
BESRA GOLD INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2023

(In United States dollars)
(Unaudited)

NOTICE TO THE READER

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



BESRA GOLD INC.

CONTENTS

Consolidated Statement of Financial Position	3
Consolidated Statement of Profit or Loss and Other Comprehensive income	4
Consolidated Statement of Cash Flows	5
Consolidated Statement of Changes in Equity	6
Notes to the Financial Statements	7



BESRA GOLD INC.

Condensed Interim Consolidated Statement of Financial Position

in USD	Notes	As at 30 September 2023	As at 30 June 2023
ASSETS			
<i>Current</i>			
Cash and cash equivalents	4	3,774,319	757,208
Trade and other receivables		17,042	37,943
Prepaid expenses		2,608	1,950
		3,793,969	797,101
<i>Non-current</i>			
Property plant and equipment		70	160
Exploration & evaluation	5	22,211,813	21,063,866
		22,211,883	21,064,026
TOTAL ASSETS		26,005,852	21,861,127
LIABILITIES			
<i>Current</i>			
Trade and other payables	6	971,779	988,280
		971,779	988,280
<i>Non-current</i>			
Contract liability	7	4,450,109	-
		4,450,109	-
TOTAL LIABILITIES		5,421,888	988,280
NET ASSETS		20,583,964	20,872,847
EQUITY			
Issued capital	9	187,024,121	186,382,450
Reserves	11	719,918	719,918
Accumulated losses	13	(166,225,139)	(165,296,483)
		21,518,900	21,805,885
Non-controlling interest		(934,936)	(933,038)
TOTAL EQUITY		20,583,964	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 Other Comprehensive Income**

in USD	Notes	Three months ended 30 September	
		2023	2022
Interest received		1,918	36
Gain of settlement of trade creditors			
Corporate and administrative expenses		(624,305)	(198,375)
Foreign exchange adjustments		(216,316)	-
Depreciation and amortisation		(123)	(326)
Finance costs		(91,728)	(37,619)
LOSS BEFORE INCOME TAX		(930,554)	(235,984)
Income tax	8		-
LOSS FOR THE PERIOD		(930,554)	(235,984)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(930,554)	(235,984)
Loss for the year attributable to:			
Shareholders of the parent		(928,656)	(209,888)
Non-controlling interests		(1,898)	(26,096)
		(930,554)	(235,984)
Basic and diluted loss per share	12	(0.002)	(0.001)

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	Three months Ended 30 September 2023	Three Months Ended 30 September 2022
OPERATING ACTIVITIES			
Total Comprehensive Loss for the year		(930,554)	(235,984)
<i>Items not affecting cash</i>			
Depreciation & amortisation		123	356
Finances costs		91,780	-
Unrealised foreign exchange adjustments		30,542	(57,746)
<i>Changes in non-cash working capital balances</i>			
Trade and other receivables and other financial assets		20,242	11,527
Trade and other payables		(668,688)	173,149
Cash used in operating activities		(1,456,555)	(108,699)
INVESTING ACTIVITIES			
Exploration and evaluation costs		(495,759)	(566,368)
Cash used in investing activities		(495,759)	566,368
FINANCING ACTIVITIES			
Proceeds from contract liability	7	5,000,000	-
Repayment of loans		-	(23,590)
Cash provided by financing activities		5,000,000	(23,590)
Increase (Decrease) in cash during the year		3,047,686	(698,657)
Cash - beginning of the year		757,208	865,336
Effect of exchange rate on cash		(30,575)	(48,463)
Cash - end of the year		3,774,319	118,216

The accompanying notes are an integral part of these condensed interim 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 2023	186,382,450	719,918	(165,296,483)	(933,038)	20,872,847
Contributions from owners					
Issue of share capital	641,671	-	-	-	641,671
Total contributions from owners	187,024,121	719,918	(165,296,483)	(933,038)	21,514,518
Total comprehensive loss for the period	-	-	(928,656)	(1,898)	(930,554)
Balance at 30 September 2023	187,024,121	719,918	(166,225,139)	(934,936)	20,583,964
Balance at 1 July 2022	182,816,338	1,318,617	(164,145,312)	(931,847)	19,057,796
Total comprehensive loss for the period	-	-	(209,888)	(26,096)	(235,983)
Balance at 30 September 2022	182,816,338	1,318,617	(164,335,200)	(957,943)	18,821,813

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

BESRA GOLD INC.

Notes to the Consolidated Financial Statements

1. Background and Nature of Business

During the financial year ended 30 June 2023 and the period ending 30 September 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 September 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 ("IFRS") as issued by the International Accounting Standards Board (IASB) and should be read in conjunction with the Consolidated financial statements for the year ended 30 June 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.

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 in issue which are mandatory for 30 September 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 3 months to 30 September 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 three-month period ended 30 September 2023, the Group made a loss of \$930,544, had cash outflows from operating activities of \$1,456,555, outflows from investing activities of \$495,759 and financing cash inflows of \$5,000,000. As at 30 September 2023, the Group's current assets exceeded its current liabilities by \$2,768,190.

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 15 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.

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.

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 have been applied consistently to all periods presented in these interim consolidated financial statements. No additional significant accounting policies have been adopted in the current period.

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

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

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 September 2023	Ownership % 30 September 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	As at 30 September 2023	As at 30 June 2023
Cash at bank	3,774,319	755,208
	3,774,319	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 16. 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	Three Months Ended 30 June 2023	Year Ended 30 June 2023
Opening Balance	21,063,866	18,916,447
Additions	1,147,947	2,147,419
Closing Balance	22,211,813	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 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 September 2023	As at 30 June 2023
Trade payables	928,670	597,444
Taxes and government fees	9,946	9,626
Accruals and other payables	33,163	398,910
Total	971,779	988,280

7. Contract Liability

in USD	As at 30 September 2023	As at 30 June 2023
Contract liability	5,000,000	-
Accrued interest	91,780	-
Financing transaction cost	(641,671)	-
Total	4,450,109	-

This is the first instalment of the Gold Purchase Agreement outlined in Note 15.

8. Income Tax

in USD	As at 30 September 2023	As at 30 September 2022
--------	----------------------------	----------------------------

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	(930,554)	(235,984)
Tax at statutory tax rate of 26.5% (2022:26.5%)	(246,597)	(62,536)
Share based payments	-	-
Expenditure not allowed for income tax purposes	10,930	-
Capitalised expenditure deductible for tax purposes	(304,206)	(140,943)
Net deferred tax not recognised	539,873	203,479
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.

Three months ended 30 September 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	641,671
Balance 30 September 2023 of Shares and CDIs	418,100,906	187,024,121
Balance 30 September 2023 of shares	2,672,558	
Balance 30 September 2023 of CDIs	415,428,348	
Balance 30 September 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	

CDIs restricted at year end

53,127,907 included above.

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 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 will vest upon 4 million ounces Resource being achieved at the Bau Gold Project within two years of listing (being 7 October 2023), 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 (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.

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 three months ended 30 September 2023 and 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 three months ended 30 September 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 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 was reversed in the 2023 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 three months ended 30 September 2023 and 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 three months year ended 30 September 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 year	-	-
Granted and not vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Outstanding at End of Period	20,642,275	\$0.21
Exercisable at end of Period	9,594,850	\$0.30

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 year end	20,642,675	\$0.21
Exercisable at year end	9,594,850	\$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 period

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

in AUD	30 September 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	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 2023 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 September 2023	As at 30 June 2023
Balance as at start of Period	719,918	1,318,617
Share options	-	-
Performance rights	-	(598,699)
Balance as at end of Period	719,918	719,918

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

	There Months ended 30 September	
	2023	2022
Basic (loss) per share attributable to Equity Owners:		
Loss for the year attributed to shareholders of the Parent	(928,656)	(209,888)
Weighted average number of common shares outstanding	410,693,499	221,802,552
Basic and Diluted Loss per Share	(0.002)	(0.001)

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.

13. Accumulated Losses

in USD	As at 30 September 2023	As at 30 June 2023
Balance at start of Period	(165,296,483)	(164,145,312)
Net Loss attributable to shareholders of parent	(928,656)	(1,151,171)
Balance at end of Period	(166,225,139)	(165,296,483)

14. Related Party Disclosure

Related parties of the Group are considered to be Key Management Personnel (J Seton, Dr R Shaw, 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	Three Months ended 30 September	
	2023	2022
Short term employee benefits	386,130	241,790
Post-employment benefits	-	-
Long-term benefits	-	-
Share-based payments	-	-
	386,130	241,790

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 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.

15. 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 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 \$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.

On 23 May 2023, the Company announced the payment of a further \$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 is updating the 2013 pre-feasibility study and is accelerating the construction and commissioning of the pilot plant. On the exploration front, it will focus on upgrading the quality of the JORC Resource inventory by converting Inferred ounces into the Measured & Indicated categories.

Contingencies

There are no contingencies (2022: nil).

16. Financial Instruments & Risk Management

Risk Management

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

- liquidity risk;
- commodity price risk;
- foreign exchange risk;
- credit risk; and
- interest rate risk.
- 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 September 2023:

in USD	Within 1 Year	1-5 Years
Trade and other payables	971,779	4,450,109
Contract Liability		
Total	971,779	4,450,109

As at 30 June 2023:

in USD	Within 1 Year	1-5 Years
Trade and other payables	988,280	-
	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	Three months ended 30 September	
	2023	2022
Trade and receivables	17,042	8,186

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

17. Events After the Reporting Date

On 3 October 2023, Besra announced of the termination of an agreement with Pangaea Resources Limited to acquire 1,802 shares in North Borneo Gold Sdn Bhd.

On 10 October 2023, Besra sought application for quotation of 53,127,907 CDI securities following the expiry of a 2-year escrow period. This increased the total number of CDI securities quoted on the ASX to 418,100,906.

On 11 October 2023, Besra announced the receipt of US\$10 million from Quantum in accordance with the Gold Purchase Agreement

On 27 November 2023, Besra announced the receipt of \$10,646,326 from Quantum in accordance with the Gold Purchase Agreement.

No other matters or circumstances have arisen since 30 September 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.

18. Segment reporting

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