



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

For the 12 months ended 30 June 2021

MD&A

The following MD&A provides a narrative from management's perspective of how Besra Gold Inc ("the Group" or "Besra") has performed over the 12 months for the 2021 financial year, including its financial condition and its future prospects.

This MD&A both supplements and complements the Group's financial statements. All amounts quoted are USD unless otherwise stated.

Forward Looking Information

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

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

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

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

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

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

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

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

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

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

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

Other Disclosure

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

This discussion covers the financial years ended 30 June 2021 and the subsequent period up to the date of issue of this MD&A. Additional information relating to the Group is available at www.sedar.com.

The Group has prepared this MD&A in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration, JORC Code ("JORC 2012") and the requirements of National Instrument 51-102 ("NI-51-102"), noting that there are some differences between both. These statements are filed with the relevant regulatory authorities in Canada.

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

Business and operating environment

Besra Gold Inc. is a Canadian incorporated public company, admitted to the official list of the Australian Securities Exchange (“ASX”) and whose common shares commenced trading on ASX on 8 October 2021.

Bau Gold Project

Besra’s sole exploration and evaluation asset is comprised of the Bau Gold Project.

Besra’s 100% owned subsidiary Besra Labuan Ltd (“Besra Labuan”) acquired its interest in North Borneo Gold Sdn Bhd (“NBG”), which owns rights to the mining tenements covering the area of Bau, in accordance with the agreement for the sale of shares in NBG between Gladioli, Besra Labuan and Mr. Ling Lee Soon (guarantor of Gladioli) dated 1 October 2010, as amended and restated on 12 May 2013 and 17 November 2016 (“SPSA”).

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

Key Personnel

As Besra transitioned toward the successful listing on ASX in October 2021 the senior management team and board of directors was strengthened.

On 1 October 2021 Dr. Ray Shaw commenced as Chief Executive Officer. Ray is a geologist with a B.Sc (Hon) and Ph.D who has been working on the Bau Gold Project for the past two years.

Besra’s Project Manager for the Bau Gold Project, Mr Kevin Wright, who previously worked for the Group on its former Vietnamese mines, was for nine years general manager for Monument Mining Ltd’s Selingsing Gold Mine in Pahang, Malaysia. Mr Wright is resident in Kuala Lumpur.

There have been several changes to the composition of the Board with Messrs. Paul Ingram, Robert Dunne and Mark Eaton having become non-executive directors. Paul is a geologist and experienced listed public company director who previously worked on the Bau Project in the 2000s.

Mark grew up in Bau and Kuching before being educated in the UK. Mark is a highly accomplished capital markets specialist, previously Managing Director of Global Mining Sales and US Equity Sales for CIBC World Markets before managing a number of listed public companies in recent years, has also joined the board.

Rob is a highly experienced metallurgist and process engineer having worked extensively with refractory ores and developing and operating gold processing facilities, including the globally significant Carlin mineralisation belt in Nevada USA.

Mr. Andrew Worland has been appointed Chairman of Besra. Andrew is a mining executive based in Perth, Western Australia and has over two decades of experience working in senior finance, corporate and project management and marketing roles in the Western Australian mining sector for ASX and TSX listed companies.

Mr. John Seton and Mr. John Morda continue on the board ensuring continuity of corporate knowledge.

Mr John Glen resigned as CFO and was replaced by Ms Eyrn Kestel has been appointed CFO and company secretary. Ms Kestel has 28 years’ corporate experience that includes over 13 years in the role of company secretary for other ASX listed entities and has an established career in accounting and business.

Property Description & Location

Besra’s Bau Gold Project is located 30-40km from Kuching, the capital city of the province of Sarawak, Malaysia on the island of Borneo. The project area is centred around the township of Bau.

Besra’s interests in mining tenements and applications cover more than 1,340km² spread over three regions in Sarawak, including the most highly prospective Bau Gold Field centred on the township of Bau. This brown-field project comprises Mining and Exploration tenements which extend over 346km². Besra’s focus of activities is within this region of tenement interests.

The remaining two regions where Besra has interests are known as Block C (Serian) and Gunung Rawan. Both lie east of Bau nearer to the Sarawak/Kalimantan border and, compared to the Bau Gold Field tenement area, both are much more immature in their exploration status.

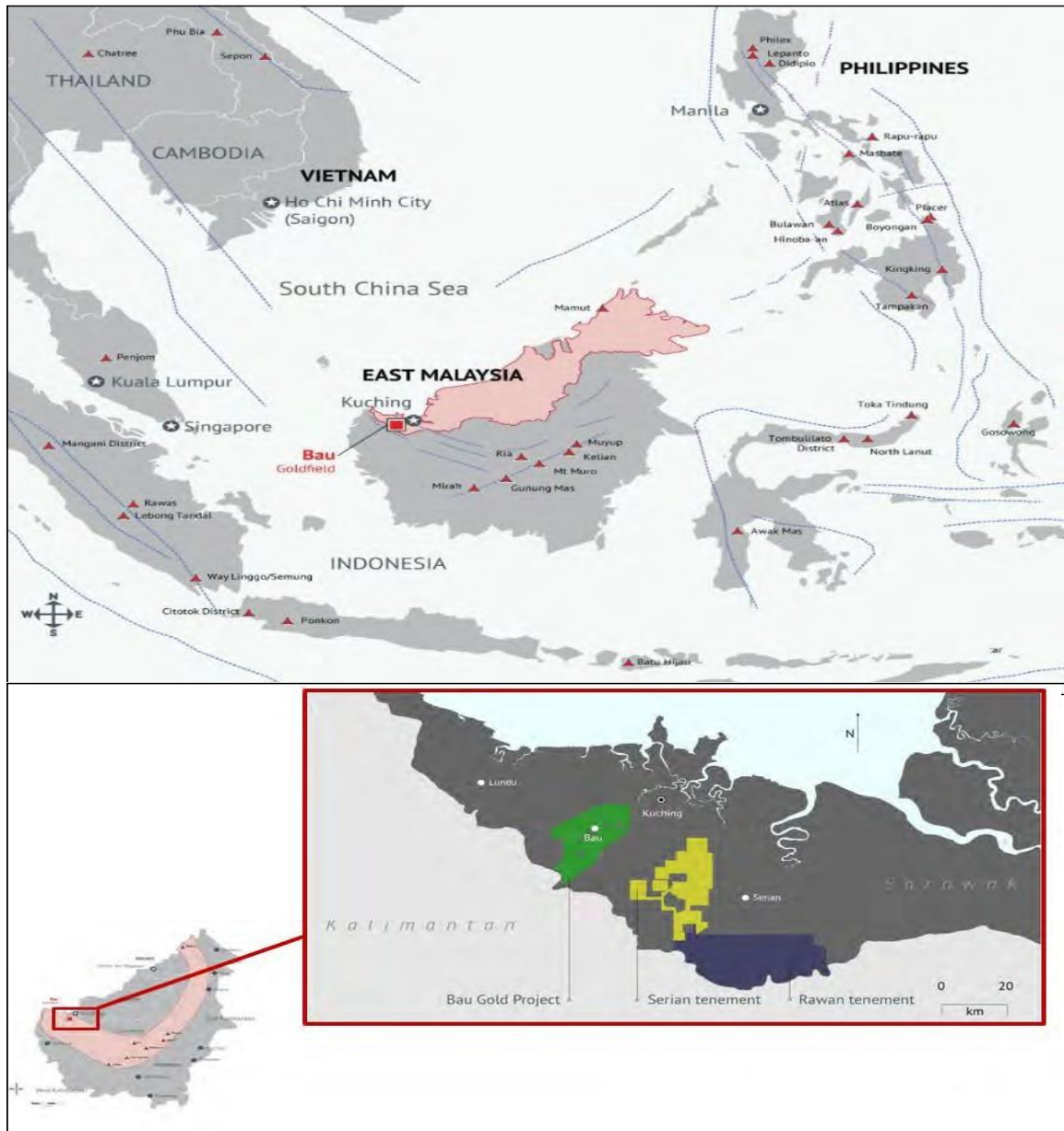


Figure 0-1 - Location of Besra's interests in mining concessions, Sarawak Malaysia.

As shown in Figure 0-1 Kuching, the capital of Sarawak, is located to the north of all three concession areas. Kuching is a sophisticated city with international airport and deep-water port facilities, the Kuching district itself containing a population of approx. 640,000 people.

With a population of 6,000, Bau the local service centre, and an important source for skilled labour, earth moving equipment, accommodation, general supplies and services. The main industries in the Bau district are limestone quarrying, fish farming, rice farming, palm oil and rubber production. Bau's main population

groupings are Bidayuh, from the Dyak ethnic group, and Chinese who are mainly descendants of early miners who arrived in the mid to late 19th Century to exploit the gold and antimony deposits at Bau.

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

Sarawak environmental standards are consistent with those of most developing economies which are seeking to balance primary industry activities, such as mining, with sustainable environmental practices which is supported by Besra.

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

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

Group corporate structure

Besra's interest in the Bau Gold Project is held through its direct and indirect interests in North Borneo Gold Sdn Bhd (NBG). Figure 0-2 shows the relative ownership interests in NBG.

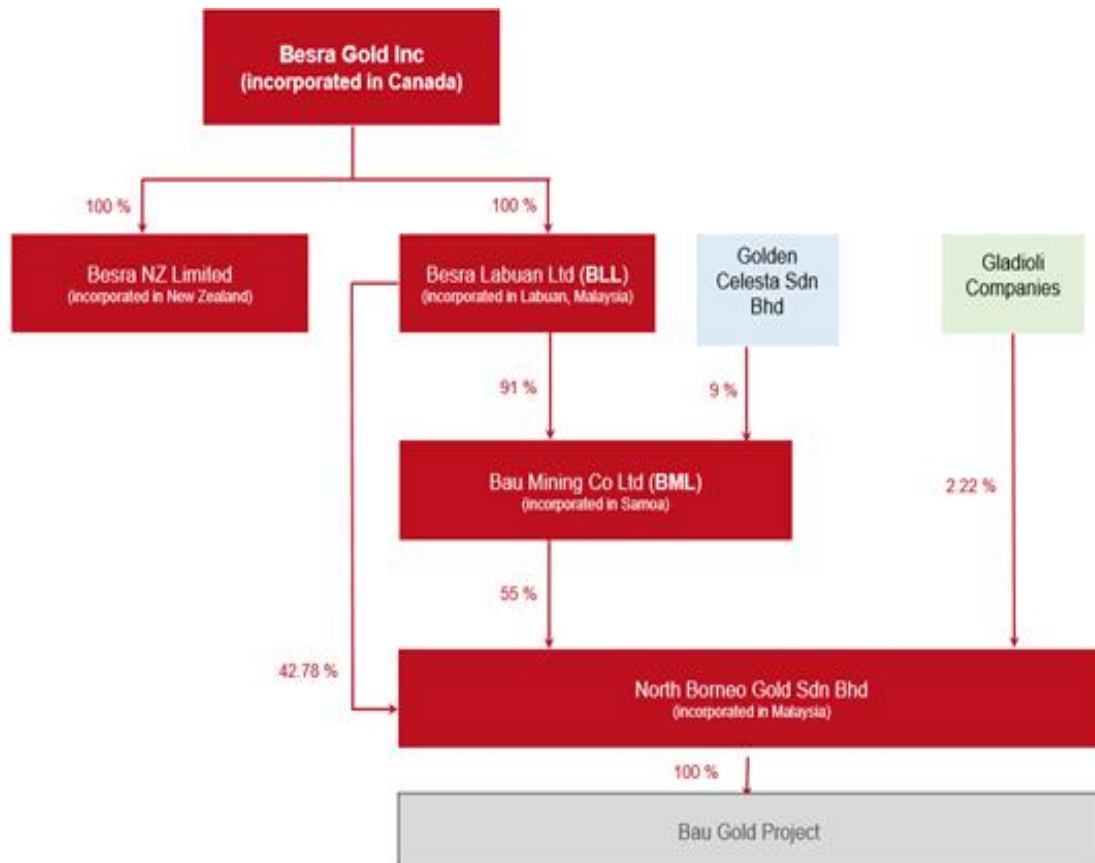


Figure 0-2 - Corporate Structure of Besra Gold Inc

Overall Highlights

The Group Financial Statements are prepared on a consolidated basis.

On 22 April 2021 the Besra filed a prospectus ("Original Prospectus") with the Australian Securities and Investment Commission ("ASIC") that would restructure the Group's financial position through an initial public offering ("IPO") of the Besra's common shares in the form of Chess Depository Receipts ("CDI's") on the ASX – referred herein as the "Listing".

The IPO intended to raise a minimum of A\$10.0m ("Minimum Subscription") to a maximum of A\$12.5m ("Maximum Subscription") at an issue price of A\$0.20 per CDI. Upon completion of the IPO, Besra would issue:

- Approximately 83,942,611 CDI's upon Conditional Admission to the ASX ('Conditional Admission') to holders of secured notes in full satisfaction of all amounts outstanding under those secured notes.
- Approximately 52,274,000 CDI's upon Conditional Admission to the holders of the Bridge Notes and Novus Advances (as defined below) in full satisfaction of all amounts outstanding under the respective financing agreements.
- Approximately 69,844,355 CDI's upon Conditional Admission to the holders of the Creditor Notes / New Notes in full satisfaction of all amounts outstanding under the Creditors Notes / New Notes.
- 532,457 CDI's upon Conditional Admission to certain trade creditors in satisfaction of \$302,939 (A\$421,334) owing to those trade creditors.
- 50,000,000 CDI's for the Minimum Subscription and up to 62,500,000 CDI's for the Maximum Subscription.

The issuance of the CDIs upon completion of the IPO would settle most of the Group's existing liabilities. The cash proceeds from the IPO will be applied towards exploration & development activities at the Bau Gold Project, general working capital, listing costs and other trade creditors of the Group.

Following the ASIC's statutory review of the Original Prospectus, Besra filed a replacement prospectus on 8 July 2021 and a supplementary prospectus on 16 September 2021. The Original Prospectus, replacement prospectus and supplementary prospectus are herein referred to as the "Prospectus".

A meeting of noteholders on 3 December 2020 approved the exchange of the Creditor Notes / New Notes for the CDI's subject to ASX granting Besra Conditional Admission to list prior to 28 February 2021, subsequently extended to 30 September 2021. Besra received conditional approval from the ASX on 24 September 2021.

On 28 September 2021 the Besra had raised the Minimum Subscription and listed on the ASX on 8 October 2021.

Performance Highlights

The 30 June 2021 financial statements for Besra Gold Inc. are the consolidated operations of the group.

For the year ended 30 June 2021 the Group recorded a net loss of \$13,314,669 (2020: \$1,538,822), resulting in a 2.763 cent loss per share (2020: 0.319 cent loss per share).

Apart from corporate and administrative expenses in 2021 of \$2,209,854 (2020: \$780,427), the other significant charges to the Consolidated Statement of Income for the year were finance charges of \$700,408 (2020: \$63,908) and the derivative fair value revaluation of \$10,322,324 (2020: \$442,278). The change in derivative valuation reflected the terms approved at the meeting of noteholders for the Creditors' Notes.

Summary of assets held

Total exploration and evaluation assets amounted to \$17,506,422 as at 30 June 2021. Total liabilities amounted to \$32,362,224.

For the year ended 30 June 2021, there was no capital investment in Bau Gold Project, which remained under care and maintenance.

Management and directors assessed whether there are any facts or circumstances that would indicate that the mineral property interest should be assessed for impairment and noted that:

- Besra can immediately commence exploration and development activities at the Bau Gold Project following completion of the IPO on 8 October 2021;
- Substantive expenditure on exploration as part of its pre-development feasibility studies is planned;
- Relevant reports suggest that the mineral resource within the area remains commercially viable and once these studies recommence, the carrying amount of the asset is likely to be recovered.

The above factors have been unchanged and concluded that no further impairment is required for the year ended 30 June 2021.

As at 30 June 2021, the Group's current liabilities exceeded its current assets by \$32,066,489 (at 30 June 2020: \$19,021,776).

Combined cash and cash equivalents on hand at 30 June 2021 was \$11,146 (30 June 2020: \$31,260).

COVID-19

The COVID-19 situation in Malaysia continues to improve with the uptake and distribution of vaccines continue. As at 27 October 2021 77.7% of the eligible population of Malaysia had received a single dose and 73.8% had received double doses. The State of Sarawak rate of vaccination is in line with the national rate.

Reflecting declining occurrences of covid, national restrictions on commerce and movement have been progressively eased under the National Recovery Plan (NRP) with several additional states now being declared as 3 and 4. There is no state in Malaysia that remains under Phase 1 or 2 of the NPR. On 1 October 2021 eight districts in Sarawak's southern zone entered Phase 3, this included areas encompassing the Bau Gold Project.

Malaysian authorities have also relaxed outbound international and interstate travel for vaccinated citizens as from 11 October 2021.

As of October 18, 2021, the quarantine period has been reduced from 14 days to 7 days for fully vaccinated travellers entering Malaysia. Further easing of restrictions is anticipated as pandemic conditions wane.

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

Besra monitors developments around the COVID-19 pandemic and follows measures recommended by public health and government authorities. Besra will continue to monitor the situation with the priority being the health and safety of its employees and surrounding communities.

Besra will ensure compliance of a protocol for daily screening for all employees, consultants and contractors following the Malaysian Federal Government "MySejahtera" mobile phone COVID-19 tracking application. The network assists the Ministry of Health (MOH) in monitoring COVID-19 outbreak to assess an individual's COVID-19 health risk. The application provides the MOH with the necessary information to plan for early and effective countermeasures.

Corporate Strategy & Business Overview

Summary of Operations & Outlook

The review of the results of operations should be read in conjunction with the Group's audited consolidated statements and the related notes for the year to 30 June 2021.

Selected annual information for the fiscal years 2021, 2020 & 2019 is as follows:

As at	30 June 2021	30 June 2020	30 June 2019
Total Assets	17,564,800	17,605,914	17,586,915
Current Liabilities	32,110,632	19,088,669	15,115,839
Non-current Liabilities	251,592	-	2,415,009
Total Equity	(14,797,424)	(1,482,755)	56,067
Total Liabilities & Equity	17,564,800	17,605,914	17,586,915
For the Year ending	30 June 2021	30 June 2020	30 June 2019
Total Revenue	-	-	-
Net Loss	13,314,669	1,538,822	22,500,323
Basic and diluted loss per share	2.763	0.319	3.914
Weighted average number of common shares outstanding	4,819,622	1,204,892,898	1,204,892,898

Loan Liabilities valuation and analysis

For the 2021, 2020 and 2019 financial years the loan liabilities were valued using an income approach to calculate the fair value which incorporates both the timing and risk of receiving the expected payoff amounts. The valuation used estimates to determine the possible future outcomes, the timing and expected proceeds, with the expected proceeds discounted using a risk-adjusted discount rate with the resulting present value probability weighted to arrive at the fair value. Changes in loan liabilities fair value are reflected in the Statement of Financial Position as Derivative Liability under Current Liabilities and have otherwise been accounted through the profit and loss.

The obligations of the Group under one of the Convertible Notes is secured by a general security agreement over the Group's assets and by share pledge arrangements. The security will be released upon completion of the IPO.

Summary Statement of income

	30 June 2021	30 June 2020	30 June 2019
Corporate and administrative expense	2,209,854	780,427	1,736,860
Exploration expense	63,719	237,604	104,700
Depreciation and amortization	18,364	14,605	22,038
Impairment charges	-	-	33,270,000
Derivative fair value revaluation	10,322,324	442,278	(6,794,646)
Finance Charges**	700,408	63,908	1,499,598
Loss before Income Tax	13,314,669	1,538,822	29,338,550
Income tax (recovery) expense	-	-	(7,338,227)
Net Loss after Tax	13,314,669	1,538,822	22,500,323

* The Group is at an exploration stage, and Bau is under care and maintenance. There were no sales, in 2021, 2020 or 2019. Rounding should be taken into consideration when reviewing the above totals.

**** Summary of finance charges:**

	30 June 2021	30 June 2020	30 June 2019
Interest on borrowings and notes	586,816	132,190	39,049
Finance expenses	-	-	1,424,245
Foreign exchange (gain), net	113,592	(68,682)	36,304
	700,408	63,908	1,499,598

Bau Gold Project – an overview

Besra's interests in mining tenements extend across four concessional areas, collectively covering approximately 1,340km² of Sarawak, being the Bau Gold Project (consisting of Blocks A and B), Rawan and Serian (Block C). Containing no identified prospects or Resources, both the Rawan and Serian concessional areas are viewed as greenfield exploration opportunities. In that sense, they contrast markedly with the Bau Gold Project's Blocks A and B, which contain substantial delineated gold Resources, as well as brownfield exploration projects, across an area that contains a combined JORC 2012 compliant Resource, on a 100% basis, of 72.61Mt at 1.43g/t Au for 3.33Moz of gold.

Results of Operations

	30 June 2021	30 June 2020	30 June 2019
Administration & Other Expenses:			
Professional & Consulting Fees	636,973	145,782	482,055
Management & Administration	781,475	218,078	788,223
Labour Expense	465,925	216,679	192,900
Office & Facilities	25,046	31,143	85,617
Insurance	76,060	28,745	48,065
Directors Fees	224,375	140,000	140,000
Exploration Expense	63,719	237,604	104,700
Depreciation	18,364	14,605	22,038
Derivative Revaluation	10,322,324	442,278	(6,794,646)
Finance Charges	700,408	63,908	1,499,598
Impairment Charges	-	-	33,270,000
Deficit from Operations	13,314,669	1,538,822	29,838,550
Exploration & Evaluation Expenditure	63,719	237,604	104,700
Explorations & Evaluation Asset Bau	17,506,422	17,506,422	17,506,422
Property, Plant & Equipment	14,235	32,599	47,204

The increase in professional & consulting fees and management & administration expenditure related to costs of the IPO.

As noted above, the increase in the derivative valuation arose from a change of inputs used to calculate the fair value of the liabilities, reflected the improved payoff to the Creditors Notes.

Bau Gold Project Exploration and Evaluation Expenditure Detail

	30 June 2021	30 June 2020	30 June 2019
Assays & Assessment Supplies	-	-	-
General Equipment & Supplies	-	2,699	-
Drilling Expense	-	-	-
Exploration Office Expenses	-	-	-
Permits and Fees	-	21,819	5,068
Travel & Accommodation	-	-	-
Contractors & Consultants	63,719	45,175	34,140
Labour Expenses	-	159,909	65,159
Transport	-	-	-
Insurance	-	8,002	333
	63,719	237,604	104,700

Notice of intention to revoke certain Mining Licences

The Joint Venture had been advised by the Ministry of Urban Development and Natural Resources in 2018 of its intention to revoke four Mining Leases within the Bau Gold Project, totalling 252.4Ha. These four Mining Leases encroach upon the newly gazetted boundaries of the Dered Krian National Park (DKNP).

The Joint Venture submitted a proposal in August 2018 seeking to voluntarily surrender the portions of the Mining Leases which encroach upon DKNP in return for retaining the remaining portions of the Mining Leases or reapplying for new Mining Leases over those remaining portions. As at the date of this Report, the relevant authorities have not notified the registered title holders of any further developments.

Should the land within the DKNP be surrendered, then the Bau Gold Project's global Resource would be reduced from 3.3Moz to approximately 3.02Moz. If the 4 relevant Mining Leases are forfeited in their entirety, the Project's global Resource would be reduced to approximately 2.6Moz. Besra believes this to be the more unlikely outcome as it would reapply for appropriate tenure over those lands within the four Mining Leases not lying within the DKNP.

As at 31 March 2021, inspection of the Registry at the Land Office did not reveal that any memorial of forfeiture had been registered in relation to any of these four Mining Leases (as specified in s.60 of the Minerals Ordinance). Nevertheless, should forfeiture be effected it will not impact upon the Group's intended work programme because they do not involve any of these four Mining Leases.

Summary of work completed on Bau Gold Field Project in 2020-2021

Quantification of Bau Reserves and Resources to comply with JORC 2012

The Bau Gold Project has been the subject of restricted activities since 2014. The Mineral Resource estimate, calculated in accordance with JORC 2012, for the Bau Gold Project is estimated in the table below (using a 0.5 g/t Au cut off):

Category	Tonnes	Grade (g/t)Au	oz Au
Measured	3,405,600	1.52	166,900

Indicated	17,879,700	1.67	958,000
M & I	21,285,300	1.64	1,124,900
Inferred	50,206,400	1.35	2,181,600
M & I & I	71,491,700	1.44	3,306,500

Report on Bau Gold Project Exploration Target

A report was completed in July 2019 identifying the Exploration Target potential of the Bau Gold Project area as defined by the JORC 2012.

This report was compiled by employees of the Group under the supervision and guidance of the Project Director (Mr Kevin Wright), who is a consultant to Besra Gold Inc, a “Qualified Person” as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and is also a “Competent Person”, as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” the JORC Code. These were compiled for five of the key project areas for which JORC Code (2012) Edition compliant Resources had previously been delineated.

The Exploration Target inventory, tabulated below, is separate and additional to those Resources already delineated. In aggregate they range between 4.9 – 9.3 Mil Au oz¹ representing, for the most part, estimates stepping out from existing JORC Resources in five of the major project areas.

The Exploration Target inventory provides significant reassurance that enhanced production throughput models taken from the current feasibility study, reflect an extended mine life that has a technical basis of support.

BAU EXPLORATION TARGET POTENTIAL¹						
Deposit	Tonnage Range (Mt)		Grade Range (g/t Au)		Gold Potential (M Oz)	
	From	To	From	To	From	To
Pejiru	30	42	1.76	2.44	1.7	3.3
Jugan	34	40	1.82	2.50	2.0	3.2
Say Seng	7	10.5	1.42	1.60	0.3	0.5
Sirenggok	8	11.4	1.15	4.25	0.39	1.56
Bekajang	8	9	2.0	3.0	0.50	0.80
Combined:	87	112.9	1.74	2.55	4.89	9.27

¹ The potential quantity and grade of the Exploration Targets is conceptual in nature; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration work will result in the estimation of a Mineral Resource.

The above grade and tonnage estimates relate to mineralisation “potential” within defined deposit extensions.

Since insufficient exploration has yet been conducted to allow JORC guideline mineral resource estimation within these extensions, the above estimates are only conceptual in nature and it is uncertain whether further exploration will achieve the estimation of additional mineral resources in all or any of these deposits.

Future Work on Bau Gold Project

Following Listing, Besra’s business strategy work program will be focused on the following key areas:

- Resource delineation – aiming to increase the average gold grade and the global Resource inventory including increasing the relative proportions of Measured and Indicated categories;
- metallurgical studies - evaluating ore characteristics, both laterally and vertically, across known Resource deposits in order to identify compositional variations and the most suitable ore feed-stock for future development potential;
- processing studies - evaluating critical components of the ore processing stream, to optimise gold recovery based on the metallurgical studies of potential ore feed-stock, including potential single and blended sources, as well as end-products including export concentrates and doré;
- upgrading feasibility studies - incorporating inputs from Resource delineation, metallurgical and processing studies and updated CAPEX and OPEX estimates; and
- regulatory compliance management - co-ordinating legislative and regulatory requirements. In particular, managing existing Permit interests and expediting pending renewals and applications as well as environmental, community, operational management, rehabilitation and health and safety and other systems necessary to support in country activities and Besra policies.

Summary of Quarterly results

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

	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net Income	(10,261,717)	(717,815)	(1,277,304)	(1,057,833)	(1,254,508)	576,055	(512,377)	(350,992)
Income Loss per share	(2.129)	(0.149)	(0.265)	(0.219)	(0.260)	0.120	(0.106)	(0.073)

There was no Revenue received during any of the quarters.

The variances in Net income and comprehensive income and Total assets and Non-current liabilities are mainly due to re-valuing derivative liabilities and any other fair value adjustments and impairments

Liquidity & Capital Resources

Working Capital:

	30 June 2021	30 June 2020	30 June 2019
Cash and Cash Equivalents	11,146	31,260	22,467
Tax and Other Receivables	25,511	28,147	3,337
Prepayments	7,486	7,486	7,486
Derivative Liability	(21,778,785)	(11,456,461)	(8,599,174)
Trade and Other Payables	(5,538,254)	(5,617,142)	(5,083,028)
Loans and Borrowings	(4,793,593)	(2,015,066)	(1,433,637)
Net working Capital	(32,066,489)	(19,021,776)	(15,082,550)

No field-based exploration work was undertaken during 2020 and 2021.

As at 30 June 2021 net working capital was negative \$32,066,489 (2020: \$19,021,776). The change in working capital from 2020 is largely attributable to the impact of the revaluation of the derivative liability.

During year the Group undertook several capital raisings and entered into arrangements with some of its creditors to help fund itself through to listing, summarised as below:

- Incor Services Loan ('ISL') is a fixed interest loan facility of A\$300,000, unsecured, with an interest rate of 12% per annum, payable at maturity. The balance owing, including accrued interest, as at 30 June 2021 is \$157,737. The ISL will be repaid from the proceeds from the Listing.
- Other short-term financing obtained both from related entities and third parties, totalling \$422,377 were arranged prior to 30 June 2021 are on terms similar to those under the ISL. The balance outstanding will be repaid from the proceeds of the Listing.
- North Borneo Gold Debt Notes ("NBG Debt Notes") carried at \$438,553 in 2021 (2020: \$425,639), have a term of four years to November 2020, bear interest of three percent (3%) per annum, calculated and payable on maturity. Besra will settle the NBG Debt Notes from the proceeds from the Listing, in the amount of A\$286,090 in full and final settlement of the NBG Debt Notes.
- Besra entered into settlement agreements with two historic suppliers who provided drilling and assaying services for the Bau Gold Project to repay amounts due totalling \$703,611 on a deferred payment schedule through to 2023.

Related Party Disclosure

Transactions with related parties are conducted on reasonable commercial terms and approved by non-conflicted members of Besra's board.

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

Name	% Equity Held as at:		
	30 June 2021	30 June 2020	30 June 2019
Besra Labuan Ltd	100.0	100.0	100.0
Bau Mining Co Ltd	91.0	91.0	91.0
North Borneo Gold Sdn Bhd	87.1	87.1	87.1
Besra NZ Limited	100.0	100.0	100.0

Related party balances

Significant Influence:

	30 June 2021	30 June 2020	30 June 2019
Derivative liability	9,905,972	9,347,263	7,064,016
Financing charges	-	-	1,424,245
Financing charges payable	(1,424,245)	(1,424,245)	(1,424,245)

The amounts disclosed in the table are the amounts recognized during the reporting period related to Pangaea Resources Limited following an assignment from Pangaea Holdings Limited (collectively 'Pangaea').

Key Management:

	30 June 2021	30 June 2020	30 June 2019
Directors fees and management fees	375,375	380,000	397,343
Working capital financing	100,619	-	-
Amounts payable	1,524,862	1,050,048	865,390

Entities with Common Directors who have Significant Influence:

	30 June 2021	30 June 2020	30 June 2019
Consultancy fees expense	-	-	125,827
Interest-bearing loan	-	62,796	100,000
Derivative liability	-	1,977,972	1,535,156
Interest	-	12,796	27,219
Consultancy fees payable	-	116,113	189,041

The amounts disclosed in the table are the amounts recognized during the reporting period related to InCoR Limited ('InCoR') as the entity has Common Directors who were deemed to have a significant influence over the Group. These directors have resigned from the board and InCoR is no longer deemed to have a significant influence over the Group.

Companies Controlled by Management

Management compensation incurred on behalf of the Group were paid to certain companies controlled by officers of the Group, as follows:

<i>Group name</i>	<i>Name</i>	<i>Position</i>
Jura Trust Limited	John Seton	Chief Executive Officer

Management Services Agreements

The Group has entered into a management services agreement or employment agreement (each an "Executive Agreement"), as the case may be, with each of its senior executive officers (each, an "Executive")

that provide for specific benefits in the event that executive's employment is terminated voluntarily by the Executive upon notice to the Group or a material change in the Executive's responsibilities or by the Group with cause or upon notice.

Termination

Pursuant to the Executive Agreements, the Group is required to make certain payments upon termination (whether voluntary, involuntary, or constructive), resignation or retirement or upon a change in the Executive's responsibilities, as applicable. An estimate of the amount of these payments assuming that the triggering event giving rise to such payments occurred on 30 June 2020, these figures are unchanged as of 30 June 2021 is set out in the table below and is described in the section that follows:

Triggering Event

On 9 April 2021, Jura Trust Limited entered into an amended management services agreement effective on Conditional Listing Approval, pursuant to which the termination payment due on certain events is A\$165,000.

Contractual Commitments

Contractual Commitments: Acquisition of Interest in NBG

Under the terms of the SPSA Besra was required to pay a further \$7.6 million consideration to Gladioli to acquire the remaining shares in NBG.

In March 2021, in consideration of the issue to Gladioli of 12.5 million Besra CDIs issued at A\$0.20 per CDI upon completion of the Listing, Gladioli, Besra and Besra Labuan agreed to a further amendment of the SPSA and to release Besra and Besra Labuan of their obligations to complete the purchase of the remaining shares in NBG ("SPSA Variation"). To facilitate the Listing, Pangaea agreed to acquire 16,221 shares in NBG for cash consideration of A\$4.0 million, and Besra agreed to acquire 14,419 shares in NBG from Pangaea by issuing 20.0 million 24-month restricted CDIs to Pangaea at A\$0.20 per CDI upon completion of the Listing. Pangaea acquired the 14,419 NBG shares on 6 July 2021. On completion of the SPSA Variation, Besra's interests in NBG increased to 97.8% and its equity-adjusted interest increased to 92.8%. Besra has agreed to reimburse Pangaea for reasonable transaction costs associated with the financing of the acquisition of the 16,221 shares in NBG.

Refer to the Overall Highlights section for a summary of how Besra met its commitments with respect to the Convertible Notes and Other Borrowings.

Events After the Reporting Date

Events after the reporting date that have occurred include:

- On 6 July 2020 Pangaea acquired 14,419 NBG shares in accordance with the SPSA Variation;
- On 8 July 2021 a Replacement Prospectus was filed with the ASIC;
- On 24 September 2021 the Group received Conditional Listing Approval from the ASX;
- On 28 September 2021 the Minimum Subscription was achieved and accordingly the conditions for Conditional Admission had been achieved;
- Short term loans of \$300,000 were arranged to meet ongoing working capital needs through to Listing from reporting date.
- Listing of the Group on the ASX occurred on 8 October 2021, the amount raised under the IPO was A\$10.043m.

Disclosure Controls & Procedures

Management is responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Group.

Based on an evaluation of the Group's disclosure controls and procedures as of the end period covered by this MD&A, management believes such controls and procedures are effective in providing reasonable assurance that material items requiring disclosure are identified and reported in a timely manner.

Readers are cautioned that the Group is not required to certify the design and evaluation of its disclosure controls and procedures and internal controls over financial reporting and has not completed such an evaluation.

The inherent limitations on the ability of the Group's certifying officers to design and implement on a cost-effective basis disclosure controls and procedures and internal controls over financial reporting for the Group may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Management and Disclosure

The nature of the Group's operations exposes the Group to credit risk, liquidity risk, market risk and geopolitical risk, which may have a material effect on cash flows, operations, and comprehensive income.

The Group's risk management policies and procedures are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and to monitor market conditions and the Group's activities. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework and policies.

Covid-19

The Covid-19 pandemic has impacted on the financial affairs of the Besra and is expected to have a short to medium term impact. The financial impact may

- (a) result in logistical challenges in the impending capital raising that could cause delays in receiving the planned funding,
- (b) result in uncertainties in the amount and timing of the capital raising as a result of the impact on investors and the stock market, and
- (c) result in changes to the general economic outlook.

While Covid - 19 has caused certain limitations to Besra's activities, largely due to restrictions on travel, it has not prevented the advancement of plans as regards the IPO and proposed listing process.

As noted above Besra continues to closely monitor developments around the COVID-19 pandemic and follow the measures recommended by public health and government authorities. Besra will continue to monitor the situation with the priority being the health and safety of its employees and surrounding communities.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Group to credit risk consist primarily of cash and accounts receivable.

The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Group reduces its credit risk by maintaining its bank accounts at large financial institutions. Accounts receivable consists largely of amounts receivable from the Canadian federal government for the refundable GST amounts. The Group assess the collectability and fair value of this receivable at each reporting period.

Liquidity risk

Liquidity risk is the risk that the Group is not able to meet its financial obligations as they fall due. All of the Group's financial liabilities are classified as current and will convert to equity on listing.

The Group's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Group is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on the Group's cash is minimal.

Foreign exchange risk

The Group currently operates in Malaysia. The Group could accordingly be at risk for foreign currency fluctuations.

Geopolitical risk

The Group has all of its properties located in Malaysia. As such, the Group is subject to political, economic and other uncertainties, including, but not limited to, changes in policies and regulations or the personnel administering them, changes with regard to foreign ownership of property rights, exchange controls and royalty and tax increases, and other risks arising out of foreign governmental sovereignty over the areas in which the Group's operations are to be conducted, as well as risks of loss due to civil strife, acts of war and insurrections. If a dispute arises regarding the Group's property interests, the Group cannot rely on western legal standards in defending or advancing its interests.

Industry risk

The Group is engaged in the acquisition and exploration of and investment in resource properties, an inherently risky business, and there is no assurance that an economic mineral deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of economically mineable deposits. The focus of the Group is on areas in which the geological setting is well understood by management.

Gold and metal price risk

The price of gold is affected by numerous factors beyond the control of the Group including central bank sales, producer hedging activities, the relative exchange rate of the US\$ with other major currencies, demand, political and economic conditions, and production levels. In addition, the price of gold has been volatile over short periods of time due to speculative activities. The prices of other metals and mineral products for which the Group may explore all have the same or similar price risk factors.

Trends

Continued strength in the US dollar, decreasing oil prices and the stable gold price increases demand, especially from Asia, and perception of increased risk in major financial markets has supported a discernible need for the development of commodity exploration projects. Companies, like Besra Gold Inc, are key participants in identifying properties of merit to explore and develop.

Mineral Resources Risk

The Group's mineral resource estimates are subject to uncertainty.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss, and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred resources will be converted to measured and indicated categories, through further drilling, or into mineral reserves once economic considerations are applied

The Group's mineral resources and mineral reserves are estimates based on a number of assumptions, any adverse changes in which could require the Group to lower its mineral resource and mineral reserve estimates.

There is no certainty that any of the mineral resources or mineral reserves disclosed by the Group will be realized or that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized, or that reserves can be mined or processed profitably. Until a deposit is actually mined and processed, the quantity and grades of mineral resources and mineral reserves must be considered as estimates only.

Valid estimates made at a given time may significantly change when new information becomes available. Any material changes in the quantity of mineral resources or mineral reserves, grade or stripping ratio may affect the economic viability of the Group's properties.

There can also be no assurance that any discoveries of new or additional reserves will be made. Any material reductions in estimates of mineral resources or mineral reserves could have a material adverse effect on the Group's results of operations and financial condition.

Funding Risk

The Group is dependent upon its ability to raise funds in order to carry out its business. Exploration and development involve significant financial risk and capital investment. As advised above Besra completed its IPO in October 2021, to enable it to conduct its planned exploration programme.

Future plans of the Group may also result in increases in capital expenditure and commitments that may require the Group to seek additional funding to expand its business for, among other things, the further development of the Bau Gold Project. No assurance can be given that such capital in future will be available, or if available on terms acceptable to the Group.

The success and the pricing of any such capital raising and/or debt financing will be dependent upon the prevailing market conditions, the availability of funds from lenders and/or investors, and other factors relating to the Group's properties and operations.

Stock & Shareholder Risk

The market price of the Group's common shares, like that of the common shares of many other natural resource companies could be volatile.

Results of exploration and mining activities, the price of precious metals, future operating results, changes in estimates of the Group's performance by securities' analysts, market conditions for natural resource shares in general, and other factors beyond the control of the Group, could cause a significant movement in the market price of the Group's common shares.

Future sales of common shares by existing shareholders could decrease the trading price of the common shares. Sales of large quantities of the common shares in the public markets, or the potential of such sales, could decrease the trading price of the common shares and could impair the Group's ability to raise capital through future sales of common shares.

The Group has not paid a dividend in the past and it is unlikely that the Group will declare or pay a dividend for the foreseeable future. The declaration, amount, and date of distribution of any dividends in the future will be decided by the Board of Directors from time-to-time, based upon, and subject to, the Group's earnings, financial requirements and other conditions prevailing at the time.

Shareholders could suffer dilution of the value of their investment if the Group issues additional shares.

There are a number of outstanding securities and agreements pursuant to which common shares may be issued in the future, including pursuant to the Convertible Notes, stock options and warrants. Under the IPO proposal these Instruments and loan convert to equity.

Other Financial Matters

Off-Balance Sheet Arrangements

The Group has no off-balance sheet arrangements.

Financial Instruments

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

Outstanding Shares

The Group had issued and outstanding 4,819,622 shares at 30 June 2021 (30 June 2020 1,204,892,898).

	Number of shares Outstanding (Diluted)
Outstanding as at 30 June 2020	1,204,892,898
Consolidation of shares	<u>(1,200,073,276)</u>
Outstanding as at 30 June 2021	4,819,622
Shares allotted pursuant to the IPO	<u>289,310,907</u>
Outstanding as at 29 October 2021	<u>294,130,529</u>

At a meeting of shareholders dated 10 September 2020 shareholders approved the consolidation of the Besra's capital on the basis of one post consolidation shares for every two hundred and fifty (250) pre-consolidation shares or such lesser ratio. The share consolidation was duly approved by the Besra's directors.

Listing of the Group occurred on 8 October 2021 and 289,310,907 shares were issued under the IPO.

Critical Accounting Estimates

Information about significant areas of estimation and uncertainty considered by management in preparing the Audited Financial Statements is described in the Audited Financial Statements for the year ending 30 June 2021.

Accounting Policies

The accounting policies and methods of computation are described in the Audited Financial Statements for the year 30 June 2021.

Changes in Accounting Policies

The Group has reviewed new and revised accounting pronouncements that have been issued. The changes to accounting policies are described in the Audited Financial Statements for the year 30 June 2021.

Use of and reliance on experts

The resource figures for the Bau Gold Property have been prepared by Mr Kevin Wright who is a Fellow of the Institute of Materials, Minerals and Mining (FIMMM) and a “Qualified Person” as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and is also a “Competent Person”, as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” the JORC Code).

Mr Wright was a full-time consultant to the Group and was not “independent” within the meaning of National Instrument 43-101. Mr Wright consents to the inclusion in this report of the information that he has compiled in relation to the Bau Gold Property, in the form and context in which it appears.

The Group also used independent experts in the valuation and analysis the loan liabilities (i.e. the Convertible Notes). The methodology used by these independent experts is described above, ‘Loan Liabilities valuation and analysis’ under the section headed, Summary of Operations and Outlook. This is also dealt with in Note 3 of the Group’s 2020 Consolidated Financial Statements

Cautionary Note Regarding Forward-Looking Statements

Certain of the statements made and information contained herein is “Forward-looking information” within the meaning of applicable securities laws, including statements concerning our plans at exploration projects, which involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, failure to establish estimated resources or to convert resources to mineable reserves; the grade and recovery of ore which is mined varying from estimates; capital and operating costs varying significantly from estimates; delays in obtaining or failure to obtain required governmental, environmental, or other project approvals; changes in national and local government legislation or regulations regarding environmental factors, royalties, taxation or foreign investment; political or economic instability; terrorism; inflation; changes in currency exchange rates; fluctuations in commodity prices; delays in the development of projects; shortage of personnel with the requisite knowledge and skills to design and execute exploration and development programs; difficulties in arranging contracts for drilling and other exploration and development services; dependency on equity market financings to fund programs and maintain and develop mineral properties; and risks associated with title to resource properties due to the difficulties of determining the validity of certain claims and other risks and uncertainties, including those described in each management’s discussion and analysis released by the Group.

In addition, forward-looking information is based on various assumptions including, without limitation, the expectations, and beliefs of management; the assumed long-term price of gold; the availability of permits and surface rights; access to financing, equipment, and labour and that the political environment in the jurisdictions within which the Group operates will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements.

Cautionary note regarding preparation of Mineral Reserves and Resources

This MD&A uses the terms “reserves” and “resources” and derivations thereof.

These terms have the meanings set forth in Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects (NI 43-101) and the Canadian Institute of Mining, Metallurgy and Petroleum’s Classification System (CIM Standards) and the 2012 Edition of the “Australasian Code for Reporting of

Exploration Results, Mineral Resources and Ore Reserves” the JORC Code). NI 43-101 and CIM Standards differ significantly from the requirements of the United States Securities and Exchange Commission (the SEC). Under SEC Industry Guide 7, mineralization may not be classified as a “reserve” unless the determination has been made that is part of a mineral deposit, which could be economically and legally extracted or produced at the time of the reserve determination”.

In addition, the term “resource”, which does not equate to the term “reserve”, is not recognized by the SEC and the SEC’s disclosure standards normally do not permit the inclusion of information concerning resources in documents filed with the SEC, unless such information is required to be disclosed by the law of the Group’s jurisdiction of incorporation or of a jurisdiction in which its securities are traded. Accordingly, information concerning descriptions of mineralization and resources contained in this Management’s Discussion and Analysis may not be comparable to information made public by US domestic companies subject to the reporting and disclosure requirements of the SEC.

Cautionary note regarding placing undue reliance

Readers are advised not to place undue reliance on forward-looking statements, which speak only as of the date they are made. Except as required under applicable securities legislation, the Group undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

Oversight of the external auditor

Besra’s Audit Committee has deemed the Group’s external auditors to be appropriately experienced and qualified in the relevant jurisdictions, they have reported in line with the timetable. There has been no interference from Besra management that could affect their independence.

Informal discussions between the Audit Committee and the auditors are maintained.

Approval of the MD&A

This MD&A has been prepared by management with an effective date of 28 October 2020.

The MD&A and the Consolidated Financial Statements were approved by the Board of Directors of the Group