

Besra Gold (ASX:BEZ)

Research Note – 25 November 2025

COMPANY OVERVIEW

Besra Gold (ASX:BEZ) is a Canadian-based gold exploration company incorporated in 1951 and listed on the ASX on 8 October 2021 following a successful IPO. Headquartered in Perth, Australia, the company is primarily focused on the exploration and development of gold assets in East Malaysia. Its flagship and only asset, the Bau Goldfield Project, is estimated to contain 2.28 million ounces of gold under JORC-compliant resource classification.

PROJECTS

Bau Goldfield Project

Project overview. The Bau Goldfield Project in Sarawak, East Malaysia is operated by Besra, holding a 98.5% stake over the project. It is a brownfield gold development, located approximately 30-40 km from Kuching, the capital city of Sarawak. The project is comprised of 5 key prospects: Pejiru, Bekajang, Sirengkok, Jugan Hill & Say Seng. The development remains pre-production, with sampling, resource updates along with mine design having commenced.

JORC. BEZ's Bau Goldfield Project contains a resource of 53 Mt at 1.34 g/t Au for 2,285,000. JORC by resource category is broken down in the table below.

Cut-off Grade: 0.3 g/t	Tonnes (Mt)	Grade (g/t)	Contained Au (oz)	Adjusted Ounces
Inferred	40.5	1.24	1,609,000	643,600
Indicated	8.7	1.67	467,000	326,900
Measured	3.9	1.68	209,000	209,000
Total	53.1	1.34	2,285,000	1,179,500

Company Implications

Breakdown of Quantum Partnership. On 9th May 2023, it was announced that Besra would move closer to production by announcing a Binding Gold Purchase Agreement (GPA) with Quantum Metal Recovery Inc. for up to US\$300 m. The agreement allowed Besra to receive funds over 30 months in advance of future gold production from the Bau Goldfield Project. However, in December 2023, a major payment of approximately US\$9.8 m was not received by Besra, resulting in disputes surrounding production timelines and alleged non-performance of the GPA, ultimately leading to a breakdown of the relationship & funding. On 15 May 2025, Quantum commenced legal proceedings against Besra, with Quantum failing to provide funding since the last payment from November of 2023.

Mining License Impairment. During the 12 months ended 30 June 2025, Besra recorded an impairment of approximately US\$26 m surrounding 9 key mining licenses. Before the impairment, Besra held approximately

US\$22.7 m in exploration and evaluation assets, however after the impairment these assets held no recognised value resulting in a carrying value of nil. This concerns the company as without valid licences no drilling or production may commence, indicating regulatory challenges and uncertainty surrounding the future viability of Besra's operations.

Investment Recommendation

Given the volatile nature of the stock based on its failed funding and partnership with Quantum along with its recent US\$26 m license impairment, Besra has limited operational pathway to production. Whilst Besra's resource base remains substantial, persistent challenges relating to license approval and financial capacity provide little indication that these constraints will be overcome in the near term. As such, we recommend **no immediate action** on BEZ, retaining it on watch should its current license and funding challenges improve.