



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

Quarterly Highlights

for the three and nine months ended 31 March 2020

The following MD&A aims to provide a narrative explanation, through the eyes of management of how Besra Gold Inc ("the Group" or "Besra" or "the Company") has performed over the last 3 and 6 months, its financial condition and its future prospects. This MD&A does not provide a general update to the Management's Discussion and Analysis for the 12 months ended 30 June 2019 & 2018 (the "Annual MD&A"), or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared by Management in compliance with the requirements of section 2.2.1 "Quarterly Highlights" of Form 51-102F1, is current as at March 31, 2020 and has been approved on May 29, 2020 by the Audit Committee (and Board of Directors) of the Company.

This MD&A both supplements and complements the Group's financial statements.

Forward Looking Information

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

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

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

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

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

- (i) any of the assumptions in the resource estimates turn out to be incorrect, incomplete, or flawed in any respect;

- (ii) the methodologies and models used to prepare the resource estimates either underestimate or overestimate the resources due to hidden or unknown conditions;
- (iii) operations are disrupted or suspended due to acts of god, internal conflicts in-country, unforeseen government actions or other events;
- (iv) the Group experiences the loss of key personnel;
- (v) the Group's mine operations are adversely affected by other political or military, or terrorist activities;
- (vi) the Group becomes involved in any material disputes with any of its key business partners, lenders, suppliers or customers; or
- (vii) the Group is subjected to any hostile takeover or other unsolicited attempts to acquire control of the Group.

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

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

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

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

Other Disclosure

The following discussion of performance, financial condition and future prospects should be read in conjunction with the Annual MD&A and the consolidated audited financial statements for the years ended June 30, 2019 and 2018 along with the unaudited condensed interim consolidated financial statements for 31 March 2020 and notes thereto (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The information provided herein supplements but does not form part of the financial statements.

This discussion covers the 3 and 9 months ended 31 March 2020, and the subsequent period up to the date of issue of this MD&A. The Group has prepared this MD&A following the requirements of National Instrument 51-102 ("NI-51-102").

Additional information relating to the Group is available at www.sedar.com.

These statements are filed with the relevant regulatory authorities in Canada. All currency amounts are expressed in United States dollars unless otherwise noted.

Unless otherwise indicated, the technical disclosure contained within this MD&A has been reviewed and approved by Mr Kevin Wright (a qualified person for the purpose of National Instrument 43-101 ("NI 43-101"), Standards of Disclosure for Mineral Projects). Mr Wright is a consultant to the Group and is "independent" within the meaning of National Instrument 43-101.

Mr Wright consented to the inclusion of the information that he has compiled in relation to the Bau Gold Property, in the previous report as filed. That consent remains in the form and context in which it appears.

Introduction

Besra Gold Inc. is a Canadian incorporated company that is a reporting issuer in the Provinces of British Columbia, Alberta, Ontario and Quebec.

During the financial years ended 30 June 2018 and 2019 and the 9 months ended 31 March 2020, the business of Besra Gold Inc. and subsidiaries ('Besra' or 'the Company') consisted of a sole feasibility stage project in East Malaysia, being the Bau Gold Project ('Bau').

Overall Performance

The Company's single asset being the Bau Gold Project includes:

- mining and exploration tenements that collectively cover more than 1,340 sq km
- a completed feasibility study on Stage I production;
- the potential for considerable ounce and grade upside;
- zero royalty on gold;
- favourable taxation rates; and
- within a jurisdiction with a robust legal system and bureaucracy.

The Bau Gold Project has been on care and maintenance due to funding limitations. There continued to be minimal operational expenditure for the none months to 31 March 2020 hence the Company has been unable to meet its objectives of advancing the Project (see Outlook).

The Company's financial condition has not changed materially since its prior year ended 30 June 2019.

Summary of Operations

For the 9 months to 31 March 2020 the Company had no revenue and reported a loss and comprehensive loss of \$167,888 (2019: \$836,039). The decreased loss in the nine months and the quarter arose due to the revaluation of derivatives of \$844,941 (2019: \$nil) and reduced corporate and administrative expenses of \$996,329 (2019: \$1,208,349). These expenditures were required to keep the company operating while it pursued capital raisings. Other expenses have continued to be maintained at a minimal level.

The following table sets forth a breakdown of main elements of the Corporate and Administrative costs & Exploration and Evaluation expenditures of the Company during the three and nine months to March 31 2020:

Corporate and Administrative Expense

in USD	Three Months to 31 March		9 months to 31 March	
	2020	2019	2020	2019
Professional & Consulting Fees	110,065	122,002	457,342	568,256
Management & Administration	120,545	113,092	324,242	378,908
Labour Expense	-	12,133	15,382	53,470
Travel & Accommodation	2,782	19,411	8,344	30,470
Office & Facilities	15,691	16,594	47,073	47,401
Insurance	6,536	20,800	38,946	24,844
Directors Fees	35,000	35,000	105,000	105,000
	290,619	339,032	996,329	1,208,349

Bau Project Exploration and Evaluation Expenditure Detail

in USD	Three Months to 31 March		9 months to 31 March	
	2020	2019	2020	2019
Exploration Office Expenses	-	-	-	5,479
	-	-	-	5,479

Liquidity & Capital Resources

As at 31 March 2020 the Company had cash on hand of \$10,154 and a working capital deficit of \$15,419,203 (2019: \$11,382,166). The ongoing activities of the company are dependent on external funding to finance the project, and to meet its obligations as they come due. There is no assurance that funding will be available to the Company in the amounts or at the times desired or on terms that are acceptable to the Company.

Cash used in operating activities was \$390,039 for the 9 months to 31 March 2020 (2019: \$602,779). The investing cash expenditure for the nine months was \$nil of exploration and evaluation costs (2019: \$185,562) at the company's single asset at Bau, Malaysia. Expenditures in all categories were limited due to funding restrictions.

During the period, \$377,729 of additional funds were raised in the 9 months to 31 March 2020 (2019: \$720,572) to enable the limited focused activities to be undertaken primarily to progress the revocation of the CTOs and the recommencing of operations in the ordinary course.

Related Party Disclosure

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

Name	% Ownership Held as at:	
	31 Mar 2020	30 June 2019
Besra NZ Ltd (formerly OYMNZ Ltd)	100	100
Besra Labuan Ltd (formerly Olympus Pacific)	100	100
North Borneo Gold Sdn Bhd	87.06	87.06
Bau Mining Co. Ltd	91	91

Related Parties of the Group are Pangaea as the Ultimate Parent, Key Management Personnel and InCor as the entity has Common Directors who are deemed to have a significant influence over the Group. The following Related Party transactions are recognized in the consolidated financial statements of the Group:

Ultimate Parent

in USD	Three Months to 31 March		Nine Months to 31 March	
	2020	2019	2020	2019
Interest	-	266,400	-	671,213

Key Management

in USD	Three Months to 31 March		Nine Months to 31 March	
	2020	2019	2020	2019
Management fees and salary expense	106,601	75,000	316,803	243,544

Entities with Common Directors who Have Significant Influence

in USD	Three Months to 31 March		Nine Months to 31 March	
	2020	2019	2020	2019
Consultancy fees expense	-	-	-	45,889
Interest	-	47,370	-	146,606

Contractual Commitments

The balance of commitments in respect of the acquisition of a further interest in North Borneo Gold Sdn Bhd (NBG) at 30 June 2019 are payments totalling \$4,212,439 and shares to a value of \$1,541,200 (2018: payments totalling \$4,212,439 and shares to a value of \$1,541,200). These arrangements will be the subject of renegotiation in 2020.

All other commitments in respect of the Convertible Notes and Other Borrowing are expected to be dealt with in FY 2020 as part of the Group's capital raising plans, which include an IPO on the Australian Stock Exchange in 2020

Outlook

The Company has no operating revenues and therefore must obtain funding from equity financing and/or other capital raisings. The key corporate activities for the remainder of the fiscal year are:

- Make an application for listing of securities, most likely on the ASX. Indications are that this may result in an overall capital raise of between \$6.75m and \$8m including pre-IPO money of \$1.35m, in 2020; and
- Oversee recommencement of operations on the Bau Gold Project, 2nd half 2020 following the IPO.

The Company's use of cash raised is primarily in two areas, funding of general administration expenditures and increased investment in exploration and evaluation.

Selected Annual Information

in USD	Year Ended 30 June 2019	Year Ended 30 June 2018 (Restated)	Year Ended 30 June 2017 (Restated)
Revenue	-	-	-
Net income & comprehensive income	(22,500,323)	(621,843)	3,009,214
Comprehensive income attributable to shareholders of the parent	(18,863,527)	(644,084)	2,986,973
Basic earnings per share	(0.016)	(0.001)	0.002
Diluted earnings per share	(0.006)	(0.000)	0.001
Total Assets	17,586,915	50,984,214	51,048,012
Non-current liabilities	2,415,009	22,726,357	20,132,745
Cash dividends declared	-	-	-

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

Summary of Quarterly Results

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

	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018
Net Income	576,055	(512,377)	(350,992)	(18,033,879)	(763,817)	1,453,777	(1,519,608)	(657,253)
Income Loss per share	(0.000)	(0.000)	(0.000)	(0.018)	(0.000)	(0.001)	(0.001)	(0.000)

There was no Revenue earned during any of the quarters reported.

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

Other Financial Matters

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments

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

Outstanding Share Data

As at 31 March 2020 the Group had issued and outstanding 1,204,892,898 shares (June 30, 2019: 1,204,892,898). No further shares have been issued as at the date of the approval of the MD&A, 30 May 2020.

Critical Accounting Estimates

Information about significant areas of estimation uncertainty are considered by management in preparing the Audited Financial Statements is described in the Audited Consolidated Financial Statements for the year ended 30 June 2018 and Unaudited Condensed Interim Consolidated Financial Statements for the three and 9 months ended 31 March 2019.

Future accounting standards issued and adopted

The following amendments to existing standards were issued by the International Accounting Standards Board ("IASB") and are effective for annual periods beginning on or after January 1, 2018.

In January 2016 the IASB issued IFRS 16, *Leases*, which replaces IAS 17, *Leases*, and other related lease interpretations. The new standard establishes the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a lease contract. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted only in conjunction with IFRS 15. Adoption of the standard did not have a material impact on the Group's financial statements due only to limited immaterial commitments that fall under this standard.

Accounting Policies

The accounting policies and methods of computation are described in the Audited Consolidated Financial Statements for the year 30 June 2019 and are consistent with those adopted for preparation of the Unaudited Condensed Interim Consolidated Financial Statements for the three and nine months ended 31 March 2020.

Risk Factors and Uncertainties

Readers of the 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. It is also included in the Audited Consolidated Financial Statements for the year ended 30 June 2019 and Unaudited Condensed Interim Consolidated Financial Statements for the three months and nine months ended 31 March 2020.

Subsequent events

As Besra was not trading there have been no adverse effects on the operations of the Company as a result of Covid-19.

The Cease Trade Order (“CTO”) imposed on the Company by the Ontario Securities Commission (“OSC”), Alberta Securities Commission, British Columbia Securities Commission and the Autorité des Marchés financiers for failing to meet filing obligations was lifted in 20th April 2020.

In April 2020 the Company entered into a mandate agreement with Global Investment Bank Canaccord Genuity (Australia) Limited.