



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended
31 December 2023

(in United States Dollars)

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CORPORATE DIRECTORY



Directors:	Dato Kim Khong Soon, Executive Director, appointed 27 September 2023. Mr Chang Loong Lee, Non-Executive, appointed 27 September 2023. Mr Jon Morda, Non-Executive
Company Secretary:	Mr Michael Higginson
Registered Office:	45 Ventnor Avenue West Perth Western Australia, 6005
Contact Details:	Website: www.Besra.com Email: michael.higginson@besra.com
Share Registry:	Computershare Investor Services Pty Ltd Level 2, Reserve Bank Building 45 St Georges Terrace, Perth Western Australia 6000. Telephone: 1800 420 909
Auditors:	Hall Chadwick Level 40, 2 Park Street Sydney, NSW 2000
Security Exchange:	Besra Gold Inc Chess Depository Instruments (CDIs) are quoted on the Australian Securities Exchange. ASX: BEZ

DIRECTORS' REPORT

The Directors of Besra Gold Inc. ('Besra' or the 'Company') present their report together with the financial statements of the Consolidated Entity, being the Company and its Controlled Entities (the 'Group') for the half-year ended 31 December 2023.

Highlights

- Cash and cash equivalents of US\$21,440,272 at 31 December 2023, following the receipt of payments from Quantum under the US\$300m Gold Purchase Agreement (GPA), US\$9,827,855 to be received.
- 372,580 ounces of gold have been contracted for purchase by Quantum pursuant to the GPA, at a weighted average sale price of US\$1,900.83 per ounce.
- First gold concentrate produced from Jugan deposit, showing excellent characteristics consistent with prior testing.
- Jugan Pilot Processing Plant equipment consignment from Chinese manufacturers, construction phase to begin in Q1 calendar 2024.
- Exploration drilling continues within Jugan precinct, assays pending.
- Groundwork commenced for future exploitation of Bekajang bonanza grade mineralisation.
- Board anticipates a material increase in the tempo of activities at the Bau Project in 2024 with respect to drilling activity and advancing the Definitive Feasibility Study, and
- Additional management hires and consulting support engaged by the Board.

As noted above, the Company held cash and cash equivalents of US\$21,440,272 as at 31 December 2023 and a receivable of US\$9,827,855 arising from deposits made by Quantum. These funds represent the first four drawdowns pursuant to the terms of the GPA approved by shareholders on 25 July 2023. The funding allows the Company to commence its objective of developing the Bau Gold Project.

The GPA involves the Company selling to Quantum a quantity of refined gold from the Bau Gold Project (or any other gold project owned by the Company or its subsidiaries at any time) until:

- 3,000,000 ounces of refined gold has been received by Quantum; or
- aggregate deposits in an amount equivalent of up to US\$300,000,000 (Facility) to be received by the Company from Quantum.

The ounces contracted for purchase by Quantum pursuant to the GPA and the agreed contracted gold price for each of the Quantum purchases is as set out below:

5% Deposit amount	Number of ozs	US\$ price per oz
US\$2,000,000	20,331.51	1,967.39
US\$3,000,000	30,035.29	1,997.66
US\$10,000,000	109,639.81	1,824.00
US\$10,646,326	114,433	1,849.73
US\$9,827,855	98,140	2,002.82
Total: US\$35,474,181	Total oz: 372,579.61	Weighted average price: US\$1,900.83

Review of Operations and Financial Results

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 1,340km² 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 Measured 3.4 Mt @ 1.5g/t Au for 166.9 koz, indicated 16.4 Mt @1.57 g/t Au for 824.8koz and Inferred 45.3 MT @ 1.29 g/t Au for 1,855 koz¹. In addition, the Project has global Exploration Targets ranging between 4.9 Moz and 9.3 Moz (on a 100% basis)². Both the Rawan and Serian concessional areas are viewed as greenfield exploration opportunities.

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

Besra's interests in mining tenements extend across four concessional areas, collectively covering approximately 1,340km² 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 65.1 Mt at 1.43g/t Au for 2.91 Moz of gold. Both the Rawan and Serian concessional areas are viewed as greenfield exploration opportunities.

The 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, population 6,000.

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 an international airport and deep-water port facilities.

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.

¹ This is based on a reduction in the JORC (2012) Resource Inventory recognised because of the imminent expiry of ML/03/2012/1D (4 March 2023) and the expiry without renewal of ML 1D/136/ML/2008 (ML 136), the expiry as previously announced in January 2023.

² 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.. Also Refer Appendix 5B, ASX Release dated 30 January 2023.

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 and operational characteristics 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 truck 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 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 controls five subsidiaries forming the Besra “Group” being:

- Fort Street Administration Limited;
- Bau Mining Co Ltd;
- North Borneo Gold Sdn Bhd (“NBG”);
- Besra Labuan Ltd; and
- Besra Gold Australia Pty Ltd.

Besra’s interest in the Bau Gold Project is held through its direct and indirect interests in NBG.

JUGAN PROJECT

First Gold Produced

During the period, gold concentrate was produced by Besra for the first time from the Jugan mineralisation, satisfying an obligation with Quantum pursuant to the GPA to produce gold in mineral concentrate by no later than 31 December 2023 from the Bau Gold Project.

As outlined in an ASX announcement dated 22 December 2023, random bulk samples of mineralisation from the Jugan Project site were processed at a third party processing facility, chosen for its specific capability to process the same style of refractory gold mineralisation found at Jugan.

The processing involves two stages: Stage 1 “bench-scale” testing, involved 1.3 tonnes of bulk samples, which were subject to trials to ascertain gold deportment responses and content of arsenic levels; and Stage 2 involving up to 9 tonnes of bulk samples in trial pilot plant processing.

Stage 1 results were encouraging with two sets of tests (A & B) providing concentrate grades, after cleaning, of 47.28 Au g/t and 46.18 Au g/t, based on head grades of 5.59 Au g/t and 5.57 Au g/t respectively.

The ratios of concentrate enrichment and the relationship between gold grade and arsenic content determined during the Stage 1 trials were entirely consistent with processing trials previously conducted, using smaller sample sizes, at a number of third- party off-site locations leading up to the preparation of the 2013 feasibility study.

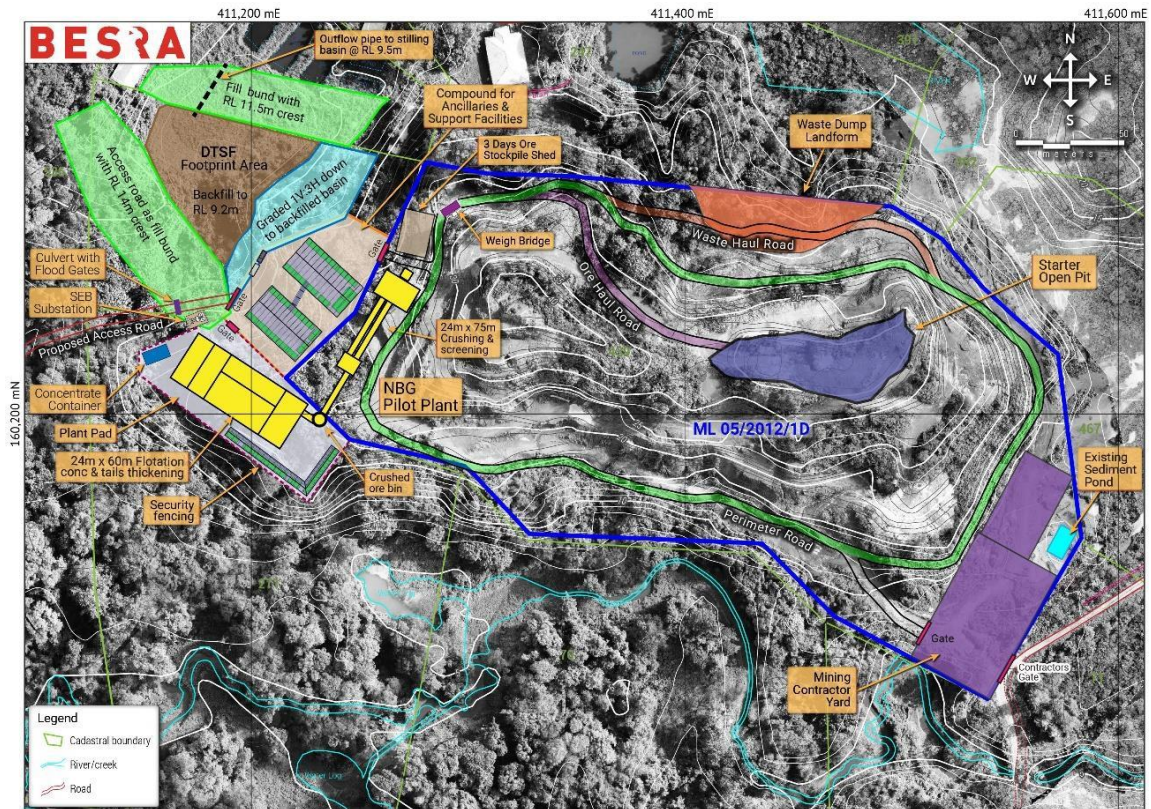


Figure 2 – Proposed Jugan Pilot Plant site design, superimposed onto topography & grey-scale Landsat imagery.

Stage 2 trial processing (which is still in progress) is adopting the processing sequence determined as a result of Stage 1 studies to evaluate the consistency of results for larger samples.

Jugan Pilot Plant Activities

During the period, key activities included progression of equipment fabrication, finalisation and submission to authorities of base-line surveys and the preparation of Feasibility Study and Mine Rehabilitation Reports for independent assessment of the plant details (Figure 2), as required by local authorities.

Fabrication of the first of two shipments of processing equipment, designed for a nominal 50 tonnes per day throughput, was completed by the contractor Yantai-Jinpeng Machinery Co of China (**Yantai**). Consignment of this first shipment to Kuching has arrived. Prior to packaging, consignment representatives of Besra, including an independent consulting engineer, visited Yantai’s facilities to undertake a quality assurance and quality control inspection.

Visual inspection of the works performed to date were observed to be of good workmanship and fully compliant with Yantai’s ISO 9001 accreditation. All materials we found to meet the design specifications.

Yantai is proceeding with the second and final batch of equipment which is expected to now be completed during March – April 2024. Yantai will provide the necessary specialist personnel to come to site and assist with the construction, commissioning and training phases.

During the period, some modifications to the plant design were made to facilitate easier land access and geotechnical surveys of soil and substratum were completed in order to confirm suitability for civil and structural construction of plant components. The Company is targeting construction of the Pilot Processing Plant to commence during Q1, calendar 2024 with first production results anticipated mid-year.

Jugan Precinct Drilling

Exploration drilling activities continued in the period consisting of diamond core holes JTDDH 105 & 106 which were completed and core samples sent for assay (Figure 3).

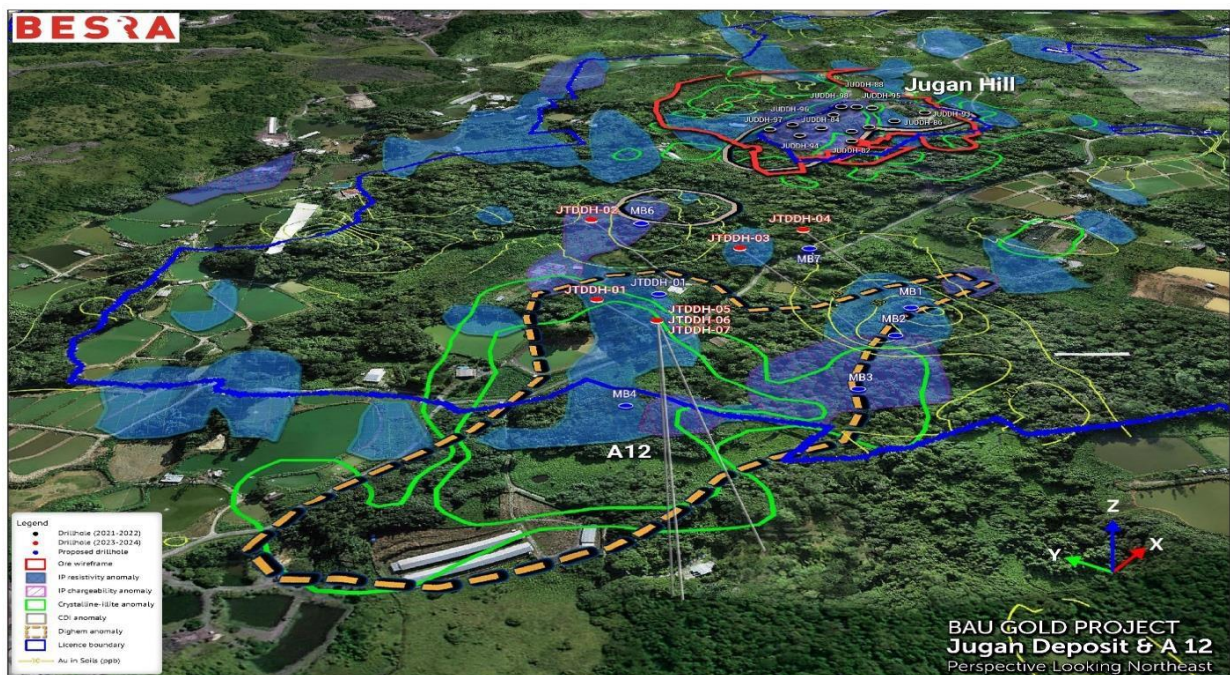


Figure 3 - Geophysical and geological anomalies in the area surrounding Jugan Prospect together with the locations of JTDDH-101 to 107.

Although final assay results have not been received, visual inspection of the core continues to confirm that the geology and associated mineralisation display much greater variability than at the nearby Jugan Prospect. This is consistent with a more defocused distribution of anomalies, compared to the signature across the Jugan Prospect. Initial indications are that there appears to be a greater association with intrusives and fault related brecciation than at Jugan. Likewise, the sulphide mineralisation appears finer grained and disseminated, pyrite being more dominant than arsenopyrite.

This drilling is expected to provide information on what rock attributes are associated with the various geophysical anomalies, as well as surface geochemical anomalies.

BEKAJANG: GROUNDWORK FOR FUTURE EXPLOITATION BONANZA GRADE MINERALISATION

Following the discovery of exceptional and bonanza grade gold, including free-gold, below an already recognised target at the shallow Limestone-Shale contact, Besra will commence the necessary groundwork for future exploitation. Initially this entails lodgement of a feasibility study, rehabilitation study and Environmental Impact Assessment (EIA) based on the proposed development.

Mimicking the approach for the Jugan Pilot Plant, the Company is initially proposing a trial pit with site crushing and loading facilities to take representative bulk ore samples from Bekajang to the Jugan's processing centre for processing, some 7 km away.

This is an attractive approach both in terms of minimising the site's development impact as well as utilising, to the full extent, the Company's new development assets at Jugan, where trials for processing will be undertaken. These trials will feed into a comprehensive evaluation of Bekajang's capacity to support a future commercial operation, most likely the second for the Company within the Bau Goldfield corridor.

Preliminary mine site design has been undertaken by Snowden Optiro, a highly respected premier mining advisory service which has previously worked on the Jugan Project.

The Bekajang Project lies along a very prospective trend that includes two historical mine sites. The Bukit Young Gold pit was mined until September 1992, prior to the redevelopment of Tai Parit that, according to mine records, produced some 440,926 tonnes at a grade of 4.51 Au g/t. Tai Parit recorded production of some 700,000 oz of gold, of which approximately 213,000 oz @ 7 Au g/t was produced between 1991 and 1997 by Bukit Young Gold Mine Sdn Bhd, the last commercial operator within the Bau Gold Field corridor.

CORPORATE

During the period, Jocelyn Bennet, Paul Ingram and John Seton resigned as directors. Quantum's appointees to the Board are Dato Lim and Kenny Lee. Mr Lee is based in Melbourne and is overseeing the establishment and recruitment of key operational staff in Melbourne, where Besra is currently consolidating both its corporate and administrative functions.

The Company Secretarial role of Michael Higginson was broadened to full time responsibility as the Company's Chief Corporate Officer. This was initiated to ensure both regulatory, statutory and governance matters, together with a focus on commercial and corporate matters were prioritised. Also, Noblemen Ventures Pty Ltd a dedicated corporate advisory group who were instrumental in Besra's past capital raisings and very importantly the introduction of Quantum and the establishment of the GPA, was formerly engaged in November to assist and advise the Board and management on a variety of corporate and investment matters.

During the period, Besra terminated the agreement with Pangaea Resources Limited to acquire 1,802 shares (NBG Shares) in the issued share capital of NBG, the holding company of the Bau Gold Project, due to the conditions precedent not being satisfied by the due date.

Besra completed the acquisition of those 1,802 NBG shares in a separate transaction with the Gladioli Group, on terms more favourable to Besra. As a result, Besra's equity in the Bau Gold Project increased to 93.55%.

FUTURE ACTIVITIES

With its strong cash position, the Company is now in an enviable position to execute its 2024 activities without reliance on equity market funding.

The Company expects 2024 to be characterised by an increase in tempo in drilling activity, work to complete the Definitive Feasibility Study (DFS), hires across senior executive and technical roles as well as an expanded Board to guide the Company through the development and production phases of the Bau Gold Project. Key focus areas to include:

- **Board and Senior Management** – As the Company moves into the development phase at the Bau Gold Project, the Board recognises that there will be a requirement to introduce diversity and experience with additional Directors to be appointed to the Board. The Company anticipates a Board comprised of five or six Directors, with one being an Executive Director.
- **Jugan Commercial Definitive Feasibility Study** - Focused on a revision of the earlier 2013 feasibility study. The DFS will incorporate the trial processing results of the Jugan Pilot Plant bulk sample test. External, internationally recognised, mining consultants will be appointed in the near term to oversee this DFS process which will leverage not only the 2013 feasibility study, but the skills amassed during the EIA process completed in 2021 for the successful development approval of the Jugan Pilot Plant Project. The DFS is targeted for completion in early 2025.
- **Mineralisation Habitat** - Initiated during 2023, studies by international experts of the relevance of recent advances in the understanding of refractory gold mineralisation globally, to that within the Bau Gold Field corridor will continue in 2024. Results are expected during Q1 calendar 2024, noting that these studies are likely to be on-going. Already proof of concept of some new models has been verified, consistent with the discovery of exceptional and bonanza grade gold intersected at Bekajang. Similar potential is anticipated at other sites along the length of the Bau Goldfield corridor. Metal zonation and petrologic studies related to mineral paragenesis will be pursued during the course of 2024 to better understand the overall gold endowment within the corridor.

- **Expanded Drilling Programme** - Drilling will be ramped up during 2024 to at least 3 rigs, targeting resource conversion at Pejiru, Bekajang and Sirenggok to upgrade JORC (2012) Measured and Indicated JORC classification inventories as well as the pursuit of recent advances in our understanding of likely locations for free-gold potential. Drilling will also be targeted to challenge some of the pre-conceived notions of the region's gold mineral endowment, including the potential for an underground component within the Jugan Project which may provide scope for additional recovery of mineable resources. More details on the precise scope of planned drilling in 2024 will be released in due course.
- **Recruitment** - In Besra's Malaysian office, an Environmental Manager was engaged during the December quarter. Further recruitment will be undertaken to provide necessary support for an increase in the tempo of activity in 2024. In keeping with its environmental, corporate and social governance policies, local recruitment will be preferred and in this regard Sarawak has a remarkable pool of skills and talent. The Company, through its local operations vehicle NBG, intends to make recruitment placements for its mining engineering, chemical assay laboratory, geological and support staff requirements, to ensure that, together with local contractor service providers, it has a dedicated team able to achieve its objectives totally familiar with local community and broader stakeholder issues.
- **Rationalisation of Mining Concessions** - As announced on 24 January 2024, Besra continues to consolidate its interests in the Bau Gold Project, having now increased its ownership in NBG by 0.72% to 98.5%. On an equity adjusted basis, this represents an increase in Besra's interest in the Bau Gold Project of 0.78% to 93.55%.

Besra has further triggered its contractual rights to have the concessions transferred from its Joint Venture partner, the Gladioli Group, to its majority owned NBG as a precursor to future concession rationalisation; seeking to create a far simpler concession framework facilitating and minimising both operational and administrative overheads. This will also provide an opportunity to revitalise, with the relevant authorities, what in some instances have been long outstanding renewal processes.

Auditor independence

A copy of the Auditor's Independence Declaration is included on page 30 of this financial report and forms part of this Directors' Report. Signed in accordance with a resolution of the Directors.



Chairman

15 March 2024

BESRA GOLD INC.

Condensed Interim Consolidated Statement of Financial Position

in USD	Notes	As at 31 December 2023	As at 30 June 2023
ASSETS			
<i>Current</i>			
Cash and cash equivalents	4	21,440,272	757,208
Trade and other receivables	5	9,900,613	37,943
Prepaid expenses		4,548	1,950
		31,345,433	797,101
<i>Non-current</i>			
Property plant and equipment		101	160
Exploration and evaluation	6	19,754,240	21,063,866
		19,754,341	21,064,026
TOTAL ASSETS		51,099,774	21,861,127
LIABILITIES			
<i>Current</i>			
Trade and other payables	7	803,692	988,280
		803,692	988,280
<i>Non-current</i>			
Contract liabilities	8	36,618,419	-
		37,422,111	-
TOTAL LIABILITIES		37,422,111	988,280
NET ASSETS		13,677,663	20,872,847
EQUITY			
Issued capital	10	188,486,494	186,382,450
Reserves	12	1,751,918	719,918
Accumulated losses	14	(175,432,092)	(165,296,483)
		14,806,320	21,805,885
Non-controlling interest		(1,128,657)	(933,038)
TOTAL EQUITY		13,677,663	20,872,847

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

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

in USD	Notes	Six months ended 31 December	
		2023	2022
Gain of settlement of trade creditors		-	29,808
Corporate and administrative expenses		(1,078,167)	(439,901)
Exploration		-	(7,039)
Foreign exchange adjustments		(167,696)	-
Depreciation		(96)	(57)
Finance costs		(1,144,011)	-
Finance income		28,450	349
Gold Purchase Facility costs		(3,634,178)	-
Impairment charges	6	(2,967,582)	-
Share based payments	11, 12	(1,032,000)	-
LOSS BEFORE INCOME TAX		(9,995,280)	(416,840)
Income tax	9	-	-
LOSS FOR THE PERIOD		(9,995,280)	(416,840)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(9,995,280)	(416,840)
Loss for the year attributable to:			
Shareholders of the parent		(9,799,661)	(414,260)
Non-controlling interests		(195,619)	(2,580)
		(9,995,280)	(416,840)
Basic and diluted loss per share	13	(0.024)	(0.002)

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	Six months Ended 31 December 2023	Six Months Ended 31 December 2022
OPERATING ACTIVITIES			
Total Comprehensive Loss for the year		(9,995,280)	(416,840)
<i>Items not affecting cash</i>			
Gain of settlement of trade creditors		-	(29,808)
Depreciation		96	406
Finance costs		1,144,239	-
Foreign exchange adjustments		(3,603)	5,370
Gold Purchase Facility costs		2,104,044	-
Impairment charges	6	2,967,582	-
Share based payments	11, 12	1,032,000	-
<i>Changes in non-cash working capital balances</i>			
Trade and other receivables and other financial assets		(37,412)	(3,582)
Trade and other payables		(184,588)	36,039
Cash used in operating activities		(2,972,922)	(408,415)
INVESTING ACTIVITIES			
Acquisition of minority interest		(335,948)	-
Exploration and evaluation costs		(1,657,956)	(646,380)
Cash used in investing activities		(1,993,904)	(646,380)
FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	3,760,362
Proceeds from contract liabilities		25,646,326	-
Repayment of loans		-	(63,390)
Cash provided by financing activities		25,646,326	3,696,972
Increase in cash during the year		20,679,500	2,642,177
Cash - beginning of the period		757,208	865,336
Effect of exchange rate on cash		3,564	(5,370)
Cash - end of the period		21,440,272	3,502,143

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
Balance at 1 July 2023	186,382,450	719,918	(165,296,483)	(933,038)	20,872,847
Contributions from owners					
Issue of share capital	2,104,044	-	-	-	2,104,044
Total contributions from owners	188,486,494	719,918	(165,296,483)	(933,038)	22,976,891
Acquisition of minority Interest	-	-	(335,948)	-	(335,948)
Share based payments	-	1,032,000	-	-	1,032,000
Total comprehensive loss for the period	-	-	(9,799,661)	(195,619)	(9,995,280)
Balance at 31 December 2023	188,486,494	1,751,918	(175,432,092)	(1,128,657)	13,677,663
Balance at 1 July 2022	182,816,338	1,318,617	(164,145,312)	(931,847)	19,057,796
Contributions from owners	4,076,336	-	-	-	4,076,336
Share issue costs	(315,974)	-	-	-	(315,974)
Total contributions from owners	186,576,700	1,318,617	(164,145,312)	(931,847)	22,818,158
Total comprehensive loss for the period	-	-	(414,260)	(2,580)	(416,840)
Balance at 31 December 2022	186,576,700	1,318,617	(164,559,572)	(934,427)	22,401,318

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

Notes to the Consolidated Financial Statements

1. Background and Nature of Business

During the financial year ended 30 June 2023 and the period ending 31 December 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.

The 31 December 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

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 as issued by the International Accounting Standards Board and should be read in conjunction with the consolidated financial statements for the year ended 30 June 2023 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 2023.

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

The following new policy has been adopted during the period.

Contract Liability

The Company has entered into a contractual obligation under which it has agreed to accept deposits based on future gold deliveries (forward delivery contract), referenced to a preset quantity of refined gold and price based on a weighted average gold price at the deposit date (reference point) as established in the Gold Purchase Agreement (GPA) with an offtake counterparty. The deliveries are not scheduled at the time the deposit is received and will be based on a portion of future gold production from the Company's mining assets in accordance with the GPA. The deposit is valued at 5% of the reference point and is recorded as a liability. A further 85% of the reference point is received on delivery. The Company has determined that the contract contains a financing component. As a result, the net liability amount is accreted to the expected date of delivery to the reference point of the forward delivery contract less amounts due to the Company on delivery of the contracted gold. Revenue will be recognised based on the reference point of the forward delivery contract. At that time, the portion of accreted deposit allocated to the gold delivery will no longer be recorded as a liability.

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.

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 2023, 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 which are mandatory for 31 December 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 interim consolidated financial statements for the 6 months to 31 December 2023 have been prepared on a going concern basis which assumes that the Company and the entities it controls will be able to realise its assets and discharge its liabilities in the normal course of business.

During the six-month period ended 31 December 2023, the Group made a loss of \$9,995,280, had cash outflows from operating activities of \$2,972,922, outflows from investing activities of \$1,993,904 and financing cash inflows of \$25,646,326. As at 31 December 2023, the Group's current assets exceeded its current liabilities by \$30,541,741.

On 8 May 2023 the Group entered into a binding GPA with 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 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.

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 2023 and 2022 and 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 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.

Basis of Consolidation

During the six months, Besra increased its ownership of the Bau Gold Project as a result of the acquisition of a further 1,802 shares (0.72%) in NBG (the owner of Bau) from Gladioli Enterprises Sdn Bhd for A\$500,000. As a result of this transaction, Besra's beneficial ownership of NBG has increased by 0.72% to 98.5%. On an equity adjusted basis, this represents an increase in Besra's interest in Bau Gold Project of 0.78% to 93.55%.

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

Company Name	Jurisdiction	Ownership	Ownership
		%	%
		31	31
		December	December
		2023	2022
Fort Street Admin Ltd	New Zealand	100.0	100.0
Bau Mining Co Ltd	Samoa	91.0	91.0
North Borneo Gold Sdn Bhd	Malaysia	98.5	97.8
Besra Labuan Ltd	Malaysia	100.0	100.0
Besra Gold Australia Pty Ltd	Australia	100.0	n/a

4. Cash and Cash Equivalents

in USD	As at	As at
	31 December 2023	30 June 2023
Cash at bank	1,906,351	755,208
Interest bearing deposits	19,533,921	-
	21,440,272	755,208

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. Trade and Other Receivables

in USD	As at	As at
	31 December 2023	30 June 2023
Tax refunds due	72,758	37,943
Amount due from Gold Purchase Agreement	9,827,855	-
	9,900,613	37,943

6. Exploration and Evaluation

in USD	As at	Year Ended
	31 December 2023	30 June 2023
Opening balance	21,063,866	18,916,447
Impairment charges	(2,967,582)	-
Additions	1,657,956	2,147,419
Closing balance	19,754,240	21,063,866

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 the Bau Gold Project.

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.

During the period the Company impaired for the imminent expiry of ML 135 (expired on 4 March 2024) for which no renewal was sought, given that it was impacted by the Dered Krian National Park. Similarly, ML 136 was allowed to expire without renewal being sought in January 2023. The directors impaired all of the capitalised expenditure on these two licenses with an impairment charge of \$2,967,582.

7. Trade and Other Payables

in USD	As at 31 December 2023	As at 30 June 2023
Trade payables	260,785	579,744
Taxes and government fees	7,650	9,626
Accruals and other payables	535,257	398,910
Total	803,692	988,280

8. Contract Liabilities

in USD	As at 31 December 2023	As at 30 June 2023
Contract liabilities	35,474,180	-
Accretion of finance costs	1,144,239	-
Total	36,618,419	-

The first 3 instalments of the Gold Purchase Agreement outlined in Note 16 have been received and will be satisfied by the commitment to deliver gold set out in Note 16. The 4th instalment was due from purchaser at balance date (Note 5).

The financing component (imputed interest) has been accrued from the date of receipt.

9. Income Tax

in USD	As at 31 December 2023	As at 31 December 2022
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Statement of Profit or Loss and Other Comprehensive Profit and Loss

<i>Current income tax</i>		
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	(9,995,280)	(416,840)
Tax at statutory tax rate of 26.5% (2022:26.5%)	(2,648,749)	(110,463)
Share based payments	273,480	-
Expenditure not allowed for income tax purposes	1,173,938	-
Capitalised expenditure deductible for tax purposes	(174,358)	(210,947)
Net deferred tax loss not recognised	1,375,689	321,410
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

10. 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.

Six Months ended 31 December 2023

in USD	Number of Common Shares and CDIs	Amount
Balance 30 June 2023	406,989,795	186,382,450
Issue of CDIs for Share Placement	11,111,111	2,104,044
Balance 31 December 2023 of Shares and CDIs	418,100,906	188,486,494
Balance 31 December 2023 of shares	2,620,100	
Balance 31 December 2023 of CDIs	415,480,806	
Balance 31 December 2023 of shares and CDIs	418,100,906	

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	

11. Share based payments

The Company has issued options and performance rights. The options lapse if not exercised within the expiry date. The performance rights lapse if the performance hurdle is not achieved on or before the expiry date.

Each option or performance right converts into one CDI 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 or 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 lapsed during the period as the performance hurdle was not achieved.

The Class B Performance Rights will vest upon 5 million ounces Resource being achieved at the Bau Gold Project within three years of listing (being 7 October 2024), 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. See comments below under 'Performance Rights'.

The Noblemen A Options have an expiry date of 1 December 2026 and an exercise price of A\$0.25. The options can only be exercised if the CDI price exceeds during the term of the option a volume-weighted average price above A\$0.35 for at least 30 trading days.

The Noblemen B Options have an expiry date of 1 December 2026 and an exercise price of A\$0.45. The options can only be exercised if the CDI price exceeds during the term of the option a volume-weighted average price above A\$0.55 for at least 30 trading days.

The Higginson Options have an expiry date of 31 December 2026 and an exercise price of A\$0.45. The options will vest subject to the engagement of Mr. Higginson as the Chief Corporate Officer not being terminated as at 30 June 2024.

The following share-based payments occurred during the reporting period.

Options

Options granted during the reporting period were as follows:

	Noblemen A Options	Noblemen B Options	Higginson Options
Exercise price	A\$0.25	A\$0.45	A\$0.45
Grant date	1 December 2023	1 December 2023	27 December 2023
Expiry date	1 December 2026	1 December 2026	31 December 2026
Life in years	3	3	3
Volatility	95%	95%	95%
Risk free rate	4.1%	4.1%	3.6%
Number	10,000,000	10,000,000	5,000,000
Value per option at grant date	A\$0.08	A\$0.05	A\$0.05

No options were granted during the year ended 30 June 2023.

The following options and performance rights were also in existence during the reporting period and the prior year.

	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	-	A\$0.05	A\$0.05	A\$0.05	A\$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 six months ended 31 December 2023 and 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 non-market 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 was reversed in the 2023 financial year and the Class A performance rights expired on 7 October 2023.

	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	A\$0.10	A\$0.10

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

During the six months ended 31 December 2023 the Company issued 25,000,000 options.

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 Noblemen options are measured using the Monte Carlo simulation. The other options are 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 period ended 31 December 2023 and 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 six months ended 31 December 2023.

in USD	No. of Options and Rights	Weighted average exercise price
Options and Performance Rights		
Balance at start of Period	20,642,275	\$0.21
Granted and vested during the period	-	-
Granted and not vested during the period	25,000,000	\$0.37
Exercised during the period	-	-
Lapsed during the period	(2,600,000)	-
Outstanding at end of period	43,042,275	\$0.31
Exercisable at end of period	11,142,275	\$0.27
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	20,642,675	\$0.21
Granted and vested during the year	-	-
Granted and not vested during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at period end	20,642,675	\$0.21
Exercisable at period end	11,142,275	\$0.27

The weighted average remaining contractual life of the share options and performance rights at the end of the year was 2.6 years (30 June 2023: 2.2 years).

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

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

in AUD	31 December 2023		30 June 2023	
	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	Nil	Nil	2,600,000
Class B Performance Rights	Nil	3,650,000	Nil	3,650,000
Noblemen A Options	\$A0.25	10,000,000	Nil	Nil
Noblemen B Options	\$A0.45	10,000,000	Nil	Nil
Higginson Options	\$A0.45	5,000,000	Nil	Nil
Total		43,042,275		20,642,275

12. Share Based Payments Reserve

in USD	As at 31 December 2023	As at 30 June 2023
Balance as at start of Period	719,918	1,318,617
Share options	1,032,000	-
Performance rights	-	(598,699)
Balance as at end of period	1,751,918	719,918

As noted above the value of the options are measured using the Monte Carlo simulation and the Black Scholes model. The fair 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.

13. Loss Per Share

in USD	Six Months ended 31 December	
	2023	2022
Basic (loss) per share attributable to Equity Owners:		
Loss for the year attributed to shareholders of the Parent	(9,799,661)	(414,260)
Weighted average number of common shares outstanding	414,397,202	299,686,084
Basic and diluted loss per share	(0.024)	(0.002)

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.

14. Accumulated Losses

in USD	As at 31 December 2023	As at 30 June 2023
Balance at start of Period	(165,296,483)	(164,145,312)
Acquisition of minority interest	(335,948)	
Net Loss attributable to shareholders of parent	(9,799,661)	(1,151,171)
Balance at end of period	(175,432,092)	(165,296,483)

15. Related Party Disclosure

Related parties of the Group are considered to be Key Management Personnel (M Higginson and R Shaw) and the Directors.

Quantum is a significant shareholder and considered to be a related party (see Note 16).

The following related party transactions are recognised in the consolidated financial statements of the Group:

Key Management and Directors

in USD	Six Months ended 31 December	
	2023	2022
Short term employee benefits	573,144	274,965
Post-employment benefits	9,948	-
Long-term benefits	-	-
Share-based payments	174,951	-
	758,043	274,965

Executive service agreements

The Company has entered into an executive services agreement with Mr M Higginson and Dr R Shaw.

Indemnity Deeds

The Company has entered into Indemnity Deeds with some of the 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.

16. Commitments, Contingencies and Contractual Obligations

Commitments and Contractual Obligations

During the Reporting Period a contract was signed with the Yantai Group for approximately US\$1.2 million for the fabrication and supply of pilot plant processing equipment.

Gold Purchase Agreement

On 9 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 Gold 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 (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 \$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 ounces;
- Subject to drawdowns under the Facility occurring, funding will be available to Besra at the rate of up to \$10m per month to be paid into a drawdown account (“Drawdown Account”) controlled by Besra, with an initial \$2m upon execution of the Term Sheet and another \$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.
- A commission of 5% of each drawdown received is payable to Noblemen Ventures Pty Limited.

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

The receipt of drawdowns to date has resulted in a commitment for the delivery of gold to Quantum as follows

5% Deposit amount	Number of ozs	US\$ price per oz
US\$2,000,000	20,331.51	1,967.39
US\$3,000,000	30,035.29	1,997.66
US\$10,000,000	109,639.81	1,824.00
US\$10,646,326	114,433	1,849.73
US\$9,827,855 ¹	98,140	2,002.82
Total: US\$35,474,181	Total oz: 372,579.61	Weighted average price: US\$1,900.83

¹ This amount was receivable from the purchaser at balance date (refer to Note 5).

Contingencies

There are no contingencies (30 June 2023: 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; and
- interest rate risk.
- 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 31 December 2023:

in USD	Within 1 Year	1-5 Years
Trade and other payables	803,692	-
Contract liabilities	-	36,618,419
Total	803,692	36,618,419

As at 30 June 2023:

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

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 US dollars. 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	As at 31 December	
	2023	2022
Trade and receivables	9,900,613	37,943

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 13 and 14). The Company is not subject to any externally imposed capital requirements.

18. Events After the Reporting Date

No matters or circumstances have arisen since 31 December 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.

BESRA GOLD INC.

DIRECTORS' DECLARATION

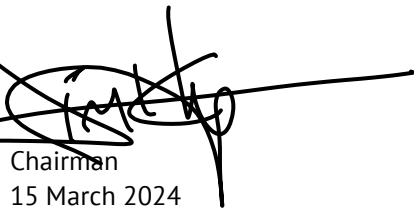
Financial Report Half year ended 31 December 2023

In the opinion of the Directors of Besra Gold Inc.:

The half year financial statements and notes of Besra Gold Inc;

- i. Giving a true and fair view of its financial position as at 31 December 2023 and of its performance for the half year ended on that date; and
- ii. Complying with International Accounting Standard IAS 34 Interim Financial Reporting;
- iii. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board:



Chairman
15 March 2024

BESRA GOLD INC.
ARBN 141 335 686
AND ITS CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BESRA GOLD INC.

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Besra Gold Inc. As the lead audit partner for the review of the financial report of Besra Gold Inc. for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 15 March 2024

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**BESRA GOLD INC.
ARBN 141 335 686
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BESRA GOLD INC.**

Conclusion

We have reviewed the half-year financial report of Besra Gold Inc. (the company) and its controlled entities (the group), which comprises the condensed interim consolidated statement of financial position as at 31 December 2023, the condensed interim consolidated statement of profit and loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the group's financial position as at 31 December 2023 and of its performance for the half year ended on that date; and
- (b) complying with Accounting Standard IAS 34: *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 in the financial report, which indicates that the group incurred a net loss of \$9,995,280, had cash outflows from operating activities of \$2,972,933 and investing activities of \$1,993,904 during the half-year ended 31 December 2023. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard IAS 34: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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BESRA GOLD INC.
ARBN 141 335 686
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BESRA GOLD INC.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 15 March 2024