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**BESRA GOLD INC.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED 31 MARCH**  
**2022**


(In United States dollars)

(Unaudited)

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**NOTICE TO THE READER**

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim consolidated financial statements have not been reviewed by the Company's auditors.



# BESRA GOLD INC.

## Condensed Interim Consolidated Statement of Financial Position

in USD	Notes	As at 31 March 2022	As at 30 June 2021
<b>ASSETS</b>			
<i>Current</i>			
Cash and cash equivalents		2,213,018	11,146
Tax and other receivables		9,406	25,511
Prepaid expenses		3	7,486
		<b>2,222,427</b>	<b>44,143</b>
<i>Non-current</i>			
Property plant and equipment		3,434	14,235
Exploration & evaluation	4	18,288,438	17,506,422
		<b>18,291,872</b>	<b>17,520,657</b>
<b>TOTAL ASSETS</b>		<b>20,514,299</b>	<b>17,564,800</b>
<b>LIABILITIES</b>			
<i>Current</i>			
Trade and other payables	5	699,862	5,538,254
Derivative liability	7	-	21,778,785
Loans and borrowings	6	240,776	4,793,593
		<b>940,638</b>	<b>32,110,632</b>
<i>Non-current</i>			
Loans and borrowings	6	54,082	251,592
<b>TOTAL LIABILITIES</b>		<b>994,720</b>	<b>32,362,224</b>
<b>EQUITY</b>			
Issued capital	9	182,816,338	141,517,358
Reserves	10	2,707,000	-
Deficit		(165,128,983)	(154,874,482)
		20,394,355	(13,357,124)
Non-controlling interest		(874,776)	(1,440,300)
<b>TOTAL EQUITY</b>		<b>19,519,579</b>	<b>(14,797,424)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>20,514,299</b>	<b>17,564,800</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# **BESRA GOLD INC.** Condensed Interim Consolidated Statement of Profit (Loss) and Comprehensive Profit (Loss)

in USD	Note	Three Months to 31 March		Nine Months to 31 March	
		2022	2021	2022	2021
Revenue		-	-	-	-
Corporate and administrative expense		326,392	518,579	1,270,280	2,103,168
Creditor settlements	5	-	-	(2,738,130)	-
Exploration expense		173,400	14,601	70,019	(128,253)
Depreciation and amortization		3,600	7,200	10,800	18,217
Finance charges	11	-	31,630	(425,241)	142,512
Derivative fair value revaluation		-	173,100	(593,230)	900,947
Fair value loss on settlement of loans	6	-	-	4,609,328	-
Share based payments	10	-	-	2,707,000	-
<b>LOSS BEFORE INCOME TAX</b>		<b>503,392</b>	<b>715,926</b>	<b>4,910,826</b>	<b>3,036,321</b>
Income tax (recovery)	8	-	-	-	-
<b>LOSS FOR THE PERIOD</b>		<b>503,392</b>	<b>715,926</b>	<b>4,910,826</b>	<b>3,036,321</b>
<b>COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>503,392</b>	<b>715,926</b>	<b>4,910,826</b>	<b>3,036,321</b>
Comprehensive (profit) loss for the period attributable to:					
Shareholders of the parent		500,813	717,815	4,906,147	3,052,952
Non-controlling interests		2,579	(1,889)	4,678	16,631
Basic and diluted loss per share	12	0.002	0.003	0.019	0.012

*The accompanying notes are an integral part of these condensed interim consolidated financial statements.*

# BESRA GOLD INC.

## Condensed Interim Consolidated Statement of Cash Flows

in USD	Notes	Nine Months Ended 31 March 2022	Nine Months Ended 31 March 2021
<b>OPERATING ACTIVITIES</b>			
Comprehensive Profit (loss) for the period		(4,910,826)	(3,036,321)
<i>Items not affecting Cash</i>			
Creditor settlements	5	(2,738,130)	-
Depreciation & amortization		10,800	18,217
Fair value loss on settlement of loans	6	4,609,328	-
Finances costs (recovered) charged		(869,676)	(2,742)
Forex adjustments		(79,083)	-
Derivative revaluation	13	(593,230)	900,947
Share based payments	10	2,707,000	-
<i>Changes in non-cash working capital balances</i>			
Trade and other receivables and other financial assets		23,588	2,484
Trade and other payables		(1,763,267)	664,628
<b>Cash used in operating activities</b>		<b>(3,603,496)</b>	<b>(1,297,190)</b>
<b>INVESTING ACTIVITIES</b>			
Exploration and evaluation costs	4	(782,016)	-
<b>Cash used in investing activities</b>		<b>(782,016)</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from share capital	9	7,383,122	-
Proceeds from financing loan	13	398,948	1,484,630
Repayment of loans	13	(1,239,785)	(192,203)
<b>Cash provided by financing activities</b>		<b>6,542,284</b>	<b>1,292,427</b>
Increase in cash during the period		2,156,772	(4,763)
<b>Cash - beginning of the period</b>		<b>11,146</b>	<b>31,260</b>
Effect of exchange rate on cash		45,100 -	(8,300)
<b>Cash - end of the period</b>		<b>2,213,018</b>	<b>25,667</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## BESRA GOLD INC.

### Condensed Interim Consolidated Statement of Changes in Equity

in USD	Issued Capital	Reserves	Accumulated Losses	Non-Controlling Interest	Total Equity
<b>Balance at 1 July 2021</b>	<b>141,517,358</b>	<b>-</b>	<b>(154,874,482)</b>	<b>(1,440,300)</b>	<b>(14,797,424)</b>
Contributions from Owners	41,879,559	-	-	-	41,879,559
Issue of share capital	(580,579)	-	-	-	(580,579)
Share issue costs	182,816,338	-	(154,874,482)	(1,440,300)	26,501,556
Total contributions from Owners					
Share based payments	-	2,707,000	-	-	2,707,000
Adjustment for change in Minority Interest	-	-	(570,202)	570,202	-
Acquisition of Minority Interest	-	-	(4,778,150)	-	(4,778,150)
Total comprehensive profit (loss)	-	-	(4,906,147)	(4,678)	(4,910,826)
<b>Balance at 31 March 2022</b>	<b>182,816,338</b>	<b>2,707,000</b>	<b>(165,128,983)</b>	<b>(874,776)</b>	<b>19,519,579</b>
<b>Balance at 1 July 2020</b>	<b>141,517,358</b>	<b>(20,563,257)</b>	<b>(121,011,748)</b>	<b>(1,425,108)</b>	<b>(1,482,755)</b>
Comprehensive profit (loss)	-	-	(3,052,952)	16,631	(3,036,321)
<b>Balance at 31 March 2021</b>	<b>141,517,358</b>	<b>(20,563,257)</b>	<b>(124,064,700)</b>	<b>(1,408,477)</b>	<b>(4,519,076)</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# **BESRA GOLD INC.**

## **Notes to the Condensed Interim Consolidated Statements**

### **1. Background and Nature of Business**

During the financial years ended 30 June 2020 and 2021 and for the period ended 31 March 2022, the business of Besra Gold Inc. and subsidiaries ('Besra' or 'the Company') consisted of interests in mining tenements and applications within the Malaysian State of Sarawak and principally the Bau Gold Project ('Bau').

The 31 March 2022 financial statements for Besra Gold Inc. are the consolidated operations of Besra Gold Inc.

### **2. General Information**

Besra Gold Inc is the ultimate parent company, and it is a limited liability company incorporated in Canada. Its registered office is 67 Yonge St, Suite 701, Toronto, Ontario, Canada and principal place of business for the period is located at 45 Ventnor Avenue, West Perth, WA, 6005, Australia.

### **3. Basis of Preparation & Significant Accounting Policies**

#### *Basis of Preparation*

These interim consolidated financial statements have been prepared in accordance with International Accounting Standards "34", Interim Financial Reporting. They do not include all the information required in annual financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and should be read in conjunction with the Consolidated financial statements for the year ended 30 June 2021 and any public announcements made during the interim reporting period.

#### **Accounting policies**

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's latest annual financial statements for the year ended 30 June 2021.

These policies have been applied consistently to all financial periods presented, unless otherwise stated.

#### **Historical cost convention**

The interim financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) which are measured at fair value. The financial statements are presented in United States dollars (USD) which is also the functional currency of Besra Gold Inc. and its subsidiaries and are rounded to the nearest dollar unless otherwise stated.

#### **Accounting estimates and judgements**

The preparation of financial statements requires the use of accounting estimates, judgements and assumptions that affect the application of accounting policies and the reported net assets and financial results. Actual results may differ from these estimates. Estimates, judgements and underlying assumptions are continually reviewed based on historical experience and reasonable expectations of future events.

The accounting estimates, judgements and assumptions applied in these interim financial statements are in accordance with those that were applied and disclosed in the annual financial statements for the year ended 30 June 2021, unless otherwise stated.

#### **New standards not yet adopted by the Group**

The Group has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for the current reporting period.

There are no new standards and interpretations in issue which are mandatory for 31 December 2021 reporting periods that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

#### *Going Concern*

These interim consolidated financial statements for the period to 31 March 2022 have been prepared on a going concern basis which assumes that the Company and the entities it controls will be able to realize its assets and discharge its liabilities in the normal course of business.

During the nine-month period ended 31 March 2022, the Group made a loss of \$4,910,826, had cash outflows from operating and investing activities of \$4,385,512 and financing cash inflows of \$6,542,284. At 31 March 2022, the Group's current assets exceeded its current liabilities by \$1,281,789.

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern but acknowledge that additional capital as required to fund the exploration program and therefore it is appropriate to adopt the going concern basis in preparation of the financial statements. If additional capital is not obtained as required, then the going concern basis may not be appropriate, with the result being that the Group may not realise its assets and extinguish its liabilities in the ordinary course of business, and at amounts different from those stated in the nine-month financial report.

#### *Basis of Consolidation*

The interim consolidated financial statements comprise the financial statements of Besra Gold Inc. ("the Company") and the material entities (the "Subsidiaries") it controls (collectively "The Group") as listed below:

Company Name	Jurisdiction	Ownership % 31 Mar 2022	Ownership % 30 Jun 2021
Besra NZ Limited (formerly OYM NZ Limited)	New Zealand	100.0	100.0
Bau Mining Co Ltd	Samoa	91.0	91.0
North Borneo Gold Sdn Bhd ('NBG')	Malaysia	97.8	92.3
Besra Labuan Ltd (formerly Olympus Pacific Minerals Labuan Limited)	Malaysia	100.0	100.0

During the nine months period ended 31 March 2022, the Company increased its interest in NBG to 97.8% - refer note 4.

#### *Significant Accounting Policies*

The accounting policies adopted by the Company as set out in the audited consolidated financial statements for the years ended 30 June 2021 and 2020 have been applied consistently to all periods presented in these interim consolidated financial statements. No additional significant accounting policies have been adopted in the current period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if it affects both current and future periods.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability and measurement of deferred tax assets, and provisions for restoration and environmental obligations.

## **4. Exploration & Evaluation**

in USD	9 Months Ended 31 March 2022	Year Ended 30 June 2021
Opening Balance	17,506,422	17,506,422
Additions	782,016	-
<b>Closing Balance</b>	<b>18,288,438</b>	<b>17,506,422</b>
Cost	51,558,438	50,776,422

Accumulated impairment	(33,270,000)	(33,270,000)
<b>Closing Balance</b>	<b>18,288,438</b>	<b>17,506,422</b>

The Company's sole asset Bau, refer above, consists of mining and exploration tenements within the Bau Goldfield. Besra's 100% owned subsidiary Besra Labuan acquired its interest in NBG, which owns rights to the mining tenements covering the area of Bau. The Company acquired its interest in Bau in accordance with the agreement for the sale of shares in NBG between Gladioli, Besra Labuan and Mr. Ling Lee Soon (guarantor of Gladioli) dated 1 October 2010, as amended and restated on 12 May 2013 and 17 November 2016 ("SPSA").

Under the terms of the SPSA Besra was required to pay a further \$7.6 million consideration to Gladioli to acquire the remaining shares in NBG. In March 2021, in consideration of the issue to Gladioli of 12.5 million Besra CDIs issued at A\$0.20 per CDI upon completion of the Listing, Gladioli, Besra and Besra Labuan agreed to a further amendment of the SPSA and to release Besra and Besra Labuan of their obligations to complete the purchase of the remaining shares in NBG ("SPSA Variation"). Pangaea agreed to acquire 16,221 shares in NBG for cash consideration of A\$4.0 million and Besra agreed to acquire 14,419 shares in NBG from Pangaea by issuing 20.0 million CDIs to Pangaea at A\$0.20 per CDI upon completion of the Listing.

Pangaea acquired the 14,419 NBG shares on 7 July 2021. Upon the issue of the 12.5 million and 20.0 million CDIs to Gladioli and Pangaea respectively, Besra's interests in NBG increased to 97.8% and its equity-adjusted interest increased to 92.8%.

## 5. Trade & Other Payables

in USD	As at 31 March 2022	As at 30 June 2021
Trade payables	596,103	1,338,243
Taxes and government fees	14,162	12,934
Accruals and other payables	89,597	4,187,077
<b>Total</b>	<b>699,862</b>	<b>5,538,254</b>

Upon Admission to the ASX on 8 October 2021 \$2.74m of Trade and Other Payables at 30 June 2021 were forgiven pursuant to the terms of various settlement agreements between the Company and creditors and 532,457 CDIs were issued in satisfaction of a further \$1.74m of Trade and Other Payables.

## 6. Loans and Borrowings

in USD	As at 31 March 2022	As at 30 June 2021
<b>Current Liabilities</b>		
Secured Bridge Notes	-	2,365,434
Other current indebtedness (unsecured)	240,776	2,428,159
	240,776	4,793,593
<b>Non-current Liabilities</b>		
Other current indebtedness (unsecured)	54,082	251,592



<b>Total</b>	<b>294,858</b>	<b>5,045,185</b>
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### *Secured Bridge Notes*

The Secured Bridge Notes converted into CDIs upon Conditional Admission in full satisfaction of amounts outstanding under the Secured Bridge Notes. This resulted in a fair value loss on settlement of \$3,545,253.

### *Other current and non-current indebtedness (unsecured)*

Included in other current indebtedness (unsecured) are the following various financing arrangements entered into by the Company to meet its working capital needs:

- Clients of Novus Capital have provided unsecured advances totalling approximately \$986,197 (2020: \$927,265) to the Company for working capital purposes ('Novus Advances'). The Novus Advances were converted to CDIs upon Conditional Admission in full satisfaction of all amounts outstanding under the Novus Advances. This resulted in a fair value loss on settlement of \$1,064,075.
- The Incor Services Loan was a fixed interest loan agreement of C\$300,000, unsecured, with an interest rate of 12% per annum, payable at maturity. The balance owing, including accrued interest, as at 30 September 2021 was C\$298,225 and was repaid from the proceeds from the IPO.
- Other short-term financing obtained both from related entities and third parties prior to the Listing totalling \$603,334 (2020: \$nil) were arranged prior to 30 September 2021 are on terms similar to those under the Incor Services Loan. The balance outstanding was repaid from the proceeds of the IPO.
- North Borneo Gold Debt Notes carried at \$441,842 (2020: \$425,639), were settled in full by applying A\$286,090 from the proceeds of the IPO.
- The Company has entered into two settlement agreements with historic suppliers who have provided drilling and assaying services for the Bau Gold Project to repay amounts due totalling \$703,611 on a deferred payment schedule through to 2023. \$54,082 (2021: \$251,292) of this amount is a non-current liability.

## **7. Derivative Liabilities**

in USD	As at 31 March 2022	As at 30 June 2021
<b>Current Asset</b>		
Convertible Note (secured)	-	1,981,356
Exit financing Note (secured)	-	9,905,972
Creditor convertible notes (unsecured)	-	9,891,457
<b>Total</b>	<b>-</b>	<b>21,778,785</b>

Derivative Liabilities were satisfied in full by the issue of 153,786,966 CDIs on 29 September 2021 which extinguished all obligations owed by the Company under those financing arrangements.

The fair value for the derivative liabilities for the period 1<sup>st</sup> July 2021 to 29<sup>th</sup> September 2021 prior to settlement of the derivative liabilities by conversion to equity had a \$593,230 gain.

For the year ended 30 June 2021 the derivative liabilities were valued using an income approach to calculate the fair value which incorporates both the timing and risk of receiving the expected payoff amounts. The valuation used estimates to determine the possible future outcomes, the timing and expected proceeds, with the expected proceeds discounted using a risk-adjusted discount rate with the resulting present value probability weighted to arrive at the fair value. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy.

## **8. Income Tax**

### *Unrecognized Tax Losses/Unrecognised Deductible Temporary Differences*

The Group has unrecognized deferred tax assets in relation to tax losses that are available to carry forward against future taxable income of the companies in which the losses arose. Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group and they have arisen in entities for which it is not probable that there will be taxable profits in the future. Tax losses available in Canada are \$66,667,202 and will variously expire twenty years after the year in which the respective loss was incurred.

## **9. Issued Capital**

### *Common Shares and Chess Depository Interest (CDIs)*

The Company is authorised to issue an unlimited number of common shares with one vote per share and no-par value per share. The company has also issued CDIs as part of the listing on the ASX. Each CDI is the equivalent of 1 Common Share.

in USD	Number of Common Shares and CDIs	Amount
Balance 30 June 2021	4,818,622	141,517,358
Issue of CDIs to holders of Derivative Liabilities	153,786,966	22,609,800
Issue of CDIs to Bridge Notes and Novus Advances holders	52,274,000	7,030,205
Issue of CDIs to trade creditors	532,457	78,282
Issue of CDIs in accordance with the SPSA (refer note 4)	32,500,000	4,778,150
Issue of CDIs to IPO investors	50,218,484	7,383,122
Issue costs	-	(580,579)
<b>Balance 31 March 2022 of Shares and CDIs</b>	<b>294,130,529</b>	<b>182,816,338</b>

## **10. Share based payments**

The Company issued Options and Performance Rights on listing on the ASX. They lapse if not exercised within the expiry date.

The Broker Options have an expiry date 4 years after issue and an exercise price of \$A0.25. The Class B Incentive Options have an expiry date 5 years after the issue date and an exercise price of \$A0.30. One-third of the Options vest on grant, one-third in 12 months and one-third in 24 months. The Bonus Options have an expiry date 4 years after issue and an exercise price of \$A0.25. The Performance Rights have a \$nil exercise price but are only exercisable if certain resource targets are met within 2 years for the Class A and 3 years for the Class B Rights.

in AUD	31 March 2022		30 June 2021	
	Exercise Price	Number	Exercise Price	Number
Broker options	\$A0.25	17,062,609	-	-
Class A Incentive options	\$A0.30	3,625,000	-	-
Class B Incentive options	\$A0.30	3,625,000	-	-
Bonus options	\$A0.25	2,500,000	-	-
Class A Performance Rights	nil	2,600,000	-	-
Class B Performance Rights	nil	2,600,000	-	-
<b>Total Outstanding</b>	<b>\$A0.21</b>	<b>33,062,609</b>	<b>-</b>	<b>-</b>

### **Share Based Payments Reserve**

in USD	As at 31 March 2022	As at 30 June 2021
Balance as at 1 July 2021	-	-
Share options	1,881,664	-
Performance rights	825,336	-
<b>Balance as at 31 March 2022</b>	<b>2,707,000</b>	-

The fair value of the Share Options are measured using the Black Scholes model. The value of the options and performance rights are based on a number of judgements and estimates including the share price, the timing of the exercise of the options and performance rights and that no dividends will be paid prior to their exercise.

The Class A and Class B Performance Rights entitle the holder to subscribe to one CDI of the Company upon exercise of a performance right, without any further payment. The Company measures the Class A and Class B Performance Rights at fair value. As of the measurement date, the Company classified the Performance Rights within Level 2 of the fair value hierarchy because there was no active quoted price for Besra's CDIs. The seven-day volume weighted average price upon listing was used as a reasonable estimate for the value of Besra's CDIs as of the measurement date.

## 11. Finance costs recovered (charged)

in USD	Three Months to 31 March		Nine Months to 31 March	
	2022	2021	2022	2021
Interest on borrowings and notes recovered (charged)	-	31,630	12,881	(2,742)
Borrowing (costs)	-	-	(304,042)	145,254
<b>Total finance charges</b>	<b>-</b>	<b>31,630</b>	<b>(425,241)</b>	<b>142,512</b>

The recovery of Interest on borrowings arises from accruals made to 30 June 2021 on certain term debt instruments which were reversed on the conversion of liabilities to CDIs at 29 September 2021.

## 12. Loss Per Share

in USD	Three Months to 31 March		Nine Months to 31 March	
	2022	2021	2022	2021
<b>Basic loss per share attributable to Equity Owners:</b>				
Loss for the period	500,813	717,815	4,906,147	3,052,952
Weighted average number of common shares outstanding	253,220,844	253,220,844	253,220,844	253,220,844
<b>Basic loss per share</b>	<b>0.002</b>	<b>0.003</b>	<b>0.019</b>	<b>0.012</b>

Basic profit (loss) per share is calculated by dividing the profit (loss) for each reporting period attributable to the equity owners of Besra by the weighted average number of common shares outstanding for the period.

Diluted earnings per share is based on basic earnings per share adjusted for the potential dilution if shares held in escrow are transferred and warrants are exercised. For a loss, the increase in the number of shares from conversion of convertible debt is anti-dilutive as they would decrease the loss per share attributable to equity owners.

### 13. Related Party Disclosure

The following Related Party transactions are recognized in the interim consolidated financial statements of the Group:

#### *Key Management*

in USD	Three Months to 31 March		Nine Months to 31 March	
	2022	2021	2022	2021
Management fees and salary expense	115,303	172,387	293,622	450,412
Amount payable	-	1,390,874	-	1,390,874

### 15. Commitments, Contingencies and Contractual Obligations

#### *Commitments and Contractual Obligations*

Pursuant to the terms of the SPSA Variation NGB entered into a Consultancy Agreement with Bukit Young Goldmine Sdn Bhd, ('Contractor') a member of the Gladioli group to provide to consultancy services to the Group.

A fee of \$A250,000 per annum, will be paid quarterly in arrears to the Contractor in consideration for the Services over the two-year term of the agreement. The agreement may be extended on terms mutually agreed between the parties.

### 16. Financial Instruments & Risk Management

#### *Risk Management*

The Group's activities expose it to a variety of risks:

- liquidity risk;
- commodity price risk;
- foreign exchange risk;
- credit risk; and
- interest rate risk.

The risks listed arise from exposures that occur in the normal course of business and are managed by the Officers of the Company. Material risks are monitored and discussed with the Audit Committee of the Board of Directors.

#### *Liquidity Risk*

Liquidity risk arises through excess financial obligations over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available cash reserves to meet its liquidity requirements at any point in time.

The tables below summarize the maturity profile of the Group's derivatives and financial liabilities including estimated interest.

As at 31 March 2022:

in USD	Within 1 Year	1-5 Years
Loans and other borrowings	240,776	54,082
Trade and other payables	699,862	-
Financial derivatives	940,638	54,082
	-	-

<b>Total</b>	940,638	54,082
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As at 30 June 2021:

in USD	Within 1 Year	1-5 Years
Loans and other borrowings	4,793,593	251,592
Trade and other payables	5,538,254	-
	10,331,847	251,592
Financial derivatives	21,778,785	-
<b>Total</b>	<b>32,110,632</b>	<b>251,592</b>

#### *Commodity Price Risk*

The performance of the Group is partially related to the market commodity price of gold.

In assessing the carrying values of the assets and liabilities, the effect of changes in the commodity price for gold was considered, where applicable, and reflected accordingly in the balances shown in the Consolidated Statement of Financial Position of the Group.

The Group does not have current operations producing gold, and therefore does not actively engage in any hedging of Commodity Price Risk.

#### *Foreign Exchange Risk*

The Group operates in Canada, Malaysia, Australia and to limited extent in New Zealand.

The functional and reporting currency of the parent company is the US dollar. The functional currency of significant subsidiaries is also US dollars. The subsidiaries transact in a variety of currencies but primarily in the US dollar, Canadian dollar, New Zealand dollar and Malaysian ringgit.

The most significant transaction exposure arises in the ultimate parent Company in Canada.

The statement of financial position of the Group includes US and Canadian dollar cash and cash equivalents and convertible notes in Canadian dollars. The Group is required to revalue the US dollar equivalent of the Canadian dollar cash and cash equivalents and liability at each period end.

Foreign exchange gains and losses from these revaluations are recorded in the Consolidated Statement of Profit and Comprehensive Income.

At present, the Group does not hedge foreign currency transaction or translation exposures, but the Board will consider this when appropriate.

#### *Credit Risk*

Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the cash and receivables. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

No financial assets of the Group are considered past due or impaired.

#### *Interest rate risk*

The Group holds convertible note liabilities which attract fixed rate interest. There is no further risk of the interest rate increasing for these convertible notes as the rates are fixed. There is no sensitivity to interest rates.

#### *Financial Instruments*

The fair value of interest-bearing loans and convertible notes approximated the carrying value at 31 March 2022 and 30 June 2021 due to market rates of interest and the consistency of credit spread. All

other fair values of financial instruments except for derivatives approximate their carrying values due to their short-term nature.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

in USD	At amortised cost	Liabilities at FVTPL	Total Carrying Value
<b>Assets</b>			
Cash and Restricted cash	2,213,021	-	2,213,021
Tax and other receivables	9,406	-	9,406
<b>Balance 31 March 2022</b>	<b>2,222,427</b>	<b>-</b>	<b>2,222,427</b>
<b>Liabilities</b>			
Payables and accruals	(699,862)	-	(699,862)
Loans and borrowings	(294,858)	-	(294,858)
<b>Balance 31 March 2022</b>	<b>(994,720)</b>	<b>-</b>	<b>(994,720)</b>

in USD	At amortised cost	Liabilities at FVTPL	Total Carrying Value
<b>Assets</b>			
Cash and cash equivalents	11,146	-	11,146
Tax and other receivables	23,992	-	23,992
<b>Balance 30 June 2021</b>	<b>35,138</b>	<b>-</b>	<b>35,138</b>
<b>Liabilities</b>			
Payables and accruals	(5,538,254)	-	(5,538,254)
Loans and borrowings	(5,044,885)	-	(5,044,885)
Derivative liabilities	-	(21,778,785)	(21,778,785)
<b>Balance 30 June 2021</b>	<b>(10,583,139)</b>	<b>(21,778,785)</b>	<b>(32,361,924)</b>

## 17. Segment Reporting

The operations of Besra consist of one business unit, a sole gold exploration and development project in Malaysia with no current revenue and therefore Management has deemed there to be only one reportable segment as disclosed for the periods reported. As such no additional segment reporting disclosures have been made.

## 18. Events After the Reporting Date

There have been no significant events after the reporting date.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")**

**For the 9 months ended 31 March 2022**

### **MD&A**

The following MD&A provides a narrative from Management's perspective of how Besra Gold Inc ("the Group" or "Besra") has performed over the nine months ending 31 March 2022 of the 2022 financial year, including its financial condition and its future prospects. This MD&A has been prepared by Management in compliance with the requirements of section 2.2.1 "Quarterly Highlights" of Form 51-102F1. It is current as at 31 March 2022 and has been approved on 27 May 2022 by the Audit Committee (and Board of Directors) of the Company.

This MD&A both supplements and complements the Group's Condensed Interim Consolidated Financial Statements for the 9 months ending 31 March 2022. All amounts quoted are denominated in USD unless otherwise stated.

### **Forward Looking Information**

This MD&A contains "forward-looking information" within the meaning of Canadian securities legislation and "forward looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements").

All statements, other than statements of historical fact, which address activities, events, or developments that the Group believes, expects or anticipates will, or may, occur in the future are forward-looking statements.

Forward-looking statements contained in this MD&A include, but are not limited to, statements with respect to anticipated developments in the Group's continuing and future operations, the adequacy of the Group's financial resources and financial projections; statements concerning, or the assumptions related to, the estimation of mineral resources, methodologies and models used to prepare resource estimates; the conversion of mineral properties to resources; the potential to expand resources; future exploration budgets, plans, targets and work programs; development plans; activities and timetables; metal grades; metal prices; exchange rates; results of drill programs; environmental risks; political risks and uncertainties; unanticipated reclamation expenses; statements about the Group's plans for its mineral properties; acquisitions of new properties and the entering into of options or joint ventures; and other events or conditions that may occur in the future.

Forward-looking statements are frequently, but not always, identified by words such as "expects," "anticipates," "believes," "intends," "estimated," "potential," "possible" and similar expressions, or statements that events, conditions, or results "will," "may," "could" or "should" occur or be achieved.

Forward-looking statements are statements concerning the Group's current beliefs, plans and expectations about the future and are inherently uncertain, and actual achievements of the Group or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties, and other factors, including, without limitation, the risks that:

- (i) any of the assumptions in the resource estimates turn out to be incorrect, incomplete, or flawed in any respect;
- (ii) the methodologies and models used to prepare the resource estimates either underestimate or overestimate the resources due to hidden or unknown conditions;

- (iii) operations are disrupted or suspended due to acts of God, pandemics, internal conflicts in the country of Malaysia, unforeseen government actions or other events;
- (iv) the Group experiences the loss of key personnel;
- (v) the Group's site operations are adversely affected by other political or military, or terrorist activities;
- (vi) the Group becomes involved in any material disputes with any of its key business partners, lenders, suppliers, or customers; or
- (vii) the Group is subjected to any hostile takeover or other unsolicited attempts to acquire control of the Group.

Other factors that could cause the actual results to differ materially from current expectations include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions, as well as those risks described below under the heading "RISKS AND UNCERTAINTIES".

These forward-looking statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Group and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner.

The Group's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Group assumes no obligation to update such forward-looking statements in the future, except as required by law.

There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. For the reasons set forth above, investors should not place undue reliance on the Group's forward-looking statements.

## **Other Disclosure**

The following discussion of performance, financial condition and future prospects should be read in conjunction with the consolidated audited financial statements for the year ended 30 June 2021 and notes thereto (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The information provided herein supplements, but does not form part of, the financial statements.

This discussion covers the 9 months ending 31 March 2022 and the subsequent period up to the date of issue of this MD&A. Additional information relating to the Group is available at [www.sedar.com](http://www.sedar.com).

The Group has prepared this MD&A in conformity with the requirements of National Instrument 51-102 ("NI-51-102").

These statements are filed with the relevant regulatory authorities in Canada.

Unless otherwise indicated, the technical disclosure contained within this MD&A has been reviewed and approved by Mr Kevin Wright (a qualified person for the purpose of National Instrument 43-101 ("NI 43-101"), Standards of Disclosure for Mineral Projects). Mr Wright is a full-time consultant to the Group and was not "independent" within the meaning of National Instrument 43-101. Mr Wright consents to the inclusion in this report of the information that he has compiled in relation to the Bau Gold Property, in the form and context in which it appears.

## **Business and operating environment**

Besra Gold Inc. is a Canadian incorporated public company which was admitted to the official list of the Australian Securities Exchange ("ASX") on 6 October 2021 and whose common shares commenced trading on ASX on 8 October 2021 (the 'Listing').

### **Bau Gold Project**



Besra is in a consortium with a Malaysian Group with Bumiputra interests that own the rights to consolidated mining tenements covering much of the historic Bau Goldfield in Sarawak, East Malaysia ('Bau Gold Project').

Besra's interests in mining tenements extend across four concessional areas, collectively covering approximately 1,340km<sup>2</sup> of Sarawak; the Bau Gold Project (consisting of Blocks A and B), Rawan and Serian (Block C) areas. The Bau Gold Project contains a combined JORC 2012 compliant Resource, on a 100% basis, of 72.61Mt at 1.43g/t Au for 3.33Moz of gold. Both the Rawan and Serian concessional areas are viewed as greenfield exploration opportunities.

As at the reporting date, Besra has a 97.8% interest (92.8% equity adjusted interest) in the Bau Gold Project.

### **Key Personnel**

As previously outlined in the MD & A for the six months ending 31 December 2021, as Besra transitioned toward the successful listing on ASX in October 2021 the senior management team and board of directors was further strengthened. No changes in Key Personnel have occurred since then including during the March 2022 Quarter.

### **Property Description & Location**

Besra's Bau Gold Project is located 30-40km from Kuching, the capital city of the province of Sarawak, Malaysia on the island of Borneo. The project area is centred around the township of Bau. Both concession Block C (Serian) and Rawan, in which Besra has interests, are located east of Bau nearer to the Sarawak/Kalimantan border.

As shown in Figure 1 Kuching, the capital of Sarawak, is located to the north of all three concession areas. Kuching is a sophisticated city of approximately 640,000 people with international airport and deep-water port facilities.

As the name implies the Bau Gold Project is centred on the township of Bau. This a population of 6,000, Bau is the local service centre, being an important source for skilled labour, earth moving equipment, accommodation, general supplies and services. The main industries in the Bau district are limestone quarrying, fish farming, rice farming, palm oil and rubber production. Bau's main population groupings are Bidayuh, from the Dyak ethnic group, and Chinese who are mainly descendants of early miners who arrived in the mid to late 19th Century to exploit the gold and antimony deposits at Bau.

The area around Bau township is dotted with kampung (village) style residential developments and domestic farming. Most of Bau's lowland areas have been subject to extensive clearing associated with agriculture and historical gold mining pursuits. Limestone quarrying is a major employer, and there is community support of mining operations as a source of employment, particularly since the closure of the last operating gold mine, at Tai Parit, in 1996.

The State of Sarawak's environmental standards are consistent with those of most developing economies aiming to seek to balance between primary industry activities, such as mining, with sustainable environmental practices, objectives that are fully supported by Besra.



Figure 1 - Location of Besra's interests in mining concessions, Sarawak Malaysia.

With its proximity to Kuching, the Bau Gold Project benefits from good infrastructure including:

- Existing heavy industry support services;
- Regular and reliable international air services from Kuching to Kuala Lumpur, Singapore, Hong Kong and Jakarta. The airport is only a 40-minute drive from the Bau Gold Project central area;
- Two deep water ports with good dock and storage facilities;
- Two main sealed trunk roads connecting the Bau Gold Project with Kuching suitable for all weather delivery of supplies, heavy plant and equipment;
- Experienced labour and heavy engineering support services;
- Easy accessibility - project extremities are less than a 20-minute drive from the Bau township exploration base, and all the key priority gold prospects are linked by road;
- Area is serviced with reticulated power and water;
- The official language in Sarawak is Bahasa Malaysia but most local communities have English as a second language;
- An active limestone and marble quarrying industry providing products for construction, aggregates and agricultural purposes;
- Earthmoving equipment that supports the existing quarrying industry; and
- A skilled local labour source with mining experience gained from the quarrying industry and past gold mining activity.

## Group Corporate Structure

Besra's interest in the Bau Gold Project is held through its direct and indirect interests in North Borneo Gold Sdn Bhd (NBG). Figure 2 shows the relative ownership interests in NBG.

## Exploration and Development Activities

### Bau Drilling Program

During the nine months ending 31 March 2022 Besra successfully negotiated drilling, technical and logistical support contracts as well as completed land access arrangements, in order to commence drilling at the Bau Gold Project. Drillcorp Malaysia Sdn Bhd was contracted to provide two rigs to undertake diamond hole drilling. This program, of between 3,000m – 4,000m, is the first drilling conducted at the Bau Gold Project since 2017-2018.

### Jugan Prospect Drilling

Drilling commenced at the Jugan Project, located approximately 6 km NE of Bau township, in early November 2021. Jugan is the most advanced of the projects at the Bau Gold Project, having a JORC Resource of:

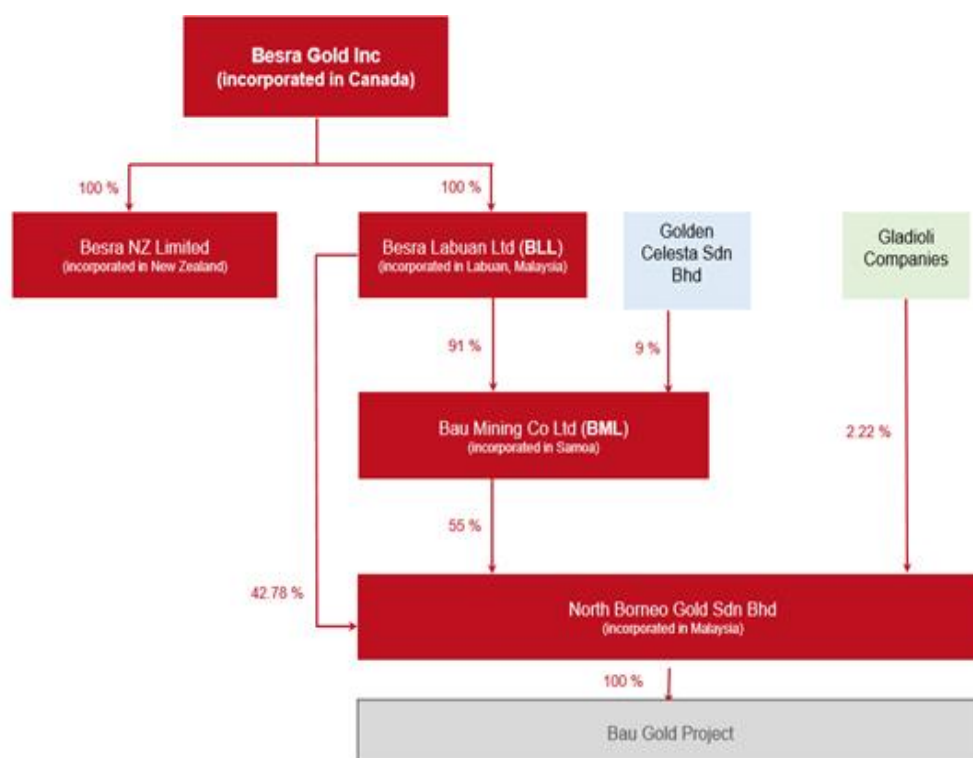


Figure 2 - Corporate Structure of Besra Gold Inc

- Measured + Indicated Resource<sup>1</sup> of 870,000oz at 1.5 g/t Au;

<sup>1</sup> Refer Prospectus dated 8 July 2021 in Section 3.11 and Attachment G.

<sup>2</sup> Jugan Exploration Target ranges between 2.0 – 3.2 million Oz based on a range of grades of 1.82 – 2.50 Au g/t

<sup>3</sup> The potential quantity and grade of the Exploration Targets is conceptual in nature; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration work will result in the estimation of a Mineral Resource.

- Inferred Resource<sup>2</sup> of 90,000oz at 1.6 g/t Au; and
- Additional Exploration Target of 2.0 – 3.2 Moz<sup>2,3</sup> at 1.8 - 2.5 g/t Au.

As at 31 March 2022, fourteen holes had been completed, including logging and sampling. Samples for drill holes JUDDH-82, -83, -84, -85, -86, -87, -88, -89, -90, -91, -92, -93, -94, and -96 were despatched to SGS's laboratories in Pt Klang Malaysia for assay analysis. The assay results for drill holes JUDDH -89 to -94 & -96 were pending at the end of the Reporting Period.

Hole ID	Project	Easting	Northing	Elevation	Declin.	Azimuth	Depth
JUDDH-82	Jugan	411330	160185	20	-90		62.9
JUDDH-83	Jugan	411360	160200	29	-90		55.1
JUDDH-84	Jugan	411315	160230	34	-90		80.1
JUDDH-85	Jugan	411390	160187	25	-90		55.5
JUDDH-86	Jugan	411435	160170	20	-90		59.1
JUDDH-87	Jugan	411360	160220	29	-50	335	79.2
JUDDH-88	Jugan	411500	160220	35	-50	45	117.4
JUDDH-89	Jugan	411400	160250	30	-50	45	234.3
JUDDH-90	Jugan	411465	160275	25	-50	45	183.4
JUDDH-91	Jugan	411450	160238	32	-90		102.60
JUDDH-92	Jugan	411450	160220	40	-90		100.60
JUDDH-93	Jugan	411510	160160	26	-90		48.30
JUDDH-94	Jugan	411285	160244	33	-90		250
JUDDH-95	Jugan	411538	160221	20	-90		90
JUDDH-96	Jugan	411315	160276	34	-90		117.4
JUDDH-97	Jugan	411292	160307	22	-75	135	275
JUDDH-98	Jugan	411498	160256	30	-90		111

**Table 1: Jugan Project diamond drill hole specifications.**

Although the Jugan Project is easily assessable, specific drill pads may require the construction of access ways, culverts and lay-out areas, and drilling mud sumps. Specifications of each hole are tabulated in Table 1.

Visual sulphide mineralisation has been observed in core recovered from all holes. The sulphides at Jugan are dominated by arsenopyrite and pyrite, either as highly disseminated fine grain occurrences mostly within shale shales or more concentrated occurrences associated within veining, stockworks, sand laminations and occasional breccia. Because of its refractory style, gold mineralisation is normally correlated to the presence of sulphides and visible gold in core is very rarely observed.

The occurrences of sulphide mineralisation at Jugan, recorded during visual logging of the diamond core recoveries, have been consistent with or exceeding pre-drill expectations.

Between the nine months ending 31 March 2022 and the lodgement of this Report, Besra released the results of the assays for the drill holes JUDDH-82 to -85 to the ASX, on 17 February 2022, and JUDDH-86 to -88, on 29 March 2022. Results on other sample batches forwarded to SGS for assaying remain pending.

These holes form part of a drilling program focused on infilling historical drillhole control, providing step out control beyond existing drill locations and "proof of concept" drilling investigating beyond the current

resource envelope seeking as yet unidentified zones of mineralisation. Significant mineralisation intercepts identified for the assay results received and released during the nine-months ending 31 March 2022 are :

- JUDDH-83: **26 m @ 2.23 g/t Au** from surface (0m) to 26m;
- JUDDH-84: **58 m @ 2.67 g/t Au** from surface (0m) to 58m; and
- JUDDH-85: **19 m @ 2.21 g/t Au** from 9m to 28m.
- JUDDH-86: **20 m @ 1.25 g/t Au** from surface (0m) to 20m;
- JUDDH-87: **47 m @ 2.21 g/t Au** from surface (0m) to 47m and  
**11 m @ 1.56 g/t Au** from 52m to 63m;
- JUDDH-88: **26 m @ 1.79 g/t Au** from surface (0m to 26m);  
**46 m @ 1.80 g/t Au** from 29m to 75m; and  
**10 m @ 4.26 g/t Au** from 79m to 89m.

These intercepts and the results more generally are substantially thicker and reveal more consistent mineralisation than otherwise reflected in the historical drilling results. These intercepts also have higher grades compared to the average global grades for Jugan based on these historical drilling results. The new drilling indicates a larger near surface mineralisation footprint across Jugan Hill, and its southwestern flank, than had previously been identified. In turn, this implies lower strip ratios, more favourable to future potential open-pit mining, in this vicinity. For example, JUDDH-84 intercepted a continuous interval of mineralisation (58 m @ 2.67 g/t), some 15 – 20 m thicker than that encountered in surrounding historical drill holes.

Intercepts in drill holes JUDDH-87 & -88 confirmed the continuity of mineralisation in the dip orientation, in the direction of the north-easterly plunging limb. The results of JUDDH-91 and -92, still pending, will provide further control on the nature of mineralisation down dip in the direction of the north-easterly plunging mineralised limb.

### ***Jugan Metallurgical Studies***

ZJH Minerals Company Ltd of Xinyang China has been mandated to undertake test work, including crushing, grinding, conditioning, reagent responses, flotation, dewatering and drying for selected representative bulk samples from the Jugan Prospect. These results will be used to prepare a test report and flow chart for designing a 200 TPD flotation plan to be sited at the Jugan Project which is currently under consideration.

### ***Jugan Environmental Impact Assessment***

The Environmental Impact Assessment (“EIA”) is a process of evaluating the likely environmental impacts associated with a future proposed development proposal of the Jugan Project involving mining and processing. The EIA is being undertaken by a Sarawak-based firm, Chemsain Konsultant Sdn Bhd and involves an area of approximately 300 hectares, encompassing MLs 140 and 1/2013/1D. During the March 2022 Quarter the Company received the Terms of Reference from the Natural Resources and Environment Board of Sarawak following submission of its preliminary Report. These Terms of Reference will now be addressed in the EIA Final Report which is anticipated to be completed during Q2/Q3 2022.

This EIA is a process of evaluating the likely environmental impacts associated with a future proposed development proposal of the Jugan Project involving mining and processing. The EIA will be used for decision-making purposes by the Natural Resources and Environment Board of Sarawak and other relevant agencies.

### ***Bekajang Project***

Following completion of the drilling at the Jugan prospect drilling will commence next at the Bekajang Project where it will target extension of Mineral Resources already delineated:

- Measured and Indicated Resource totally 120.4k oz at 2.0 g/t Au;
- Inferred Resource of 524koz at 1.5 g/t Au; and

- Additional Exploration Target of 0.50 – 0.80 Moz<sup>2,3</sup> at 2.0 – 3.0 g/t Au.

Drilling at this Project commenced in April 2022.

### **Pejiru Project**

Drilling is scheduled to commence at Pejiru at the completion of the drilling program at Bekajang and will target extensions to the Pejiru Mineral Resource which has already been delineated:

- Inferred Resource of 0.97Moz at 1.2 g/t Au, and
- Additional Exploration Target of 1.7 – 3.3 Moz<sup>2,3</sup> at 1.7 -2/4 g/t Au.

Previous drilling intercepts to be followed up included:

- KPDDH01 32 m @ 11.4 g/t;
- KPRC 65 55m @ 2.3 g/t;
- KPRC02 81 m @ 3.26 g/t, including:
  - 11 m @ 12.13 g/t; and
- KPRC 66 20 m @ 1.8 g/t.

### **Administration Footprint**

Besra has rapidly established its operational centre in the township of Bau including upgrading the office and living quarters and communications. New core and sample shed facilities have been constructed.

Technical and logistical support for the drilling operations has been contracted to Geoimpact Resources. Geoimpact includes a group of very experienced geologists and operational specialists, several of whom had previously worked at Bau with Besra or with the drilling contractors Drillcorp Sdn Bhd. Overall supervision is provided by Kevin Wright, Project Manager.

During the nine months ending 31 March 2022, the Company met with community leaders, landowners, and other stakeholders at Bau to discuss forecast exploration plans, project management, access needs and the implementation of COVID public health care protocols for employees and contractors, consistent with national and state government regulations.

### **Covid Restrictions**

During the nine months ending 31 March 2022, Sarawak, as a State of the Federation of Malaysia, continued to exercise strict covid related community health measures. Following the outbreak of the omicron strain December 2021, international, foreign visitors were effectively prohibited from entering Malaysia except under the most exceptional circumstances. These travel conditions were significantly relaxed from 1 April 2022 and international travel is now allowed. Fortunately, during the March 2022 Quarter internal and interstate travel remained relatively unrestricted for fully inoculated nationals.

## **Corporate**

### **Overall Highlights**

The Group Financial Statements are prepared on a consolidated basis.

Prior to the commencement of the third Quarter Besra had received conditional admission approval from the ASX on 24 September 2021 (**Conditional Admission**), was admitted to the Official List of the ASX on 6 October 2021, with its securities trading as of 8 October 2021. The IPO raised A\$10.043m.

<sup>2</sup> The Bekajang Exploration Target ranges between 0.50 – 0.80 million Oz based on a range of grades of 2.0 – 3.0 g/t. Pejiru Exploration Target ranges between 1.7 – 3.3 million Oz based on a range of grades of 1.76 – 2.44 Au g/t.

<sup>3</sup> The potential quantity and grade of the Exploration Targets is conceptual in nature; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration work will result in the estimation of a Mineral Resource.

The cash proceeds from the IPO are applied towards exploration & development activities at the Bau Gold Project, general working capital, listing costs and other trade creditors of the Group.

### Corporate and Administrative Expense

in USD	3 Months to 31 March		9 months to 31 March	
	2022	2021	2022	2021
Professional & Consulting Fees	138,668	343,517	425,784	1,310,084
Management & Administration	82,729	109,896	294,022	554,904
Listing Costs	-	-	217,343	-
Office & Facilities	62,615	6,416	180,222	42,043
Insurance	-	-	32,274	30,512
Directors Fees	42,380	58,750	120,635	165,625
	326,392	518,579	1,270,280	2,103,168

### Bau Project Exploration and Evaluation Expenditure Detail

in USD	3 Months to 31 March		9 months to 31 March	
	2022	2021	2022	2021
Exploration Office and Consulting	151,807	9,230	43,770	132,745
Labour	21,593	(23,831)	26,249	(261,268)
	173,400	(14,601)	70,019	(128,523)

The credits for expenses in the 2020 periods arose from an over-accrual of costs up in previous periods.

### Summary of assets held

As at 31 March 2022 total assets amounted to \$20,514,299 including exploration and evaluation assets of \$18,288,438. Total liabilities amounted to \$994,720.

The Group's sole asset, the Bau Gold Project, refer above, consists of mining and exploration tenements within the Bau Goldfield. Besra's 100% owned subsidiary Besra Labuan acquired its interest in North Borneo Gold (NBG), which owns rights to the mining tenements covering the area of Bau. Besra acquired its interest in Bau in accordance with the agreement for the sale of shares in NBG between Gladioli, Besra Labuan and Mr. Ling Lee Soon (guarantor of Gladioli) dated 1 October 2010, as amended and restated on 12 May 2013 and 17 November 2016 ("SPSA").

Under the terms of this SPSA, Besra was required to pay a further \$7.6 million consideration to Gladioli to acquire the remaining shares in NBG. In March 2021, in consideration of the issue to Gladioli of 12.5 million Besra CDIs issued at A\$0.20 per CDI upon completion of the Listing, Gladioli, Besra and Besra Labuan agreed to a further amendment of the SPSA and to release Besra and Besra Labuan of their obligations to complete the purchase of the remaining shares in NBG ("SPSA Variation"). Pangaea agreed to acquire 16,221 shares in NBG for cash consideration of A\$4.0 million and Besra agreed to acquire 14,419 shares in NBG from Pangaea by issuing 20.0 million CDIs to Pangaea at A\$0.20 per CDI upon completion of the Listing.

Pangaea acquired the 14,419 NBG shares on 7 July 2021. Upon the issue of the 12.5 million and 20 million CDIs to Gladioli and Pangaea respectively, Besra's interests in NBG increased to 97.8% and its equity-adjusted interest increased to 92.8%.

### Liquidity & Capital Resources

On 31 March 2022, the Group had cash on hand of \$2,213,018 (2021: \$25,667) and working capital surplus of \$1,281,789 (2021 a deficit of \$21,735,880).

Cash used in operating activities was \$3,603,496 for the 9 months to 31 March 2022 (2021: \$1,297,190). The investing cash expenditure for the 9 months was \$782,016 of exploration and evaluation costs (2021: \$nil) at Bau Gold Project.

During the period \$398,948 of additional funds were raised together with share capital of \$7,383,122 (2020: \$1,345,756) to fund ongoing working capital and to repay existing loans of \$1,176,396.

### Related Party Disclosure

The Financial Statements include the statements of Besra Gold Inc. and the subsidiaries in the following table:

Company Name	Jurisdiction	Ownership % 31 Mar 2022	Ownership % 30 Jun 2021
Besra NZ Limited (formerly OYM NZ Limited)	New Zealand	100.0	100.0
Bau Mining Co Ltd	Samoa	91.0	91.0
North Borneo Gold Sdn Bhd	Malaysia	97.8	87.1
Besra Labuan Ltd (formerly Olympus Pacific Minerals Labuan Limited).	Malaysia	100.0	100.0

Related parties of the Group considered to be Key Management.

### Key Management

in USD	3 Months to 31 March		9 Months to 31 March	
	2022	2021	2022	2021
Management fees and salary expense	115,303	172,387	293,622	450,412

The related party transactions were incurred in the normal course of business and were measured at the exchange amount.

### Contractual Commitments

Pursuant to the terms of the SPSA Variation NGB entered into a Consultancy Agreement with Bukit Young Goldmine Sdn Bhd, ('Contractor') a member of the Gladioli Enterprises group to provide consultancy services to the Group.

A fee of \$A250,000 per annum, will be paid quarterly in arrears to the Contractor in consideration for the Services over the two-year term of the agreement. The agreement may be extended on terms mutually agreed between the parties.

### Selected Annual Information

in USD	Year Ended 30 June 2021	Year Ended 30 June 2020	Year Ended 30 June 2019
Revenue	-	-	-
Profit (loss) & comprehensive profit (loss)	1,977,662	(1,062,046)	(22,500,523)
Comprehensive profit (loss) attributable to shareholders of the parent	1,981,359	(1,057,833)	(18,863,527)
Basic and Diluted profit (loss) per share	0.007	(0.001)	(0.019)
Total Assets	17,564,800	17,605,914	17,586,915
Total Liabilities	32,362,224	19,088,669	17,530,848



Total Equity	(14,797,424)	(1,482,755)	56,067
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### Summary of Quarterly results

The following table sets out the selected quarterly financial information prepared in accordance with IFRS for each of the Group's last eight quarters

	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Profit (loss)	(503,392)	(8,379,845)	3,972,411	(10,261,717)	(715,815)	(1,277,304)	(1,057,833)	(1,254,508)
Profit (Loss) per share	(0.028)	0.014	(2.129)	(0.149)	(0.265)	(0.219)	(0.260)	0.120

There was no Revenue earned during any of the quarters.

The variance in Net profit Income for the Q1 2022 period is due, in the main, to settlements with a number of parties in Trade payables, Accruals and other payables which resulted in a recovery of \$3,058,719.

In the Q2 2022 period there was a Fair Value loss on settlement of loans of \$4,609,328 and share based payments of \$2,707,000. Variances in profit (loss) in other periods are mainly due to re-valuing derivative liabilities and any other fair value adjustments and impairments.

### Off-Balance Sheet Arrangements

The Group has no off-balance sheet arrangements.

### Financial Instruments

The Group has not entered into any financial agreements to minimise its investment, currency or commodity risk.

### Outstanding Share Data

in USD	Number of Common Shares	Amount
Balance 30 June 2021	4,818,622	141,517,358
Issue of CDIs to holders of Derivative Liabilities	153,786,966	22,609,800
Issue of CDIs to Bridge Notes and Novus Advances holders	52,274,000	7,030,205
Issue of CDIs to trade creditors	532,457	78,282
Issue of CDIs in accordance with the SPSA (refer above 'Summary of assets held')	32,500,000	4,778,150
Issue of CDIs to IPO investors	50,218,484	7,383,122
Issue costs	-	(580,579)
<b>Balance 31 March 2022 and 27 May 2022</b>	<b>294,130,529</b>	<b>182,816,338</b>

### Critical Accounting Estimates

Information about significant areas of estimation uncertainty are considered by management in preparing the Audited Financial Statements is described in the Audited Consolidated Financial Statements for the year ended 30 June 2021 and Unaudited Condensed Interim Consolidated Financial Statements for the nine months ended 31 March 2022.

**Future accounting standards issued and adopted**

There have been no new or revised Standards or Interpretations adopted in this period.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

**Accounting Policies**

The accounting policies and methods of computation are described in the Audited Consolidated Financial Statements for the year 30 June 2021 and are consistent with those adopted for preparation of the Unaudited Condensed Interim Consolidated Financial Statements for the six months ended 31 December 2021.

**Risk Factors and Uncertainties**

Readers of the MD&A are encouraged to read the “Risk Factors and Uncertainties” as more fully described in Besra’s filings with the Canadian Securities Administrators. It is also included in the Audited Consolidated Financial Statements for the year ended 30 June 2021.

**Impact of Covid**

As at the end of March 2022 the COVID-19 situation in Malaysia continued to improve with daily cases of between 2,800 and 3,000 being reported.

Besra and its operating subsidiary North Borneo Gold Sdn Bhd follow all governmental COVID-19 restrictions and policies.

Besra continues to closely monitor developments around the COVID-19 pandemic, particularly the impact of the omicron strain which has more recently seen an increase in infection rates. The Group follows the measures recommended by public health and government authorities. Besra will continue to monitor the situation with our priority being the health and safety of our employees and our surrounding communities.

**Subsequent events**

There have been no significant events after the reporting date.

**Approval of the MD&A**

This MD&A has been prepared by management with an effective date of 27 May 2022.

The MD&A and the Unaudited Condensed Interim Consolidated Financial Statements for the 9 months ended 31 March 2022 were approved by the Board of Directors of the Group.