not have the operational expertise to confirm whether or not the activities proposed under the Work Program as described in Section 3.13 of the Replacement Prospectus are in conformity with "Exploration" as defined under Clause 1.1 of the Amended and Restated ESA. However, we are informed by Besra that the Work Program is in complete conformity with the definition of "Exploration" as defined under Clause 1.1 of the Amended and Restated ESA, and does not involve NBG's exercise of any of the Options. Besra's confirmation appears to be supported by its independent consultants, Cube Consulting Pty Ltd ("Cube"); according to a letter dated 17 September 2021 from Cube to Besra, Cube had independently reviewed the definition of Exploration as listed in Clause 1.1 of the Amended and Restated ESA and is of the opinion that all activities listed within the Work Program fall within activities defined as Exploration in the said Clause.
- 5) This being the case, based on our conclusions in the Summary Report, and subject to the assumptions and limitations thereof, we are of the opinion that provided that NBG's Work Program under the Replacement Prospectus is limited to Exploration as defined under Clause 1.1 of the Amended and Restated ESA and until such time an Option under Clause 16.3 of the Amended and Restated ESA is exercised, then it may undertake such work program without the need for a Minister's Consent or the further consent of the Tenement holders, subject always to the existing terms and conditions as well as rules and regulations imposed on/applicable to the respective Tenements.
- 6) Therefore, based on the above, we opine that Besra's indirect interest in NBG carrying out the Exploration would not be prejudiced simply by an absence of a Minister's Consent at this stage and NBG may enter the sites associated with the granted valid Tenements and proceed with the Exploration in accordance with and subject to the existing terms and conditions of the Amended and Restated ESA as well as the rules and regulations imposed on or applicable to the respective Tenements.

Yours faithfully,

  
Messrs. Reddi & Co. Advocates

## Annexure 2

### Terms of Performance Rights

The following terms and conditions apply to the Performance Rights:

(a) **Entitlement**

Each Performance Right entitles the Holder to the issue, for no consideration, of one CDI in the Company upon exercise of each Performance Right.

(b) **Milestones**

The Performance Rights have the following milestones attached to them (each referred to as a **Milestone**).

Class	Performance Milestone	Milestone Date	Expiry Date
A	Besra publicly reports a 4 million ounce JORC compliant Mineral Resource Estimate of contained gold being measured with a cut-off grade of not less than 0.5 grams per tonne of gold for the Project.	24 months from Listing	36 months from Listing
B	Besra publicly reports a:	36 months from Listing	48 months from Listing
	(a) 5 million ounce JORC compliant Mineral Resource Estimate of contained gold being measured with a cut-off grade of not less than 0.5 grams per tonne of gold for the Project; or		
	(b) a feasibility study on the Bau Project which evidences an internal rate of return in excess of 30% using publicly available spot commodity pricing and verifiable industry assumptions.		

(c) **Vesting Condition**

It is a condition of vesting that the Company has been admitted to the Official List (**Vesting Condition**).

At all times whilst the Company is admitted to the Official List of the ASX as a foreign listing and CHESS Depository Interest (**CDIs**) are quoted over Besra Gold Inc.'s (ARBN 141 3353 686) (**Company**) ordinary fully paid common shares (**Shares**) a reference to Shares will be taken to be CDIs as appropriate.

(d) **Vesting**

Subject to the satisfaction of the Vesting Condition, the Company will notify the holder of the Performance Rights (the **Holder**) in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the relevant Milestone has been satisfied.

(e) **Exercise**

Upon receipt of a Vesting Notice, the Holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary, in the form set out in Schedule attached to the offer letter (**Notice of Exercise**) prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise the Performance Rights.

(f) **Milestone Date**

To the extent that a Milestone for a Performance Right has not been satisfied by the milestone date as specified in paragraph (b) (**Milestone Date**), each Performance Right will lapse on the Milestone Date.

(g) **Expiry Date**

Any Performance Rights that has not been exercised prior to the date that is specified in paragraph (b) (**Expiry Date**) and have not lapsed in accordance with paragraph (f), will expire and lapse on the Expiry Date.

(h) **Transfer**

The Performance Rights are not transferable.

(i) **Entitlements and bonus issues**

Subject always to the rights under paragraph (j), Holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

(j) **Reorganisation of capital**

In the event that the issued capital of the Company is reconstructed, all the Holder's rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the Holder's economic and other rights are not diminished or terminated.

(k) **Right to receive Notices and attend general meetings**

Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

(l) **Voting rights**

A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Acts or the Listing Rules where such rights cannot be excluded by these terms.

(m) **Dividend rights**

A Performance Right does not entitle the Holder to any dividends.

(n) **Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(o) **Rights on winding up**

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(p) **Change in control**

- (i) If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share. However, if the number of Shares to be issued as a result of the conversion of the Performance Rights is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Performance Rights to be converted will be reduced so that the aggregate number of Shares to be issued on conversion of the Performance Rights is equal to 10% of the entire fully diluted share capital of the Company.

A **Change of Control Event** occurs when:

- (A) takeover bid: the acquisition by any person or by any person and all Joint Actors (as defined in the *Canadian Securities Act (Ontario)*, *Administrators National Instrument 62-103*), whether directly or indirectly, of voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company;
- (B) plan of arrangement: the announcement by the Company that the Company's shareholders (**Shareholders**) have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed plan of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement; or
- (C) the direct or indirect sale by the Company of more than 33 1/3% interest in the Project.
- (ii) The Company must ensure the allocation of shares issued under paragraph (p)(i) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Rights and all remaining Performance Rights held by each Holder will remain on issue until conversion or expiry in accordance with the terms and conditions set out herein.

(q) **Issue of Shares**

As soon as practicable after the later of the following:

- (i) the Company receives a Notice of Exercise or the Performance Rights convert under paragraph (p)(i); and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (iii) issue the Shares specified in the Notice of Exercise;
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (to the extent required); and

- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.

If the Company is unable to deliver a notice under paragraph (q)(iv) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Shares issued on exercise of the Performance Rights may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act and other applicable securities laws (and ASIC Class Order(s) applying to CDIs from time to time).

All Shares issued upon the conversion of Performance Rights will upon issue rank pari passu in all respects with other Shares.

(r) **Quotation**

Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will apply for quotation in accordance with paragraph (q)(v).

(s) **No other rights**

A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(t) **Amendments required by ASX**

The terms of the Performance Rights may be amended as considered necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.