

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Besra Gold Inc.

ABN

141 335 686

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (Six months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(93)	(103)
(e) administration and corporate costs	(275)	(299)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(368)	(401)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(832)	(888)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (Six months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(832)	(888)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	10,043
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(1,494)	(1,682)
3.5 Proceeds from borrowings	-	421
3.6 Repayment of borrowings	(688)	(688)
3.7 Transaction costs related to loans and borrowings	(23)	(60)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)		
- Indodrill and SGS agreement payments	(485)	(485)
- Loan agreement and creditor settlement payments	(1,085)	(1,188)
- SPSA Variation costs of financing	(400)	(400)
3.10 Net cash from / (used in) financing activities	(4,175)	5,959

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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	10,069	16
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(368)	(401)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(832)	(888)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4,175)	5,959
4.5	Effect of movement in exchange rates on cash held	(29)	(21)
4.6	Cash and cash equivalents at end of period	4,664	4,664

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,664	25
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – 'restricted cash' that became available for use upon admission to ASX	-	10,044
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,664	10,069

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6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	59
6.2 Aggregate amount of payments to related parties and their associates included in item 2	41

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 – Non-executive director fees included in staff costs for services provided during the quarter totalled \$59,000.

6.2 – Executive director fees for services provided during the quarter and capitalised to exploration and evaluation costs totalled \$41,000.

As outlined in the Company's Prospectus, certain directors had accrued directors' fees for the financial years up to and including 30 June 2021 and through to 30 September 2021. Amounts totalling \$206,000 were paid during the quarter in part settlement of amounts due and are included in outlays at 3.9. In addition, as outlined in section 9.7 of the Prospectus amounts due on working capital loans to certain directors were repaid during the quarter and included at 3.9.

At the request of Besra, to ensure the Company's listing could proceed, Pangaea Resources Limited entered in the SPSA Variation (as defined in the Prospectus). As outlined at section 8.4 of the Prospectus, Gladioli agreed to sell, and Pangaea agreed to purchase, the Remaining NBG Shares (as defined in the Prospectus). Following this, Pangaea agreed to sell, and Besra agreed to purchase, a portion of the Remaining NBG Shares. In consideration for this variation, Besra agreed to issue 12.5 million CDIs to Gladioli and 20.0 million CDIs to Pangaea, each of which are subject to 24-month ASX escrow. Besra subsequently agreed to reimburse Pangaea for its third-party transaction, legal and financing costs (on an out-of-pocket basis) associated with the SPSA Variation and meeting its commitments to Gladioli. Pangaea was reimbursed \$200,000 in each of October and November 2021 in full satisfaction of its finance and arrangement costs associated with the \$4,000,000 payment to Gladioli. These amounts are included in 3.9.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(368)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(832)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,200)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,664
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,664
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2022

Authorised by: By the Audit Committee of Besra Gold Inc

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.