

BESRA GOLD INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021

(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.



Condensed Interim Consolidated Statement of Financial Position

in USD	Notes(s)	As at 30 September 2021	As at 30 June 2021
ASSETS			
<i>Current</i>			
Cash and cash equivalents		18,631	11,146
Restricted cash		7,383,122	-
Tax and other receivables		25,076	25,511
Prepaid expenses		7,486	7,486
		7,434,315	44,143
<i>Non-current</i>			
Property plant and equipment		10,635	14,235
Exploration & evaluation	4	22,284,572	17,506,422
		22,295,207	17,520,657
TOTAL ASSETS		29,729,522	17,564,800
LIABILITIES			
<i>Current</i>			
Trade and other payables	5	2,463,360	5,538,254
Derivative liability	7	-	21,778,785
Loans and borrowings	6	1,361,384	4,793,593
		3,824,744	32,110,632
<i>Non-current</i>			
Loans and borrowings	6	184,404	251,592
TOTAL LIABILITIES		4,009,148	32,362,224
EQUITY			
Issued capital	9	177,463,916	141,517,358
Deficit		(150,869,747)	(154,874,482)
		26,594,169	(13,357,124)
Non-controlling interest		(873,795)	(1,440,300)
TOTAL EQUITY		25,720,374	(14,797,424)
TOTAL LIABILITIES AND EQUITY		29,729,522	17,564,800

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

BESRA GOLD INC.

Condensed Interim Consolidated Statement of Profit (Loss) and Comprehensive Profit (Loss)

in USD	Notes	Three Months to 30 September	
		2021	2020
Revenue		-	-
Corporate and administrative expense		(498,422)	(735,055)
Creditor settlements	5	3,058,719	-
Exploration expense		(52,669)	(82,708)
Depreciation and amortization		(3,600)	(7,417)
Finance costs recovered (charged)	10	875,143	(84,051)
Derivative fair value revaluation		592,230	(153,815)
PROFIT (LOSS) BEFORE INCOME TAX		3,972,411	(1,062,046)
Income tax	8	-	-
PROFIT (LOSS) FOR THE PERIOD		3,972,411	(1,062,046)
TOTAL COMPREHENSIVE PROFIT (LOSS) FOR THE PERIOD		3,972,411	(1,062,046)
Profit (Loss) for the period attributable to:			
Shareholders of the parent		3,976,108	(1,057,833)
Non-controlling interests		(3,697)	(4,213)
Basic and diluted profit (loss) per share	11	0.014	(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(s)	Three Months Ended 30 September 2021	Three Months Ended 30 September 2020
OPERATING ACTIVITIES			
Total Comprehensive Profit (loss) for the period		3,972,411	(1,062,046)
<i>Items not affecting Cash</i>			
Creditor settlements	5	(3,058,719)	-
Depreciation & amortization		3,600	7,417
Finances costs (recovered) charged	10	(875,143)	30,597
Forex adjustments		(14,083)	-
Derivative revaluation	12	(593,230)	153,815
<i>Changes in non-cash working capital balances</i>			
Trade and other receivables and other financial assets		435	(6,291)
Trade and other payables		173,266	(185,261)
Cash used in operating activities		(391,463)	(1,061,769)
INVESTING ACTIVITIES			
Exploration and evaluation costs		-	-
Cash used in investing activities		-	-
FINANCING ACTIVITIES			
Proceeds from financing loan	12	398,948	1,253,956
Cash provided by financing activities		398,948	1,253,956
Increase in cash during the period		7,485	192,187
Cash - beginning of the period		11,146	31,260
Cash - end of the period		18,631	223,447

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

Condensed Interim Consolidated Statement of Changes in Equity

in USD	Issued Capital	Reserves	Accumulated Losses	Non-Controlling Interest	Total Equity
Balance at 1 July 2021	141,517,358	-	(154,874,482)	(1,440,300)	(14,797,424)
Adjustment to Opening balance	-	-	123,460	(123,460)	-
Adjustment for change in Minority Interest			(693,662)	693,662	-
Adjusted balance	141,517,358	-	(155,444,684)	(870,098)	(14,797,424)
Contributions from owners					
Issue of share capital	37,270,231	-	-	-	37,270,231
Share issue costs	(1,323,673)	-	598,829	-	(724,844)
Total contributions from owners	177,463,916	-	(154,845,855)	(870,098)	21,747,963
Total comprehensive income (loss)	-	-	3,976,108	(3,697)	3,972,411
Balance at 30 September 2021	177,463,916	-	(150,869,747)	(873,795)	25,720,374
Balance at 1 July 2020	141,517,358	(20,563,257)	(121,011,748)	(1,425,108)	(1,482,755)
Total comprehensive (loss)	-	-	(1,057,833)	(4,213)	(1,062,046)
Balance at 30 September 2020	141,517,358	(20,563,257)	(122,069,581)	(1,429,321)	(2,544,801)

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

Notes to the Condensed Interim Consolidated Statements

1. Background and Nature of Business

During the financial years ended 30 June 2020 and 2021 and for the period ended 30 September 2021, 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 2021 financial statements for Besra Gold Inc. are the consolidated operations of Besra Gold Inc.

2. General Information & Statement of Compliance

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.

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

New standards adopted at 1 July 2021

There were no new Standards or pronouncements which have a significant impact on the Group's financial results or position.

3. Basis of Preparation & Significant Accounting Policies

Basis of Preparation

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

Going Concern

These interim consolidated financial statements for the period to 30 September 2021 have been prepared on a going concern basis which assumes that the Company and the entities it controls will be able to realize its assets and discharge its liabilities in the normal course of business.

The adoption of the going concern basis is primarily based on the Company completing its initial public offering ("IPO") and listing (the "Listing") on the on the Australian Securities Exchange ("ASX") and contingent on certain transactions taking place as discussed below.

The Company received Conditional Admission from the ASX on 24 September 2021 (Conditional Admission), was admitted to the Official List of the ASX on 6 October 2021, and its securities quoted and commenced trading on 8 October 2021.

The IPO raised A\$10.043M. Following Conditional Admission, the Company issued the following CDIs on 29 September 2021:

- 83,942,611 to holders of the secured notes in full satisfaction of all amounts outstanding under those secured notes (refer to note 7).

- 52,274,000 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 (refer note 6).
- 69,844,355 to the holders of the Creditor Notes / New Notes in full satisfaction of all amounts outstanding under the Creditors Notes / New Notes (refer note 7).
- 532,457 to certain trade creditors (refer note 5).
- 12,500,000 to Gladioli Enterprises Sdn Bhd ('Gladioli' - refer note 4).
- 20,000,000 to Pangaea Resources Limited ('Pangaea' - refer note 4).
- 50,218,484 to IPO investors to raise \$10,043,697. Proceeds from the IPO have been recorded as restricted cash at 30 September 2021 and became available to use upon admission to the ASX in October 2021.

During the three-month period ended 30 September 2021, the Group made a profit of \$3,972,411 (2020: loss of \$1,062,046), including Creditor Settlements of \$3.058M.

On 30 September 2021, the Group's current assets exceeded its current liabilities by \$3,609,571 (on 30 June 2021: current liabilities exceeded current assets by \$32,066,489). Cash and cash equivalents, including restricted cash of \$7,383,122, on hand at 30 September 2021 was \$7,401,753 (30 June 2021: \$11,146).

Cash on hand, including restricted cash, at balance date will be applied to exploration and pre-development activities at Bau, general working capital, pay fees and costs associated with the Listing and repay existing creditors, less settlements and certain short-term working capital loans entered into during 2021 prior to listing.

As a result of the transactions described above, Management and the Directors conclude that the Company is a going concern.

Basis of Consolidation

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

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

During the quarter the Company increased its interest in NBG to 97.8% - refer note 4.

Significant Accounting Policies

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

Significant Judgements, Estimates & Assumptions

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit

and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

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

Judgements:

- Determination of functional currency of entities within the Group. Determining the appropriate functional currencies for each entity in the Group requires analysis of various factors, including the currencies and country-specific factors that mainly influence sales prices, and the currencies that mainly influence financing, labour, materials, and other costs of providing goods or services.
- The convertible notes (refer note 6) issued by the Group are complex with varying features which could, depending on judgements applied, result in a number of possible accounting treatments based on the application of IFRS. The main judgement made in determining the accounting treatment for the convertible notes is whether the notes should be split into multiple elements (i.e., base loan, warrants or interest) with a different accounting treatment for each element or treated as a single instrument meeting the definition of a derivative.
- Determine whether the Company remains a going concern as set out in commentary on the Going Concern on page 6.

Estimates:

- Assessment of whether exploration and evaluation asset is impaired. The future recoverability of the exploration and evaluation asset is dependent on a number of key factors such as gold price and determination of reserves. As the Group is only in the exploration and pre-development phase of operations the directors have used the fair value less costs to sell method to test the exploration and evaluation asset for impairment. Fair value is estimated based on an associated enterprise value per resource ounce multiple methodology for relevant comparable companies in conjunction with an independent market assessment of the company as a whole. The fair value methodology adopted is categorised as Level 2 in the fair value hierarchy.
The testing used this asset value and other inputs that were appropriate at that time to arrive at a value of the asset. (Refer to Note 4)
- Fair value determination of financial instruments carried at fair value. Derivative liabilities are recorded in the Consolidated Statement of Financial Position at values that are representative of or approximate their fair value. The fair value of derivatives requires application of the most appropriate valuation model which is dependent on the terms and conditions of the instrument.

For the year ended 30 June 2021 liabilities were valued using an income approach to calculate the fair value which prorates both the timing and risk of receiving the expected payoff amounts. The valuation used estimates to determine the possible future outcomes, the timing and expected proceeds, with the expected proceeds discounted using a risk-adjusted discount rate with the resulting present value probability weighted to arrive at the fair value. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy (Refer to Note 7).

On 30 September 2021 the Derivative liabilities had been converted into equity.

4. Exploration & Evaluation

in USD	3 Months Ended 30 September 2021	Year Ended 30 June 2021
Opening Balance	17,506,422	17,506,422
Additions	4,778,150	-
Closing Balance	22,284,572	17,506,422
Cost	55,554,572	50,776,422
Accumulated impairment	(33,270,000)	(33,270,000)
Closing Balance	22,284,572	17,506,422

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

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

Pangaea acquired the 14,419 NBG shares on 7 July 2021. Upon the issue of the 12.5 million and 20 million CDIs to Gladioli and Pangaea respectively, Besra's interests in NBG increased to 97.8% and its equity-adjusted interest increased to 92.8%. The acquisition cost of \$4,778,150 was booked to the carrying value of Bau.

At 30 September 2021, after taking account of the above, there were no significant change to facts and circumstances to suggest an impairment to the carrying value of Bau was necessary.

5. Trade & Other Payables

in USD	As at 30 September 2021	As at 30 June 2021
Trade payables	2,345,275	1,338,243
Taxes and government fees	12,725	12,934
Accruals and other payables	105,360	4,187,077
Total	2,463,360	5,538,254

Upon Conditional Admission \$2.14M of Trade and Other Payables at 30 June 2021 were written off pursuant to the terms of various settlement agreements between the Company and creditors and 532,457 CDIs were issued in satisfaction of a further \$1.74M of Trade and Other Payables at 30 June 2021. Subsequent to 30 September 2021 \$0.92M of further trade creditors and other payables were written off. The balance which includes accrued listing costs will be settled from proceeds of the IPO.

6. Convertible Notes, Interest Bearing Loans and Borrowings

in USD	As at 30 September 2020	As at 30 June 2021
Current Liabilities		
Secured Bridge Notes	-	2,365,434
Other current indebtedness (unsecured)	1,361,384	2,428,159
	1,361,384	4,793,593
Non-current Liabilities		
Other current indebtedness (unsecured)	184,404	251,592
Total	1,545,788	5,045,185

Secured Bridge Notes

On 7 July 2020 the Company closed an AUD\$2,533,000 financing consisting of zero-coupon secured convertible subordinated notes, which constitute the secured convertible notes 2020 ('Bridge Notes') above. The Bridge Notes converted into CDIs upon Conditional Admission in full satisfaction of amounts outstanding under the Bridge Notes.

Other current and non-current indebtedness (unsecured)

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

- Clients of Novus Capital have provided unsecured advances totalling approximately \$986,197 (2020: \$927,265) to the Company for working capital purposes ('Novus Advances'). The Novus Advances were converted to CDIs upon Conditional Admission in full satisfaction of all amounts outstanding under the Novus Advances.
- The InCoR Services Loan was a fixed interest loan agreement of C\$300,000, unsecured, with an interest rate of 12% per annum, payable at maturity. Drawings under the loan of C\$268,520 had been made as at balance date. The balance owing, including accrued interest, as at 30 September 2021 is C\$298,225. The InCoR Services Loan was repaid from the proceeds from the Listing.
- Other short-term financing obtained both from related entities and third parties prior to the Listing totalling \$603,334 (2000: \$nil) were arranged prior to 30 September 2021 are on terms similar to those under the InCoR Services Loan. The balance outstanding was repaid from the proceeds of the Listing.
- North Borneo Gold Debt Notes carried at \$441,842 (2020: \$425,639), were repaid in full by applying A\$286,090 from the proceeds of the Listing.
- The Company has entered into two settlement agreements with historic suppliers who have provided drilling and assaying services for the Bau Gold Project to repay amounts due totalling \$703,611 on a deferred payment schedule through to 2023.

7. Derivative Liabilities

in USD	As at 30 September 2021	As at 30 June 2021
Current Asset		
Convertible Note (secured)	-	1,981,356

Exit financing Note (secured)	-	9,905,972
Creditor convertible notes (unsecured)	-	9,891,457
Total	-	21,778,785

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

For the years ended 30 June 2021 and 2020 the derivative liabilities were valued using an income approach to calculate the fair value which incorporates both the timing and risk of receiving the expected payoff amounts. The valuation used estimates to determine the possible future outcomes, the timing and expected proceeds, with the expected proceeds discounted using a risk-adjusted discount rate with the resulting present value probability weighted to arrive at the fair value. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy.

The main inputs into the valuation were:

- the security held by the noteholders,
- the expected proceeds from an IPO of approximately \$5.6 - \$7.0 million, and
- using a discount rate between 25% to 30%

The sensitivity analysis based on the expected proceeds of \$7 million with a variance in the discount rate of +/- 5% results in a value range of +/- \$350,000.

8. Income Tax

Unrecognized Tax Losses/Unrecognised Deductible Temporary Differences

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

Deferred Tax

Deferred tax has been recognised on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the period to 30 September 2021 is 26.5% (30 June 2021 26.5%).

9. Issued Capital & Reserves

Common Shares

The Company is authorised to issue an unlimited number of common shares with one vote per share and no-par value per share.

in USD	Number of Common Shares	Amount
Balance 30 June 2021	4,818,622	141,517,358
Issue of CDIs to holders of Derivative Liabilities	153,786,966	22,609,800
Issue of CDIs to Bridge Notes and Novus Advances holders	52,274,000	2,420,877
Issue of CDIs to trade creditors	532,457	78,282
Issue of CDIs in accordance with the SPSA (refer note 4)	32,500,000	4,778,150
Issue of CDIs to IPO investors	50,218,484	7,383,122
Issue costs	-	(1,323,673)
Balance 30 September 2021	294,130,529	177,463,916

10. Finance costs recovered (charged)

in USD	Three Months to 30 September		Three Months to 30 September	
	2021	2020	2021	2020
Interest on borrowings and notes recovered (charged)	875,143	(30,597)	862,347	(30,597)
Finance expense	-	(53,454)	-	(53,454)
Total finance charges	875,143	84,051	862,347	84,051

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

11. Profit (Loss) Per Share

in USD	Three Months to 30 September		Three Months to 30 September	
	2021	2020	2021	2020
Basic profit (loss) per share attributable to Equity Owners:				
Profit (Loss) for the period	3,972,411	(1,062,046)	3,972,411	(1,062,046)
Weighted average number of common shares outstanding	294,130,529	1,204,892,898	294,130,529	1,204,892,898
Basic profit (loss) per share	0.014	(0.001)	0.014	(0.001)

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

12. Reconciliation of liabilities arising from financing activities.

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Period ended 30 September 2021.

in USD	Borrowings	Derivatives	Total
Opening balances	5,045,185	21,778,785	26,823,970
Cash flows			
Proceeds	398,948	-	398,948
Non-cash			
Deferred creditor arrangements	(588,242)	1,424,245	836,003
Accrued interest	(875,143)	-	(875,143)
Forex adjustment	(14,083)	-	(14,083)
Adjustment to Fair value	-	(593,230)	(593,230)
Conversion to Shares	(2,420,877)	(22,609,800)	(25,203,956)
Balance 30 September 2021	1,545,788	-	1,545,788

Year ended 30 June 2021

in USD	Short term Borrowings	Derivatives	Total
Opening balances	2,015,066	11,456,461	13,471,527
Cash flows			
Proceeds	2,430,761	-	2,430,761
Repayments	(50,000)	-	(50,000)
Non-cash			
Accrued interest	535,848	-	535,848
Forex adjustment	113,510	-	113,510
Adjustment to Fair value	-	10,322,324	10,322,324
Balance 30 June 2021	5,045,185	21,778,785	26,823,970

13. Related Party Disclosure

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

Key Management

in USD	Three Months to 30 September	
	2021	2020
Management fees and salary expense	99,750	75,000

14. Commitments, Contingencies and Contractual Obligations

Commitments and Contractual Obligations

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

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

15. Financial Instruments & Risk Management

Risk Management

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

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

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

Liquidity Risk

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

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

As at 30 September 2021:

in USD	Within 1 Year	1-5 Years
Loans and other borrowings	1,361,384	184,404
Trade and other payables	2,463,360	-
Financial derivatives	3,824,744	184,404
	-	-
Total	3,824,744	184,404

As at 30 June 2021:

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

Commodity Price Risk

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

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

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

Foreign Exchange Risk

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

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

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

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

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

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

Credit Risk

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

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

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

Interest rate risk

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

Financial Instruments

The fair value of interest-bearing loans and convertible notes approximated the carrying value at 30 September 2021 and 30 June 2021 due to market rates of interest and the consistency of credit spread. All other fair values of financial instruments except for derivatives approximate their carrying values due to their short-term nature.

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

in USD	At amortised cost	Liabilities at FVTPL	Total Carrying Value
Assets			
Cash and Restricted cash	7,401,753	-	7,401,753
Tax and other receivables	25,076	-	25,076
Balance 30 September 2021	7,426,829	-	7,426,829
Liabilities			

Payables and accruals	2,463,360	-	2,682,975
Loans and borrowings	1,545,788	-	1,545,788
Balance 30 September 2021	4,009,148	-	4,228,764

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

16. Segment Reporting

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

17. Events After the Reporting Date

The Company was admitted the Official List of the ASX on 6 October 2021 and its securities quoted and commenced trading on 8 October 2021.

There have been no other significant events after the reporting date.