BESRA

FIRST QUARTER REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2013

Management's Discussion and Analysis

The following Management's Discussion and Analysis ("MD&A") of the financial results of Besra Gold Inc. (the "Company" or "Besra") and its subsidiaries (together, the "Group") has been prepared for the three months ended September 30, 2013 and should be read in conjunction with the unaudited interim condensed consolidated financial statements and related notes, prepared in accordance with IAS 34 Interim Financial Reporting, and the annual financial statements for the financial year ended June 30, 2013. This discussion covers the three months ended September 30, 2013 and the subsequent period to November 14, 2013.

Other pertinent information on the Company is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov/edgar as well as on the Company's web site at www.besra.com. Besra is listed on the Toronto Stock Exchange under the symbol BEZ and on the Australian Securities Exchange under the symbol BEZ and trades on the OTCQX Bulletin Board ("OTCQX"), an over-the-counter market in the United States under the symbol BSRAF. For the purpose of preparing our MD&A, the Company considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. We evaluate materiality with reference to all relevant circumstances. All dollar amounts are stated in United States ("US") dollars unless otherwise indicated.

Introduction

The first quarter of 2014 presented an array of challenges for our operations in Vietnam alongside a range of efficiencies and cost reductions as well as good progress on our feasibility work at Bau. Despite making real efficiencies and cost savings across the board, including a 35% reduction in corporate and administrative expenses, we've been frustrated by two issues in Vietnam which have hampered operations.

The Vietnam Customs assessment (see Besra press release dated 5 July 2013 and subsequent updates) resulted in temporary import and export restrictions which affected our ability to import parts, stopping significant portions of our mine equipment and mill circuits including crushing and grinding at both mines, also causing us to sell gold in country or export doré, incurring 10% VAT or 10% export tax respectively.

But for those interruptions and one-off additional costs, normalised all-in sustaining costs should have been below FY2014 target of $1,150 and operating cash costs below $700. The Company calculates that over 3,000 ounces of lost production occurred due to the restrictions. Future quarters are expected to revert to the normalized figures.

The export tax assessment is still in dispute, however we were able to have the import and export restrictions lifted after high level discussions with government Ministers and senior bureaucrats. As a result all items that were stuck in Customs during the period have since been released and delivered. We are hopeful the dispute will be finally resolved in the coming months.

The delays meant that Q1 2014 ounce production was less than planned and at higher costs. Although the restrictions will also impact part of Q2 2014, the Company is maintaining its production forecast for FY2014 of 65-70,000 oz and is still targeting annual all-in sustaining costs of $1,150 per ounce.

We were also concerned by a proposal put forward to the Government of Vietnam by the Ministry of Finance that included an increase in gold royalty. We immediately undertook an extensive education campaign, invited members of the National Assembly to visit our sites in Vietnam, held briefings, financial model presentations and meetings with senior politicians. As a result the Standing Committee returned the proposal to the Ministry of Finance. We continue to seek a reduction in royalties that would provide a far more encouraging environment both for Besra and other potential foreign investors and achieve higher overall revenues for Vietnam.

There were a number of positives in Q1, particularly in the implementation of efficiencies and cost reductions in Vietnam, where the Company:

- purchased a used OroStudio refining circuit which will go into production in mid November saving approximately $2 million in total costs over the next year;
- renegotiated ore haul contracts at both the Company's Vietnam sites saving approximately $600,000 per year;
- completed electrification basic engineering studies for both Bong Mieu and Phuoc Son which when implemented will result in US$6 million per year in diesel savings for a capex of $2.4 million;
- booked savings on completed projects to date reducing cash costs by $107/oz;
- completed roll out of an industry leading integrated exploration and mining software solution.

The Company is also undertaking a restructure of our Vietnam operating companies to enable us to undertake a local initial public offering (IPO) in FY2014 as market conditions allow.

The Jugan Hill Feasibility Study for our Bau project has now progressed to third party review. After extensive test work we have been able to produce concentrate at >40g/t which is currently with several smelters for testing. In the event that we are able to secure suitable terms for concentrate sales, significant savings will be made on capital costs and financing of the development should be attainable on more attractive terms than previously thought. We are on target for the public release of the Jugan Hill feasibility study this quarter once commercial negotiations are complete. We are also progressing financing options with the aim of having the project financing plan well advanced by the time the feasibility is released. This will be a major step forward for the project and will provide a clear path to production from our third mine.

In all, a difficult quarter, not least because of the wallowing gold price and broad equities market malaise. However we have so far overcome every obstacle that has come across our path. With a unified management team, strict financial regime and excellent progress on bringing our Bau project to fruition, we're upbeat about the remainder of the year, and Besra's future as a multi-mine, multi-country diversified gold production company.

John A. G. Seton
Chief Executive Officer

Q1 2014 Highlights

The following are a selection of highlights for the quarter ended September 30, 2013. Further information about Besra can be found on the Company's website and/or at www.sedar.com

- Full implementation of geoscience and mining information management system
- Resolved import/export restrictions in Vietnam
- Significant interaction with government and embassies regarding the fiscal environment in Vietnam
- Progressed Bau Feasibility to independent third party review
- Ongoing productivity improvements to save $9.6 million per year, including purchased refinery equipment, plant automation, renegotiation of contracts, cost reductions in corporate, transport, catering and housekeeping
- Produced Bau concentrate and supplied to Chinese smelters/processors for testing & analysis

2014 Outlook

- Besra will focus its capital expenditure on producing and near to producing assets
- Bau feasibility completion
- Bau financing completion and commencement of development
- Continuation of cost reduction programs
- Continuation of the transfer of technical knowledge from expatriates to local staff through training and development
- Implementation of plant automation at Phuoc Son and Bong Mieu

2014 Production Guidance

	Phuoc Son	Bong Mieu	Total
Gold (oz)	50,000 - 52,000	15,000 - 18,000	65,000 - 70,000

- Gold price assumed to remain volatile
- Based on mining block model grades; projected throughput at current rates for mining and milling

Going Concern

The accompanying financial statements were prepared on a going concern basis, under the historical cost basis, which assumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. There is a substantial doubt regarding the ability of the Company to continue as a going concern. The ability of the Company to continue as a going concern depends upon its ability to achieve and sustain profitable operations or to continue to access public debt or equity capital in the ordinary course. No assurance can be given that such capital will be available at all or on terms acceptable to the Company.

Summary of Operations

	3 months ended		Diff
	Sep 30, 2013	Sep 30, 2012	(%)
Financial data ($)			
Sales	20,216,909	19,169,500	5
Costs of sales	15,557,018	9,951,426	56
Gross margin	**4,659,891**	**9,218,074**	**(49)**
Earnings before finance costs, income tax, depreciation and amortization (EBITDA)	**(904,564)**	**3,022,891**	**(130)**
Non-IFRS Measures			
Costs of sales (IFRS)	15,557,018	9,951,426	56
Gold sold (oz)	15,631	11,625	34
Operating cash cost per ounce sold(1)	**995**	**856**	**16**
Costs of sales (IFRS)	15,557,018	9,951,426	56
Inventory adjustment	(1,102,194)	455,745	(342)
Total production costs	**14,454,824**	**10,407,171**	**39**
Gold produced (oz)	14,425	11,912	21
Operating cash costs per ounces produced(2)	**1,002**	**874**	**15**
All-in sustaining costs(3)	**1,463**	**1,381**	**6**
Operating data			
Ore milled (tonnes)	156,587	96,189	63
Recovery (%)	90	89	1
Grade (g/t Au)	3.19	4.32	(26)
Average realized price	1,293	1,649	(22)

1. Operating cash cost per ounce sold includes mine site operating costs including mining, processing and refining, and inventory adjustments, but is exclusive of royalties, environmental fees, amortization and exploration costs. Refer to the Non-IFRS Measures section of the Company's MD&A.
2. Operating cash cost per ounce produced includes mine site operating costs including mining, processing and refining, but is exclusive of inventory adjustments, royalties, environmental fees, amortization and exploration costs. Refer to the Non-IFRS Measures section of the Company's MD&A.
3. All-in sustaining sustaining costs include all cash operating costs per ounce sold including a portion of corporate administration, sales based taxes and government fees and levies. It includes an annualized estimate of sustaining capital and exploration expenditure. It excludes corporate income tax, reclamation and remediation costs. Refer to the Non-IFRS Measures section of the Company's MD&A.

Operational Highlights Q1 2014

Gold sales increased to 15,631 ounces compared to 11,625 ounces for the same period in 2012 based on a 34% increase in ounces sold offset by a 22% decrease in realized price per ounce. Gold production increased to 14,425 ounces compared to 11,912 ounces for the same period in 2012 due to the increase in milled tonnes by both Phuoc Son and Bong Mieu.

During the three months ended September 30, 2013 cost of sales increased to $15,557,018 from $9,951,426 in the comparative period ended September 30, 2012, based on a 34% increase in ounces sold and 16% increase in operating cost per ounce sold. Operating cash costs (excluding royalties and environmental fees) per gold ounce produced for the quarter ended September 30, 2013 were $1,002 compared to $874 for the same period in 2012. Operating cash costs for the group were higher than expected for the first quarter of FY2014 due to import restrictions imposed by the Vietnam government which limited parts and material availability and hampered milling, resulting in higher costs, lower throughput and lower recoveries in the mill. Processing costs at Phuoc Son increased by 20% from the previous quarter as a result of import restrictions which necessitated sourcing of inferior quality materials locally at a higher overall cost. Export restrictions forced the Company to exporting dore bars or selling gold in Vietnam, each attributing a 10% export tax and VAT, respectively. Import export restrictions have now been lifted so the export and VAT taxes are no longer levied. Production is expected to improve in the second half of FY2014. Costs per tonne mined and milled compared to the same quarter last year have reduced at both Bong Mieu and Phuoc Son.

All-in sustaining costs per gold ounce sold were $1,463 compared to guidance of $1,150 to $1,200 for the full year of 2014. This unexpected rise was principally a result of import restrictions which have now been lifted.

PHUOC SON GOLD PROJECT

Results of Operations

	3 months		Diff	3 months	Diff
	Jun 30, 2013	Sep 30, 2013	(%)	Sep 30, 2012	(%)
Financial Data ($)					
Gold sales	13,195,900	14,692,337	11	13,300,405	10
Cost of sales	8,685,159	11,739,577	35	6,429,764	83
Royalties	2,154,260	2,303,617	7	2,022,147	14
Environment fees	879,781	990,839	13	507,713	95
Depreciation and amortization	4,843,476	3,951,364	(18)	3,567,480	11
(Losses) earnings from mine operations	**(3,366,776)**	**(4,293,060)**	**28**	**773,301**	**(655)**
Operating Data					
Ore milled (tonnes)	96,796	97,637	1	59,338	65
Grade (g/t Au)	4.77	3.29	(31)	4.48	(27)
Mill recoveries (%)	94	91	(3)	93	(2)
Realized gold price	1,417	1,301	(8)	1,649	(21)
Gold produced (oz)	13,976	9,394	(33)	7,923	19
Cash operating cost per ounce produced[1]	**911**	**1,061**	**16**	**875**	**21**
Ounces sold (oz)	9,310	11,297	21	8,066	40
Cash operating cost per ounce sold[2]	**748**	**1,039**	**39**	**797**	**30**
Total all-in sustaining costs per ounce sold[3]	**1,417**	**1,622**	**14**	**1,518**	**7**
Costs per Tonne of Ore					
Cost of sales (IFRS)	8,685,159	11,739,577	35	6,429,764	83
Inventory adjustment	1,096,208	(1,773,041)	n/a	504,465	n/a
Total costs of ore produced	**9,781,367**	**9,966,536**	**2**	**6,934,229**	**44**
Mining	41.35	38.08	(8)	47.77	(20)
Processing	33.53	40.18	20	40.49	(1)
Mine Overheads	19.64	14.93	(24)	23.30	(36)
Total cost per tonne of ore	**94.52**	**93.19**	**(1)**	**111.56**	**(16)**

1. Operating cash cost per ounce sold includes mine site operating costs including mining, processing and refining, and inventory adjustments, but is exclusive of royalties, environmental fees, amortization and exploration costs. Refer to the Non-IFRS Measures section of the Company's MD&A.
2. Operating cash cost per ounce produced includes mine site operating costs including mining, processing and refining, but is exclusive of inventory adjustments, royalties, environmental fees, amortization and exploration costs. Refer to the Non-IFRS Measures section of the Company's MD&A.
3. All-in sustaining sustaining costs include all cash operating costs per ounce sold including a portion of corporate administration, sales based taxes and government fees and levies. It includes an annualized estimate of sustaining capital and exploration expenditure. It excludes corporate income tax, reclamation and remediation costs. Refer to the Non-IFRS Measures section of the Company's MD&A.

($) As at	Sep 30, 2013	Jun 30, 2013
Net deferred exploration and development	7,226,766	8,243,659
Property, plant and equipment	15,369,057	15,635,904

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Spending on exploration and development activities	463,279	1,036,085
Expenditure on property, plant and equipment	1,205,791	159,262

Production and Operating Statistical Results

Phuoc Son Process Plant

During the quarter ended September 30, 2013 the plant milled 97,637 tonnes at 3.29 g/t Au, with 91 percent recovery (three months ended September 30, 2012 - 59,338 tonnes at 4.48 g/t Au, with 93 percent recovery). The 19% increase in gold production compared to the same quarter last year was mainly due to the 65% increase in tonnes milled, offset by 27% decrease in grade and 2% decrease in mill recovery. The 33% decrease in gold production compared to the previous quarter was mainly due to 31% decrease in feed grade mainly attributed to grade achieved from the Bai Dat mine being lower than anticipated. Delays in parts for machinery impacted the tonnage achieved from Bai Go.

Daily mill throughput record was broken once during the quarter, reaching 1,641 tonnes on July 9, while weekly mill throughput record of 10,863 tonnes was achieved in 2nd week of July and monthly record of 40,179 tonnes was achieved in July.

During the quarter ended September 30, 2013 costs per tonne mined and milled have been reduced to $93.19 compared with $94.52 in the quarter ended June 30, 2013 and $111.56 in the same comparative period ended September 30, 2012. Mining cost per tonne of material was $38 in the first quarter of 2014, a 20% decrease of $48 from the same quarter last year, as a result of the reduction in costs from the substitution of Powergel with Anfo, recycling of hydraulic oil, and more efficient maintenance of the underground fleet. Processing costs per tonne of ore in the first quarter of 2014 were consistent with the same comparable period last year at $40 per tonne. However, processing costs increased 20% from the previous quarter as a result of high costs this quarter for equipment parts and steel balls. These increases were principally due to import restrictions which necessitated sourcing of inferior quality materials locally at a higher overall cost. Overhead costs per tonne of ore in the first quarter of 2014 decreased 36% relative to the same comparable quarter last year and 24% relative to the previous quarter as a result of cost reductions within transportation, catering and housekeeping.

Production loss incidents mainly were due to crusher and mill plant parts worn out. Import restrictions resulting in non-availability of spare parts at site delayed the preventive maintenance schedule and resulted in an unscheduled and prolonged downtimes.

Phuoc Son completed tailings Dam #1 Phase 2B construction on September 20. Actual cost was $1.87 million against the $1.8 million budget. The cost overrun was mainly due to additional erosion control in the spillway and embankment areas. Engineering design for increasing capacity of Dam 2A and 2B is complete and construction will begin in the next quarter.

Bai Dat

Total ore milled was 17,582 tonnes at 4.31g/t Au. This is a 1% decrease in tonnage and 48% decrease in grade compared to the previous quarter and a 88% increase in tonnage and 25% decrease in grade compared to the same quarter last year. Total development advance (including operating meters) was 327 meters compared with 128 meters in the previous quarter and 475 meters in the same quarter last year. Bai Dat level 7 decline resumed in August 2013 after exploration drilling confirmed vein extension below level 6. A 1.5-3 meter wide high grade alteration zone was exposed along the decline with over 30 meter strike length. During the quarter ended September 30, 2013 the Company successfully recovered pillars and mining out of Level 1 stopes.

Bai Go

Total ore milled was 80,055 tonnes at 3.06g/t Au. This is a 1% increase in tonnage and 23% decrease in grade compared to the previous quarter and a 60% increase in tonnage and 28% decrease in grade compared to the same quarter last year. Total development advance (including operating meters) was 1,006 meters compared with 1,238 meters in the previous quarter and 1,679 meters in the same quarter last year.

Phuoc Son successfully implemented modified cut-and fill at 524 Elevation B203, saving up to 60% of cemented aggregate bill CAB cost. This method is going to be adapted for the succeeding cuts at level 1 conventional stopes.

Delays in backfilling were encountered caused by insufficient waste material, sand, and low Load Haul Dump (LHD) loader availability. This has contributed to the decrease in mine production during the quarter.

Phuoc Son General

Various cost saving initiatives were implemented through operational improvements (modification of mining method, proper maintenance of underground roadways and recycling of hydraulic oils), rebuilding works by Mine Maintenance, and renegotiation with suppliers and contractors.

Dialogue with Community and Government entities to improve relations continued.

Exploration Report

Phuoc Son Gold Project

Bai Dat

Modelling of results from underground drilling of the Bai Dat ore body (below Level 6) revealed four separate ore lenses, three of which have average grades above the selected 2 g/t Au cut-off grade and merit further assessment to delineate a resource at Level 7.

Bai Go

There has been a re-modeling of the Bai Go ore body on the new geoscience and mining information management software using drill data collected to date to take into account underground surveying and grade control sampling and this has reached an advanced stage but remains incomplete.

Dak Sa Peripheral Exploration

Exploration for additional resources has been deferred.

Licensing

Exploration License Application

Two exploration license applications are pending lodgment. The first is a small ($3km^2$) exploration license designed to cover the immediate area around the Dak Sa mining license only. The second is a $26km^2$ exploration license covering peripheral prospect areas.

Outlook to June 30, 2014

- Develop Bai Dat to Level 7
- Construction to increase capacity of Dam 2A and 2B
- Commence application for new tailings dam in Phuoc Son
- Continue cost reduction plans
- Obtain exploration licenses for the Dak Sa and peripheral prospect areas
- Continue knowledge transfer from expatriate to local staff through training and development

BONG MIEU GOLD PROJECT

Results of Operations and Exploration Update

	3 months		Diff	3 months	Diff
	Jun 30, 2013	Sep 30, 2013	(%)	Sep 30, 2012	(%)
Financial Data ($)					
Gold sales	9,048,600	5,524,572	(39)	5,869,100	(6)
Cost of sales	4,573,111	3,913,300	(14)	3,521,889	11
Royalties	205,186	153,229	(25)	181,634	(16)
Environment fees	362,842	309,170	(15)	283,719	9
Depreciation and amortization	898,889	489,250	(46)	1,050,773	(53)
Earnings from mine operations	**3,008,572**	**659,623**	**(78)**	**831,085**	**(21)**
Operating Data					
Ore milled (tonnes)	55,520	58,950	6	36,851	60
Grade (g/t Au)	2.83	3.02	7	4.03	(25)
Mill recoveries (%)	89	88	(1)	83	6
Realized gold price	1,394	1,275	(9)	1,649	(23)
Gold produced (oz)	4,506	5,031	12	3,989	26
Cash operating cost per ounce produced[(1)]	**1,010**	**892**	**(12)**	**871**	**2**
Ounces sold (oz)	6,490	4,334	(33)	3,559	22
Cash operating cost per ounce sold[(2)]	**705**	**903**	**28**	**990**	**(9)**
Total all-in sustaining costs per ounce sold[(3)]	**1,393**	**1,215**	**(13)**	**1,266**	**(4)**
Costs per Tonne of Ore					
Cost of sales (IFRS)	4,573,111	3,913,300	(14)	3,521,889	11
Inventory adjustment	(23,639)	574,989	n/a	(48,720)	n/a
Total cost of ore produced	4,549,472	4,488,289	(1)	3,473,169	29
Mining	49.82	45.04	(10)	49.91	(10)
Processing	25.04	22.41	(11)	23.32	(4)
Mine Overheads	24.34	21.56	(11)	24.06	(10)
Total cost per tonne of ore	**99.20**	**89.01**	**(10)**	**97.29**	**(9)**

1. Operating cash cost per ounce sold includes mine site operating costs including mining, processing and refining, and inventory adjustments, but is exclusive of royalties, environmental fees, amortization and exploration costs. Refer to the Non-IFRS Measures section of the Company's MD&A.
2. Operating cash cost per ounce produced includes mine site operating costs including mining, processing and refining, but is exclusive of inventory adjustments, royalties, environmental fees, amortization and exploration costs. Refer to the Non-IFRS Measures section of the Company's MD&A.
3. All-in sustaining sustaining costs include all cash operating costs per ounce sold including a portion of corporate administration, sales based taxes and government fees and levies. It includes an annualized estimate of sustaining capital and exploration expenditure. It excludes corporate income tax, reclamation and remediation costs. Refer to the Non-IFRS Measures section of the Company's MD&A.

($) As at	Sep 30, 2013	Jun 30, 2013
Net deferred exploration and development	4,982,186	5,248,718
Property, plant and equipment	1,063,258	406,499

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Spending on exploration and development activities	230,719	444,550
Expenditure on property, plant and equipment	110,352	276,163

Production and Operating Statistical Results

Bong Mieu Process Plant

During the quarter ended September 30, 2013 the plant milled 58,950 tonnes of combined tonnage from Nui Kem and the historically mined Ho Gan Pit ore at 3.02 g/t Au, with 88 percent gold extraction efficiency (three months ended September 30, 2012 - 36,851 tonnes at 4.03 g/t Au, with 83 percent recovery).

Bong Mieu eliminated carbon ashing to produce gold metal on the last week of August. Eighteen batches of carbon in leach loaded carbon were delivered to Phuoc Son Mill and the barren-regenerated carbon were brought back in Bong Mieu. This resulted in a reduction of processing costs.

Continuous focus on improvement of the plant throughput resulted in the daily record being surpassed 4 times across the quarter, culminating in a record of 716 tonnes on July 20. Weekly record throughput was also surpassed twice, reaching 4,953 tonnes in 3rd week of July. This also resulted in a monthly record for plant throughput of 21,239 tonnes in July 2013. To maximize the tonnage capacity, historically stockpiled low grade Ho Gan pit ore was used to feed the mill when capacity allowed.

During the quarter ended September 30, 2013 costs per tonne mined and milled reduced to $89.01 compared with the quarter ended June 30, 2013 of $99.20 and compared with the same period in 2012 of $97.29. Mining cost per tonne was $45 in the first quarter of 2014, 10% lower than $49 in the first quarter of 2013 and the fourth quarter of 2013 as a result of a substantial decrease in explosives and fuel. Processing cost per tonne of ore of $22 in the first quarter of 2014 decreased 11% relative to the last quarter. As of August 2013, the Company discontinued the services of a third party plant maintenance supplier which reduced year-to-date maintenance costs on a per tonne basis. Overhead costs per tonne of ore in the first quarter of 2014 decreased 11% to $22 relative to the comparable periods of 2013's first and fourth quarters as a result of cost reductions within transportation, catering and housekeeping.

Nui Kem

Total ore milled at Nui Kem was 58,950 tonnes at 3.02g/t Au. This is a 6% increase in tonnage and 7% increase in grade compared to the previous quarter and a 60% increase in tonnage and 25% decrease in grade compared to the same quarter last year. Total development advance (including operating meters) was 520 meters compared to last quarter's 552 meters and 656 meters (905 meters together with Ho Gan) in the same quarter last year.

The upper vein intrusive persisted down dip to level 23 and was the main source of the gold production during the quarter.

Bong Mieu General

Various cost saving initiatives were implemented through operational improvements such as direct LPT loading and setting up fuel monitoring system and renegotiations with suppliers and contractors.

Bong Mieu completed preparation of Ho Ray and Thac Trang feasibility study. Application for Mining License is in progress.

Exploration Report

Nui Kem

During the quarter, 723.7 meters of drilling was completed in 10 holes (best intercept 1.24m @ 5.75g/t Au). The underground drilling program targeting the mineralized "carbonatite" down-dip projection below Level 23 has been discontinued. The intrusive was mapped and sampled within stopes and drives on levels 22 and 23. The location of a parent intrusive body has not been established. Where encountered to date, the intrusive does not constitute a separately mineable ore body. A wireframe model of the intrusive and a report on the program to date is in preparation.

Ho Ray Thac Trang ("HRTT")

The HRTT Feasibility Study ("FS") and Environmental Impact Assessment ("EIA") have been completed. Initial comments on the FS have been received from Quang Nam Trade & Industry Department. The FS and EIA have been completed for lodgment with the Quang Nam People's Committee ("QNPC") once the BMGMC Board agrees to proceed. The mining license application may be lodged as soon as the EIA has received the QNPC approval. A limited artisanal mining license has been granted which will allow initial contract mining at low tonnages without significant capital investment.

Licensing

Exploration License Application

Three exploration license applications have been prepared for lodgment.

Mining License Application

The Ho Ray MLA, with supporting Feasibility Study and Environmental Impact Assessment, is expected to be lodged by December 31, 2013.

Outlook to June 30, 2014

- Continue to explore and develop the Nui Kem upper vein at L23.
- Continue operations cost reduction plans (majority were executed in late June 2013).
- Continue knowledge transfer from expatriate staff to local staff through training and development.

BAU GOLD PROJECT

Exploration Update

($) As at	Sep 30, 2013	Jun 30, 2013
Net deferred exploration and development	15,215,436	14,618,741
Property, plant and equipment	106,838	120,916

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Spending on exploration and development activities	593,967	1,251,601

Jugan Sector

Geochemical Sampling

Infill soil sampling over selected anomalous areas was conducted. Results are now being integrated with prior surveys.

Drilling

Drilling commenced at Bukit Sarin, about 700 meters south west of Jugan Hill. To date 169 meters have been drilled in two declined holes, as follows:

Hole ID	EOH (m)	Intercept (m)	Grade (g/t Au)
SNWDH#01:	88.00	3.50	0.94
		0.90	0.52g
		0.60	6.95
SNWDH#01:	80.60	Logging/sampling in progress	

Bau Tenure

Current work is underway on renewal of the Pejiru Mining Certificate which expires next year. Applications for four separate Mining Certificates are being prepared in order to maintain tenure over ground within three separate areas (that are currently covered by one existing Pejiru Mining Certificate), plus one adjacent area (that was previously within a General Prospecting License that has already expired).

Outlook to June 30, 2014

- Complete feasibility for Jugan Hill
- Complete infill soil sampling program
- Prioritize drilling targets following IP survey and soil sampling program
- Advancing financing options for development of Bau once the final mining feasibility model is complete

Summary of Quarterly Results

The following table sets forth selected unaudited quarterly results for the past eight quarters.

	Q1 FY2014	Q4 FY2013	Q3 FY2013	Q2 FY2013	Q1 FY2013	Q2 2012	Q1 2012	Q4 2011
Gold production (oz)	14,425	18,482	13,589	16,204	11,912	7,839	12,523	19,849
Gold sales (oz)	15,631	15,800	12,200	12,570	11,625	4,211	16,500	17,000
Gold sales	20,216,909	22,244,500	19,812,500	21,546,213	19,169,500	6,725,015	27,827,250	28,761,701
Net income (loss)	(8,071,681)	(16,475,831)	(560,641)	(4,600,605)	(3,665,952)	(14,502,571)	(3,824,320)	2,018,438
(Loss) income per share-basic	(0.020)	(0.037)	(0.002)	(0.012)	(0.01)	(0.029)	(0.011)	0.005
(Loss) income per share-diluted	(0.020)	(0.037)	(0.002)	(0.012)	(0.01)	(0.029)	(0.011)	0.005

Quarterly sales are predominantly influenced by the number of ounces of gold sold and by the realized price per ounce.

During the quarter ended September 30, 2013, the Company produced 14,425 ounces of gold and sold 15,631 ounces of gold, the difference being decreased holding of gold inventory at the end of September 30, 2013.

During the quarter ended September 30, 2013 tonnage milled increased to 156,587 tonnes from 156,316 tonnes the last quarter and from 96,189 tonnes in the same period of 2012. During the quarter ended September 30, 2013 Phuoc Son milled 97,637 tonnes with plans to produce at 1,340 tonnes per day (120,000 tonnes per quarter) from October 2013 onwards. Lower than budgeted tonnage at Phuoc Son was caused by insufficient waste material, sand, and low LHD availability. Bong Mieu plant milled 58,950 tonnes which is in line with the quarterly budget.

The loss in the quarter ended September 30, 2013 is a result of a higher costs caused by import restrictions imposed on the company, preventing timely delivery of much needed spare parts for the mill and mine, and lower production in Phuoc Son.

Earnings Summary

	3 months		Diff
($)	Sep 30, 2013	Sep 30, 2012	(%)
Sales	**20,216,909**	**19,169,500**	**5**
Costs of sales	15,557,018	9,951,426	56
Royalty expense	2,457,995	2,203,781	12
Environmental fees	1,300,008	791,433	64
Corporate and administrative expenses	1,424,912	2,202,316	(35)
Share-based compensation	200,024	613,181	(67)
Exploration costs	189,503	384,472	(51)
	21,129,460	**16,146,609**	**31**
EBITDA	**(904,564)**	**3,022,891**	**(130)**
Depreciation and amortization	3,771,799	4,661,534	(19)
Finance charges	3,040,210	2,433,970	25
	6,812,009	**7,095,504**	**(4)**
Loss for the period before income tax	**(7,716,573)**	**(4,072,613)**	**89**
Income tax expense (recovery)	355,108	(406,661)	(187)
Total comprehensive loss for the period	**(8,071,681)**	**(3,665,952)**	**120**

Sales

During the three months ended September 30, 2013, revenue increased to $20,216,909 compared with $19,169,500 in the same comparative period ended September 30, 2012 based on a 34% increase in ounces sold offset by a 22% decrease in realized price per ounce. Gold sales amounted to 15,631 ounces during the three months ended September 30, 2013 compared with 11,625 ounces in the comparative period ended September 30, 2012 at an average realized price per ounce of $1,293 and $1,649 per ounce in the comperative period ended September 30, 2012. The increase in ounces sold year-on-year is due to more ounces produced at the Bai Dat and Bai Go projects at Phuoc Son (9,394 ounces during the three months ended September 30, 2013 compared with 7,923 ounces in the comperative period ended September 30, 2012) and the Nui Kem project at Bong Mieu (5,031 ounces during the three months ended September 30, 2013 compared with 3,989 ounces in the comperative period ended September 30, 2012).

Cost of Sales

During the three months ended September 30, 2013 cost of sales increased to $15,557,018 from $9,951,426 in the comparative period ended September 30, 2012, based on a 34% increase in ounces sold and 16% increase in operating cost per ounce sold. Cost of sales increased as a percentage of sales primarily due to the higher processing costs per ounce produced attributable to Phuoc Son plant downtime. Cash costs were higher than expected for the first quarter ended September 30, 2013 due to import restrictions which limited parts and material availability, hampered mining and resulted in lower production and recoveries in the mill. Costs per tonne mined and milled compared to the same quarter last year have reduced at both Bong Mieu and Phuoc Son.

Royalty Expenses

During the three months ended September 30, 2013 royalty expenses increased to $2,457,995 from $2,203,781 in the comparative period ended September 30, 2012 due to increased sales in the respective periods.

Environmental Fees

During the three months ended September 30, 2013 environmental fees increased to $1,300,008 from $791,433 in the comparative period ended September 30, 2012. The fee was introduced in January 2012 and is based on volume of ore mined. The Company is negotiating the method of calculation downwards.

Depreciation and Amortization

During the three months ended September 30, 2013 depreciation and amortization expense decreased to $3,771,799 from $4,661,534 in the comparative period ended September 30, 2012 mainly due to the impairment charge incurred in 2013 for Phuoc Son projects which reduced the value of property plant and equipment, deferred development and exploration costs and consequently depreciation and amortization charge going forward. In 2013 management assessed indicators of impairment related to the Phuoc Son projects and its associated assets and used a discounted cash flow model to calculate the value in use. This resulted in an impairment charge of $14,030,768 to the Phuoc Son project and its associated assets, allocated $9,623,364 to property, plant and equipment, $2,861,734 to deferred development expenditure, $1,060,421 to deferred exploration expenditure, and $485,248 to mine properties.

Corporate and Administrative Expenses

During the three months ended September 30, 2013 corporate and administrative expenses decreased to $1,424,912 from $2,202,316 in the comparative period ended September 30, 2012 mainly due to the reduction in number of officers, restructuring of remaining officers remuneration packages, reduction in use of external contractors, and reduction in travel and related costs.

Share-based Compensation Expense

Share-based payment expense recognized for stock options during the three months ended September 30, 2013 amounted to $200,024 (three months ended September 30, 2012 - $613,181). No new options were issued during the three months ended September 30, 2013 and the decreased share-based payment expense mainly relates to fewer options vesting during the reporting period compared to the same period last year.

Exploration Costs

During the three months ended September 30, 2013, exploration costs increased to $189,503 compared with $74,504 in the comparative period ended September 30, 2012. $145,000 of exploration costs recognised during the three months ended September 30, 2013 mainly related to consulting costs for Kadabra Mining Corp. in Philippines.

Finance Expenses

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Interest on convertible notes and gold-linked loans	883,606	1,030,740
Accretion on convertible notes and gold- linked notes	1,401,532	1,491,030
Interest expense (income), net	402,579	62,330
Derivative - fair value revaluations	201,150	(588,664)
Foreign exchange gain (loss), net	98,843	438,534
Financing costs	52,500	—
Total	**3,040,210**	**2,433,970**

During the three months ended September 30, 2013, interest and accretion on the convertible notes and amended notes were consistent with the comparative period ended September 30, 2012. Interest expense amounted to $402,579 during the three months ended September

30, 2013 compared with $62,330 during the comparative quarter last year due to penalties incurred on unpaid tax and government fees in Vietnam ($280,769 during the reporting quarter compared with $1,271 during the same quarter last year) and a higher interest rate charged on the Phuoc Son secured borrowings (up to 8% during the three months ended September 30, 2013 compared with 5.5% in the comparative quarter last year).

During the three months ended September 30, 2013, derivatives valuation increased by $201,150 compared with the decrease by $588,664 in the comparative period last year. The volatility on the non-gold-linked notes increased during the quarter ended September 30, 2013 due to the historical volatility of Besra's stock price. This has resulted in a $79,000 increase in the values of the warrants and derivatives. The increased gold price ($1,336 at September 30, 2013 compared with $1,204 at June 30, 2013) has resulted in a $124,000 increase in the values of the gold-linked note derivatives.

Liquidity, Capital Resources and Going Concern

The accompanying financial statements were prepared on a going concern basis, under the historical cost basis, which assumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

During the three months ended September 30, 2013, the Group incurred a net loss of $8,071,681. As at September 30, 2013 the Group's current liabilities exceeded its current assets by $16,789,097. As a result, there is a substantial doubt regarding the ability of the Company to continue as a going concern. The ability of the Company to continue as a going concern depends upon its ability to achieve and sustain profitable operations or to continue to access public debt or equity capital in the ordinary course. No assurance can be given that such capital will be available at all or on terms acceptable to the Company.

As at September 30, 2013, the cash and cash equivalents' balance was $1,844,225 compared to $4,062,045 as at June 30, 2013.

Working Capital

As at September 30, 2013, the working capital deficit amounted to $13,802,808.

($) As at	Sep 30, 2013	Jun 30, 2013
Inventories	10,513,293	12,224,852
Tax and other receivables	1,820,606	1,714,355
Prepaid expenses	2,495,100	1,614,240
Tax and trade payables	(28,631,807)	(27,429,290)
Net Working Capital	**(13,802,808)**	**(11,875,843)**

Tax and trade payables at September 30, 2013 were as follows:

($) As at	Sep 30, 2013	Jun 30, 2013
Taxes and government fees payable	14,265,657	12,685,228
Trade payables	10,978,770	10,832,636
Accruals and other payables	3,387,380	3,911,426
Total	**28,631,807**	**27,429,290**

Cash Flows

The following table summarizes the Company's consolidated cash flows and cash on hand.

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Net cash provided by operating activities	492,501	3,510,665
Net cash used in investing activities	(2,854,108)	(3,817,368)
Net cash provided from financing activities	141,443	1,295,213
Increase (decrease) in cash and cash equivalents	(2,220,164)	988,510
Net foreign exchange difference	2,344	297
Beginning cash and cash equivalents	4,062,045	3,397,728
Ending cash and cash equivalents	1,844,225	4,386,535

Cash from Operating Activities

The cash flow of the Company is generated from two operating entities. The Company owns 85 percent of Phuoc Son and 80 percent of Bong Mieu. The largest producing operation is Phuoc Son with estimated production for the year ending June 30, 2014 of approximately 50,000 - 52,000 ounces of gold. Bong Mieu is expected to produce between 15,000 - 18,000 ounces of gold for the year ending June 30, 2014.

Cash flow provided by operating activities for the three months ended September 30, 2013 was US$492,501 (three months ended September 30, 2012: US$3,510,665) which was insufficient to cover its investment expenditure of $2,854,108, which required the Company to draw down additional debt and its cash balances.

Investing Activities

During the three months ended September 30, 2013, Besra invested a total of US$1,287,965 (three months ended September 30, 2012: US$2,732,236) in deferred exploration and development expenses and $1,316,143 acquiring property, plant and equipment (three months ended September 30, 2012: $485,132), as follows:

	Deferred Exploration & Development Expenditure		Property Plant & Equipment	
($) 3 months ended	Sep 30, 2013	Sep 30, 2012	Sep 30, 2013	Sep 30, 2012
Bong Mieu	230,719	444,550	110,352	276,163
Phuoc Son	463,279	1,036,085	1,205,791	159,262
Bau	593,967	1,251,601	—	—
Total	**1,287,965**	**2,732,236**	**1,316,143**	**485,132**

During the three months ended September 30, 2013, Besra invested $250,000 in increasing its interest in North Borneo Gold Sdn Bhd (three months ended September 30, 2012: US$600,000).

Financing Activities

In December 2012, Phuoc Son Gold Company Limited entered into a loan agreement with a Vietnamese bank for a maximum borrowing of $5,000,000, to be drawn down as required. The loan term is twelve months from the date of principal drawdown to the date of repayment for each drawdown. The interest rate for drawdowns to September 30, 2013 is 8 percent per annum. The bank loan is secured over all assets of the borrower (Phuoc Son Gold Company Ltd). The carrying amount of the loan was $5,000,000 as at September 30, 2013 ($5,000,000 as at June 30, 2013).

On June 21, 2013, Phuoc Son Gold Company Limited entered into a new loan agreement with a Vietnamese bank for a maximum borrowing of $2,000,000. The new loan term is six months from the date of principal drawdown to the date of repayment for each drawdown. The drawdown could be exercised as required until June 30, 2014. The interest rate currently is 4.5% per annum and may be adjusted upon the notification of the bank. The carrying amount of the loan was $1,619,494 as at September 30, 2013 ($1,775,051 as at June 30, 2013). The bank loan is secured over plant and equipment with a net carrying value of $8,048,203.

Liquidity Outlook

The Company makes payments of interest on its debt facilities twice per year at the end of May and November which causes fluctuations in cash needs beyond the ordinary operating cash flow requirements.

As at September 30, 2013, the Company was holding cash and cash equivalents of $1,844,225 compared to $4,062,045 as at June 30, 2013.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and including estimated interest as at September 30, 2013:

	Carrying	Group's undiscounted financial liabilities due in			
($)	Amount	Total	1-3 months	4-12 months	1-2 years
Convertible notes	16,795,072	**25,822,433**	951,375	7,197,792	17,673,266
Gold-linked notes	17,808,067	**24,676,673**	926,238	921,176	22,829,259
Secured bank loans	6,916,494	**7,052,430**	121,561	6,930,869	—
Trade and other payables	28,631,807	**28,631,807**	28,631,807	—	—
Financial derivatives	1,084,000	**1,084,000**	—	32,000	1,052,000
Total	**71,235,440**	**87,267,343**	**30,630,981**	**15,081,837**	**41,554,525**

The Company will depend on outside capital to complete the exploration and development of the resource properties. There can be no assurance that capital will be available as necessary to meet these continuing exploration and development costs or, if the capital is available, that it will be on terms acceptable to the Company. The issuance of additional equity securities by the Company may result in a significant dilution in the equity interests of its current shareholders. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected.

The Company has financed its operations to date primarily from sale of gold and through the raising of short term debt. The Company continues to seek capital through various means including the issuance of debt and is currently in discussion with lenders to convert short-term debt to long-term debt.

Commitments, Contingencies and Contractual Obligations

Balance at September 30, 2013 Payment Due ($)	Total	Less than one year	Year 2	Year 3	Year 4	Year 5 and thereafter
Operating leases	**742,496**	373,055	161,429	91,389	61,861	54,762
Purchase obligations - supplies & services	**3,944,597**	3,899,597	45,000	—	—	—
Purchase obligations - capital	**1,586,255**	1,586,255	—	—	—	—
Acquisition of interest in North Borneo Gold Sdn Bhd	**8,150,000**	4,150,000	4,000,000	—	—	—
Asset retirement obligations	**2,481,579**	335,266	355,176	1,288,758	502,379	—
Total	**16,904,927**	**10,344,173**	**4,561,605**	**1,380,147**	**564,240**	**54,762**

In 2010 the Company entered into an agreement, as amended on May 20, 2011 and January 20, 2012 and amended and restated on May 12, 2013, to acquire up to a 93.55% interest in North Borneo Gold Sdn Bhd (NBG) by September 2015, subject to payments to be made in several tranches:

Amount ($)	Purchase Date	Total per Year ($)	Effective Holdings (%)
1,350,000	December 2, 2013	**1,350,000**	87.10
900,000	March 3, 2014		87.95
900,000	June 2, 2014		88.80
1,000,000	September 1, 2014		89.75
1,000,000	December 1, 2014	**3,800,000**	90.70
1,000,000	March 2, 2015		91.65
1,000,000	June 1, 2015		92.60
1,000,000	September 1, 2015	**3,000,000**	93.55

In the normal course of business, the Group is subject to various legal claims. Provisions are recorded where claims are likely and estimable.

Contingencies

Capcapo Gold Property

The Company entered a formal joint venture agreement on September 30, 2011 with Abra Mining & Industrial Corporation (“AMIC”), Jabel Corporation (“Jabel”), Kadabra Mining Corporation (a wholly-owned subsidiary of the Company) (“KMC”) and PhilEarth Mining Corporation (“PhilEarth”) (a Philippine company in the process of incorporation in which the Company will hold a 40% interest) in respect of the Capcapo Gold Property in the Northern Philippines.

Pursuant to the terms of the joint venture agreement, the Company, in consortium with PhilEarth, has an option to acquire up to a 60% interest in the Capcapo Gold Project, Northern Philippines, subject to compliance with Philippine foreign ownership laws. The Company paid to AMIC $300,000 upon the signing of the joint venture agreement, is required to pay a further $400,000 upon gaining unencumbered access to the property and may fully exercise its option over three stages of expenditure as follows:

Stage	Expected Expenditures	Payment Due Upon Completion of The Stage
Stage 1	1,000,000	400,000
Stage 2	2,000,000	400,000
Stage 3	4,000,000	n/a

In addition, Jabel will be paid a royalty based on the calculation that yields the highest payment; either 3% of the gross value of production from the Capcapo Gold Project or 6% of the annual profit of the joint venture corporation.

Finally, the Company is also obligated to make milestone payments each time a specified milestone is achieved in respect of the property. The specified milestone occurs at the earlier of defining a cumulative mineral reserve of 2,000,000 ounces of gold and gold equivalents for the property, or upon achievement of a consistent production rate of 2,000 tonnes per day. Accordingly, achieving one milestone does not trigger the obligation to make a subsequent milestone payment if the alternative milestone has been achieved. The milestone payment to AMIC consists of a $2,000,000 payment and the issuance of 2,000,000 common shares of the Company or common shares having a market value of $5,000,000, whichever is of lesser value.

Tax Disputes

The Company is currently disputing tax claims by the Vietnam General Department of Customs ("GDC") against Phuoc Son Gold Company ("PSGC") and Bong Mieu Gold Mining Company ("BMGMC"), Besra's two operating gold companies in Vietnam. The GDC has made an assessment that PSGC and BMGMC should pay a total of approximately 250 billion Vietnamese dong (approximately $12,000,000) in export duties.

In Vietnam, gold exported at 99.99% purity standard does not attract any export duty. GDC is claiming that during 2011 and 2012, several shipments did not meet 99.99% and therefore subject to a 10% tax. Besra strongly disputes this assessment as every shipment in question was refined in Vietnam to 99.99% by ACB Gold Center and subsequently certified 99.99% by Quality Assurance and Testing Center 3 (QuaTest3), an official government-testing center.

PSGC and BMGMC each filed official complaints under the Vietnamese Law on Complaints on May 16, 2013. These complaints were dismissed by GDC. On August 13, 2013, PSGC and BMGMC filed further complaints with the Ministry of Finance. The law provides for companies to dispute assessments made by government bodies in Vietnam in the first instance in an appeal heard by GDC, followed by an appeal to the Ministry of Finance. If unsuccessful in their complaints to the Ministry of Finance, PSGC and BMGMC intend to bring a petition before an administrative court of law to have the tax assessments overturned. The Company intends on exhausting all rights of appeal and is of the view that it will be successful in its appeals to have the GDC's decisions overturned. No provision has been recognized in the consolidated financial statements as at September 30, 2013 with this regard. There can be no assurance that the Company will be able to successfully resolve the matter discussed above. The inability to successfully resolve the matter could have a material adverse impact on the Company's future cash flows, earnings, results of financial performance and financial conditions.

Related Party Transactions

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

		% equity held as at	
Name	**Country of Incorporation**	**Sep 30, 2013**	**Jun 30, 2013**
Formwell Holdings Ltd	British Virgin Islands	100	100
Bong Mieu Holdings Ltd	Thailand	100	100
Bong Mieu Gold Mining Company Limited	Vietnam	80	80
New Vietnam Mining Corporation	British Virgin Islands	100	100
Phuoc Son Gold Company Limited	Vietnam	85	85
Kadabra Mining Corp.	Philippines	100	100
Besra Vietnam Ltd (formerly Olympus Pacific Minerals Vietnam Ltd)	Vietnam	100	100
Besra NZ Limited (formerly OYMNZ Ltd)	New Zealand	100	100
Besra Labuan Ltd (formerly Olympus Pacific Minerals Labuan Ltd)	Malaysia	100	100
Parnell Cracroft Ltd	British Virgin Islands	100	100
GR Enmore Pty Ltd	Australia	100	100
Binh Dinh NZ Gold Company Ltd	Vietnam	75	75
North Borneo Gold Sdn Bhd	Malaysia	85.61	85.61
Bau Mining Co Ltd	Samoa	91	91
KS Mining Ltd	Samoa	100	100

Compensation of the key management personnel of the Group was as follows:

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Management fees and salary	508,068	763,576
Share based compensation	138,479	405,257
Total compensation of key management	**646,547**	**1,168,833**

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to the key management personnel.

Directors' Interest in the Stock Option Plan

Stock options held by members of the Board of Directors under the stock option plan to purchase ordinary shares have the following expiry dates and exercises prices:

			Number of Options Outstanding	
Issue Date	Expiry Date	Exercise Price CAD$	Sep 30, 2013	Jun 30, 2013
Jan-10	Dec-14	0.40	2,073,618	2,073,618
Jun-10	Apr-15	0.42	1,500,000	1,500,000
Jun-10	Apr-15	0.60	1,500,000	1,500,000
Jan-11	Dec-15	0.72	1,068,378	1,068,378
Sept-11	Sept-16	0.53	751,599	751,599
Jan-12	Jan-17	0.42	1,250,000	1,250,000
Feb-12	Feb-17	0.52	3,472,872	3,472,872
Mar-12	Mar-17	0.33	3,015,000	3,015,000
May-12	May-17	0.32	150,000	150,000
Mar-13	Mar-18	0.24	2,425,000	2,425,000
Total			**17,206,467**	**17,206,467**

Directors' Interest in the Deferred Share Units Plan

Deferred share units are held by non-executive members of the Board of Directors. Under this plan, fees are paid as deferred share units ("DSUs") whose value is based on the market value of the common shares.

		Value of Units Outstanding ($)	
Award year	Units	Sep 30, 2013	Jun 30, 2013
2008	116,667	6,789	5,542
2009	120,690	7,023	5,733
Total of deferred share units outstanding	**237,357**	**13,812**	**11,275**

In 2008 the Company set up a deferred share unit plan for the non-executive members of the Board. Under this plan, fees are paid as DSUs whose value is based on the market value of the common shares. Under terms of the plan, the DSU plan will be an unfunded and unsecured plan. The deferred share units are paid out in cash upon retirement/resignation. Compensation expense for this plan is recorded in the year the payment is earned and changes in the amount of the deferred share unit payments as a result of share price movements are recorded in directors fees in the period of the change. Total DSUs outstanding as at September 30, 2013 were 237,357 units. Liabilities related to this plan are recorded in accrued liabilities and totaled $13,812 as at September 30, 2013 (as at June 30, 2013 - $11,275). The DSU plan was discontinued for new grants in 2010.

Companies Controlled by Management

Management compensation incurred on behalf of the Company was paid to companies controlled by officers of the Company. The companies that were paid for management compensation include the following:

Company name	Name	Position
Orangue Holdings Limited	David Seton	Executive Chairman
Dason Investments Limited	David Seton	Executive Chairman
Bolt Solutions Corporation	Darin Lee	Chief Operating Officer
The Jura Trust Limited	John Seton	Chief Executive Officer
Abergeldie Trust	John Seton	Chief Executive Officer
Whakapai Consulting Ltd	Jane Bell	Chief Financial Officer
Lloyd Beaumont No. 2 Trust	Paul Seton	Chief Commercial Officer

Other Financial Matters

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Use of Financial Instruments

The Company has not entered into any financial agreements to minimize its investment, currency or commodity market risk. The principal financial instruments affecting the Company's financial condition and results of operations are currently its cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. The excess cash is deposited in interest bearing bank deposit accounts with maturities of three months or less from the date of deposit. The gold produced in Vietnam is refined in Vietnam and certified in Switzerland. From June 28, 2010 gold was sold on the spot market in US dollars via Auramet Trading, LLC Fort Lee, New Jersey (previously sold at the London Bullion Market a.m. Fixing).

Common Shares

As of September 30, 2013, the Company had issued and outstanding 378,781,274 common shares. Subsequent to September 30, 2013, the Company did not buy back or cancel any further shares.

Regulatory Update

Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal control over financial reporting includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

It should be noted that a control system, no matter how well conceived or operated, can only provide reasonable assurance, not absolute assurance, that the objectives of the control system are met. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

Management, including our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of September 30, 2013. In making this assessment, management used the criteria set forth in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on its assessment, management has concluded that, as of September 30, 2013, the Company has sufficient personnel with the required experience and capabilities to complete all necessary control procedures associated with financial reporting and that the Company's internal controls over financial reporting were considered effective in terms of National Instrument 52-109 of the Canadian Securities Administrators.

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of our Chief Executive Officer and Chief Financial Officer, as of the end of the period covered in this report, evaluated the effectiveness of our disclosure controls and procedures and determined that as of September 30, 2013, the general design and operation of our disclosure controls were satisfactory.

Regulatory Reporting in the United States

The Company's common shares are listed and posted for trading on the over-the-counter market in the United States. This allows US residents to trade the Company's common shares efficiently.

Cautionary Note to US Investors Concerning Estimates of Measured, Indicated and Inferred Resources

This MD&A uses the term “measured and indicated resources”. We advise US investors that while those terms are recognized and required by Canadian regulations, the US Securities and Exchange Commission does not recognize them. US investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves.

This MD&A uses the term “inferred resources”. We advise US investors that while this term is recognized and required by Canadian regulations, the US Securities and Exchange Commission does not recognize it. “Inferred resources” have a great uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or prefeasibility studies, except in rare cases. US investors are cautioned not to assume that part or all of an inferred resource exists, or is economically and legally mineable.

Critical Accounting Estimates

Information about significant areas of estimation uncertainty considered by management in preparing the Interim Financial Statements is described in the annual financial statements for the year ended June 30, 2013.

Accounting Policies

The accounting policies and methods of computation are consistent with those of the annual financial statements for the year ended June 30, 2013 as described in those annual financial statements.

Changes in Accounting Standards

The Company has reviewed new and revised accounting pronouncements that have been issued. There have been no new or amended International Financing Reporting Standards (“IFRS”) or interpretations applicable to the Company which were issued and were effective at July 1, 2013.

Non-IFRS Measures

The Company has included non-IFRS measures for “Operating cash cost per gold ounce sold”, "Operating cash cost per gold ounce produced" and “All-In Sustaining Costs” in this MD&A to supplement its financial statements which are presented in accordance with IFRS. Operating cash costs per ounce produced (sold) is calculated by dividing operating cash costs by gold ounces produced (sold) for the relevant period. All-in sustaining costs per ounce produced includes operating cash costs, plus a share of corporate administration costs and share-based payment expenses related to Company's operations in Vietnam, plus sales based taxes and government fees, plus an annualized estimate of sustaining capital and exploration expenditure, divided by gold ounces produced for the relevant period. It excludes corporate income tax, reclamation and remediation costs.

The Company believes that these measures provide investors with an improved ability to evaluate the performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The World Gold Council released on June 27, 2013 guidance regarding the non-GAAP measures “All-In Sustaining Costs” and “All-In Costs” it recommends that its members adopt. The Company is reviewing the recommended measures and assessing their impact. The Company may modify the calculation of its “all-in sustaining cost” measure to conform to the industry’s standard following its review.

Risk Factors and Uncertainties

Readers of this MD&A are encouraged to read the "Risk Factors and Uncertainties" as more fully described in the Company's filings with the Canadian Securities Administrators, including its Annual Report for the period ended June 30, 2013, available on SEDAR at www.sedar.com.

Important risk factors to consider, among others, are

- Ability of the Company to continue as a going concern
- Ability of the Company to raise funds in order to carry out the business
- Commodity Price Volatility
- Uncertainty in the Estimation of Mineral Reserves and Mineral Resources
- Uncertainty of Exploration and Development
- The Company May Not Achieve its Production Estimates
- Environmental Risks and Hazards

Forward-Looking Statements

This report contains certain forward-looking statements relating to, but not limited to, management's expectations, estimates, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "project", "goal", "plan", "intend", "budget", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include, but is not limited to, statements regarding: reserve and resource estimates; estimates of future production; unit costs, costs of capital projects and timing of commencement of operations; production and recovery rates; financing needs, the availability of financing on acceptable terms or other sources of funding, if needed; and the timing of additional tests, feasibility studies and environmental or other permitting.

Forward-looking statements should not be construed as guarantees of future performance. The forward-looking statements contained herein are based on our management's current expectations, estimates, assumptions, opinion and analysis in light of its experience that, while considered reasonable at the time, may turn out to be incorrect or involve known and unknown risks, uncertainties and other factors inherently subject to a number of business and economic risks and uncertainties and contingencies that could cause actual results to differ materially from any forward-looking statement. These risks, uncertainties and other factors include, but are not limited to, the following: failure to establish estimated resources and reserves; the grade and recovery of ore which is mined varying from estimates; capital and operating costs varying significantly from estimates; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; changes in national and local government legislation, taxation or regulations, political or economic developments; the ability to obtain financing on favorable terms or at all; inflation; changes in currency exchange rates; fluctuations in commodity prices; delays in the development of projects; and other risks that we set forth in our filings with applicable securities regulatory authorities from time to time and available at www.sedar.com or www.sec.gov/edgar.

Due to the inherent risks associated with our business, readers are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. We disclaim any intention or obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by applicable laws.

Technical Information and Qualified Person

The technical information in this MD&A that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information complied by Mr. Rod Murfitt, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Murfitt has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a “Competent Person”, as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve” and to qualify as a “Qualified Person” as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators. Mr. Murfitt is a full-time consultant to the Company and is not “independent” within the meaning of National Instrument 43-101. Mr. Murfitt consents to the inclusion in this report of the technical information in the form and context in which it appears.

Mr. Murfitt verified the data disclosed, including sampling, analytical and test data underlying the information contained herein. For a description of Besra's data verification process, quality assurance program and quality control measure applied, the type of analytical or testing procedures utilized, sample size, name and location of testing laboratories, the effective date of the mineral resource and ore reserve estimates contained herein, details of the key assumptions, parameters and methods used to estimate the mineral resources and ore reserves set out in this report, any known environmental, political, legal, title, or other risks that could materially affect the potential development of the mineral resources or ore reserves, readers are directed to the technical reports entitled “A Technical Review of the Bong Mieu Gold Project in Quang Nam Province, Vietnam” in September 2004, “Technical Review of the Bong Mieu Gold Project in Quang Nam Province, Vietnam” in August 2007 and “Updated Technical Review of Bong Mieu Gold Project in Quang Nam Province, Vietnam” dated April 2009 in relation to the Bong Mieu Gold Project, and the technical reports entitled “A Technical Review of the Phuoc Son Gold Project in Quang Name Province, Vietnam” dated January 2004 and “Technical Report on the Phuoc Son Project in Quang Nam Province, Vietnam” dated March 2008 in relation to the Phuoc Son Gold Project, and the technical report entitled “Technical Report on Bau Project in Bau, Sarawak, East Malaysia” dated August 2010 in relation to the Bau Gold Project.

Notice To The Reader

The accompanying unaudited interim condensed consolidated financial statements for the three months ended September 30, 2013 ("Interim Financial Statements") and all information contained in the management's discussion and analysis have been prepared by and are the responsibility of the management of Besra Gold Inc. and its subsidiaries.

The Audit Committee of the Board of Directors, consisting of three members, has reviewed the Interim Financial Statements and related financial reporting matters. The Company's independent auditors, Ernst & Young LLP, Chartered Accountants, have not performed a review of these Interim Financial Statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

Table Of Contents

Consolidated Statement of Income (Loss) and Comprehensive Income (Loss)

For the three months ended September 30, 2013

		Three months ended	
(US$) (unaudited)	Note	Sep 30, 2013	Sep 30, 2012
Sales		20,216,909	19,169,500
Cost of sales		15,557,018	9,951,426
Gross profit		**4,659,891**	**9,218,074**
Royalty expense		2,457,995	2,203,781
Environmental fees		1,300,008	791,433
Corporate and administrative expenses		1,424,912	2,202,316
Share-based compensation	21	200,024	613,181
Exploration costs		181,516	384,472
		5,564,455	**6,195,183**
(Losses) earnings before net finance costs, income tax, depreciation, amortization (EBITDA)		**(904,564)**	**3,022,891**
Depreciation and amortization		3,771,799	4,661,534
Finance charges	8	3,040,210	2,433,970
		6,812,009	**7,095,504**
Loss for the period before income tax		**(7,716,573)**	**(4,072,613)**
Income tax expense (recovery)		355,108	(406,661)
Total comprehensive loss for the period		**(8,071,681)**	**(3,665,952)**
Attributable to:			
Equity owners		(7,389,702)	(3,843,280)
Non-controlling interest		(681,979)	177,328
Loss per share attributable to equity owners			
Basic	7	(0.020)	(0.010)
Diluted	7	(0.020)	(0.010)

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

Consolidated Statement of Financial Position

As at September 30, 2013

US$ (unaudited)	Note	Sep 30, 2013	Jun 30, 2013
ASSETS			
Current			
Cash and cash equivalents	13	1,844,225	4,062,045
Tax and other receivables	14	1,820,606	1,714,355
Inventories	15	10,513,293	12,224,852
Prepayments		2,495,100	1,614,240
		16,673,224	**19,615,492**
Non-current			
Property, plant & equipment	9	17,577,196	17,231,269
Deferred exploration expenditure	10	23,072,414	22,678,843
Deferred development expenditure	11	5,133,020	6,216,049
Mine properties	12	35,094,083	35,265,242
Other long-term assets		727,735	352,603
		81,604,448	**81,744,006**
TOTAL ASSETS		**98,277,672**	**101,359,498**
LIABILITIES			
Current			
Provisions	16	1,363,615	1,450,071
Derivative financial liabilities	19	32,000	—
Tax and trade payables	17	28,631,807	27,429,290
Interest-bearing loans and borrowings	18	7,500,533	6,981,965
Convertible notes	18	6,198,880	5,353,217
		43,726,835	**41,214,543**
Non-current			
Provisions	16	2,054,793	1,404,846
Derivative financial liabilities	19	1,052,000	882,850
Convertible notes	18	10,596,192	9,803,088
Interest-bearing loans and borrowings	18	17,224,028	16,645,179
Deferred tax liabilities		6,834,727	6,717,486
		37,761,740	**35,453,449**
TOTAL LIABILITIES		**81,488,575**	**76,667,992**
EQUITY			
Issued capital and reserves	20	129,559,480	129,390,208
Deficit		(111,747,529)	(104,357,827)
		17,811,951	**25,032,381**
Non-controlling interest		(1,022,854)	(340,875)
TOTAL EQUITY		**16,789,097**	**24,691,506**
TOTAL LIABILITIES AND EQUITY		**98,277,672**	**101,359,498**
Commitments, contingencies and contractual obligations	23		

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

Consolidated Statement of Changes in Equity

For the three months ended September 30, 2013

US$ (unaudited)	Issued Capital	Deficit	Reserves (note 20)	Non-Controlling Interest	Total Equity
Balance at July 1, 2013	**135,182,292**	**(104,357,827)**	**(5,792,084)**	**(340,875)**	**24,691,506**
Loss for the period	—	(7,389,702)	—	(681,979)	**(8,071,681)**
Share capital cancelled	(30,752)	—	—	—	**(30,752)**
Share-based payments (note 21)	—	—	200,024	—	**200,024**
Balance at September 30, 2013	**135,151,540**	**(111,747,529)**	**(5,592,060)**	**(1,022,854)**	**16,789,097**

For the three months ended September 30, 2012

US$ (unaudited)	Issued Capital	Deficit	Reserves (note 20)	Non-Controlling Interest	Total Equity
Balance at July 1, 2012	**135,134,697**	**(81,103,158)**	**(5,638,890)**	**2,169,412**	**50,562,061**
(Loss) income for the period	—	(3,843,280)		177,328	**(3,665,952)**
Share-based payments (note 21)	—	—	613,181	—	**613,181**
Balance at September 30, 2012	**135,134,697**	**(84,946,438)**	**(5,025,709)**	**2,346,740**	**47,509,290**

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

Consolidated Statement of Cash Flows

For the three months ended September 30, 2013

US$ (unaudited)	Three months ended Sep 30, 2013	Sep 30, 2012
OPERATING ACTIVITIES		
Loss for the period after tax	**(8,071,681)**	**(3,665,952)**
Items not affecting cash		
Depreciation and amortization	3,771,779	4,661,534
Stock-based compensation expense	200,024	613,181
Deferred income tax	315,731	(436,012)
Derivatives revaluation	201,150	(588,665)
Interest and accretion of term loans	2,224,407	1,963,769
Unrealized foreign exchange	199,651	360,560
ARO accretion adjustment	28,976	86,828
Changes in non-cash working capital balances		
Trade and other receivables and other financial assets	(980,362)	590,089
Trade and other payables	971,310	313,236
Inventory	1,631,516	(387,903)
Cash provided by operating activities	**492,501**	**3,510,665**
INVESTING ACTIVITIES		
Deferred exploration and development costs	(1,287,965)	(2,732,236)
Acquisition of property, plant and equipment	(1,316,143)	(485,132)
Investment in subsidiary	(250,000)	(600,000)
Cash used in investing activities	**(2,854,108)**	**(3,817,368)**
FINANCING ACTIVITIES		
Repayment of the secured bank loan	(3,898,605)	1,744,781
Proceeds from the secured bank loan	4,040,048	—
Finance lease payments	—	(449,568)
Cash provided by (used in) financing activities	**141,443**	**1,295,213**
(Decrease) increase in cash during the period	(2,220,164)	988,510
Cash - beginning of the period	**4,062,045**	**3,397,728**
Effect of foreign exchange rate changes on cash	2,344	297
Cash - end of the period	**1,844,225**	**4,386,535**
Supplemental information		
Interest paid	122,692	534,555
Income taxes paid	—	—

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

1. Corporate Information

The unaudited interim condensed consolidated financial statements (“Interim Financial Statements”) of Besra Gold Inc. (the “Company” or “Besra”) and its subsidiaries (together, the “Group”) for the three months ended September 30, 2013 were authorized for issue in accordance with a resolution of the Company's Audit Committee on November 14, 2013. Besra is a corporation continued under the Canada Business Corporation Act with its registered office located and domiciled in Toronto, Ontario, Canada whose shares are publicly traded on the Toronto Stock Exchange (“TSX”), the Australian Securities Exchange (“ASX”) and the OTCQX Bulletin Board in the United States of America.

The principal activities of the Group are the acquisition, exploration, development, mining and re-instatement of gold bearing properties in Southeast Asia. The Company has two key properties located in Central Vietnam: the Bong Mieu Gold property and the Phuoc Son Gold property; as well as one key property in East Malaysia: The Bau Gold property; and one key property in the Northern Philippines: The Capcapo Gold property.

2. Statement of Compliance

These Financial Statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting. The Interim Financial Statements do not include all of the information and disclosure required in the annual financial statements, and should therefore be read in conjunction with the annual financial statements for the year ended June 30, 2013, which have been prepared in accordance with the International Financial Reporting Standards (“IFRS”).

3. Basis of Preparation and Going Concern

The Interim Financial Statements are presented in United States (“US”) dollars, which is the Company's functional and the Group's presentation currency.

These Interim Financial Statements were prepared on a going concern basis, under the historical cost basis, which assumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period.

Where necessary, comparatives have been reclassified to maintain consistency and comparability with current period figures.

During the three months ended September 30, 2013, the Group incurred a net loss of $8,071,681. As at September 30, 2013 the Group's current liabilities exceeded its current assets by $16,789,097. As a result, there is a substantial doubt regarding the ability of the Company to continue as a going concern. The ability of the Company to continue as a going concern depends upon its ability to resume profitable operations or to access public debt or equity capital in the ordinary course. No assurance can be given that such capital will be available at all or on terms acceptable to the Company.

These Interim Financial Statements do not include any adjustments related to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. If the “going concern” assumption was not appropriate for these Interim Financial Statements, then adjustments to the carrying values of the assets and liabilities, expenses and consolidated balance sheet classification, which could be material, may be necessary.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of these Interim Financial Statements for the Group in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the Interim Financial Statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are prepared by appropriately qualified people and based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Information about significant areas of estimation uncertainty considered by management in preparing the Interim Financial Statements is described in the annual financial statements for the year ended June 30, 2013.

5. Accounting Policies, New Standards and Interpretations

The accounting policies and methods of computation are consistent with those of the annual financial statements for the year ended June 30, 2013 as described in those annual financial statements.

The Company has reviewed new and revised accounting pronouncements that have been issued. There have been no new or amended IFRS or interpretations applicable to the Group which were issued and were effective at July 1, 2013.

6. Segment Analysis

For management purposes, the Group is organized into one business segment and has two reportable segments based on geographic area as follows:

- The Company's Vietnamese operations produce ore in stockpiles, gold in circuit, doré bars and gold bullion through its Bong Mieu and Phuoc Son subsidiaries.
- The Company's Malaysian operations are engaged in the exploration for, and evaluation of, gold properties within the country.

Management monitors the operating results of its reportable segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss, as well as mine development, and is measured consistently with operating profit or loss in the Financial Statements. However, group financing (including finance costs and finance income) and income taxes are managed on a group basis and are not allocated to operating segments.

All revenues are transacted via one merchant on behalf of external customers unknown to the Group.

$	Property, plant and equipment	Deferred exploration expenditure	Deferred development expenditure	Mine properties	Other non-current assets	Total non-current assets	Current assets	Liabilities
September 30, 2013								
Vietnam	16,744,923	7,856,979	5,133,020	3,267,646	727,735	33,730,303	15,824,050	36,510,759
Malaysia	106,838	15,215,435	—	31,276,437	—	46,598,710	395,546	6,928,583
Other	725,435	—	—	550,000	—	1,275,435	453,628	38,049,233
Total	**17,577,196**	**23,072,414**	**5,133,020**	**35,094,083**	**727,735**	**81,604,448**	**16,673,224**	**81,488,575**
June 30, 2013								
Vietnam	16,466,502	8,060,103	6,216,049	3,438,805	91,003	34,272,462	18,765,947	34,332,131
Malaysia	120,916	14,618,740	—	31,276,437	—	46,016,093	147,995	6,970,128
Other	643,851	—	—	550,000	—	1,193,851	963,150	35,365,733
Total	**17,231,269**	**22,678,843**	**6,216,049**	**35,265,242**	**91,003**	**81,482,406**	**19,877,092**	**76,667,992**

	September 30, 2013		September 30, 2012	
$ 3 months ended	Revenue	Segment income (loss) after tax	Revenue	Segment income (loss) after tax
Vietnam	20,216,909	(3,950,551)	19,169,500	865,875
Malaysia	—	(479,731)	—	605,713
Other	—	(3,641,399)	—	(5,137,540)
Total	**20,216,909**	**(8,071,681)**	**19,169,500**	**(3,665,952)**

7. Earnings Per Share

Three months ended	Sep 30, 2013	Sep 30, 2012
Basic Earnings per Share Attributable to Equity Owners		
Loss for the period ($)	(7,389,702)	(3,843,280)
Weighted average number of common shares outstanding	378,698,034	378,781,186
Basic Earnings per Share Attributable to Equity Owners ($)	**(0.020)**	**(0.010)**
Diluted Earnings per Share Attributable to Equity Owners		
Net loss used to calculate diluted earnings per share ($)	(7,389,702)	(3,843,280)
Weighted average number of common shares outstanding	378,698,034	378,781,186
Dilutive effect of stock options outstanding ($)	—	112,177
Weighted average number of common shares outstanding used to calculate diluted earnings per share	378,698,034	378,893,363
Diluted loss per share ($)	**(0.020)**	**(0.010)**

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

Diluted earnings per share is based on basic loss per share adjusted for the potential dilution if share options and warrants are exercised and the convertible notes are converted into common shares.

8. Finance Expenses

($) 3 months ended	Sep 30, 2013	Sep 30, 2012
Interest on convertible notes and gold-linked loans	883,606	1,030,740
Accretion on convertible notes and gold- linked notes	1,401,532	1,491,030
Interest expense (income), net	402,579	62,330
Derivative - fair value revaluations	201,150	(588,664)
Foreign exchange gain (loss), net	98,843	438,534
Financing costs	52,500	—
Total	**3,040,210**	**2,433,970**

9. Property, Plant and Equipment

$	Land & buildings	Plant & equipment	Infrastructure	Capital assets in progress	Total
Cost					
Balance at July 1, 2013	**3,522,005**	**34,734,453**	**21,436,075**	**1,453,918**	**61,146,451**
Additions	—	198,844	648,916	1,066,738	**1,914,498**
Disposals	(8,337)	(582,008)	(8,500)	—	**(598,845)**
Reclassifications	124,895	170,823	336,716	(632,434)	**—**
Translation adjustments	(292)	(19,398)	—	—	**(19,690)**
Balance at September 30, 2013	**3,638,271**	**34,502,714**	**22,413,207**	**1,888,222**	**62,442,414**
Accumulated depreciation					
Balance at July 1, 2013	**(1,928,513)**	**(18,990,629)**	**(10,964,649)**	**—**	**(31,883,791)**
Depreciation charge for the period	(80,225)	(890,203)	(572,723)	—	**(1,543,151)**
Disposals	—	544,822	2,233	—	**547,055**
Translation adjustments	18	18,495	—	—	**18,513**
Balance at September 30, 2013	**(2,008,720)**	**(19,317,515)**	**(11,535,139)**	**—**	**(32,861,374)**
Impairment provision as at July 1, 2013	**(589,065)**	**(6,669,982)**	**(4,336,120)**	**(436,224)**	**(12,031,391)**
Utilization of provision	—	—	—	27,547	27,547
Impairment provision as at September 30, 2013	**(589,065)**	**(6,669,982)**	**(4,336,120)**	**(408,677)**	**(12,003,844)**
Net carrying amount					
Balance at July 1, 2013	1,004,427	9,073,842	6,135,306	1,017,694	**17,231,269**
Balance at September 30, 2013	**1,040,486**	**8,515,217**	**6,541,948**	**1,479,545**	**17,577,196**

Plant and equipment with a carrying value of $8,048,203 and $25,520,224, respectively, at September 30, 2013 has been pledged as security for two Vietnamese bank loans (Note 18).

10. Deferred Exploration Expenditure

$	Bong Mieu	Phuoc Son	North Borneo Gold	Binh Dinh NZ Gold	Total
Cost					
Balance at July 1, 2013	4,000,286	9,454,104	14,618,741	783,774	**28,856,905**
Additions	137,961	26,479	596,695	—	**761,135**
Translation adjustment	—	—	—	(2,728)	**(2,728)**
Balance at September 30, 2013	**4,138,247**	**9,480,583**	**15,215,436**	**781,046**	**29,615,312**
Accumulated amortization					
Balance at July 1, 2013	(226,844)	(3,613,294)	—	—	**(3,840,138)**
Amortization for the period	(20,323)	(344,513)	—	—	**(364,836)**
Balance at September 30, 2013	**(247,167)**	**(3,957,807)**	**—**	**—**	**(4,204,974)**
Impairment provision as at July 1, 2013 and September 30, 2013	**(91,070)**	**(2,246,854)**	**—**	**—**	**(2,337,924)**
Net book value					
Balance at July 1, 2013	3,682,372	3,593,956	14,618,741	783,774	**22,678,843**
Balance at September 30, 2013	**3,800,010**	**3,275,922**	**15,215,436**	**781,046**	**23,072,414**

As the Company did not yet have unencumbered access to the Capcapo property at September 30, 2013, exploration costs incurred to date in respect of this property have been expensed.

11. Deferred Development Expenditure

$	Bong Mieu	Phuoc Son	Total
Cost			
Balance at July 1, 2013	18,945,784	25,807,694	**44,753,478**
Additions	92,758	436,800	**529,558**
Balance at September 30, 2013	**19,038,542**	**26,244,494**	**45,283,036**
Accumulated amortization			
Balance at July 1, 2013	(8,312,779)	(18,296,257)	**(26,609,036)**
Amortization for the period	(476,928)	(1,135,659)	**(1,612,587)**
Balance at September 30, 2013	**(8,789,707)**	**(19,431,916)**	**(28,221,623)**
Impairment provision as at July 1, 2013 and September 30, 2013	**(9,066,659)**	**(2,861,734)**	**(11,928,393)**
Net book value			
Balance at July 1, 2013	1,566,346	4,649,703	**6,216,049**
Balance at September 30, 2013	**1,182,176**	**3,950,844**	**5,133,020**

12. Mine Properties

$	Bong Mieu	Phuoc Son	North Borneo Gold	Binh Dinh NZ Gold Co	GR Enmore	Total
Cost as at July 1, 2013 and September 30, 2013	**3,220,670**	**4,995,064**	**31,276,437**	**1,333,333**	**550,000**	**41,375,504**
Accumulated amortization as at July 1, 2013	(1,903,624)	(3,721,390)	—	—	—	**(5,625,014)**
Amortization for the period	—	(171,159)	—	—	—	**(171,159)**
Accumulated amortization as at September 30, 2013	**(1,903,624)**	**(3,892,549)**	**—**	**—**	**—**	**(5,796,173)**
Impairment provision as at July 1, 2013 & September 30, 2013	**—**	**(485,248)**	**—**	**—**	**—**	**(485,248)**
Net book value as at July 1, 2013	1,317,046	788,426	31,276,437	1,333,333	550,000	**35,265,242**
Net book value as at September 30, 2013	**1,317,046**	**617,267**	**31,276,437**	**1,333,333**	**550,000**	**35,094,083**

The Company's exploration and mining licenses related to the above mine properties are of a fixed term. Prior to the expiry of any of its exploration or mining licenses, the Company files applications in the ordinary course to renew those licenses that it deems necessary or advisable for the continued operation of its business.

Bong Mieu Gold Property

The Bong Mieu gold property consists of the Ho Gan open-pit and underground deposits, the Nui Kem underground mine and the Ho Ray -Thac Trang deposit. The Ho Gan underground operation was closed in August 2012 due to low grade. Nui Kem has been in commercial production since 2009. Ho Ray Thac Trang is at the feasibility stage. The property contains multiple gold mineralization zones that are being explored for additional resources.

Phuoc Son Gold Property

The Phuoc Son Gold Project hosts the Dak Sa Shear Zone containing the underground mines, Bai Dat and Bai Go which have been in commercial production since 2009 and 2011, respectively. The process plant, also within the Dak Sa Shear Zone, was brought into commercial production in July 2011. The property contains multiple gold mineralization zones that are being explored for additional resources.

Bau Gold Project

The Bau property is a brown-field project, spread over a large geographic area in which the Company is in consortium with a Malaysian company with material Bumiputra interests that owns rights to consolidated mining tenements covering much of the historic Bau Goldfield in Sarawak, East Malaysia. The Bau Gold Project comprises consolidated mining and exploration tenements that collectively cover more than 1,340km^2 of the most highly prospective ground within the historic Bau Gold Project. The Company is nearing completion of a feasibility study and expects to release the results during 2013. Besra has agreed to acquire a further 7.94% of North Borneo Gold over the next three years from the Malaysian joint venture partner, bringing the total effective holding to 93.55%.

Capcapo Gold Property

The Capcapo Gold Property is located in Abra Province approximately 80km north of the prolific Baguio-Mankayan Gold District in the Northern Philippines. Besra, in consortium with a Philippine company controlled by Philippines nationals, has an option to acquire up to a 60% interest in the Capcapo Gold Project. Capcapo is a large relatively unexplored project analogous to productive deposits within the nearby Baguio mining district. Ore grade Au-Cu mineralization outcrops at surface and drilling indicates grade increases at depth.

Tien Thuan Gold Property

The Tien Thuan Gold Project lies approximately 50km west of the port city of Quy Nhon in Binh Dinh Province in Southern Vietnam. The project area broadly encompasses about 100km^2 of hilly terrain containing numerous hard rock and alluvial gold occurrences, within and peripheral to a large, multiphase intrusive complex of predominately felsic composition.

Enmore Gold Property

The GR Enmore Gold Project covers approximately 325km^2 within the Enmore-Melrose Goldfield of northeastern New South Wales, Australia. Besra holds a 100% interest in one exploration license covering 158.76km^2 and is earning an 80% interest in two exploration licenses covering 35.28km^2.

13. Cash and Cash Equivalents

$ As at	Sep 30, 2013	Jun 30, 2013
Cash at banks and on hand	1,584,461	3,536,646
Restricted cash at banks	250,277	250,892
Short-term deposits	9,487	274,507
Total	**1,844,225**	**4,062,045**

14. Tax and Other Receivables

$ As at	Sep 30, 2013	Jun 30, 2013
Taxes receivable (VAT, GST, etc.)	1,341,718	1,241,484
Deposits	445,151	446,859
Other receivables	33,737	26,012
Total	**1,820,606**	**1,714,355**

15. Inventories

$ As at	Sep 30, 2013	Jun 30, 2013
Doré bars and gold bullion	3,926,173	5,596,937
Gold in circuit	1,850,168	1,764,700
Ore in stockpiles	838,524	515,066
Mine operating supplies & spares	3,898,428	4,348,149
Total	**10,513,293**	**12,224,852**

16. Provisions

$	Asset retirement obligations	Employee entitlements	Other	Total
Balance at July 1, 2013	1,865,466	678,372	311,079	**2,854,917**
Arising during the period	639,884	133,968	87,594	**861,446**
Adjustment to ARO	(30,071)	—	—	**(30,071)**
Accretion	28,976	—	—	**28,976**
Utilization	(22,677)	(141,035)	(135,872)	**(299,584)**
Translation adjustment	—	12,390	(9,666)	**2,724**
Balance at September 30, 2013	**2,481,578**	**683,695**	**253,135**	**3,418,408**
Current	426,785	683,695	253,135	**1,363,615**
Non-current	2,054,793	—	—	**2,054,793**
Total	**2,481,578**	**683,695**	**253,135**	**3,418,408**

Asset Retirement Obligations

In accordance with Vietnamese and Malaysian law, land must be restored to its original condition. The Group recognized $2,814,302 in provisions before discount for this purpose in relation to its operations in Vietnam. Because of the long-term nature of the liability, the biggest uncertainty in estimating the provision relates to the costs that will be incurred. The provisions for asset retirement obligations are based on estimated future costs using information available at balance date. The provision has been calculated using a discount rate of 8 percent. The majority of rehabilitation is expected to occur progressively over the next 5 years. To the extent the actual costs differ from these estimates, adjustments will be recorded and the Consolidated Statement of Comprehensive Income may be impacted. No provision has been calculated for Bau due to its exploration stage.

Employee Entitlements

Employee entitlements include the value of excess leave entitlements allocated over the leave taken by the employees of the Group. These amounts are expected to be utilized as the employees either take their accrued leave or receive equivalent benefits upon ceasing employment. Employee entitlements also include provisions for short-term incentive plan benefits.

Other

Other provisions mainly represent a provision for audit fees that relate to the period but for which the services are generally performed in a future period.

17. Tax and Trade Payables

$ As at	Sep 30, 2013	Jun 30, 2013
Taxes and government fees payable	14,265,657	12,685,228
Trade payables	10,978,770	10,832,636
Accruals and other payables	3,387,380	3,911,426
Total	**28,631,807**	**27,429,290**

18. Interest-Bearing Loans and Borrowings

$ As at	Sep 30, 2013	Jun 30, 2013
Non-current liabilities		
Convertible notes	10,596,192	9,803,088
Gold-linked notes	17,224,028	16,645,179
Total non-current liabilities	**27,820,220**	**26,448,267**
Current liabilities		
Current portion of convertible notes	6,198,880	5,353,217
Current portion of gold-linked notes	584,039	206,914
Secured bank loan	6,916,494	6,775,051
Total current interest bearing loans and borrowings	7,500,533	6,981,965
Total current liabilities	**13,699,413**	**12,335,182**

					Face Value	
	Currency	Maturity	Interest Rate (%)	Number of Units	Sep 30, 2013	Jun 30, 2013
Gold-linked notes (USD)	USD	May-15	8	13,131,898	16,729,967	16,729,967
Gold-linked notes (CAD)	CAD	May-15	8	7,567,264	4,319,856	4,319,856
9% CAD Convertible notes	CAD	Mar-14	9	5,142,679	6,356,499	6,356,499
8% CAD Convertible notes	CAD	Apr-15	8	15,000,000	15,000,000	15,000,000
8% USD Convertible notes	USD	May-15	8	1,469,000	1,469,000	1,469,000
Secured bank loans	USD	Jan-Mar-14	4.5-8	6,916,494	6,916,494	6,775,051

Convertible Notes

At September 30, 2013

Convertible Notes	Conversion Rate per Unit	Total Shares on Conversion
9% CAD Notes	0.42	15,134,521
8% CAD Notes	0.50	30,000,000
8% USD Notes	0.51	2,880,392

The Convertible Note agreements require the Company to meet certain covenants, all of which had been met as at September 30, 2013, including the affirmative and negative covenants, anti-dilution provision and other provisions that are customary for transactions of this nature.

Secured Bank Loan

In December 2012, Phuoc Son Gold Company Limited entered into a loan agreement with a Vietnamese bank for a maximum borrowing of $5,000,000, to be drawn down as required. The loan term is twelve months from the date of principal drawdown to the date of repayment for each drawdown. The interest rate for drawdowns to September 30, 2013 is 8 percent per annum. The bank loan is secured over all assets of the borrower (Phuoc Son Gold Company Ltd). The carrying amount of the loan was $5,000,000 as at September 30, 2013 ($5,000,000 as at June 30, 2013).

On June 21, 2013, Phuoc Son Gold Company Limited entered into a new loan agreement with a Vietnamese bank for a maximum borrowing of $2,000,000. The new loan term is six months from the date of principal drawdown to the date of repayment for each drawdown. The drawdown could be exercised as required until June 30, 2014. The interest rate currently is 4.5% per annum and may be adjusted upon the notification of the bank. The carrying amount of the loan was $1,619,494 as at September 30, 2013 ($1,775,051 as at June 30, 2013). The bank loan is secured over plant and equipment with a net carrying value of $8,048,203 (Note 9).

19. Derivative Financial Liabilities

$ As at	Sep 30, 2013	Jun 30, 2013
Convertible notes - conversion option	153,000	154,850
Convertible notes vested warrants - conversion option	136,000	57,000
Gold-linked notes - gold price participation and put options	795,000	671,000
Total	**1,084,000**	**882,850**
Current portion (CAD 9% convertible notes)	32,000	—
Non-current portion	1,052,000	882,850
Total	**1,084,000**	**882,850**

Gold-Linked Note Derivatives

Gold-Linked Notes (Amended Gold Loan Notes)

The Gold Price Participation Agreement (GPPA) option and put option features of the Amended Gold Loan Notes are re-valued at each reporting date using the Binominal Lattice option pricing model. The GPPA option of the Amended Gold Loan Notes, a derivative liability of the Company, has a value of $137,000 at September 30, 2013 ($116,000 as at June 30, 2013). The put and call option components of the Amended Gold Loan Notes had no value at September 30, 2013 (both nil as at June 30, 2013).

Gold-Linked Notes (Amended Convertible Notes)

Holders of the Amended Convertible Notes are entitled to participate in any increase in the gold price via an increase in the redemption price paid on the maturity date based on the prevailing gold price at the maturity date, May 6, 2015.

The GPPA option features of the amended convertible notes are re-valued at each reporting date using the Binominal Lattice option pricing model. The 2012 GPPA and call option components of the amended USD convertible notes, a derivative liability of the Company, had a value of $499,000 and nil, respectively, at September 30, 2013 ($423,000 and nil as at June 30, 2013). The GPPA and call option components of the amended CAD convertible notes, a derivative liability of the Company, had a value of $159,000 and nil, respectively, at September 30, 2013 ($132,000 and nil as at June 30, 2013).

Inputs used when valuing the Gold-Linked Notes, put and call option components were:

	Sep 30, 2013	Jun 30, 2013
Gold price per ounce ($)	1,336	1,204
Exercise price (put options) per ounce ($)	1,750	1,750
Term to maturity (years)	1.6	1.85
Expected gold volatility (%)	20	20
Annual risk rate (%)	23	23
Risk free rate (gold rate) (%)	1.8	1.7

Convertible Note Derivatives

Some of the convertible notes outstanding are denominated in Canadian dollars while others are denominated in US dollars and the associated warrants are denominated in Canadian dollars. The functional reporting currency of the Company is US dollars. As the exercise price of the stock underlying the warrants and conversion feature of the convertible notes denominated in Canadian dollars is not denominated in the Company's functional currency, the contractual obligations arising from the warrants and conversion feature meet the definition of derivatives under IFRS. They are re-valued at each reporting date using the Black-Scholes model for the warrants and a binomial option pricing model for the conversion option, with any change in valuation being recognized in the Consolidated Statement of Income (Loss) and Comprehensive Income (Loss).

20. Issued Capital and Reserves

Common Shares

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

The movement in the capital stock of the Company for the three months ended September 30, 2013 was as follows:

Common Shares	Number of Shares	Amount ($)
Balance at June 30, 2013	378,951,274	135,182,292
Shares cancelled during the period	(170,000)	(30,752)
Balance at September 30, 2013	**378,781,274**	**135,151,540**

Stock Options

Under the Company's stock option plan, options to purchase shares of the Company may be granted to directors, officers, employees and consultants of the Company. The maximum number of shares that may be issued under the new plan is 12 percent (on a non-diluted basis) of the Company's issued and outstanding shares. Options granted under the plan have a maximum term of five years and vesting dates are determined by the Board of Directors on an individual basis at the time of granting.

The following table provides a summary of the stock option activity for the three months ended September 30, 2013.

	September 30, 2013	
CAD	Number of Options	Weighted Average Exercise Price CAD
Outstanding, beginning of the period	44,427,497	0.47
Expired	(416,667)	0.80
Outstanding, end of the period	**44,010,830**	**0.47**
Options exercisable at the end of the period	**37,507,497**	**0.40**

The following table summarizes information about the stock options outstanding as at September 30, 2013.

	Options Outstanding			Options Exercisable	
Range of exercise price CAD	Number outstanding	Weighted average remaining life (years)	Weighted average exercise price CAD	Number exercisable	Weighted average exercise price CAD
0.12	127,566	0.26	0.12	127,566	0.12
0.20 - 0.29	14,297,500	3.99	0.24	7,387,500	0.25
0.30 - 0.39	4,470,000	3.5	0.33	4,470,000	0.33
0.40 - 0.49	10,717,184	2.21	0.41	10,717,184	0.41
0.50 - 0.59	9,285,558	3.13	0.52	9,275,558	0.52
0.60 - 0.69	2,350,000	1.97	0.60	2,350,000	0.60
0.70 - 0.79	2,763,022	2.38	0.72	2,763,022	0.72
	44,010,830		**0.40**	**37,090,830**	**0.39**

During the three months ended September 30, 2013, no options were issued to directors, officers, employees and consultants of the Company.

Warrants

There has been no movement in the number of warrants of the Company during the three months ended September 30, 2013.

	Number of Options	Weighted Average Exercise Price CAD
Outstanding, at the beginning and the end of the period	**36,837,962**	**0.75**

Reserves

The changes in reserves for the three months ended September 30, 2013 was as follows:

$	Broker warrants	Foreign currency translation	Equity-based compensation reserve	Investment premium reserve	Other reserves	Total
Balance at July 1, 2013	1,418,045	(2,513,078)	15,036,349	(19,639,773)	(93,627)	**(5,792,084)**
Share-based payments	—	—	200,024	—	—	**200,024**
Balance at September 30, 2013	**1,418,045**	**(2,513,078)**	**15,236,373**	**(19,639,773)**	**(93,627)**	**(5,592,060)**

Broker Warrants

This reserve represents broker warrants associated with the 9 percent CAD Convertible Note that was issued in March 2010, the 8 percent CAD Convertible Note that was issued in April 2011 and the 8 percent USD Convertible Note that was issued in May 2011.

Foreign Currency Translation

This reserve originated on January 1, 2009 when the Company changed from reporting in CAD to USD and represents accumulated translation differences on balance sheet translation.

Equity-Based Compensation Reserve

This reserve records movements in share-based compensation.

Investment Premium Reserve

This reserve represents the premium paid on acquisition of a greater equity interest in North Borneo Gold Sdn Bhd.

Other Reserves

This reserve originated in 2009 and represents the tax recovery on expiry of warrants.

21. Share-Based Compensation

No new options were issued during the three months ended September 30, 2013.

The total share-based compensation expense recognized for stock options during the three months ended September 30, 2013 is $200,024 (three months ended September 30, 2012 - $613,181).

Equity settled share-based payments are valued at grant date using a Black Scholes model.

Under the Company's stock option plan, options to purchase shares of the Company may be granted to directors, officers, employees and consultants of the Company. The maximum number of shares that may be issued under the plan is 12 percent (on a non-diluted basis) of the Company's issued and outstanding shares. Options granted under the plan have a maximum term of five years and vesting dates are determined by the Board of Directors on an individual basis at the time of granting.

22. Related Party Disclosure

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

		% equity held as at	
Name	**Country of Incorporation**	**Sep 30, 2013**	**Jun 30, 2013**
Formwell Holdings Ltd	British Virgin Islands	100	100
Bong Mieu Holdings Ltd	Thailand	100	100
Bong Mieu Gold Mining Company Limited	Vietnam	80	80
New Vietnam Mining Corporation	British Virgin Islands	100	100
Phuoc Son Gold Company Limited	Vietnam	85	85
Kadabra Mining Corp.	Philippines	100	100
Besra Vietnam Ltd (formerly Olympus Pacific Minerals Vietnam Ltd)	Vietnam	100	100
Besra NZ Limited (formerly OYMNZ Ltd)	New Zealand	100	100
Besra Labuan Ltd (formerly Olympus Pacific Minerals Labuan Ltd)	Malaysia	100	100
Parnell Cracroft Ltd	British Virgin Islands	100	100
GR Enmore Pty Ltd	Australia	100	100
Binh Dinh NZ Gold Company Ltd	Vietnam	75	75
North Borneo Gold Sdn Bhd	Malaysia	85.61	85.61
Bau Mining Co Ltd	Samoa	91	91
KS Mining Ltd	Samoa	100	100

Compensation of the key management personnel of the Group was as follows:

	Three months ended	
($)	**Sep 30, 2013**	**Sep 30, 2012**
Management fees and salary	508,068	763,576
Share-based compensation	138,479	405,257
Total compensation of key management	**646,547**	**1,168,833**

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to the key management personnel.

Directors' Interest in the Stock Option Plan

Stock options held by members of the Board of Directors under the stock option plan to purchase ordinary shares have the following expiry dates and exercises prices:

			Number of Options Outstanding	
Issue Date	Expiry Date	Exercise Price CAD$	Sep 30, 2013	Jun 30, 2013
Jan-10	Dec-14	0.40	2,073,618	2,073,618
Jun-10	Apr-15	0.42	1,500,000	1,500,000
Jun-10	Apr-15	0.60	1,500,000	1,500,000
Jan-11	Dec-15	0.72	1,068,378	1,068,378
Sept-11	Sept-16	0.53	751,599	751,599
Jan-12	Jan-17	0.42	1,250,000	1,250,000
Feb-12	Feb-17	0.52	3,472,872	3,472,872
Mar-12	Mar-17	0.33	3,015,000	3,015,000
May-12	May-17	0.32	150,000	150,000
Mar-13	Mar-18	0.24	2,425,000	2,425,000
Total			**17,206,467**	**17,206,467**

Directors' Interest in the Deferred Share Units Plan

Deferred share units are held by non-executive members of the Board of Directors. Under this plan, fees are paid as deferred share units ("DSUs") whose value is based on the market value of the common shares.

		Value of Units Outstanding ($)	
Award year	Units	Sep 30, 2013	Jun 30, 2013
2008	116,667	6,789	5,542
2009	120,690	7,023	5,733
Total of deferred share units outstanding	**237,357**	**13,812**	**11,275**

In 2008 the Company set up a deferred share unit plan for the non-executive members of the Board. Under this plan, fees are paid as DSUs whose value is based on the market value of the common shares. Under terms of the plan, the DSU plan will be an unfunded and unsecured plan. The DSU are paid out in cash upon retirement/resignation. Compensation expense for this plan is recorded in the year the payment is earned and changes in the amount of the deferred share unit payments as a result of share price movements are recorded in directors fees in the period of the change. Total DSUs outstanding as at September 30, 2013 were 237,357 units. Liabilities related to this plan are recorded in accrued liabilities and totaled $13,812 as at September 30, 2013 (as at June 30, 2013 - $11,275). The DSU plan was discontinued for new grants in 2010.

Companies Controlled by Management

Management compensation incurred on behalf of the Company was paid to companies controlled by officers of the Company. The companies that were paid for management compensation include the following:

Company name	Name	Position
Orangue Holdings Limited	David Seton	Executive Chairman
Dason Investments Limited	David Seton	Executive Chairman
Bolt Solutions Corporation	Darin Lee	Chief Operating Officer
The Jura Trust Limited	John Seton	Chief Executive Officer
Abergeldie Trust	John Seton	Chief Executive Officer
Whakapai Consulting Ltd	Jane Bell	Chief Financial Officer
Lloyd Beaumont No. 2 Trust	Paul Seton	Chief Commercial Officer

23. Commitments, Contingencies and Contractual Obligations

Balance at September 30, 2013

Payment Due ($)	Total	Less than one year	Year 2	Year 3	Year 4	Year 5 and thereafter
Operating leases	**742,496**	373,055	161,429	91,389	61,861	54,762
Purchase obligations - supplies & services	**3,944,597**	3,899,597	45,000	—	—	—
Purchase obligations - capital	**1,586,255**	1,586,255	—	—	—	—
Acquisition of interest in North Borneo Gold Sdn Bhd	**8,150,000**	4,150,000	4,000,000	—	—	—
Asset retirement obligations	**2,481,579**	335,266	355,176	1,288,758	502,379	—
Total	**16,904,927**	**10,344,173**	**4,561,605**	**1,380,147**	**564,240**	**54,762**

In 2010 the Company entered into an agreement, as amended on May 20, 2011 and January 20, 2012 and amended and restated on May 12, 2013, to acquire up to a 93.55% interest in North Borneo Gold Sdn Bhd (NBG) by September 2015, subject to payments to be made in several tranches as follows:

Amount ($)	Purchase Date	Total per Year ($)	Effective Holdings (%)
1,350,000	December 2, 2013	**1,350,000**	87.10
900,000	March 3, 2014		87.95
900,000	June 2, 2014		88.80
1,000,000	September 1, 2014		89.75
1,000,000	December 1, 2014	**3,800,000**	90.70
1,000,000	March 2, 2015		91.65
1,000,000	June 1, 2015		92.60
1,000,000	September 1, 2015	**3,000,000**	93.55

In the normal course of business, the Group is subject to various legal claims. Provisions are recorded where claims are likely and estimable.

Contingencies

Capcapo Gold Property

The Company entered a formal joint venture agreement on September 30, 2011 with Abra Mining & Industrial Corporation ("AMIC"), Jabel Corporation ("Jabel"), Kadabra Mining Corporation (a wholly-owned subsidiary of the Company) ("KMC") and PhilEarth Mining Corporation ("PhilEarth") (a Philippine company in the process of incorporation in which the Company will hold a 40% interest) in respect of the Capcapo Gold Property in the Northern Philippines.

Pursuant to the terms of the joint venture agreement, the Company, in consortium with PhilEarth, has an option to acquire up to a 60% interest in the Capcapo Gold Project, Northern Philippines, subject to compliance with Philippine foreign ownership laws. The Company paid to AMIC $300,000 upon the signing of the joint venture agreement, is required to pay a further $400,000 upon gaining unencumbered access to the property and may fully exercise its option over three stages of expenditure as follows:

Stage	Expected Expenditures	Payment Due Upon Completion of The Stage
Stage 1	1,000,000	400,000
Stage 2	2,000,000	400,000
Stage 3	4,000,000	n/a

In addition, Jabel will be paid a royalty based on the calculation that yields the highest payment; either 3% of the gross value of production from the Capcapo Gold Project or 6% of the annual profit of the joint venture corporation.

Finally, the Company is also obligated to make milestone payments each time a specified milestone is achieved in respect of the property. The specified milestone occurs at the earlier of defining a cumulative mineral reserve of 2,000,000 ounces of gold and gold equivalents for the property, or upon achievement of a consistent production rate of 2,000 tonnes per day. Accordingly, achieving one milestone does not trigger the obligation to make a subsequent milestone payment if the alternative milestone has been achieved. The milestone payment to AMIC consists of a $2,000,000 payment and the issuance of 2,000,000 common shares of the Company or common shares having a market value of $5,000,000, whichever is of lesser value.

Tax Disputes

The Company is currently disputing tax claims by the Vietnam General Department of Customs ("GDC") against Phuoc Son Gold Company ("PSGC") and Bong Mieu Gold Mining Company ("BMGMC"), Besra's two operating gold companies in Vietnam. The GDC has made an assessment that PSGC and BMGMC should pay a total of approximately 250 billion Vietnamese dong (approximately $12,000,000) in export duties.

In Vietnam, gold exported at 99.99% purity standard does not attract any export duty. GDC is claiming that during 2011 and 2012, several shipments did not meet 99.99% and therefore subject to a 10% tax. Besra strongly disputes this assessment as every shipment in question was refined in Vietnam to 99.99% by ACB Gold Center and subsequently certified 99.99% by Quality Assurance and Testing Center 3 (QuaTest3), the official government-testing center.

PSGC and BMGMC each filed official complaints under the Vietnamese Law on Complaints on May 16, 2013. These complaints were dismissed by GDC. On August 13, 2013, PSGC and BMGMC filed further complaints with the Ministry of Finance. The law provides for companies to dispute assessments made by government bodies in Vietnam in the first instance in an appeal heard by GDC, followed by an appeal to the Ministry of Finance. If unsuccessful in their complaints to the Ministry of Finance, PSGC and BMGMC intend to bring a petition before an administrative court of law to have the tax assessments overturned. The Company intends on exhausting all rights of appeal and is of the view that it will be successful in its appeals to have the GDC’s decisions overturned. No provision has been recognized in the consolidated financial statements as at September 30, 2013 with this regard. There can be no assurance that the Company will be able to successfully resolve the matter discussed above. The inability to successfully resolve the matter could have a material adverse impact on the Company's future cash flows, earnings, results of financial performance and financial conditions.

Board of Directors and Senior Officers

Board of Directors

David A. Seton
Executive Chairman

Kevin M. Tomlinson
Deputy Chairman and Lead Independent Director

Leslie G. Robinson
Independent Director

N. Jon Morda
Independent Director

Senior Officers

David A. Seton
Executive Chairman

John A. G. Seton
Chief Executive Officer

S. Jane Bell
Chief Financial Officer

Darin M. Lee
Chief Operating Officer

Paul F. Seton
Chief Commercial Officer

Jeffrey D. Klam
General Counsel & Corporate Secretary

Corporate Information

Corporate Office

Besra Gold Inc.
Suite 500, 10 King Street East
Toronto, Ontario
Canada M5C 1C3

Telephone: 416 572 2525
Toll-Free: 888 902 5522
Facsimile: 416 572 4202
info@besra.com
www.besra.com

Stock Exchange Listings

Toronto Stock Exchange: BEZ
Australian Securities Exchange: BEZ
OTCQX : BSRAF
Inquiries relating to shareholdings should be directed to the Transfer Agent

Transfer Agent

Computershare Investor Services Inc.
9th Floor, 100 University Avenue
Toronto, Ontario
Canada M5J 2Y1
Toll-Free: 800 564 6253 (North America)
Toll-Free: 514 982 7555 (International)
service@computershare.com
www.computershare.com

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street Abbotsford
Victoria 3067, Australia
Telephone: 61 3 9415 5000
Fax: 61 3 9473 2570
Investor enquiries: 1300 850 505
www.computershare.com

Auditors

Ernst & Young LLP
Chartered Accountants
222 Bay Street, P.O. Box 251
Toronto, Ontario
Canada M5K 1K7
Telephone: 416 864 1234
Facsimile: 416 864 1174