# Besra Gold Inc.

## ANNUAL REPORT

**For the year ended 30 June 2025**

**(in United States Dollars)**

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**Besra Gold Inc.**
**Corporate directory**
**30 June 2025**

| | |
|---|---|
| Directors | Mr David Izzard, appointed 24 June 2025 and appointed Non-Executive Chairman 26 June 2025<br>Mr Matthew Greentree, Non-Executive Director, appointed 24 June 2025<br>Mr William John Blake, Non-Executive Director, appointed 24 June 2025<br>Mr John Morda, Non-Executive Director appointed as Chair 14 February 2025, resigned as Chair 19 May 2025, removed as a director 24 June 2025<br>Mr Dato' Lim Khong Soon, resigned as Chair 14 February 2025, removed as a director 24 June 2025<br>Mr David Potter, Non-Executive Chairman appointed 19 May 2025, removed as a director 24 June 2025<br>Mr Sean Williamson, Non-Executive Director appointed 19 May 2025, removed as a director 24 June 2025<br>Mr Chang Loong Lee, Executive Director, resigned as a director 20 May 2025<br>Mr Michael Higginson, Non-Executive Director, appointed 6 September 2024 and resigned 19 May 2025 |
| Company secretary | Mr Michael Higginson |
| Contact details | Website: www.besra.com<br>Email: michael.higginson@besra.com |
| Registered office | 67 Yonge St. Suite 701, Toronto<br>Ontario, Canada |
| Principal place of business | Level 3<br>16 Milligan Street<br>Perth, Western Australia 6000<br>Email: info@besra.com<br>Web: www.besra.com |
| Auditor | Hall Chadwick (NSW)<br>Level 40, 2 Park Street<br>Sydney NSW 2000 |
| Share registry | Computershare Investor Services Pty Ltd<br>Level 17, 221 Georges Terrace<br>Perth, WA 6000<br><br>Telephone: 1300 850 505 (within Australia)<br>Telephone: +61 3 9415 4000 (outside Australia)<br>Email: www.investorcerntre.com/contact<br>Website: www.computershare.com |
| Securities exchange listing | The company is listed on the Australian Securities Exchange Ltd ("ASX") ASX Code:BEZ |
| Place of Incorporation | Besra Gold Inc was incorporated under the laws of the Province of Ontario, Canada. |
| Australian Registered Body Number (ARBN) | 141 335 686 |

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**Besra Gold Inc.**
**Directors' report**
**30 June 2025**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Besra Gold Inc. (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

**Review of operations**
The loss for the consolidated entity after providing for non-controlling interest amounted to US$38,472,987 (30 June 2024 US$13,573,693).

During the 12 months ended 30 June 2025 the group recognised an impairment of $26,010,974 to the following mining licenses:

- ML 04/2012/1D - Expired without renewal being sought
- ML KD/01/1994 - Renewal applications were lodged prior to the expiry date of the certificate
- ML/01/2012/1D - Renewal applications were lodged prior to the expiry date of the lease
- ML/02/2012/1D - Renewal applications were lodged prior to the expiry date of the lease
- ML/05/2012/1D - Renewal applications were lodged prior to the expiry date of the lease
- ML 1D/134/ML/2008 - Renewal applications were lodged prior to the expiry date of the lease
- ML/142/1D (ML 142) - Given that ML/05/2012/1D (Jugan) has not been renewed, management elected to fully impair
- ML 138/1D (ML 138) - Given that ML/05/2012/1D (Jugan) has not been renewed, management elected to fully impair
- ML 01/2013/1D - Given that ML/05/2012/1D (Jugan) has not been renewed, management elected to fully impair

Further to this, the company recognised finance accretion costs of $8,262,994 (note 14).

**Dividends**
There were no dividends paid, recommended or declared during the current or previous financial year.

**Significant changes in the state of affairs**
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

**Matters subsequent to the end of the financial year**
No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Likely developments and expected results of operations**
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

**Environmental regulation**
The consolidated entity is not subject to any significant environmental regulation.

**Indemnity and insurance of officers**
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability.

**Indemnity and insurance of auditor**
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

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**Besra Gold Inc.**
**Directors' report**
**30 June 2025**

This report is made in accordance with a resolution of directors.

On behalf of the directors



David Izzard

29 September 2025

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**Besra Gold Inc.**
**Contents**
**30 June 2025**


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**Besra Gold Inc.**
**Consolidated statements of profit or loss and other comprehensive income**
**For the year ended 30 June 2025**

| | Note | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|---|
| **Revenue** | | | |
| Interest revenue | | 85,148 | 103,869 |
| Other revenue | | 10,379 | - |
| **Expenses** | | | |
| Foreign exchange | | 34,395 | 782,998 |
| (Loss)/ Gain on settlement debts | | (38,278) | (3,573) |
| Depreciation and amortisation expense | | (130,003) | (29,159) |
| Impairment of assets | 11 | (26,010,974) | (3,493,946) |
| Gold purchase facility costs | | - | (3,118,203) |
| Share based payments | | (74,428) | (1,032,000) |
| Corporate and administrative expenses | | (4,081,700) | (2,152,225) |
| Finance costs | | (8,267,526) | (4,631,454) |
| **Loss for the year** | | (38,472,987) | (13,573,693) |
| Other comprehensive income for the year | | - | - |
| **Total comprehensive loss for the year** | | (38,472,987) | (13,573,693) |
| Loss for the year is attributable to: | | | |
| Non-controlling interest | | (1,708,214) | (160,002) |
| Owners of Besra Gold Inc. | 18 | (36,764,773) | (13,413,691) |
| | | (38,472,987) | (13,573,693) |
| Total comprehensive loss for the year is attributable to: | | | |
| Non-controlling interest | | - | - |
| Owners of Besra Gold Inc. | | (38,472,987) | (13,573,693) |
| | | (38,472,987) | (13,573,693) |
| | | **Cents** | **Cents** |
| Basic earnings per share | 25 | (8.79) | (3.22) |
| Diluted earnings per share | 25 | (8.79) | (3.22) |

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*The above consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Besra Gold Inc.**
**Consolidated statements of financial position**
**As at 30 June 2025**

| | Note | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 7 | 10,743,800 | 18,170,800 |
| Trade and other receivables | 8 | 266,055 | 110,577 |
| Prepayments | | 114,458 | 30,404 |
| Total current assets | | 11,124,313 | 18,311,781 |
| **Non-current assets** | | | |
| Property, plant and equipment | 9 | 42,888 | 2,707 |
| Right-of-use assets | 10 | 422,224 | 555,098 |
| Exploration and evaluation | 11 | - | 22,691,290 |
| Total non-current assets | | 465,112 | 23,249,095 |
| **Total assets** | | 11,589,425 | 41,560,876 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 12 | 905,187 | 626,599 |
| Lease liabilities | 13 | 107,847 | 99,085 |
| Total current liabilities | | 1,013,034 | 725,684 |
| **Non-current liabilities** | | | |
| Contract liabilities | 14 | 38,537,454 | 30,274,460 |
| Lease liabilities | 15 | 338,247 | 461,483 |
| Total non-current liabilities | | 38,875,701 | 30,735,943 |
| **Total liabilities** | | 39,888,735 | 31,461,627 |
| **Net assets/(liabilities)** | | (28,299,310) | 10,099,249 |
| **Equity** | | | |
| Issued capital | 16 | 188,486,494 | 188,486,494 |
| Reserves | 17 | 1,826,346 | 1,751,918 |
| Accumulated losses | 18 | (216,189,170) | (179,046,123) |
| | | (25,876,330) | 11,192,289 |
| Non-controlling interest | | (2,422,980) | (1,093,040) |
| **Total equity/(deficiency)** | | (28,299,310) | 10,099,249 |

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*The above consolidated statements of financial position should be read in conjunction with the accompanying notes*

**Besra Gold Inc.**
**Consolidated statements of changes in equity**
**For the year ended 30 June 2025**

| Consolidated | Issued capital US$ | Reserves US$ | Retained profits US$ | Non-controlling interest US$ | Total deficiency in equity US$ |
|---|---|---|---|---|---|
| Balance at 1 July 2024 | 188,486,494 | 1,751,918 | (179,046,123) | (1,093,040) | 10,099,249 |
| Loss for the year | - | - | (36,764,773) | (1,708,214) | (38,472,987) |
| Other comprehensive income for the year | - | - | - | - | - |
| Total comprehensive loss for the year | - | - | (36,764,773) | (1,708,214) | (38,472,987) |
| Share-based payments (note 26) | - | 74,428 | - | - | 74,428 |
| Prior year non-controlling interest adjustment | - | - | (378,274) | 378,274 | - |
| Balance at 30 June 2025 | 188,486,494 | 1,826,346 | (216,189,170) | (2,422,980) | (28,299,310) |

| Consolidated | Issued capital US$ | Reserves US$ | Accumulated Losses profits US$ | Non-controlling interest US$ | Total equity US$ |
|---|---|---|---|---|---|
| Balance at 1 July 2023 | 186,382,450 | 719,918 | (165,296,483) | (933,038) | 20,872,847 |
| Issue of share capital | 2,104,044 | - | - | - | 2,104,044 |
| Total Contributions from owners | 188,486,494 | 719,918 | (165,296,483) | (933,038) | 22,976,891 |
| Loss for the year | - | - | (13,413,691) | (160,002) | (13,573,693) |
| Other comprehensive income for the year | - | - | - | - | - |
| Total comprehensive loss for the year | | | (13,413,691) | (160,002) | (13,573,693) |
| Acquisition of minority interest | - | - | (335,949) | - | (335,949) |
| Share-based payments (note 26) | - | 1,032,000 | - | - | 1,032,000 |
| Balance at 30 June 2024 | 188,486,494 | 1,751,918 | (179,046,123) | (1,093,040) | 10,099,249 |

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*The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes*

**Besra Gold Inc.**
**Consolidated statements of cash flows**
**For the year ended 30 June 2025**

| | Note | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Loss for the year | | (38,472,987) | (13,573,693) |
| | | | |
| Adjustments for: | | | |
| Depreciation and amortisation | | 130,003 | 29,159 |
| Impairment charges | | 26,010,974 | 3,493,946 |
| Finance costs | | 8,262,994 | 4,628,134 |
| Unrealised foreign exchange adjustments | | (23,276) | 207,934 |
| Gold purchase facility costs | | - | 2,104,044 |
| Share based payments | | 74,428 | 1,032,000 |
| | | (4,017,864) | (2,078,476) |
| | | | |
| Change in operating assets and liabilities: | | | |
| Increase in trade and other receivables | | (155,478) | (53,501) |
| Increase in prepayments and other assets | | (84,054) | - |
| Increase/(decrease) in trade and other payables | | 301,587 | (580,636) |
| | | | |
| Net cash used in operating activities | | (3,955,809) | (2,712,613) |
| | | | |
| **Cash flows from investing activities** | | | |
| Plant and equipment | 9 | (47,803) | (2,845) |
| Exploration and evaluation | 11 | (3,319,684) | (5,121,370) |
| Payments for security deposits | | - | (47,586) |
| Acquisition of minority interest | | - | (335,949) |
| | | | |
| Net cash used in investing activities | | (3,367,487) | (5,507,750) |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from contract liability | | - | 25,646,326 |
| Repayment of lease liabilities | | (130,864) | (23,391) |
| | | | |
| Net cash from/(used in) financing activities | | (130,864) | 25,622,935 |
| | | | |
| Net increase/(decrease) in cash and cash equivalents during the period | | (7,454,160) | 17,402,572 |
| Cash and cash equivalents at the beginning of the year | | 18,170,800 | 757,208 |
| Effects of exchange rate changes on cash and cash equivalents | | 27,160 | 11,020 |
| | | | |
| Cash and cash equivalents at the end of the year | | 10,743,800 | 18,170,800 |

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*The above consolidated statements of cash flows should be read in conjunction with the accompanying notes*

**Besra Gold Inc.**
**Notes to the consolidated financial statements**
**30 June 2025**

## Note 1. Background and Nature of Business

During the financial year ended 30 June 2025 and the financial year ended 30 June 2024, the business of Besra Gold Inc. ('Besra' or 'the company') and its subsidiaries (collectively 'the group') consisted of interests in mining tenements and applications within the Malaysian State of Sarawak and principally the Bau Gold Project ('Bau').

The 30 June 2025 financial statements for Besra include the consolidated operations of the group.

## Note 2. Material accounting policy information

These general-purpose financial statements for the financial year ended 30 June 2025 have been prepared in accordance with International Financial Reporting Standards, as appropriate for for-profit oriented entities.

These consolidated financial statements should be read in conjunction with the consolidated financial statements for the half year ended 31 December 2024 and the consolidated financial statements financial year ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Share-based payment transactions*
The Company provides benefits to employees of the Company in the form of share options. The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity.

The fair value is measured at grant date and allocated over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a Black Scholes option pricing model, taking into account the terms and conditions upon which the options were granted (note 26).

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number that vest. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of basic and diluted loss per share.

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

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

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**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

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

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

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

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:
• amortised cost;
• fair value through profit or loss ('FVTPL'); or
• fair value through other comprehensive income ('FVOCI').

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

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

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

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

*Fair value measurement hierarchy*
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

*Estimation of useful lives of assets*
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Lease term*
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Exploration and evaluation costs*
*Impairment of exploration and evaluation assets*
The directors review and evaluate the group's exploration and evaluation assets when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

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

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

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

Reversals of impairment losses are recognised in profit or loss with the consolidated statement of profit or loss and other comprehensive income in the period the reversals occur.

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

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**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Current tax*
Current tax for each taxable entity in the group is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the date of the consolidated statement of financial position and includes adjustments to tax payable or recoverable in respect of previous periods.

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

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

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

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

*Share capital*
Common shares issued by the company are recorded at the net proceeds received, which is the fair value of the consideration received less costs that are incurred in connection with the common share issue.

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

**Note 4. General Information**

Besra Gold Inc is the ultimate parent company, and it is a limited liability company incorporated in Canada.

Registered office:
67 Yonge St, Suite 701, Toronto, Ontario, Canada.

Principal place of business:
Level 3, 16 Milligan Street, Perth, Western Australia 6000.

**Note 5. Basis of preparation & significant accounting policies**

*Basis of preparation*
The consolidated financial statements are general purpose financial statements which have been prepared in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board.

*Accounting policies*
The 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 2025.

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

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**Note 5. Basis of preparation & significant accounting policies (continued)**

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

*Historical cost convention*
The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) which are measured at fair value. The consolidated financial statements are presented in United States dollars ('US$') which is also the functional currency of the group 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 financial statements are in accordance with those that were applied and disclosed in the annual financial statements for the year ended 30 June 2025, 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 the 30 June 2025 reporting period that would be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

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**Note 5. Basis of preparation & significant accounting policies (continued)**

*Going concern*
These consolidated financial statements for financial year ended 30 June 2025 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.

As disclosed in the consolidated financial statements, the group incurred a loss of US$38,472,987 and had net cash outflows from operating activities of US$3,955,809 for the financial year ended 30 June 2025. As at that date, the group had net current assets of US$10,111,279 and net liabilities of US$28,299,310, including a cash balance of US$10,743,800. Since year end, the group has continued to incur losses.

The GPA could provide the company with the required cash to develop the Bau Gold Project. Under the terms of the GPA, Quantum may (at its election) provide further funding, through contract notes, to develop the Bau Gold Project, and the group does and will have obligations to provide gold bullion at future dates to repay contract note liabilities.

No assurances can be given that further deposits will be received from Quantum pursuant to the GPA.

The directors believe that despite the magnitude of the loss and the negative net liabilities, the group has the ability to scale down its operations in order to curtail expenditure and that the group has sufficient cash to enable the group to continue as a going concern.

The directors acknowledge that if the group is unable to complete development of the Bau Gold Project for any reason, which may include quality of resources, capability to design and build the gold processing plant to meet technical processing requirements within available funding, or the Quantum funding in not advanced to the group, then the group may be unable to fulfil its obligations to deliver gold or cash into the contract note liabilities, without raising additional funding or capital. The foregoing indicates uncertainty about the ability of the group to continue as a going concern.

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

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

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

*Basis of consolidation*

The consolidated financial statements comprise the financial statements of Besra Gold Inc. and the material subsidiaries it controls (collectively the 'group') as listed below:

| Company name | Jurisdiction | Ownership % 30 June 2025 | Ownership % 30 June 2024 |
|---|---|---|---|
| Fort Street Admin Ltd | New Zealand | 100% | 100% |
| Bau Mining Ltd | Samoa | 91.0% | 91.0% |
| North Borneo Gold Sdn Bhd | Malaysia | 98.5% | 98.5% |
| Besra Labuan Ltd | Malaysia | 100% | 100% |
| Besra Gold Australia Pty Ltd | Australia | 100% | 100% |

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## Note 6. Income Tax

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:

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Accounting loss before income tax | (38,472,987) | (13,573,693) |
| | | |
| Tax at statutory tax rate of 26.5% (2024:26.5%) | (10,146,086) | (3,597,029) |
| Share based payments | (19,723) | (273,480) |
| Expenditure not allowed for income tax purposes | 3,486 | 11,926 |
| Capitalised expenditure deductible for tax purposes | - | (431,267) |
| Net deferred tax not recognised | 10,162,323 | 4,289,850 |
| | - | - |

*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$98,560,480 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.

## Note 7. Cash and cash equivalents

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Cash at bank | 10,743,800 | 1,241,301 |
| Interest bearing deposits | - | 16,929,499 |
| | 10,743,800 | 18,170,800 |

## Note 8. Trade and other receivables

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Other receivables | 40,062 | 19,406 |
| Tax refunds due | 179,146 | 43,585 |
| Bank Guarantee | 46,847 | 47,586 |
| | 266,055 | 110,577 |

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## Note 9. Property, plant and equipment

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Plant and equipment - at cost | 38,699 | - |
| Less: Accumulated depreciation | (5,805) | - |
| | 32,894 | - |
| Computer equipment - at cost | 11,934 | 2,830 |
| Less: Accumulated depreciation | (1,940) | (123) |
| | 9,994 | 2,707 |
| | 42,888 | 2,707 |

## Note 10. Right-of-use assets

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Land and buildings - right-of-use | 575,755 | 584,314 |
| Less: Accumulated depreciation | (153,531) | (29,216) |
| | 422,224 | 555,098 |

## Note 11. Exploration and evaluation

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Opening balance | 22,691,290 | 21,063,866 |
| Additions | 3,319,684 | 5,121,370 |
| Impairment | (26,010,974) | (3,493,946) |
| | - | 22,691,290 |

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**Note 11. Exploration and evaluation (continued)**

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 North Borneo Gold Sdn Bhd, which owns rights to the mining tenements covering the area of Bau.

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

During the 12 months ended 30 June 2025 the group recognised an impairment of $26,010,974 to the following mining licenses:
- ML 04/2012/1D - Expired without renewal being sought
- ML KD/01/1994 - Renewal applications were lodged prior to the expiry date of the certificate
- ML/01/2012/1D - Renewal applications were lodged prior to the expiry date of the lease
- ML/02/2012/1D - Renewal applications were lodged prior to the expiry date of the lease
- ML/05/2012/1D - Renewal applications were lodged prior to the expiry date of the lease
- ML 1D/134/ML/2008 - Renewal applications were lodged prior to the expiry date of the lease
- ML/142/1D (ML 142) - Given that ML/05/2012/1D (Jugan) has not been renewed, management elected to fully impair
- ML 138/1D (ML 138) - Given that ML/05/2012/1D (Jugan) has not been renewed, management elected to fully impair
- ML 01/2013/1D - Given that ML/05/2012/1D (Jugan) has not been renewed, management elected to fully impair

During the 12 months ended 30 June 2024 the group recognised an impairment of $3,493,946 for the following mining licenses:
- ML 135 - Expired without renewal being sought
- ML 136 - Expired without renewal being sought
- ML 137 - Expired without renewal being sought

The group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the group that may indicate impairment triggers. During the current period, the Group fully impaired the carrying value of its exploration and evaluation assets considering that key mining licences have not been renewed and the associated uncertainty over recovering these values through sale or successful development or exploitation. The total impairment expense made during the year amounted to $26,010,974.

**Note 12. Trade and other payables**

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Trade payables | 251,660 | 443,338 |
| Taxes and government fees | 31,325 | 31,673 |
| Accruals and other payables | 622,202 | 151,588 |
| | 905,187 | 626,599 |

Refer to note 19 for further information on financial instruments.

**Note 13. Lease liabilities**

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Within one year | 107,847 | 99,085 |

Refer to note 19 for further information on financial instruments.

Lease liability at reporting date was the principal place of business for the period located at Suite 4, Level 35, Melbourne Central Tower, 360 Elizabeth Street, Melbourne, Victoria, Australia 3000. The property lease is payable monthly in advance

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## Note 14. Contract liabilities

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Contract liabilities | 30,274,460 | 25,646,326 |
| Accretion of finance costs | 8,262,994 | 4,628,134 |
| | 38,537,454 | 30,274,460 |

Four instalments pursuant to the Gold Purchase Agreement totalling $25,646,326 (refer note 21 have been received. The contract liabilities expense of $38,537,454 will only be satisfied by Besra in gold delivered pursuant to the Gold Purchase Agreement (ie not in cash) and such settlement to occur concurrently with the delivery to Besra in cash of the remaining 85% of the Reference Price, being a total of $434,906,097 (for further details, refer note 21).

The financing component (contract discount) has been accreted from the date of receipt.

The carrying value of contract liabilities and the accretion of financing component will be deferred until such time when the group delivers the committed gold to Quantum. The amount will be recognised as gold sales in the statement of profit or loss in accordance with the Reference Price contracted with Quantum on delivery of the gold.

## Note 15. Lease liabilities

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Lease liability | 338,247 | 461,483 |

Refer to note 19 for further information on financial instruments.

Lease liability at reporting date was the principal place of business for the period located at Suite 4, Level 35, Melbourne Central Tower, 360 Elizabeth Street, Melbourne, Victoria, Australia 3000. The property lease is payable monthly in advance.

## Note 16. 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 common 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.

| | Number of common shares and CDIs | Amount US$ |
|---|---|---|
| Balance 1 July 2024 | 418,100,906 | 188,486,494 |
| Balance 30 June 2025 of common shares and CDIs | **418,100,906** | **188,486,494** |
| Balance 30 June 2025 of common shares | 2,603,941 | |
| Balance 30 June 2025 of CDIs | 415,496,965 | |
| Balance 30 June 2025 of common shares and CDIs | **418,100,906** | |

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**Note 16. Issued capital (continued)**

| | Number of common shares and CDIs | Amount US$ |
|---|---|---|
| Balance 1 July 2023 | 406,989,795 | 186,382,450 |
| Issue of CDIs for share placement | 11,111,111 | 2,104,044 |
| Balance 30 June 2024 of common shares and CDIs | **418,100,906** | **188,486,494** |
| Balance 30 June 2024 of common shares | 2,611,955 | |
| Balance 30 June 2024 of CDIs | 415,488,951 | |
| Balance 30 June 2024 of common shares and CDIs | **418,100,906** | |

*Common shares*
Common shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the common shares held. The common shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each common share shall have one vote.

**Note 17. Reserves**

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Opening balance | 1,751,918 | 719,918 |
| Value of share options issued | 74,428 | 1,032,000 |
| Closing balance for end of period | 1,826,346 | 1,751,918 |

The fair value of the options issued during the financial year ended 30 June 205 was 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 that no dividends will be paid prior to their expiry date.

**Note 18. Accumulated losses**

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Accumulated losses at the beginning of the financial year | (179,046,123) | (165,296,483) |
| Loss for the year | (36,764,773) | - |
| Loss after income tax expense for the year | - | (13,413,691) |
| Acquisition of minority interest | - | (335,949) |
| Prior year non-controlling interest adjustment | (378,274) | - |
| Accumulated losses at the end of the financial year | (216,189,170) | (179,046,123) |

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## Note 19. Financial instruments

***Financial risk management objectives***
*Risk Management*
The Group's activities expose it to a variety of risks:

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

The risks listed arise from exposures that occur in the normal course of business and are managed by the officers of the company. Material risks are monitored and discussed with the audit committee of the board of directors.

*Foreign exchange risk*
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The group operates in Canada, Malaysia and Australia.

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

The statement of financial position of the group includes US, Australian and Canadian dollar and Malaysian Ringgits cash and cash equivalents. The group is required to revalue the US dollar equivalent of the Australian, Canadian dollar and Malaysian Ringgit 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 transactions 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.

| | Within 1 Year US$ | 1-3 Years US$ | 4-5 Years US$ | More than 5 Years US$ | Total US$ |
|---|---|---|---|---|---|
| **30 June 2025** | | | | | |
| Trade and other payables | 905,187 | - | - | - | 905,187 |
| Lease liability | 107,847 | 338,247 | - | - | 446,094 |
| Contract liability | - | 38,537,454 | - | - | 38,537,454 |
| | 1,013,034 | 38,875,701 | - | - | 39,888,735 |

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**Note 19. Financial instruments (continued)**

| | Within 1 Year US$ | 1-3 Years US$ | 4-5 Years US$ | More than 5 Years US$ | Total US$ |
|---|---|---|---|---|---|
| **30 June 2024** | | | | | |
| Trade and other payables | 626,599 | - | - | - | 626,599 |
| Lease liability | 99,085 | 461,483 | - | - | 560,568 |
| Contract liability | - | 30,274,460 | - | - | 30,274,460 |
| | 725,684 | 30,735,943 | - | - | 31,461,627 |

**Note 20. Key management personnel disclosures**

*Executive service agreements*

The company has entered into executive services agreements with the following executives:

*For year ended 30 June 2025*
- Dato' Lim Khong Soon
- Chang Loong Lee
- Michael Higginson
- Dr Raymond Shaw
- Matthew Antill
- Renee Minchin

*For year ended 30 June 2024*
- Dato' Lim Khong Soon
- Chang Loong Lee
- Michael Higginson
- Dr Raymond Shaw

*Directors*
The following persons were directors of Besra Gold Inc. during the financial year:

| | |
|---|---|
| David Izzard | Appointed 24 June 2025 |
| John Blake | Appointed 24 June 2025 |
| Matthew Greentree | Appointed 24 June 2025 |
| Jon Morda | Removed as a director 24 June 2025 |
| Dato' Lim Khong Soon | Removed as a director 24 June 2025 |
| Chang Loong Lee | Resigned as a director 20 May 2025 |
| Michael Higginson | Resigned as a director 19 May 2025 |
| David Potter | Appointed 19 May 2025 and removed as a director 24 June 2025 |
| Sean Williamson | Appointed 19 May 2025 and removed as a director 24 June 2025 |

*Other key management personnel*
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Dr Raymond Shaw
Matthew Antill
Renee Minchin

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## Note 20. Key management personnel disclosures (continued)

*Compensation*
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Short-term benefits | 1,217,437 | 573,144 |
| Long-term benefits | 33,695 | 9,948 |
| Share-based payments | 74,428 | 174,951 |
| | 1,325,560 | 758,043 |

*Indemnity deeds*
The company has entered into indemnity deeds with some of its officeholders.

*Receivable from and payable to related parties*
There were no trade receivables from related parties at the current and previous reporting date.

There are trade payables due to related parties of $10,859 and other payables due to related parties of $195,102.

*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.

As per note 14 and note 21, the company has received deposits of $25,646,326 in relation to the Gold Purchase Agreement with Quantum Metal Recovery Inc., a related party of Dato' Lim Khong Soon.

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## Note 21. Commitments, contingencies and contractual obligations

*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 Metal Recovery Inc ('Quantum'). Following the satisfaction of the GPA's conditions precedent, Besra accessed funding to allow it to advance the Bau Gold Project.

The key terms under the GPA include:

- Up to 3m ounce gold offtake purchase facility to acquire gold from Besra 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 Exchange gold price in US$ per troy ounce and is subject to a floor price of 115% of All in Sustaining Costs (being the all-in sustaining cost to produce an ounce of gold, including general and overhead administration, depreciation and amortisation of capital, the cost of exploration to replace mined ounces as more particularly described in the World Gold Council Guidance Note on Non-GAAP Metrics) at the time of delivery ('Floor Price');
- Up to $300m could 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, at the rate of up to $10m per month such drawdowns to be paid into a drawdown account ('Drawdown Account') controlled by Besra;
- 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;
- Deliveries to Quantum will only happen if they meet the price as referred to in the GPA being 115% of the all-in sustain cost to produce the gold. In the event the delivery price to Quantum does not meet the floor price, Besra will sell the gold at market price;
- 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;
- A commission of 5% of each drawdown received is payable to Nobleman Ventures Pty Limited;
- 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');
- No recourse to Besra should the Bau Project fail; and
- There are various remedies to each counterparty where an event to default has been determined.

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

| 5% Deposit amount | Number of ozs | US$ price per oz |
|---|---|---|
| US$2,000,000 | 20,331.51 | 1,967.39 |
| US$3,000,000 | 30,035.29 | 1,997.66 |
| US$10,000,000 | 109,639.81 | 1,824.00 |
| US$10,646,326 | 114,433 | 1,849.73 |
| **Total US$25,646,326** | **Total ozs 274,439.61** | **Weighted average US$1,864.36** |

Based on gold price of $3,290.32 as at 30 June 2025, the fair market value of the contracts, before contract discounts or commissions, on an undiscounted basis, is $391,339,906.

In the event of the fair value adjustment being realised the group would receive the balance of the 85% of the sale price for 274,439 ounces at the agreed gold price, being an amount of $434,906,097.

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## Note 21. Commitments, contingencies and contractual obligations (continued)

*Litigation*
On 27 September 2024, the company announced that it had received a Statement of Claim initiating legal proceedings in the Superior Court of Justice (Ontario) against the company and several other defendants, including its then directors. The Statement of Claim seeks, inter alia, damages in the amount of C$5,000,000. Discoveries in relation to the Statement of Claim were held in June 2025. At this stage, Besra is unable to assess any potential impact on the group's financial position resulting from the legal proceedings.

On 14 May 2025, Quantum lodged a Notice of Application in the Superior Court of Justice (Ontario) seeking orders in relation to the composition of Besra's board and Besra's Special Meeting that was held on 24 June 2025.

On 1 July 2025, the company announced the receipt of an Originating Writ and Statement of Claim in respect of the commencement of legal proceedings in the Supreme Court of Victoria (Australia) that were initiated by Jura Trust Limited (an entity controlled by former director John Seton. On 3 September 2025, Besra announced that the proceedings have been resolved on mutually agreeable confidential terms.

## Note 22. Related party transactions

*Key management personnel*
Disclosures relating to key management personnel are set out in note 20.

*Transactions with related parties*
As per note 14 and note 20, the company received in prior financial years deposits of $25,646,326 in relation to the Gold Purchase Agreement with Quantum, a related party of Dato' Lim Khong Soon.

During the financial year ended 30 June 2025, Quantum engaged the services of a recruitment agency to identify potential candidates for appointment to the Board of Besra (at a to be convened Special Meeting) in accordance with a Quantum requisition for the purpose of appointing Quantum nominees as directors of the company. Following the special meeting that was held on 24 June 2025, the board of Besra resolved to pay directly the recruitment agency its costs in regard to the recruitment of independent directors, in the amount of A$90,000 plus GST.

## Note 23. Auditors Remuneration

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Grant Thornton Australia and Canada - Audit and review of financial reports | - | 22,200 |
| Grant Thornton Australia and Canada - Other consulting work | - | 35,443 |
| Hall Chadwick - Audit and review of financial reports | 76,500 | 75,000 |
| Hall Chadwick - Other consulting work | 27,500 | - |
| | 104,000 | 132,643 |

## Note 24. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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## Note 25. Loss per share

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Non-controlling interest | 1,708,214 | 160,002 |
| Loss attributable to the owners of Besra Gold Inc. | (36,764,773) | (13,413,691) |
| | **Number** | **Number** |
| Weighted average number of ordinary common shares used in calculating basic loss per share | 418,100,906 | 416,213,539 |
| Weighted average number of ordinary common shares used in calculating diluted loss per share | 418,100,906 | 416,213,539 |
| | **Cents** | **Cents** |
| Basic earnings per share | (8.79) | (3.22) |
| Diluted earnings per share | (8.79) | (3.22) |

Diluted loss per common share is based on basic loss per common share adjusted for the potential dilution that may occur if options to acquire common shares or CDIs are exercised. For a loss, the increase in the number of common shares from conversion of convertible securities is anti-dilutive as they would decrease the loss per common share attributable to equity owners.

## Note 26. Share-based payments

Following the receipt of shareholder approval on 20 December 2024, on 3 January 2025 the company issued 7,000,000 options each exercisable at A$0.45 and expiring 31 December 2026 to the nominee of Mr Chang Loong Lee, resulting in the recording of a share-based payment of $74,428 (A$115,544).

The company has issued options which expire if not exercised by the relevant expiry date.

The share-based payment of $74,428 (A$115,544) is calculated using the Black-Scholes model with the following inputs and then converted to US$:

Issue date 3/1/2025
Expiry date 31/12/2026
CDI price at date of issue A$0.09
Risk free rate 3.82%
Dividend yield 0.00%
Expiry date (yrs) 2.00
Exercise price A$0.45
Volatility (%) 100.00%
Option value A$0.01651

No other share-based payments were recorded for the twelve months ended 30 June 2025.

**Options**
There were no other options issued during the twelve months ended 30 June 2025, except for the 7,000,000 issued to the nominee of Mr Chang Loong Lee.

Each option converts into one CDI on exercise. No amounts were paid or payable by the recipient on receipt of an option and they carry no rights to dividends voting rights.

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## Note 26. Share-based payments (continued)

### Performance rights

There were no performance rights on issue during the financial year and no performance rights were either granted or expired during the year ended 30 June 2025.

### Movements in share options

Movements in share options and performance rights during the year ended 30 June 2025 and year ended 30 June 2024.

| In AUD | No. of Options | Weighted average exercise price |
|---|---|---|
| **Options** | | |
| Balance 1 July 2024 | 39,392,275 | A$0.34 |
| Granted during the year | 7,000,000 | A$0.45 |
| **Outstanding at 30 June 2025** | **46,392,275** | **A$0.35** |
| **Exercisable at 30 June 2025** | **46,392,275** | **A$0.35** |

| In AUD | No. of Options and Rights | Weighted average exercise price |
|---|---|---|
| **Options and performance rights** | | |
| Balance 1 July 2023 | 20,642,675 | A$0.27 |
| Granted and vested during the year | 25,000,000 | A$0.37 |
| Lapsed performance rights during the year | (6,250,000) | - |
| **Outstanding at 30 June 2024** | **39,392,275** | **A$0.34** |
| **Exercisable 30 June 2024** | **39,392,275** | **A$0.34** |

### Share options outstanding

Share options issued and outstanding as at 30 June 2025.

| in AUD | 30 June 2025 Exercise Price | 30 June 2025 Number | 30 June 2024 Exercise Price | 30 June 2024 Number |
|---|---|---|---|---|
| Broker options | A$0.25 | 1,625,000 | $A0.25 | 1,625,000 |
| Lead Manager options | A$0.25 | 3,017,275 | $A0.25 | 3,017,275 |
| Class A incentive options | A$0.30 | 3,625,000 | $A0.30 | 3,625,000 |
| Class B incentive options | A$0.40 | 3,625,000 | $A0.40 | 3,625,000 |
| Bonus options | A$0.25 | 2,500,000 | $A0.25 | 2,500,000 |
| Noblemen A options | A$0.25 | 10,000,000 | A$0.25 | 10,000,000 |
| Noblemen B options | A$0.45 | 10,000,000 | A$0.45 | 10,000,000 |
| Higginson and Lee options | A$0.45 | 12,000,000 | A$0.45 | 5,000,000 |
| Totals | | 46,392,275 | | 39,392,275 |

## Note 27. Segment reporting

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

## Note 28. Share based payments reserve

| | 30 June 2025 US$ | 30 June 2024 US$ |
|---|---|---|
| Balance 1 July | 1,751,918 | 719,918 |
| Share options | 74,428 | 1,032,000 |
| | 1,826,346 | 1,751,918 |

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**Note 28. Share based payments reserve (continued)**

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 CDI price, the timing of the exercise of the options and that no dividends will be paid prior to their exercise.

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**Besra Gold Inc.**
**Directors Declaration**
**30 June 2025**

**Directors Declaration**

Financial report year ended 30 June 2025

The Directors of Besra Gold Inc declare that:
1. The financial statements and notes of the company:
(a) comply with International Financial Reporting Standards; and
(b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company;

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

On behalf of the board:



David Izzard

29 September 2025

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HALL CHADWICK
Chartered Accountants & Business Advisors

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

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

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Besra Gold Inc. As the lead audit partner for the audit of the financial report of Besra Gold Inc for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Hall Chadwick

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

**DREW TOWNSEND**
Partner
Dated: 29 September 2025

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

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

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## *Opinion*

We have audited the financial report of Besra Gold Inc. (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the financial statements, including a summary of material accounting policies and the directors' declaration.

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

(a) giving a true and fair view of the group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

## *Basis of Opinion*

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

## *Material Uncertainty Related to Going Concern*

We draw attention to Note 5 in the financial statements, which indicates that the group incurred a loss of $38,472,987 during the year ended 30 June 2025, and as of that date, the group's total liabilities exceeded its total assets by $28,299,310. As stated in Note 5, these events or conditions, along with other matters as set forth in Note 5, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

***Key Audit Matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2025. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| KEY AUDIT MATTER | HOW OUR AUDIT ADDRESSSED THE KEY AUDIT MATTER |
|---|---|
| **Exploration and evaluation assets**<br>*Refer to Note 11 "Exploration and evaluation" and Note 3 "Critical accounting judgements, estimates and assumptions"* | |
| As disclosed in Note 11, the carrying value of the exploration and evaluation assets have been impaired to nil as at 30 June 2025.<br><br>In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, the group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.<br><br>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.<br><br>This area is considered as a key audit matter due to the significant judgement involved in determining the existence of impairment triggers. | Our procedures included, amongst others:<br>• obtaining management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger.<br>• reviewing management's area of interest considerations and capitalised expenditure in accordance with AASB 6.<br>• conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including:<br>- tracing projects to statutory registers, exploration licenses and third-party confirmations to determine whether a right of tenure existed.<br>- enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure; - understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale.<br>• assessing the accuracy of impairment recorded for the year as it related to exploration interests.<br>• concurring with management's assessment to impair in full the carrying value of exploration and evaluation assets.<br>• assessing the appropriateness of the related financial statement disclosures. |

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

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

| KEY AUDIT MATTER | HOW OUR AUDIT ADDRESSSED THE KEY AUDIT MATTER |
|---|---|
| **Contract liabilities – Gold Purchase Agreement**<br>*Refer to Note 14 "Contract liabilities"* | |
| On 9 May 2023, the group announced that it had entered into a legally binding agreement, named the Gold Purchase Agreement ('GPA and/or the Facility'), giving effect to the non-binding term sheet announced on 21 March 2023.<br><br>Under the agreement, the group agrees to sell, in respect of each outturn, a quantity of refined gold acquired pursuant to each contract note. The group receives an advance payment of 5% for future deliveries of gold. The quantity of gold is determined on the day each deposit of the upfront payment is made and the price of gold is also fixed at the initial deposit date, which is considered a forward delivery contract.<br><br>As at 30 June 2025, the contract liabilities amounted to $38,537,454.<br><br>This area is considered a key audit matter due to the account's significant balance and complexity of accounting treatment. | Our procedures included, amongst others:<br>• obtaining management reconciliation of contract liabilities and agreeing to the general ledger.<br>• reviewing management's summary of issues and treatment relevant to accounting standards.<br>• conducting a detailed review of the contracts.<br>• assessing the accuracy of interest and liability calculations and assumptions in calculations.<br>• assessing the appropriateness of the related financial statement disclosures. |

***Information Other than the Financial Report and Auditor's Report Thereon***

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

***Responsibilities of the Directors for the Financial Report***

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

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

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

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

***Auditor's Responsibilities for the Audit of the Financial Report***

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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HALL CHADWICK

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hall Chadwick

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

**DREW TOWNSEND**
Partner
Dated: 29 September 2025

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**Besra Gold Inc.**
**Shareholder and CDI information**
**30 June 2025**

**Additional information required by the Australian Securities Exchange Limited**

The information is made as at 18 September 2025

**Distribution schedules of security holders**

| | | AU$0.30 Options Expiring 8/10/26 | AU$0.40 Options Expiring 8/10/26 | AU$0.25 Options Expiring 8/10/25 | AU$0.25 Options Expiring 29/9/25 | AU$0.25 Options Expiring 1/12/26 | AU$0.45 Options Expiring 1/12/26 | AU$0.45 Options Expiring 31/12/26 |
|---|---|---|---|---|---|---|---|---|
| 1 -1,000 | 822 | - | - | - | - | - | - | - |
| 1,001 - 5,000 | 154 | - | - | - | - | - | - | - |
| 5,001 - 10,000 | 128 | - | - | - | - | - | - | - |
| 10,001 - 100,000 | 561 | 1 | 1 | - | - | - | - | - |
| 100,001 and over | 331 | 8 | 8 | 2 | 5 | 1 | 1 | 2 |
| **Number of Holders** | 1,996 | 9 | 9 | 2 | 5 | 1 | 1 | 2 |

**Holders of non-marketable parcels**

There are 1,136 CDI holders who hold less than a marketable parcel of CDIs.

**Twenty largest CDI holders**

The names of the twenty largest CDI holders are:

| | | Number of CDIs | % Held |
|---|---|---|---|
| 1 | QUANTUM METAL RECOVERY INC | 84,938,256 | 20.44 |
| 2 | CITICORP NOMINEES PTY LIMITED | 63,190,760 | 15.21 |
| 3 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 43,709,762 | 10.52 |
| 4 | COLBERN FIDUCIARY NOMINEES PTY LTD | 11,917,379 | 2.87 |
| 5 | TORRES INVESTMENTS PTY LTD | 7,625,000 | 1.84 |
| 6 | BNP PARIBAS NOMS PTY LTD | 6,787,840 | 1.63 |
| 7 | DAMASARA PTY LTD | 5,000,000 | 1.20 |
| 8 | BARODA HILL INVESTMENTS LIMITED | 4,689,680 | 1.13 |
| 9 | MR STEVEN LOUGHREY | 4,500,000 | 1.08 |
| 10 | 00V11 PTY LTD | 4,375,000 | 1.05 |
| 11 | MR CHING WOO GOH | 4,340,000 | 1.04 |
| 12 | G & D FINN PTY LTD | 4,010,000 | 0.97 |
| 13 | THE LITTLE BIG COMPANY PTY LTD | 4,000,000 | 0.96 |
| 14 | IVORY GLEAM PTY LTD | 3,900,000 | 0.94 |
| 15 | SHARESIES AUSTRALIA NOMINEE PTY LIMITED | 3,778,327 | 0.91 |
| 16 | MR DUC THANH PHAM | 3,225,900 | 0.78 |
| 17 | MR KRISTOPHER JAMES BEST | 2,785,000 | 0.67 |
| 18 | MR JOHN WARREN BOOTH | 2,600,000 | 0.63 |
| 19 | MR BRADY GLENN JAUSEL | 2,590,445 | 0.62 |
| 20 | MS KAREN ELIZABETH WRIGHT | 2,430,197 | 0.58 |
| | | 270,393,546 | 65.07 |

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**Besra Gold Inc.**
**Shareholder and CDI information**
**30 June 2025**

## Restricted securities

The group has no restricted securities on issue.

## Unquoted equity securities

| | | |
|---|---|---|
| Options exercisable at AU$0.30 and expiring 8 October 2026 | 3,625,000 | 9 |
| Options exercisable at AU$0.40 and expiring 8 October 2026 | 3,625,000 | 9 |
| Options exercisable at AU$0.25 and expiring 8 October 2025 | 4,642,275 | 2 |
| Options exercisable at AU$0.25 and expiring 29 September 2025 | 2,500,000 | 5 |
| Options exercisable at AU$0.25 and expiring 1 December 2026 | 10,000,000 | 1 |
| Options exercisable at AU$0.45 and expiring 1 December 2026 | 10,000,000 | 1 |
| Options exercisable at AU$0.45 and expiring 31 December 2026 | 12,000,000 | 2 |
| Common shares | 2,602,701 | 1967 |
| | 48,994,976 | |

**Substantial CDI holders** (based on latest substantial notice received)

| | No. of CDIs Held | % of CDIs Held |
|---|---|---|
| Quantum Metal Recovery Inc | 124,938,256 | 30.07 |

**On-market buy-back**
There is no current on-market buy-back.

**Acquisition of voting securities**
No issues of securities have been approved for the purposes of Item 7 of section 611 of the Corporations Act 2001.

**Voting Rights**
On a show of hands, every member present in person or by proxy shall have one vote per common share and upon a poll, each CDI holder is entitled to one vote per CDI.

**Tax status**
The group is treated as a public company for taxation purposes.

**Franking credits**
The group has nil franking credits.

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