BESRA GOLD INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED 30 JUNE 2023 AND 30 JUNE 2022

(IN UNITED STATES DOLLARS)

BESRA GOLD INC.

CONTENTS

CORPORATE DIRECTORY

DIRECTORS

Mr. John Seton, Executive Director, Chair
Mr. Jon Morda, Non-Executive
Mr. Paul Ingram, Non-Executive
Mr. Rob Dunne, Non-Executive, resigned 18 November 2022
Ms. Jocelyn Bennett, Non-Executive Chair, appointed 22 February 2023, resigned 1 August 2023.
Mr. Andrew Worland, Non-Executive Chair, resigned 13 December 2022
Mr. Mark Eaton, Non-Executive, resigned 18 November 2022

COMPANY SECRETARY

Mr Mike Higginson, appointed 3 April 2023
Ms. Eryn Kestrel, resigned 3 April 2023

REGISTERED OFFICE

67 Yonge St. Suite 701, Toronto
Ontario, Canada

PRINCIPAL PLACE OF BUSINESS

45 Ventnor Avenue, West Perth
Western Australia, Australia 6005
Email: info@besra.com
Web: www.besra.com

AUDITOR

Grant Thornton Audit Pty Ltd
Level 43, Central Park 152-158 St Georges Terrace
Perth, WA 6000

SHARE REGISTRY

Computershare Share Registry
Level 17, 221 St Georges Terrace
Perth WA 6000, Australia

SECURITIES EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange Ltd ("ASX")
ASX Code: BEZ

CORPORATE STATEMENT

Substantial Share Holders

Rank	Name	CDIs	% Units
1	Quantum Metal Recovery Inc	129,438,256	29.88
2	Pangaea Resources Limited	49,936,214	11.94
3	Citicorp Nominees Pty Ltd	46,328,623	11.08
3	HSBC Custodial Nominees (Australia) Ltd	27,985,161	6.67

Place of Incorporation

Besra Gold Inc was incorporated under the laws of the Province of Ontario, Canada.

Takeover Provisions

Besra Gold Inc is not subject to chapters 6, A, 6B and 6C of the Corporations Act dealing with the acquisition of its shares (including substantial holdings and takeovers).

No Limitations

There are no limitations on the acquisition of securities imposed by Canadian laws or regulations.

There are no limitations on the acquisition of securities imposed under Besra Gold Inc's Articles of Association.

This statement is signed on behalf of the Directors by:

Executive Director
29 September 2023

Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
PO Box 7757
Cloisters Square
Perth WA 6850

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Auditor's Independence Declaration

To the Directors of Besra Gold Inc.

As lead auditor of the audit of Besra Gold Inc. for the year ended 30 June 2023 I declare that, to the best of my knowledge and belief, there are no contraventions of the auditor independence requirements of the Australian Code of Ethics for Professional Accountants (including Independence Standards), issued by the Australian Professional and Ethics Board (APES) in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 29 September 2023

BESRA GOLD INC.

Consolidated Statement of Financial Position

in USD	Notes	As at 30 June 2023	As at 30 June 2022
ASSETS			
Current			
Cash and cash equivalents	4	757,208	865,336
Trade and other receivables		37,943	19,727
Prepaid expenses		1,950	3
		797,101	**885,066**
Non-current			
Property plant and equipment		160	639
Exploration & evaluation	5	21,063,866	18,916,447
		21,064,026	**18,917,086**
TOTAL ASSETS		**21,861,127**	**19,802,152**
LIABILITIES			
Current			
Trade and other payables	6	988,280	512,887
Loans and borrowings	7	-	181,969
		988,280	**694,856**
Non-current			
Loans and borrowings	7	-	49,500
		-	**49,500**
TOTAL LIABILITIES		**988,280**	**744,356**
NET ASSETS		**20,872,847**	**19,057,796**
EQUITY			
Issued capital	9	186,382,450	182,816,338
Reserves	11	719,918	1,318,617
Accumulated losses	13	(165,296,483)	(164,145,312)
		21,805,885	19,989,643)
Non-controlling interest		(933,038)	(931,847)
TOTAL EQUITY		**20,872,847**	**19,057,796**

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

BESRA GOLD INC.

Consolidated Statement of Profit and Loss and Comprehensive Profit and Loss

in USD	Notes	Year ended 30 June 2023	Year ended 30 June 2022
Interest received		7,678	48
Gain of settlement of trade creditors		40,506	2,807,597
Corporate and administrative expenses		(1,798,035)	(2,082,281)
Exploration		-	(30,076)
Depreciation and amortisation		(479)	(13,596)
Finance costs		(731)	(219,249)
Derivative fair value revaluation		-	593,230
Loss on settlement of financial liabilities		-	(3,721,283)
Share based payments	10	598,699	(1,318,617)
LOSS BEFORE INCOME TAX		**(1,152,362)**	**(3,984,227)**
Income tax	8	-	-
LOSS FOR THE YEAR		**(1,152,362)**	**(3,984,227)**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(1,152,362)**	**(3,984,227)**
Loss for the year attributable to:			
Shareholders of the parent		(1,151,171)	(3,922,478)
Non-controlling interests		(1,191)	(61,749)
		(1,152,362)	**(3,984,227)**
Basic and diluted loss per share	12	(0.003)	(0.018)

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

BESRA GOLD INC.

Consolidated Statement of Cash Flows

in USD	Notes	Year Ended 30 June 2023	Year Ended 30 June 2022
OPERATING ACTIVITES			
Total Comprehensive Loss for the year		(1,152,362)	(3,984,227)
Items not affecting cash			
Gain of settlement of trade creditors		(40,506)	(2,807,597)
Depreciation & amortisation		479	13,596
Loss on settlement of financial liabilities		-	3,721,283
Finances costs			18,369
Foreign exchange		(76,819)	19,114
Derivative revaluation		-	(593,230)
Share based payments	10	(598,699)	1,318,617
Changes in non-cash working capital balances			
Trade and other receivables and other financial assets		(20,163)	13,267
Trade and other payables		489,034	(2,041,087)
Cash used in operating activities		**(1,399,036)**	**(4,321,895)**
INVESTING ACTIVITIES			
Exploration and evaluation costs		(2,022,577)	(1,249,713)
Cash used in investing activities		**(2,022,577)**	**(1,249,713)**
FINANCING ACTIVITIES			
Proceeds from issue of share capital	9	3,566,112	7,383,122
Proceeds from financing loans		-	398,948
Repayment of loans		(231,469)	(1,303,174)
Cash provided by financing activities		**3,334,643**	**6,478,896**
(Decrease) Increase in cash during the year		(86,970)	907,288
Cash - beginning of the year		**865,336**	**11,146**
Effect of exchange rate on cash		(21,158)	(53,098)
Cash - end of the year		**757,208**	**865,336**

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

BESRA GOLD INC.

Consolidated Statement of Changes in Equity

in USD	Issued Capital	Reserves	Accumulated Losses	Non-Controlling Interest	Total Equity
Balance at 1 July 2022	**182,816,338**	**1,318,617**	**(164,145,312)**	**(931,847)**	**19,057,796**
Contributions from owners					
Issue of share capital	4,076,336	-	-	-	4,076,336
Share issue costs	(510,224)	-	-	-	(510,224)
Total contributions from owners	186,382,450	1,318,617	(164,145,312)	(931,847)	22,623,908
Share based payments	-	(598,699)	-	-	(598,699)
Total comprehensive loss for the year	-	-	(1,151,171)	(1,191)	(1,152,362)
Balance at 30 June 2023	**186,382,450**	**719,918**	**(165,296,483)**	**(933,038)**	**20,872,847**
Balance at 1 July 2021	**141,517,358**	**-**	**(154,874,482)**	**(1,440,300)**	**(14,797,424)**
Contributions from owners					
Issue of share capital	41,879,559	-	-	-	41,879,559
Share issue costs	(580,579)	-	-	-	(580,579)
Total contributions from owners	182,816,338	-	(154,874,482)	(1,440,300)	26,501,556
Share based payments	-	1,318,617	-	-	1,318,617
Acquisition of Minority Interest	-	-	(5,348,352)	570,202	(4,778,150)
Total comprehensive loss for the year	-	-	(3,922,478)	(61,749)	(3,984,227)
Balance at 30 June 2022	**182,816,338**	**1,318,617**	**(164,145,312)**	**(931,847)**	**19,057,796**

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

1. Background and Nature of Business

During the financial year ended 30 June 2023, 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 30 June 2023 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

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board. These financial statements were authorised by the Directors of the Company on 29 September 2023.

Historical cost convention

The consolidated 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 consolidated 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 the consolidated 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.

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 30 June 2023 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.

Accounting Policies

Going Concern

These consolidated financial statements for the year ended 30 June 2023 have been prepared on a going concern basis which assumes that the Company and the entities ("Group") it controls will be able to realise its assets and discharge its liabilities in the normal course of business.

During the year ended 30 June 2023, the Group made a loss of $1,152,362, had cash outflows from operating activities of $1,399,036 and investing activities of $2,022,577 and financing cash inflows of $3,334,643. At 30 June 2023, the Group's current liabilities exceeded its current assets by $191,179.

On 8 May 2023 the Group entered into a binding Gold Purchase Agreement (GPA) with Quantum Metal Recovery Inc (Quantum). The key terms of this agreement are set out in note 16 to the financial statements. This agreement is expected to provide the Company with required cash flows to develop the Bau gold project. Under terms of the GPA Quantum will provide funding, through contract notes, to develop the Bau gold project, and the Group will have obligations to provide gold bullion at future dates to repay the contract note liabilities. The Directors believe that the GPA provides reasonably foreseeable assurance that the Group will continue as a going concern and therefore it is appropriate to adopt the going concern basis in preparation of the financial statements. The Directors acknowledge that if the Group is unable to complete development of the Bau gold project for any reason, which may include quality of resources, capability to design and build the gold processing plant to meet technical processing requirements within available funding, or the Quantum funding is not advanced to the Group, then the Group will be unable to fulfil its obligations to deliver gold or cash into the contract note liabilities, without raising additional funding or capital. The foregoing indicates a material uncertainty about the ability of the Group to continue as a going concern.

If the Group is unable to continue as a going concern, it may be required to realise its assets and /or settle its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. The financial report does not include adjustments to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Group not continue as a going concern.

Foreign Currency Transactions and Balances

Foreign currency transactions are translated into the functional currency of the respective entities, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rates at the date of the transaction), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Exploration and Evaluation Expenditure

The recoverability of the carrying amount of exploration and evaluation expenditure carried forward has been reviewed by the Directors. The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective area of interest. The Company reviews the carrying value of exploration and evaluation expenditure on a regular basis to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. This assessment requires judgement as to the status of the individual projects and their estimated recoverable amount.

Impairment of Exploration and Evaluation assets

The Directors review and evaluate the Group's exploration and evaluation assets when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The evaluation considers:

- the period of the right to explore, its expiry date and whether it is expected to be renewed;
- any substantive expenditure on further exploration or evaluation that is not budgeted or planned;
- whether any exploration has resulted in resources in a specific area not having commercially viable quantities of mineral resources and further activity will be discontinued in that area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

When facts and circumstances determine that the carrying amount of the exploration area of interest may exceed the recoverable amount of the assets the exploration asset is impaired.

Impairment losses are recognised as operating expenses in the period they are incurred. When an impairment loss reverses in a subsequent period, the carrying amount of the related asset is increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset previously.

Reversals of impairment losses are recognised in profit or loss with the Consolidated Statement of Profit or Loss and other comprehensive income in the period the reversals occur.

Share-based payments
The Company provides benefits to employees of the Company in the form of share options. The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a Black Scholes option pricing model, taking into account the terms and conditions upon which the options were granted (refer note 10). The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of basic and diluted loss per share.

The Company provides benefits to employees of the Company in the form of performance rights. The Company values performance rights by reference to its best available estimate of the number of performance rights it expects to vest and revises that estimate, if necessary, if subsequent information indicates that the number of performance rights expected to vest differs from previous estimates. The Directors have determined that it is not likely that the milestones will be achieved.

The Company measures the cost of equity-settled transactions with employees and Directors by reference to the fair value of the equity instruments at the date at which they are granted.

Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of associated GST (Australia and New Zealand), unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated

inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Consolidated Statement of Financial Position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Cash and Cash Equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value.

Financial Instruments Recognition, Initial Measurement and Derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

All financial assets are initially measured at fair value adjusted for transaction costs.

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:

• amortised cost;

• fair value through profit or loss ('FVTPL'); or

• fair value through other comprehensive income ('FVOCI').

In the period presented the Group does not have any financial assets categorised as FVTPL or FVOCI.

The Group's financial liabilities include derivative liabilities, borrowings and trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability to be accounted for at FVTPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for financial liabilities at fair value through profit or loss, which are carried subsequently at fair value with gains or losses recognised in consolidated statement of profit or loss.

All derivative financial instruments are accounted for at FVTPL and the change in fair value are presented in the Statement of Profit or Loss. All interest-related charges are included within finance charges.

Fair Values
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a three-level hierarchy, based on observability of significant inputs, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; or
Level 3: Unobservable inputs for the asset or liability. Inputs into the determination of the fair value require management judgment or estimation.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Changes to valuation methods may result in transfers into or out of an investment's assigned level.

Employee Entitlements
Liabilities are recognised for short-term employee entitlements, on an undiscounted basis, for services rendered by employees that remain unpaid at each reporting date in the Consolidated Statement of Financial Position.

Termination Benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value. No termination benefits, other than accrued benefits and entitlements, were paid during the period.

Current tax
Current tax for each taxable entity in the Group is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the date of the Consolidated Statement of Financial Position and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax
Deferred tax is recognised using the liability method in respect of all temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes, except as indicated below:

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realised, or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the date of the Consolidated Statement of Financial Position.

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom

Ordinary Share Capital
Ordinary shares issued by the Company are recorded at the net proceeds received, which is the fair value of the consideration received less costs that are incurred in connection with the share issue.

Loss per share
Basic loss per share is calculated by dividing the net profit or loss available to common shareholders by the weighted average number of common shares outstanding during the period.

Diluted loss per share is calculated using the treasury method of calculating the weighted average number of common shares outstanding, except the if-converted method is used in assessing the dilution impact of convertible notes. The treasury method assumes that outstanding options and performance rights with an average exercise price below the market price of the underlying shares are exercised and the assumed proceeds are used to repurchase common shares of the Company at the average price of the common shares for the period. The if-converted method assumes that all convertible notes have been converted in determining diluted loss per share if they are in-the-money except where such conversion would be anti-dilutive.

Significant Judgements, Estimates & Assumptions
The preparation of these consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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.

The most significant judgements, estimates and assumptions used in the preparation of these consolidated financial statements include:
Judgements:

- Determination of functional currency of entities within the Group. Determining the appropriate functional currencies for each entity in the Group requires analysis of various factors, including the currencies and country-specific factors that mainly influence sales prices, and the currencies that mainly influence financing, labour, materials, and other costs of providing goods or services.

Estimates:

- Assessment of whether the exploration and evaluation intangible asset is impaired. The future recoverability of the exploration and evaluation asset is dependent on a number of key factors such as gold price and determination of reserves. As the Group is only in the exploration phase of operations the Directors apply the criteria of IFRS 6.20: Exploration for and Evaluation of Mineral Resources.
- Fair value determination of financial instruments carried at fair value. Derivative financial instruments are recorded in the Consolidated Statement of Financial Position at values that are representative of or approximate their fair value. The fair value of derivatives requires application of the most appropriate valuation model which is dependent on the terms and conditions of the instrument.

Basis of Consolidation

The 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 % 30 June 2023	Ownership % 30 June 2022
Fort Street Admin Ltd (formerly Besra 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	97.8
Besra Labuan Ltd	Malaysia	100.0	100.0
Besra Gold Australia Pty Ltd	Australia	100.0	100.0

4. Cash and Cash Equivalents

in USD	Year Ended 30 June 2023	Year Ended 30 June 2022
Cash at bank	757,208	865,336
	757,208	**865,336**

Cash and cash equivalents include cash on hand, deposits held at call and other short term highly liquid investments with maturities of three months or less. The Group's exposure to interest rate risk is set out in Note 17. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents set out above.

5. Exploration & Evaluation

in USD	Year Ended 30 June 2023	Year Ended 30 June 2022
Opening Balance	18,916,447	17,506,422
Additions	2,147,419	1,410,025
Closing Balance	**21,063,866**	**18,916,447**

The Group's major asset is the 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 recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Management have determined that upon review for indicators of impairment that no such indicators exist and therefore, no impairment test of exploration assets is required.

6. Trade & Other Payables

in USD	As at 30 June 2023	As at 30 June 2022
Trade payables	579,744	400,532
Taxes and government fees	9,626	45,612
Accruals and other payables	398,910	66,743
Total	**988,280**	**512,887**

7. Loans and Borrowings

in USD	As at 30 June 2023	As at 30 June 2022
Current Liabilities		
Other current indebtedness (unsecured)	-	181,969
Non-current Liabilities		
Other current indebtedness (unsecured)	-	49,500
Total	**-**	**231,469**

Other current and non-current indebtedness (unsecured)

Included in other current indebtedness (unsecured) are the financing arrangements entered into by the Company to meet its working capital needs and have been repaid during the current year.

8. Income Tax

in USD	As at 30 June 2023	As at 30 June 2022
Statement of Profit or Loss and Other Comprehensive Profit and Loss		
Current income tax		
Income tax expense	-	-
Income tax expense reported in the Statement of Profit or Loss and Other Comprehensive Income	-	-

A reconciliation of income tax expense/(benefit) applicable to accounting profit/(loss) before income tax at the statutory income tax rate to income tax expense/(benefit) at the Group's effective income tax is as follows:

Accounting profit/(Loss) before income tax	(1,152,362)	(3,984,227)
Tax at statutory tax rate of 26.5% (2022:26.5%)	(305,376)	(1,055,820)
Share based payments	(158,655)	349,434
Expenditure not allowed for income tax purposes	14,203	1,077,150
Capitalised expenditure deductible for tax purposes	(569,066)	(373,657)
Net deferred tax not recognised	1,018,894	(21,329)
Income Tax expense	**-**	**-**

Unrecognised Tax Losses/Unrecognised Deductible Temporary Differences

The Group has unrecognised 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 recognised 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 US$94,270,630 and will variously expire twenty years after the year in which the respective loss was incurred. Tax losses are also available in New Zealand of NZ$493,009 and Malaysia of MYR100,417,004

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.

Year ended 30 June 2023

in USD	Number of Common Shares and CDIs	Amount
Balance 30 June 2022	294,130,529	182,816,338
Issue of CDIs for Share Placement	11,111,111	624,939
Issue of CDIs for rights Issue	101,748,155	3,451,397
Issue costs	-	(510,224)
Balance 30 June 2023 of Shares and CDIs	**406,989,795**	**186,382,450**
Balance 30 June 2023 of shares	3,653,141	
Balance 30 June 2023 of CDIs	403,336,654	
Balance 30 June 2023 of shares and CDIs	**406,989,795**	
CDIs restricted at year end	53,127,907 included above.	

Year ended 30 June 2022

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	32,500,000	4,778,150
Issue of CDIs to IPO investors on ASX listing	50,218,484	7,383,122
Issue costs	-	(580,579)
Balance 30 June 2022 of Shares and CDIs	**294,130,529**	**182,816,338**
Balance 30 June 2022 of shares	4,818,622	
Balance 30 June 2022 of CDIs	289,311,907	
Balance 30 June 2022 of shares and CDIs	**294,130,529**	

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.

Each option or performance right converts into one ordinary share on exercise. No amounts are paid or payable by the recipient on receipt of the option or performance right. They carry neither rights to dividends nor voting rights.

The Lead Manager Options and Broker Options have an expiry date four years after issue and an exercise price of A$0.25. The Class A and Class B Incentive Options have an expiry date five years after the issue date and an exercise price of A$0.30 and A$0.40 respectively. One-third of the Incentive Options vested on grant, one-third vested twelve months after grant and one-third will vest twenty-four months after grant. The Bonus Options have an expiry date four years after issue and an exercise price of $A0.25. The Performance Rights granted have a nil exercise price but only vest if certain resource targets are met within two years for the Class A and three years for the Class B Performance Rights.

The Class A Performance Rights will vest upon 4 million ounces Resource being achieved at the Bau Gold Project within two years of listing, or if a sale of the project occurs or upon a change of control.

The Class B Performance Rights will vest upon 5 million ounces Resource being achieved at the Bau Gold Project within three years of listing, or upon completion of a feasibility study on the Bau Gold Project which evidences an IRR in excess of 30% using publicly available spot commodity pricing and verifiable industry assumptions, or if a sale of the project occurs or upon a change of control.

The following share-based payment arrangements were in existence during the reporting period and the prior year.

Options

The following options were in existence during the reporting period and the prior year. No options were granted during the year ended 30 June 2023.

	Lead Manager Options	Broker Options	Bonus Options	Class A Incentive Options	Class B Incentive Options
Exercise price	A$0.25	A$0.25	A$0.25	A$0.30	A$0.40
Grant date	8 October 2021	8 October 2021	8 October 2021	8 October 2021	8 October 2021
Expiry date	7 October 2025	7 October 2025	7 October 2025	7 October 2026	7 October 2026
Life in years	4	4	4	5	5
Volatility	84.4%	84.4%	84.4%	78.7%	78.7%
Risk free rate	0.52%	0.52%	0.52%	0.78%	0.78%
Number	3,017,275	1,625,000	2,500,000	3,625,000	3,625,000
Value per option at grant date	$0.05	$0.05	$0.05	$0.05	$0.05

Performance rights

The following performance rights were in existence during the reporting period and the prior year. No performance rights were granted during the year ended 30 June 2023. The Class A and Class B Performance Rights were revalued to nil value at 30 June 2023 as management determined the vesting conditions set out above will not be met and it is expected the performance rights will lapse. The performance rights had nonmarket vesting conditions on the grant date and were fully expensed in the 2022 financial year as it was expected the vesting conditions would be met. As a result, the expense of $598,699 recognised in the 2022 financial year has been reversed in the current financial year.

	Class A Rights	Class B Rights
Exercise price	nil	nil
Grant date	8 October 2021	8 October 2021
Expiry date	7 October 2023	7 October 2024
Life in years	2	3

Volatility	82.5%	90.4%
Risk free rate	0.01%	0.27%
Number	2,600,000	3,650,000
Value per right at grant date	$0.10	$0.10

Fair value of share options and performance rights granted during the year

No share options or performance rights were issued during the year ended 30 June 2023.

During the year ended 30 June 2022 the Company issued 33,062,609 options and performance rights. The fair value of the options is measured using the Black Scholes model. The value of the options and rights is based on a number of judgements and estimates including the share price, the timing of the exercise of the options and that no dividends will be paid prior to their exercise. The Company values performance rights by reference to its best available estimate of the number of performance rights it expects to vest and revises that estimate if subsequent information indicates that the number of performance rights expected to vest differs from previous estimates.

The model inputs for the options and performance rights granted during the year ended 30 June 2022 are set out in the tables above. None of the options or performance rights issued had service conditions.

Movements in share options and performance rights

Movements in share options and performance rights held by directors and employees during the year ended 30 June 2023.

in USD	No. of Options and Rights	Weighted average exercise price
Options and Performance Rights		
Balance at start of Year	20,642,275	$0.21
Granted and vested during the year	-	-
Granted and not vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Outstanding at Year End	**20,642,275**	**$0.21**
Exercisable at year end	**9,594,850**	**$0.30**

Year ended 30 June 2022

in USD	No. of Options and Rights	Weighted average exercise price
Options and Performance Rights		
Balance at start of Year	-	-
Granted and vested during the year	4,797,425	$0.30
Granted and not vested during the year	15,844,850	$0.18
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at year end	**20,642,275**	**$0.21**
Exercisable at year end	**4,797,425**	**$0.30**

The weighted average remaining contractual life of the share options and performance rights at the end of the year was 2.2 years (2022: 3.2 years)

None of the options or performance rights were forfeited, lapsed or were exercised during the year.

Share options and performance rights outstanding at the end of the year

Share options and performance rights issued and outstanding at the end of the year

in AUD	30 June 2023		30 June 2022	
	Exercise Price	Number	Exercise Price	Number
Broker options	$A0.25	1,625,000	$A0.25	1,625,000
Lead Manager options	$A0.25	3,017,275	$A0.25	3,017,275
Class A Incentive options	$A0.30	3,625,000	$A0.30	3,625,000
Class B Incentive options	$A0.30	3,625,000	$A0.30	3,625,000
Bonus options	$A0.25	2,500,000	$A0.25	2,500,000
Class A Performance Rights	nil	2,600,000	Nil	2,600,000
Class B Performance Rights	nil	3,650,000	Nil	3,650,000
Totals		**20,642,275**		**20,642,275**

Refer also comments above regarding the Performance Rights expense of $598,699 that was recognised in the 2022 financial year but was reversed in the current financial year as it was determined the vesting conditions of the Class A & B Performance Rights will not be met.

11. Share Based Payments Reserve

in USD	As at 30 June 2023	As at 30 June 2022
Balance as at 1 July 2022	1,318,617	-
Share options	-	687,070
Performance rights	(598,699)	631,547
Balance as at 30 June 2023	**719,918**	**1,318,617**

The fair value of the options is measured using the Black Scholes model. The value of the options is 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 be issued one CDI of the Company upon conversion of a performance right, without any further payment. The Company measures the Class A and Class B Performance Rights at fair value. 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.

12. Loss Per Share

			Year ended 30 June	
			2023	2022
Basic profit (loss) per share attributable to Equity Owners:				
Loss for the year attributed to shareholders of the Parent			(1,151,171)	(3,922,478)
Weighted average number of common shares outstanding			353,337,940	221,802,552
Basic and Diluted Loss per Share			**(0.003)**	**(0.018)**

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

The comparative basic and diluted loss per share for the prior year has been recalculated based on the current weighted average number of shares outstanding for consistency.

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 or options and performance rights exercised. For a loss, the increase in the number of shares from conversion of convertible debt is anti-dilutive as they would decrease the earnings per share attributable to equity owners.

13. Accumulated Losses

in USD	As at 30 June 2023	As at 30 June 2022
Balance at start of Year	(164,145,312)	(154,874,482)
Net Loss attributable to shareholders of parent	(1,151,171)	(3,922,478)
Acquisition of Minority Interest	-	(5,348,352)
Balance at year end	**(165,296,483)**	**(164,145,312)**

14. Related Party Disclosure

Related parties of the Group are considered to be Key Management Personnel (J Seton, Dr R Shaw, E Kestrel, M Higginson and K Wright) and the Directors.

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

Key Management and Directors

in USD	Year ended 30 June	
	2023	2022
Short term employee benefits	576,495	364,495
Post-employment benefits	-	-
Long-term benefits	-	-
Share-based payments	-	1,025,799
Balance as at 30 June 2023	**576,495**	**1,390,294**

Executive service agreements
The Company has entered into executive services agreements with each of John Seton, Dr Ray Shaw, and Kevin Wright.

Indemnity Deeds
The Company has entered into Indemnity Deeds with all officeholders.

Other
Related party transactions may be proposed from time to time. Any such transactions occur in the normal course of business, and the terms and conditions of the transactions are no more favourable than those available, or which might reasonably be expected to be available, for similar transactions with unrelated entities on an arms' length basis.

15. Auditors Remuneration

in USD	As at 30 June 2023	As at 30 June 2022
Grant Thornton Australia and Canada		
Audit and review of financial reports	141,600	138,541
Other Consulting work	23,690	10,302
Total remuneration	**165,290**	**148,843**

16. 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 A$250,000 per annum, is paid quarterly in arrears to the Contractor in consideration for the Services over the two-year term. The final tranche under the Consultancy Agreement was paid on 9 July 2023. The agreement may be extended on terms mutually agreed between the parties, as yet this has not occurred.

Gold Purchase Facility

On 8 May 2023, the Company announced that it and its wholly owned Malaysian subsidiary, North Borneo Gold Sdn Bhd (NBG), had entered into a legally binding agreement, named the Gold Purchase Agreement ('GPA and/or the Facility') with the Company's major shareholder, Quantum, giving effect to the non-binding term sheet announced on 21 March 2023. Following the satisfaction of the GPA's conditions precedent, Besra has access to a funding schedule to allow it to advance the Bau Project. The key terms under the GPA include:

- Up to 3m ounce gold offtake purchase facility for JORC-2012 gold mineral resources at the Reference Price, less 10%;
- The Reference Price is set at the time of each drawdown and is the 5-day average of the London Metal Market gold price in US$ per troy ounce and is subject to a floor price of 115% of All in Sustaining Costs ('AISC' being the all-in sustaining cost to produce an ounce of gold, including general and overhead administration, depreciation and amortisation of capital, the cost of exploration to replace mined ounces as more particularly described in the World Gold Council Guidance Note on Non-GAAP Metrics) at the time of delivery ("Floor Price");
- Up to US$300m is to be made available to Besra by way of Quantum paying Besra a 5% deposit of the Reference Price on future gold production of up to 3m ounce;
- Subject to drawdowns under the Facility occurring, funding will be available to Besra at the rate of up to US$10m per month to be paid into a drawdown account ("Drawdown Account") controlled by Besra, with an initial US$2m upon execution of the Term Sheet and another US$3m upon execution of the Facility Agreement, subject to certain conditions including shareholder approval;
- Quantum will secure rights to acquire a part of Besra's future gold production, in relation to the specific amounts received in the Drawdown Account;
- A 'Delivery payment' to Besra of the remaining 85% of the Reference Price (being the discount of 10% and less the 5% prepaid deposit) at the time of delivery to Quantum of allocated ounces covered by the prior deposit payment;
- Deliveries to Quantum are to be made from all gold produced up to 25,000 ounces, 80% of all gold produced from 25,001 to 120,000 ounces and thereafter 65% of all gold produced (collectively "Delivery Ounces"), leaving 35% of gold production unassigned;
- Any funds raised under the Facility are to be used for construction, commissioning and operation of mine site plant and associated infrastructure, renewal of mining leases, feasibility studies,

exploration and mining activities, M&A, gold treasury activities, Besra corporate and working capital purposes;

- Besra has agreed to grant in favour of Quantum a first ranking charge over the Drawdown Account and the Delivery Ounces and certain other pieces of security in relation to NBG (the "Security"); and
- No recourse to Besra should the Bau Project fail.

On 23 May 2023, the Company announced the payment of a further US$3m by Quantum representing the balance of the Initial Deposit of $5m. These funds were received on 25 July 2023.

The conditions precedent set out in the GPA were met as of 13 September 2023, and as such the Facility is now operational.

Besra plans to commence an update of the 2023/4 pre-feasibility study and accelerate plans to begin pilot production in calendar year 2023. On the exploration front, it will focus on upgrading the quality of the JORC Resource inventory by converting a portion of its Inferred ounces into the Measured & Indicated categories.

Contingencies

There are no contingencies (2022: nil).

17. 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;
- interest rate risk, and
- Capital 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 summarise the maturity profile of the Group's derivatives and financial liabilities including estimated interest.

As at 30 June 2023:

in USD	Within 1 Year	1-5 Years
Trade and other payables	988,280	-
Total	988,280	-

As at 30 June 2022:

in USD	Within 1 Year	1-5 Years
Loans and other borrowings	181,969	49,500
Trade and other payables	512,887	-
	694,856	**49,500**

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 statement of financial position of the Group includes US and Canadian dollar cash and cash equivalents. 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 trade and receivables. The maximum exposure to credit risk is equal to the carrying value of the 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.

in USD	Year ended 30 June	
	2023	2022
Trade and receivables	37,943	19,727

Interest rate risk

The interest rate risk is insignificant. There is no sensitivity to interest rates.

Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The management of the Group's capital is performed by the Board. The capital structure of the Company consists of net debt (trade and other payables and loans and borrowings offset by cash and bank balances) and equity of the Company (comprising issued capital and reserves, offset by accumulated losses detailed in Notes 11 and 13). The Company is not subject to any externally imposed capital requirements.

18. Events After the Reporting Date

At the Special Meeting of Shareholders held on July 24, 2023, the Gold Purchase Agreement executed on May 9th was approved. Following which Quantum settled the first tranche under the facility being the US$5m Contract Note. A$7,473k equivalent was paid to Besra on 25 July 2023.

No other matters or circumstances have arisen since 30 June 2023 which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future years.

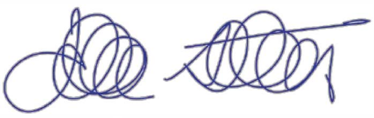
19. Segment reporting

The Company has only one operating segment being gold exploration in Malaysia.

20. Authorisation of Consolidated Financial Statements

The consolidated financial statements for the year ended 30 June 2023 including comparatives were approved by the board of directors on 29 September 2023.

Signed:



John Seton

Executive Director

Date: 29 September 2023

Signed:

Jon Morda

Director & Audit Committee Chair

Date: 29 September 2023

BESRA GOLD INC.

DIRECTORS' DECLARATION

Financial Report Year ended 30 June 2023

The Directors of Besra Gold Inc declare that:

1. the financial statements and notes of the Company:

   (a) comply with International Financial Reporting Standards; and

   (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company;

2 There are reasonable grounds to believe that Besra Gold Inc will be able to pay its debts as and when they become due and payable.

On behalf of the Board:

Executive Director
29 September 2023

Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
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Cloisters Square
Perth WA 6850

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Independent Auditor’s Report

To the Members of Besra Gold Inc.

Report on the audit of the financial report

Opinion

We have audited the financial report of Besra Gold Inc. (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors’ declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group’s financial position as at 30 June 2023 and of its performance for the year ended on that date; and

b complying with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 3 in the financial statements, which indicates that the Group made a loss of $1,152,362 with cash outflows from operating and investing activities of $3,421,613 during the year ended 30 June 2023. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets – Note 6	
At 30 June 2023 the carrying value of exploration and evaluation assets was $21,063,866. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	Our procedures included, amongst others: • obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger; • reviewing management's area of interest considerations against AASB 6; • conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including; – tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed; – enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure; – understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; • assessing the accuracy of impairment recorded for the year as it pertained to exploration interests; • evaluating the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and • assessing the appropriateness of the related financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf.This description forms part of our auditor's report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 29 September 2023