

Court File No. 31-2047972

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE PROPOSAL OF
BESRA GOLD INC.,
A COMPANY INCORPORATED PURSUANT TO THE LAWS OF CANADA,
WITH A REGISTERED OFFICE IN THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO**

**FIRST REPORT OF MNP LTD.,
IN ITS CAPACITY AS PROPOSAL TRUSTEE UNDER
THE NOTICE OF INTENTION TO MAKE A PROPOSAL
OF BESRA GOLD INC.**

October 21, 2015

INTRODUCTION

1. This first report (the “**First Report**”) is filed by MNP Ltd. in its capacity as proposal trustee (the “**Proposal Trustee**”) in connection with the Notice of Intention to Make a Proposal (the “**NOI**”) filed on October 19, 2015 by Besra Gold Inc. (“**BGI**”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). A copy of the Certificate of Filing a Notice of Intention to Make a Proposal is attached hereto as **Appendix “A”**.
2. Notice of the NOI filing as prescribed by the BIA was sent on October 21, 2015 to all BGI’s known creditors as at October 19, 2015, a copy of which notice is attached hereto as **Appendix “B”**.
3. The affidavit of John A. G. Seton (“**Seton**”) sworn October 20, 2015 (the “**Seton Affidavit**”) and filed in these proceedings, provides, *inter alia*, a summary of BGI’s background, a description of its obligations and the reasons for the commencement of these proceedings. The Proposal Trustee has not repeated such details in this First Report.
4. The primary purpose of these restructuring proceedings (the “**Proposal Proceedings**”) is to facilitate the restructuring of BGI’s unsecured convertible and gold-linked notes and certain other unsecured indebtedness totalling, in the aggregate, approximately USD\$54 million of obligations, and to provide stability to BGI’s business while BGI, with the assistance of the Proposal Trustee, works on formulating and presenting a viable proposal to BGI’s creditors (the “**Proposal**”).
5. Information regarding these proceedings will be posted to the Proposal Trustee’s website at: http://bit.ly/MNP_BEZ.

PURPOSES OF THIS REPORT

6. This First Report is filed in connection with BGI's motion made to the Ontario Superior Court of Justice (Commercial list) (the "**Court**") seeking an Order, pursuant to the BIA, approving, amongst other things, each of the following:
 - a) this First Report and the actions of the Proposal Trustee described herein;
 - b) an extension of the time within which BGI must file a Proposal to December 18, 2015;
 - c) an interim financing facility (the "**DIP Facility**") with Molard FMS Limited, Pierre de Loës and Stavely Investments Limited (collectively, the "**DIP Lenders**") in the principal amount of up to CAD\$1,220,000 and granting a priority charge (the "**DIP Charge**") over all of the assets, properties and undertakings of BGI (collectively, the "**Property**") to secure repayment of the amounts borrowed by BGI under the DIP Facility;
 - d) a priority charge over the Property in the amount of CAD\$250,000 to secure the fees and disbursements of counsel to BGI, the Proposal Trustee and counsel to the Proposal Trustee as set out below (the "**Administration Charge**"); and
 - e) a priority charge over the Property in the amount of CAD\$50,000 in order to protect BGI's directors and officers from certain potential liabilities (the "**D&O Charge**").

7. The purposes of this First Report are to:
 - a) provide the Court with additional background information regarding BGI and its subsidiaries' operations, management structure, historical financial results and circumstances leading to the NOI filing;
 - b) report on BGI's cash flow projections for the period from the week ending October 24, 2015 to the week ending January 16, 2016;

- c) report on:
 - i. BGI's need for the proposed DIP Facility;
 - ii. the terms of the associated DIP commitment letter (the "**DIP Loan Agreement**"); and
 - iii. the associated proposed DIP Charge in favour of the DIP Lenders over the Property to secure repayment of the amounts borrowed under the DIP Facility;
- d) discuss the rationale for the Administration Charge to secure the fees and disbursements of:
 - i. the Proposal Trustee;
 - ii. the Proposal Trustee's legal counsel, Aird & Berlis LLP ("**A&B**"); and
 - iii. BGI's legal counsel, Cognition LLP ("**Cognition**") and Loopstra Nixon LLP ("**LN**");
- e) discuss the rationale for the D&O Charge in favour of BGI's directors and officers for exposure that may arise as a director and officer after the filing of the NOI;
- f) review BGI's request for an extension of the stay of proceedings to December 18, 2015; and
- g) provide the Proposal Trustee's recommendations regarding the above-noted relief being sought from the Court.

CURRENCY

- 8. Unless otherwise noted, all currency references in this First Report are to Canadian dollars.

RESTRICTIONS

9. In preparing this First Report and in making the comments herein, the Proposal Trustee has been provided with, and has relied upon information provided by:
- a) the Seton Affidavit;
 - b) BGI's annual report for 2013, including audited financial statements for the fiscal year ended June 30, 2013;
 - c) BGI's unaudited financial statements for the nine months ended March 31, 2014 and additional unaudited financial information provided by BGI, including, without limitation, unaudited statements of financial position and comprehensive income (expense) as at June 30, 2015 and June 30, 2014;
 - d) other books and records of BGI made available to the Proposal Trustee;
 - e) discussions with BGI and certain of its subsidiaries' directors, officers, management and contractors (collectively, "**Management**");
 - f) discussions with legal counsel and other advisors to BGI; and
 - g) information otherwise available to the Proposal Trustee and A&B.
10. Except as described in this First Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Handbook (Canada).
11. The Proposal Trustee also references its report on BGI's cash flow projections and underlying assumptions and notes that its review and commentary thereon was performed in accordance with the requirements set out in the Canadian Association of Insolvency and Restructuring Professionals' Standards of professional Practice No. 99-5 (Trustee's Report on Cash Flow Statement).

12. The Proposal Trustee notes that it was first contacted in connection with these proceedings in early September 2015 and has been providing advice in connection with these proceedings since such time.

BACKGROUND

13. BGI was continued under the *Canada Business Corporations Act* (Canada) (“**CBCA**”) on August 13, 2006 as Olympus Pacific Minerals Inc., and changed its name to BGI on November 12, 2012. A copy of BGI’s Corporate Profile Report is attached hereto as **Appendix “C”**.
14. BGI’s registered head office is located at 366 Adelaide Street West, LL01, Toronto, Ontario.
15. BGI is effectively a public holding company and financing vehicle for its direct and indirect subsidiaries (the “**Subsidiaries**”), which operate as a diversified gold mining company focused on exploration, development and mining of mineral properties in Southeast Asia, and, in particular, in Vietnam and Malaysia. A chart showing the ownership structure of BGI and its Subsidiaries (collectively, the “**BGI Group**”) is attached hereto as **Appendix “D”**.
16. A listing of material Subsidiaries and BGI’s direct and/or indirect ownership interest therein, as applicable, is provided in the Seton Affidavit.
17. As noted in the Seton Affidavit, BGI experienced financial difficulties in 2013-2014 due to: (i) a disputed export tax assessment by Vietnamese authorities and consequent enforcement actions; and (ii) a series of typhoons and tropical storms that cut-off access to one of BGI’s key mining sites. As a result, BGI and its Subsidiaries lost lending and banking facilities in Vietnam and internationally.
18. BGI was listed on several stock exchanges, including the Toronto Stock Exchange (“**TSX**”) under the symbol BEZ, but was delisted in October 2014 (the “**Delisting**”) for failing to

meet the TSX's continued listing requirements, which deficiencies included failure to file audited financial statements for the fiscal year ended June 30, 2014.

19. In December 2014, the Ontario Securities Commission (the "OSC") imposed a cease trade order against BGI (as amended from time to time, the "CTO") due to BGI's failure to file continuous disclosure materials as required by the OSC. Similar cease trade orders were also imposed by the British Columbia Securities Commission and by l'Autorité des marchés financiers du Québec.
20. Prior to the Delisting and the CTO, BGI was also listed on the Australian Securities Exchange (the "ASX") under the symbol BEZ and the Frankfurt Stock Exchange under the symbol OP6, and BGI also traded on an over-the-counter market in the United States, the OTCQX Bulletin Board, under the symbol BSRAF.
21. The ASX removed BGI from its official list as at the close of trading on August 31, 2015 pursuant to ASX listing rule 17.15 and, accordingly, BGI's securities are no longer traded on the ASX. BGI was downgraded from the OTCQX Bulletin Board to the OTCQB Bulletin Board effective October 20, 2014 for failure to comply with OTCQX eligibility standards.
22. As a result of the above-noted difficulties, BGI's liquidity and working capital deteriorated. The Proposal Proceedings were commenced to provide a stabilized environment while BGI pursues a restructuring of its financial position, business and operations through the Proposal.
23. BGI is the only member of the BGI Group that is a debtor in these Proposal Proceedings. The Subsidiaries are not part of these Proposal Proceedings, and it is not presently contemplated that the Subsidiaries will commence insolvency proceedings in Canada or elsewhere.
24. Further details on BGI's financial difficulties, including unaudited income statements for the nine month periods ended March 31, 2013 and March 31, 2014, and unaudited

statements of financial position and comprehensive income (expense) as at June 30, 2015 and June 30, 2014, are provided in the Seton Affidavit.

ASSETS, OPERATIONS AND JOINT VENTURE HOLDINGS

25. The following is a brief summary of pertinent information regarding BGI's assets, operations and joint venture holdings. A detailed account of BGI's assets, operations and joint venture holdings, including estimated global mineral reserves and resources, is provided in the Seton Affidavit and is not repeated here.
26. BGI, through its Subsidiaries, has an ownership interest in three key properties: the Bau Goldfield property in Malaysia; the Bong Mieu property in Vietnam; and the Phuoc Son property in Vietnam.
27. As noted in the Seton Affidavit, BGI's interest in the Bau Goldfield property in Malaysia is the asset of the BGI Group that has the most value (see reserves and resources summary at paragraph 21 of the Seton Affidavit).
28. As noted in the Seton Affidavit, the BGI Group has relied primarily on debt and equity financing raised by BGI to fund the Subsidiaries' operations and the exploration and development of potential projects. These funds were loaned by BGI to the Subsidiaries, as needed, on an unsecured basis. As of June 30, 2015, an aggregate of USD\$116,860,308 in intercompany debt was owed by the Subsidiaries to BGI.

LIABILITIES

29. The following is a brief summary of key information regarding BGI's liabilities. A detailed account of BGI's liabilities is provided in the Seton Affidavit and is not repeated here.

Statutory Priorities

30. As noted in the Seton Affidavit, BGI had no employees as at October 20, 2015, although five contractors were providing management services to BGI, and the Subsidiaries had 142 employees. The BGI Group has historically relied on independent contractors and consultants to carry on many of its activities, including the supervision of work programmes on its mineral properties.
31. As set out in the Seton Affidavit, all source deductions related to BGI's former employees were current as of the date of the Seton Affidavit.
32. As at September 30, 2015, and as set out in the Seton Affidavit, BGI owed USD\$106,308 and USD\$166,902 to its former employees for, respectively, unpaid wages and termination pay.
33. BGI has confirmed that it does not generate sales on which HST is exigible. As such, BGI has no amounts owing for HST.

Secured Creditors

34. As noted in the Seton Affidavit, BGI is indebted to Nathaniel Jon Morda, Huia 2 Trust and Abergeldie Trust (collectively, the "**Secured Creditors**") with respect to three-month secured promissory notes in an aggregate amount of up to USD\$450,000.00 that were issued to the Secured Creditors in February and March of 2014 (collectively, the "**Secured Notes**").
35. Mr. Morda is one of BGI's four directors. Maria Anne McElwee, John Seton's spouse, is a trustee of the Abergeldie Trust. Interest on the Secured Notes is payable at 12%, and default interest at 16%. Subscribers to the Secured Notes were also issued 3,000,000 warrants to acquire common shares of BGI at an exercise price of USD\$0.05 per common share, which warrants expired one year from the date of issuance.

36. As security for its obligations to the Secured Creditors, including, without limitation, its obligations under the Secured Notes, BGI provided security to each of the Secured Creditors, including, without limitation, a General Security Agreement with each Secured Creditor dated February 18, 2014 (collectively, the “GSA”), registration in respect of which was duly made pursuant to the *Personal Property Security Act* (Ontario) (the “PPSA”).
37. As set out in the Seton Affidavit, pursuant to their terms, the Secured Notes matured on May 19, 2014. BGI defaulted on such maturity date in respect of payment of principal and interest on the Secured Notes. The Secured Notes remain outstanding as of September 30, 2015, in the aggregate amount of USD \$443,097 for principal and interest.
38. As noted in the Seton Affidavit, on April 7, 2015, BGI completed a private placement financing for gross proceeds of \$2,000,000 (the “New Note Offering”) with InCoR Holdings Plc (“InCoR”).
39. Certain advances with respect to the New Note Offering had been advanced through the Subsidiaries as early as October, 2014; however, the CTO complicated efforts to close the New Note Offering in its entirety. In March 2015, the OSC approved a variation to the terms of the CTO, thereby facilitating the completion of the New Note Offering. In addition to the New Note Offering, InCoR is entitled to participate in a second tranche of up to \$13,000,000 (the “Second New Note Offering”), which would be on a substantially the same terms and conditions as the New Note Offering.
40. As noted in the Seton Affidavit, InCoR was granted Subsidiary-level security on the New Note Offering.
41. Pursuant to agreements with InCoR in relation to the New Note Offering and the Second New Note Offering, BGI was to pay InCoR \$150,000 on the closing of the Second New Note Offering in consideration of financing fees due to InCoR.

42. As a result of the above noted-security granted in favour of InCoR, the DIP Lenders entered into an inter-creditor agreement with InCoR and the Secured Creditors whereby InCoR is to be paid \$150,000 as a condition precedent to InCoR entering into the inter-creditor agreement which itself is a condition precedent in the DIP Loan Agreement.
43. The Proposal Trustee is advised that BGI has consulted with InCoR and the Secured Creditors and confirmed that they support these Proposal Proceedings including, the proposed DIP Facility, DIP Charge, Administrative Charge and D&O Charge.

Unsecured Noteholders

44. A detailed description of each class of BGI's unsecured note holders (the "**Noteholders**") is provided in the Seton Affidavit and is not repeated here.
45. As noted above, BGI is currently in discussions with the Noteholders with respect to reaching a settlement to restructure its current debts, and providing a basis for future investment in BGI's ongoing mining operations and those of its Subsidiaries through the completion of the Proposal.

Other Unsecured Creditors

46. As noted above, Appendix "B" provides a listing of all BGI's known creditors who received notice of the NOI (the "**Creditors List**"), including secured creditors, unsecured noteholders and other unsecured creditors, including those with claims under guarantees that have not yet matured.
47. The Creditors List includes creditors of BGI only (as opposed to creditors of the Subsidiaries), with total claims of approximately \$59 million as of September 30, 2015.

CASH FLOW PROJECTIONS

48. BGI's cash flow projections and related assumptions for the period from the week ending October 24, 2015 to week ending January 16, 2016, together with Management's report on

the cash-flow statement as required by Section 50.4(2)(c) of the BIA, are attached hereto as **Appendix “E”** (the “**Cash Flow Projections**”).

49. The primary use of the DIP Facility is to provide for the short-term liquidity needs of BGI while under BIA protection.
50. Disbursements of the DIP Facility funds are subject to an approval protocol as set out in the DIP Loan Agreement, and the Proposal Trustee will be implementing procedures for monitoring the BGI Group’s receipts and disbursements to ensure that operations are continuing in the normal course of business and in accordance with the Cash Flow Projections.
51. The Cash Flow Projections reflect that the BGI is expected to require funding of approximately \$960,000 through the period ended January 16, 2016.
52. The principal assumptions of the Cash Flow Projections are that:
 - a) the Subsidiaries of BGI do not require any advances during the period covered by the Cash Flow Projection, with the exception of Besra NZ Limited, which requires funds to cover certain administrative costs including employee salaries, rent and logistical costs;
 - b) annual interest on the DIP Facility is 15%, accruing monthly in arrears on the outstanding amount of the DIP Facility and subject to increase to 17% at the discretion of the DIP Lenders during the occurrence and continuance of an Event of a Default (as defined in the DIP Loan Agreement);
 - c) the DIP Lenders shall be entitled to a monthly commitment fee of \$19,000; and,
 - d) this Court will approve the DIP Loan Agreement and the required interim financing up to a maximum amount of \$1.22 million.

53. With respect to the hypothetical assumptions above, we note that hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in BGI's judgment, but that are consistent with purpose of the Cash Flow Projection.
54. Based on the Proposal Trustee's review of the Cash Flow Projections, there are no material assumptions which seem unreasonable in BGI's circumstances. The Proposal Trustee's report on the Cash Flow Projections as required by Section 50.4(2)(b) of the BIA is attached hereto as **Appendix "F"**.

THE DIP FACILITY AND THE DIP CHARGE

55. Absent additional funding, and as set out in the Cash Flow Projections, BGI does not have the ability to continue to fund its ongoing operations, those of its operating subsidiaries and the cost of these restructuring proceedings.
56. The DIP Lenders have agreed to fund BGI in these proceedings pursuant to the terms of the DIP Loan Agreement, a copy of which is attached hereto as **Appendix "G"**. The significant terms of the DIP Loan Agreement are as follows:
- a) **commitment amount:** \$1.22 million;
 - b) **term:** commencing on the date of the Order approving the DIP Facility, and, subject to extensions under terms agreed upon by BGI and the DIP Lenders, maturing on the earliest of:
 - i. the occurrence of any Event of Default as defined in the DIP Loan Agreement;
 - ii. April 23, 2016;
 - iii. the effective date of the Proposal implementation; and
 - iv. the date upon which the BIA proceedings are terminated;

- c) **interest rate:** 15% per year;
 - d) **default interest rate:** 17% per year;
 - e) **advances:** the entire amount of the DIP Facility shall be made by way of single advances by each of the DIP Lenders in the amounts of their respective Commitments (as defined in the DIP Loan Agreement) to a trust account of the Proposal Trustee by way of wire transfers;
 - f) **draws by BGI:** draws will be distributed by the Proposal Trustee in accordance with the Cash Flow Projections (Schedule “B” to the DIP Loan Agreement) and following written instructions from BGI’s authorized signing officer(s) to the Proposal Trustee, in the form attached as Schedule “A” to the DIP Loan Agreement; and
 - g) **security and priority:** a priority charge in and over all the Property (i.e., the DIP Charge), which shall rank behind only the Administration Charge (up to \$250,000) and the D&O Charge (up to \$50,000).
57. In addition, as noted above, in the week of October 24, 2015, InCoR is to receive a payment of \$150,000 pursuant to an inter-creditor agreement amongst the DIP Lenders, the Secured Creditors and InCoR, which is a condition precedent to the DIP Loan Agreement.
58. The Proposal Trustee has considered the factors set out in Section 50.6(5) of the BIA with respect to the granting of an Order for interim financing and a charge related thereto. The Proposal Trustee respectfully recommends that the Court make the Order sought by BGI for the following reasons:
- a) BGI is facing an immediate liquidity crisis and is without the liquidity needed to fund the ongoing operations of its operating subsidiaries and the cost of these Proposal Proceedings;
 - b) the Secured Creditors support these Proposal Proceedings;

- c) no other creditor of BGI appears to be materially prejudiced by the proposed DIP Facility and DIP Charge;
- d) the terms of the proposed DIP Facility and DIP Charge appear to be reasonable in the circumstances and consistent with the terms of debtor-in-possession financing facilities in similar proceedings; and
- e) in the Proposal Trustee's view, the potential restructuring process is likely to fail without funding under the proposed DIP Facility and DIP Charge, to the material detriment of the BGI's stakeholders.

THE ADMINISTRATION CHARGE

59. BGI is seeking the Administration Charge over all the Property, in priority to all other charges, in the maximum amount of \$250,000 to secure the fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and counsel to BGI incurred in connection with the services rendered to BGI both before and after the commencement of these proceedings.
60. It is the view of the Proposal Trustee that BGI's restructuring efforts cannot be completed without the proposed Administration Charge being in place to ensure that the insolvency professionals are suitably protected with respect to their fees and disbursements.
61. The Proposal Trustee is of the view that the following factors support the granting of the proposed Administration Charge:
- a) the beneficiaries of the proposed Administration Charge provide essential legal and financial services to BGI throughout the Proposal Proceedings;
 - b) the roles of BGI's legal counsel,¹ the Proposal Trustee and the Proposal Trustee's legal counsel are distinct and there is no anticipated unwarranted duplication;

¹ Cognition LLP is BGI's counsel and Loopstra Nixon LLP is BGI's insolvency litigation counsel.

- c) the proposed Administration Charge does not purport to prime any secured party who has not received notice of these Proposal Proceedings; and
- d) the Secured Creditors support the motion seeking an Order granting the proposed Administration Charge.

THE D&O CHARGE

- 62. BGI is seeking the proposed D&O Charge in the amount of \$50,000 over all the Property, in priority to all other charges (other than the proposed Administration Charge) in favour of BGI's directors and officers for exposure that may arise as a director and officer from and after commencement of these Proposal Proceedings.
- 63. The Proposal Trustee understands that BGI will, upon making of the first advance under the DIP Facility and disbursements in accordance with the Cash Flow Projections, be current on all pre-filing obligations for which directors may be personally liable. The Cash Flow Projections contemplate that all such amounts will continued to be paid in the ordinary course from the DIP Facility advances and from BGI's available funds. However, the proposed D&O Charge provides a contingency in the event that certain obligations arise in the restructuring proceedings or insufficient funds are advanced under the DIP Facility.
- 64. The proposed D&O Charge would only be available to BGI's directors and officers in the event that their existing insurance policy does not provide satisfactory coverage.
- 65. As set out in the Seton Affidavit, there are limitations and exclusions of coverage under BGI's existing insurance policy, which may leave directors and officers with exposure for post-filing obligations.
- 66. BGI's officers and directors have specialized expertise and relationships with BGI's joint venture partners, suppliers and other stakeholders.

67. In addition, the Seton Affidavit states that the directors and officers have indicated that their respective ongoing involvement is conditional upon the granting of an order under the BIA approving the proposed D&O Charge.
68. The Secured Creditors support the motion seeking an Order granting the proposed D&O Charge.
69. For the above-noted reasons, it is the view of the Proposal Trustee that the proposed D&O Charge is fair, reasonable and necessary to enable a successful restructuring process for BGI.

BGI'S REQUEST FOR AN EXTENSION OF TIME FOR FILING A PROPOSAL

70. The stay of proceedings is scheduled to expire on November 18, 2015.
71. BGI is seeking an extension to December 18, 2015 to file the Proposal. The extension is being sought to provide stakeholders with certainty regarding the process, and to provide stability to BGI's business operations while it works, with the assistance of the Proposal Trustee, on formulating and presenting a viable proposal to its creditors.
72. As noted above, BGI is in discussions with the Noteholders with respect to reaching a settlement agreement to restructure its debt.
73. Due the large number of Noteholders, their multi-jurisdictional dispersion (i.e., residing on different continents) and the complexity of the various notes, it is expected that BGI's settlement discussions with the Noteholders will take a number of weeks to complete and will likely not conclude prior to the expiration of the initial 30-day stay period provided with the NOI filing.
74. As a result of its involvement with BGI since early September 2015, the Proposal Trustee supports BGI's request for an extension. In arriving at this recommendation, the Proposal Trustee considers that:

- a) since the time of the Proposal Trustee's first interaction with BGI, BGI has been acting in good faith and with due diligence. There is no reason to expect that BGI will not do so going forward;
- b) the extension should not adversely affect or prejudice creditors of BGI as, by virtue of the proposed DIP Facility, BGI is projected to have sufficient funds to pay for post-filing goods, services and operations in the amounts contemplated in the Cash Flow Projections;
- c) as noted above, proper controls are in place for approval of disbursements of the DIP Facility funding;
- d) the extension is supported or not opposed by the major stakeholders, including the Secured Creditors;
- e) eliminating a further Court attendance solely to consider an extension of the stay of proceedings will preserve capital needed for these proceedings; and
- f) the unsecured creditors would not be prejudiced by an extension of time for BGI to file the Proposal.

CONCLUSION AND RECOMMENDATION

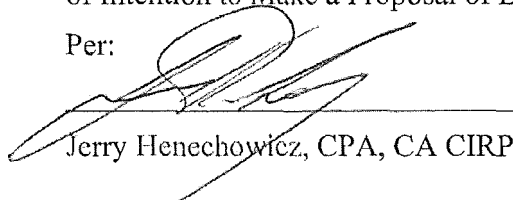
75. Based on the foregoing, the Proposal Trustee respectfully recommends that the Court make an Order granting the relief detailed above in paragraph 6.

All of which is respectfully submitted on this 21st day of October 2015.

MNP Ltd.,

in its capacity as Trustee under The Notice
of Intention to Make a Proposal of Besra Gold Inc.

Per:



Jerry Henechowicz, CPA, CA CIRP

APPENDIX A



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2047972
Estate No. 31-2047972

In the Matter of the Notice of Intention to make a
proposal of:

Besra Gold Inc.
Insolvent Person
MNP LTD / MNP LTÉE
Trustee

Date of the Notice of Intention: October 19, 2015

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: October 19, 2015, 14:48

E-File/Dépôt Electronique

Official Receiver

25 St. Clair Avenue East, 6th floor, Toronto, Ontario, Canada, M4T1M2, (877)376-9902

Canada

APPENDIX B

October 21, 2015

To the Creditors of Besra Gold Inc. ("**Besra**" or the "**Company**")

Please take notice that on October 19, 2015, Besra filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to s.50.4(1) of the *Bankruptcy and Insolvency Act (Canada)* ("**BIA**"). Please find enclosed the following:

1. The NOI, filed on October 19, 2015;
2. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims;
3. The consent of the Trustee to act in these matters; and
4. The Certificate of Filing.
5. The Company's Press Release dated October 19, 2015

Please note this is not a bankruptcy, but rather protection has been sought under the BIA pending the filing of a reorganizational proposal to creditors.

Pursuant to the BIA:

- All proceedings by creditors are stayed (stopped) as of October 19, 2015;
- The Company is required to file a Proposal within 30 days of filing the NOI, subject to an extension from the Court; and
- A meeting of creditors to consider the Proposal is to be held within 21 days of the filing of a Proposal, and notice of the meeting will be sent to all known creditors at least 10 days prior to the date of the meeting.

Copies of creditor notices and public court materials in respect of this matter can be obtained from the Trustee's website: www.mnpdebt.ca/besra.

There is no need for any creditor to file a Proof of Claim at this time. If you have any questions concerning the foregoing or require any additional information please contact us by email at besra@mnp.ca.

Yours truly,

MNP Ltd.
Trustee Acting in re: the Proposal of
Besra Gold Inc.
Per:



Jerry Henechowicz, CPA, CA, CIRP

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

Take notice that:

1. I, Besra Gold Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. MNP LTD. of 300 - 111 Richmond Street West, Toronto, ON, M5H 2G4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 19th day of October 2015.



Besra Gold Inc.
John A.G. Seton

To be completed by Official Receiver:

Filing Date


Official Receiver

District of:
 Division No. -
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Besra Gold Inc.
 of the City of Toronto
 in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|---------------|
| Creditor | Address | Account# | Claim Amount |
| 6% Convertible CAD Notes (CAD) InCoR Holdings Plc, InCoR Holdings Plc. | Suite 39, 35 Buckingham Gate, London, United kingdom, SW1E6PA England | | 2,000,000.00 |
| 8% Redeemable Notes Due April 29, 2015 (CAD) Concept Capital Management Limited | 2985 23 Ave NE Calgary AB T1Y 7L3 | | 17,897,828.00 |
| 8% Unsecured CAD Redeemable Gold-Linked Notes Due May 6, 2015 (CAD), Euro Pacific Capital, Inc | 1201 Dove Street, Suite 200 Newport Beach CA 92660 USA | | 5,169,518.00 |
| 8% Unsecured Redeemable Gold-Linked Notes Due May 6, 2015 (USD), Euro Pacific Capital Inc. | 1201 Dove Street, Suite 200 Newport Beach CA 92660 USA | | 19,863,359.00 |
| 8% Unsecured Redeemable Notes Due May 6, 2015 (USD), Euro Pacific Capital, Inc. | 1201 Dove Street, Suite 200 Newport Beach CA 92660 USA | | 1,750,796.00 |
| 9% Unsecured Subordinated Convertible Redeemable Notes Due March 26, 2014 (CAD), Euro Pacific Capital, Inc. | 1201 Dove Street, Suite 200 Newport Beach CA 92660 USA | | 8,052,571.00 |
| Accent On Travel | PO Box 9955, Newmarket Newmarket, Auckland, 1149 NZ | | 26,875.00 |



Besra Gold Inc.
 John A.G. Seton

District of:
 Division No.
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Besra Gold Inc.
 of the City of Toronto
 in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|--|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| Aird & Berlis LLP | Barristers and Solicitors, Brookfield Place, 181 Bay Street, Suite 1800, Box 754, Toronto ON M5J 2T9 | | 4,717.00 |
| Alex Li (Long chun Li) | 76B Ruawai Road, Mt Wellington, Auckland New Zealand Wellington, Auckland, 1060 NZ | | 2,500.00 |
| Amazon Web Services | PO Box 84023 Seattle WA 98124-8423 USA | | 58,464.00 |
| AON Reed Stenhouse Inc | 20 Bay Street, Toronto, ON Toronto ON M5J 2N9 | | 5,475.00 |
| Australian Securities & Investments Commission | GPO Box 9827 Sydney, NSW, 2001 Australia | | 1,071.00 |
| Australian Securities Exchange (formerly ASTC Pty Limited) | PO Box H224 Sydney, NSW, 1215 Australia | | 20,416.00 |
| Beanfield Metroconnect | 506-77 Mowat Ave Toronto ON M6K 3E3 | | 951.00 |
| Bell | P.O. Box 9000, STN Don Mills North York ON M3C 2X7 USA | | 1,201.00 |
| BlueJeans Network | 516 Clyde Avenue Mountaint View CA 94043 USA | | 3,662.00 |
| Bolt Solutions Corp (Darin Lee's Bank of America account) | Belize City, Belize Belize City, Belize Vietnam | | 289,497.00 |



Besra Gold Inc.
 John A.G. Seton

District of:
 Division No.
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
 of the City of Toronto
 in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|---|--|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| Broadridge | PO Box 57461, Posta Station A Toronto ON M5W 5M5 | | 6,219.00 |
| CAE Mining | Level 15, 120 Edward St, Brisbane, QLD,4000 Australia | | 60,433.00 |
| City Water International Inc. | A-834 Caledonia Road Toronto ON M6B 3X9 NZ | | 1,380.00 |
| Computershare Investor Services Pty | 452 Johnston Street, Abbotsford Victoria 3067, Australia Abbotsford Victoria, 3067 Australia | | 1,676.00 |
| Computershare Trust Company | 100 University Avenue, Toronto ON, M5J 2Y1 Toronto ON M5J 2Y1 | | 16,663.00 |
| Coverdale Trust Services Limited | 30 DeCastro Street PO Box, 961 Road Town Tortola, British Virgin Islands BVI | | 7,125.00 |
| Dason Investment Limited | Room 2207-9 22/F Tower2, Lippo Centre 89 Queensway, Admiral NZ | | 43,674.00 |
| Dorsey & Whitney LLP | PO Box 1680, Minneapolis Minneapolis, MN 55480-1680 USA | | 43,123.00 |
| Dundee Realty Management Corp. | 30 Adelaide Street East, Suite 1600 Toronto ON M5C 3H1 | | 62,653.00 |
| Ernst & Young LLP | Ernst & Young Tower, Toronto-Dominion Centre, PO Box 251 222 Bay Street Toronto ON M5K 1J7 | | 339,300.00 |
| Euro Pacific Capital, Inc. | Inc., 1201 Dove Street, Suite 200 Newport Beach CA 92660 USA | | 5,000.00 |



Besra Gold Inc.
 John A.G. Seton

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| FBLP Legal Co Ltd | 14th Floor Silom Complex Building, 191 Silom Road Silom Bangrak, Bangkok, 10500 10500 Thailand | | 1,613.00 |
| Financial & Corporate Relations Pty | 2 Bligh Street Sydney NSW, 2000 Australia | | 671.00 |
| General Research GmbH | Burgstrasse 12, D-80331 Munchen, Amtsgericht Munchen, HRB, 134229 Germany | | 19,703.00 |
| Gilbert Tobin Lawyers | GPO Box 3810, 2001 Sydney, NSW, 2001 Australia | | 8,366.00 |
| Grant Thornton LLP | 350 Burnhamthorpe Road West, SUITE 401 Mississauga ON L5B 3J1 | | 77,401.00 |
| Grant Thornton, LLP Seattle | Suite 2800, 520 Pike Street Seattle WA 98101-1389 | | 11,618.00 |
| Huia 3 Trust c/o Peter Wood | 60 Durham St. Level 2 Tauranga NZ 3140 NZ | | 517,232.00 |
| Iron Mountain Canada Corporation | PO Box 3527 Station A Toronto ON M5W 3G4 | | 2,375.00 |
| It Consulting Steven Carpenter | 609 Pollock Gate Milton ON L9T 5V2 | | 2,061.00 |
| ITMC Fiduciary Limited | Tiara Labuan, Jalan Tanjung Batu FT Labuan, East Malaysia, 87000 Malaysia | | 2,139.00 |
| Jim Hamilton | Unit 54, 200 Kingfisher Dr. Mono ON L9W 0B3 | | 166,826.00 |



Besra Gold Inc.
John A.G. Seton

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|--|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| JJROK Limited (Kevin Tomlinson directors fee & expense claims) | Unit A, 20/F, Seabright Plaza, 9-23 Shell Street North Point, Hong Kong UK | | 184,843.00 |
| Jura Trust | 86 St Stephens Ave Auckland, 1052 NZ | | 661,575.00 |
| Kaseya New Zealand | Level 5, 12 Viaduct, Harbor Ave, Maritime Square, Auckland 1010, New Zealand Maritime Square, Auckland, 1010 NZ | | 4,345.00 |
| LANtech Limited | Level 1, 191 Thorndon Quay Thorndon Wellington, 6040 NZ | | 1,356.00 |
| Leslie G Robinson | 10 Peranga Terrace Haitaitai Wellington, 6021 NZ | | 110,981.00 |
| Lloyd Beaumont No 2 Trust | PO Box 327 Thames NZ | | 284,368.00 |
| L-TEL Communications | 3109 Golden Orchard Drive, Mississauga, Ontario, Mississauga ON L4X 2T9 | | 334.00 |
| Marketwire | 25 York Street, Suite 900, P.O. Box403 Toronto ON M5J 2V5 | | 3,677.00 |
| McDonald & Company (Australasia) Pty Ltd | 74 Minora Road, Dalkeith Dalkeith, Perth, 6009 Australia | | 2,486.00 |
| Meridian Corporate Advisory Pty Ltd | 31 Brinawa Street Mona Vale, NSW 2103 Australia | | 133,747.00 |
| Mr. Marcel E.W. Satter | ICT-projects.com, Hugo de Grootkade 8 HS, Amsterdam, Netherlands, 1052 LP Netherlands | | 13,100.00 |



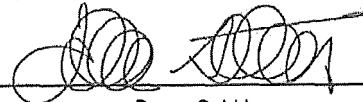
Besra Gold Inc.
John A.G. Seton

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| Nexonia | 2 St. Clair Avenue East, Suite 750 Toronto ON M4T 2T5 | | 1,350.00 |
| Noblemen Ventures | Suite 2 19 Somerset Street, Mosman NSW Mosman NSW, 2088 Australia | | 15,994.00 |
| NSW Government - Trade & Investment | 161 Kite Street, Locked Bag 21 Orange, NSW, 2800 Australia | | 1,490.00 |
| Orient ES Capital Group Limited | Unit 8 43/F, Far East Finance Centre, No.16 Harcourt Road, Admiralty Hong Kong | | 196,577.00 |
| OTC Markets Group Inc | PO Box 29959 New York NY 10087-9959 USA | | 15,000.00 |
| Paul Seton | Lloyd Beumont, PO Box 25686 Auckland NZ | | 53,249.00 |
| Precisionir Ltd | P.O.Box #25070, Postal Satation A Toronto ON M5W 2X8 | | 1,350.00 |
| Prospectors & Developers Association of Canada | 135 King Street East Toronto ON M5C 1G6 | | 1,252.00 |
| Remko Fortgens | OYM Vietnam Netherlands | | 27,199.00 |
| Ruben Van Vloten | Leidsekade 70-2, 1016 DA Amsterdam Netherlands | | 23,100.00 |
| Sentinel Resources Services | PO Box 46-225, Heme Bay Auckland NZ | | 87,681.00 |
| SHRM Corporate Services (Singapore) Pte Ltd | 81 Clemenceau Avenue, #04-15/16 UE Square, Singapore 239917 Singapore | | 5,850.00 |



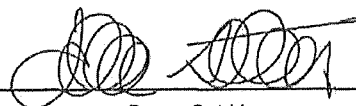
Besra Gold Inc.
John A.G. Seton

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

| List of Creditors with claims of \$250 or more. | | | |
|---|---|----------|--------------|
| Creditor | Address | Account# | Claim Amount |
| Sills Egsgard LLP | First Canadian Place, Suite 5700, 100 King Street West Toronto ON M9A3P2 | | 19,889.00 |
| Standard & Poor's | 2542 Collection Center Dr Chicago IL 60693 USA | | 8,782.00 |
| Starsall Capital Limited | RM 2702-3, 27/F Bank of East Asia Bldg, Harbour View CRT 56, Wanchai HK Vietnam | | 394,389.00 |
| Strategic Business Communications | 1979 Marcus Avenue New York NY 11042 USA | | 3,499.00 |
| The Human Well | 2463 Village Common Oakville ON L6M 0S2 | | 6,217.00 |
| Truphone (Startel Communication Co Pty. Ltd) | PO Box 2413 Mansfield, QLD, 4122 Australia | | 2,025.00 |
| University of Tasmania | Newnham Drive Newnham TAS, 7248 Australia | | 54,804.00 |
| Whakapai Consulting Ltd | 2/8 Marau Cres Mission Bay Auckland, 1071 NZ | | 23,445.00 |
| Wiklow Corporate Services Inc | 202, 5626 Larch Larch BC V6M 4E1 | | 678.00 |
| Workiva (formerly WebFilings) | 2900 University Blvd Ames IA 50010 USA | | 5,158.00 |
| XPI Inc. (DisclosureNet) | 330 Bay Street, Suite 200 Toronto ON M5H 2S8 | | 9,936.00 |



Besra Gold Inc.
John A.G. Seton

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

| | | | |
|-------|--|--|---------------|
| Total | | | 58,905,878.00 |
|-------|--|--|---------------|



Besra Gold Inc.
John A.G. Seton



- Proposal Consent -

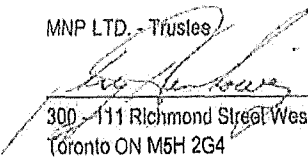
In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of Besra Gold Inc..

Dated at the City of Toronto in the Province of Ontario, this 19th day of October 2015.

MNP LTD, Trustees


300 - 111 Richmond Street West
Toronto ON M5H 2G4

Phone: (416) 596-1711 Fax: (416) 323-5242



INSOLVENCY & RESTRUCTURING PROFESSIONALS
111 RICHMOND STREET WEST, SUITE 300, TORONTO, ON M5H 2G4
1.877.251.2922 P: 416.596.1711 F: 416.596.7894 MNPdebt.ca



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2047972
Estate No. 31-2047972

In the Matter of the Notice of Intention to make a
proposal of:

Besra Gold Inc.
Insolvent Person
MNP LTD / MNP LTÉE
Trustee

Date of the Notice of Intention: October 19, 2015

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: October 19, 2015, 14:48

E-File/Dépôt Electronique

Official Receiver

25 St. Clair Avenue East, 6th floor, Toronto, Ontario, Canada, M4T1M2, (877)376-9902

Canada

BESRA MEDIA RELEASE

Besra commences restructuring proceedings

Auckland, New Zealand: 19 October 2015 – Besra Gold Inc. (Besra) announces that, after consideration of all viable alternatives, its Board of Directors has determined that it is in the best interests of Besra and its stakeholders for Besra to commence restructuring proceedings under the Canadian law equivalent of US Chapter 11. This restructuring process will allow Besra to deal decisively with its cost and debt structure and to narrow its strategic focus in an effective and timely manner. The proceedings will also facilitate a restructuring using a more straightforward process that doesn't presently exist. Besra made this decision with the unanimous approval of its Board of Directors after thorough consultation with its advisors and extensive consideration of all other alternatives.

Besra's liquidity position deteriorated as a result of various factors, including, but not limited to, negative cash flow from operations in Vietnam caused by typhoons and government intervention, and a consequent inability to secure all required capital until its unsecured loan-notes were restructured. However the subsidiary operations are recovering with Bong Mieu back in production and Phuoc Son in preparation for re-opening.

The previously announced financing is currently on hold pending the outcome of the restructuring. Besra anticipates that once balance sheet relief is provided as an outcome of the restructuring, equity financing can be more easily progressed.

Besra CEO, John Seton, said, "While we had reached agreement in principle with a large number of our note-holders, there exists no existing, stream-lined formal mechanism by which the different notes may be dealt with efficiently and effectively in a single arrangement or compromise." He added, "These types of administration systems, which exist in Canada and the US, are effective. You can get things done."

Accordingly, on 19 October 2015, Besra filed a Notice of Intention to make a proposal under the Bankruptcy and Insolvency Act (Canada) (BIA). The Notice of Intention has granted Besra BIA protection for an initial period of 30 days, expiring on 18 November 2015. While under protection, creditors and others are stayed from enforcing any rights against Besra, giving Besra the opportunity to pursue restructuring alternatives.

Pursuant to the Notice of Intention, MNP Ltd has been appointed as proposal trustee that will monitor the ongoing operations of Besra while under BIA protection (in such capacities, the "Trustee"). All inquiries regarding the BIA proceedings should be directed to the Trustee. Information about the BIA proceeding will be available on the Trustee's website at http://bit.ly/MNP_BEZ.

... ends ...

Besra Gold Inc
John A G Seton
Chief Executive Officer

NOTES TO EDITORS

Besra – www.besra.com

Besra is a diversified gold mining company focused on the exploration, development and mining of mineral properties in South East Asia. The Company has three key properties; the Bau Goldfield in East Malaysia and Bong Mieu and

BESRA MEDIA RELEASE

Phuoc Son in Central Vietnam. Besra expects to expand gold capacity in Vietnam over the next two years and is projecting new production capacity from the Bau gold project.

Cautionary Note Regarding Forward-Looking Statements

Certain of the statements made and information contained herein is "Forward-looking information" within the meaning of applicable securities laws, including statements concerning our plans at our producing mines and exploration projects, which involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, failure to establish estimated resources or to convert resources to mineable 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 failure to obtain required governmental, environmental, or other project approvals; changes in national and local government legislation or regulations regarding environmental factors, royalties, taxation or foreign investment; political or economic instability; terrorism; inflation; changes in currency exchange rates; fluctuations in commodity prices; delays in the development of projects; shortage of personnel with the requisite knowledge and skills to design and execute exploration and development programs; difficulties in arranging contracts for drilling and other exploration and development services; dependency on equity market financings to fund programs and maintain and develop mineral properties; and risks associated with title to resource properties due to the difficulties of determining the validity of certain claims and other risks and uncertainties, including those described in each management's discussion and analysis released by the Company. In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management; the assumed long-term price of gold; the availability of permits and surface rights; access to financing, equipment and labour and that the political environment in the jurisdictions within which the Company operates will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements, which speak only as of the date they are made. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

For Further Information

Steve Wilson
Corporate Communications Director, Besra
T: +64 9 9121765
M: +64 21675660
E: steve.wilson@besra.com

APPENDIX C

Industry Canada

Home > Corporations > Corporations Canada > Search for a Federal Corporation

Corporations Canada

Federal Corporation Information - 6597858

[Glossary of Terms used on this page](#)

[Return to Search Results](#)

[Start New Search](#)

Corporation Number

6597858

Business Number (BN)

Not Available

Governing Legislation

Canada Business Corporations Act - 2006-07-13

Corporate Name

BESRA GOLD INC.

Status

Active

Registered Office Address

366 Adelaide Street West

Unit LL01

Toronto ON M5V 1R9

Canada

Active CBCA corporations are required to [update this information](#) within 15 days of any change. A [corporation key](#) is required.

Directors

Minimum

3

Maximum

15

Directors

JON MORDA

15540 NIAGARA PKWY

NIAGARA ON THE LAKE ON L0S 1J0

Canada

LESLIE ROBINSON

10 PERANGA TERRACE

HATATAI

WELLINGTON

New Zealand

DAVID A. SETON

VILLA 43

10 DANG THAI MAI

HO TAY DISTRICT, HANOI

Viet Nam

KEVIN MICHAEL TOMLINSON
1 Montague Road
Richmond TW106QW
United Kingdom

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required.

Annual Filings

Anniversary Date (MM-DD)
07-13

Date of Last Annual Meeting
2013-11-19

Annual Filing Period (MM-DD)
07-13 to 09-11

Type of Corporation
Distributing corporation

Status of Annual Filings
2015 - Filed
2014 - Filed
2013 - Filed

Corporate History

Corporate Name History

2006-07-13 to 2012-11-16
OLYMPUS PACIFIC MINERALS INC.

2012-11-16 to Present
BESRA GOLD INC.

Certificates and Filings

Certificate of Continuance
2006-07-13

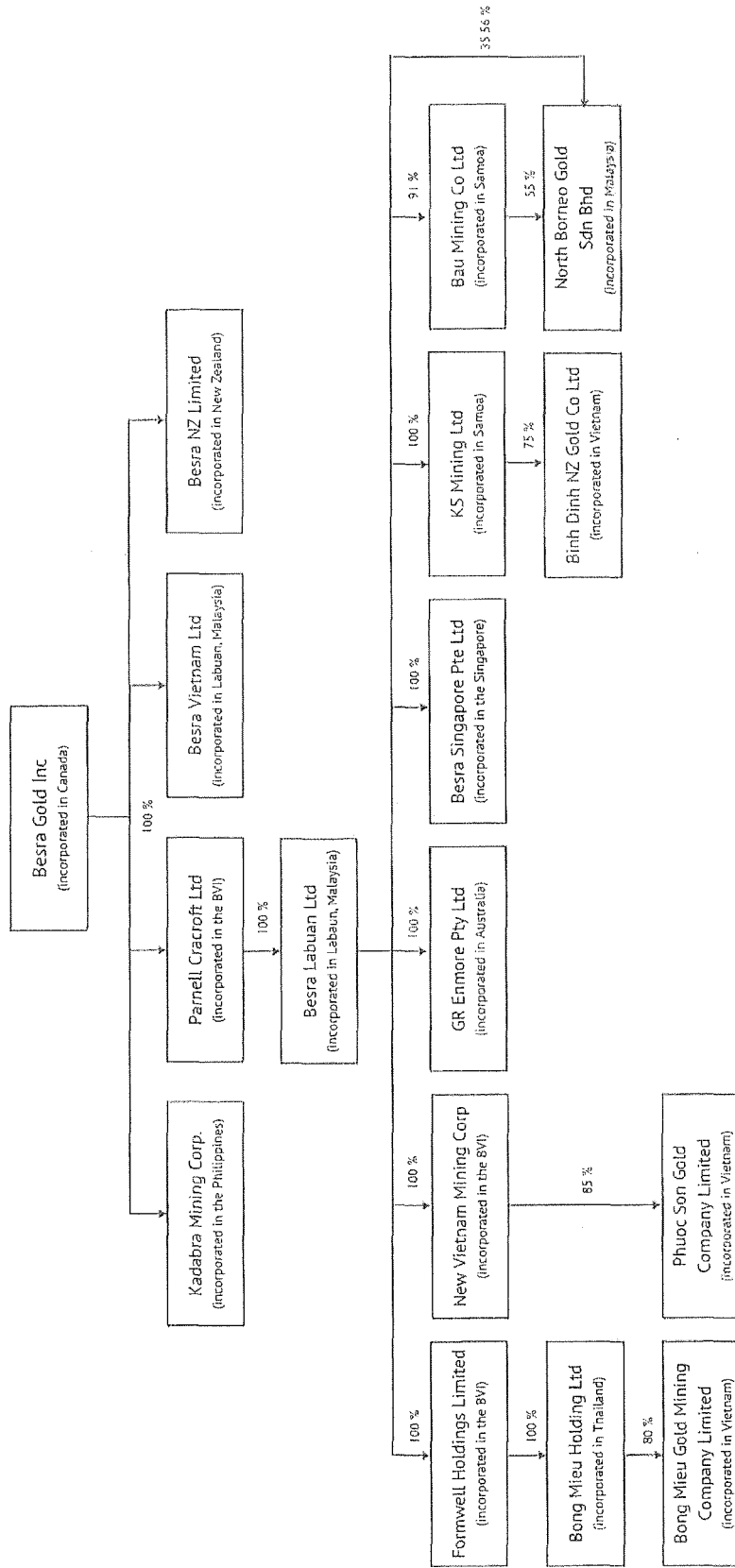
Previous jurisdiction: Yukon Territory

Certificate of Amendment *
2012-11-16

Amendment details: Corporate name

* Amendment details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed. For more information, [contact Corporations Canada](#).

APPENDIX D



APPENDIX E

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2047972
Estate No. 31-2047972

- FORM 30 -
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

The Management of Besra Gold Inc. (the "insolvent person" or "BGI"), has developed the assumptions and prepared the attached statement of projected cash flow of BGI, as of the 20th day of October 2015, consisting of projected cash flow statement for the period commencing the week ended October 24, 2015 and the Notes to the projected cash flow statement.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are *suitably supported and consistent with the plans of BGI* and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions as set out in these notes which follow the order shown on the attached statement of projected cash flow. Consequently, readers are cautioned that it may not be appropriate for other purposes.

- FORM 30 -
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

Purpose:

1. The Statement of Projected Cash Flow has been prepared for the period commencing the week ending October 24, 2015, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

Projection Notes:

2. Hypothetical Assumptions

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in BGI's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

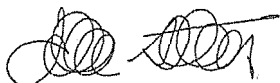
3. Probable Assumptions

Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that BGI believes reflect the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the BGI and provide a reasonable basis for the Statement of Projected Cash Flow.

Assumptions:

4. Payments to senior management and non-executive directors.
5. Premiums for directors and officers insurance coverage.
6. The subsidiaries of BGI do not require any advances during the period covered by the Statement of Projected Cash Flow, with the exception of Besra NZ Limited, which requires funds to cover certain administrative costs.
7. Payment to InCor pursuant to inter-creditor agreement.
8. Interest on the DIP Facility accruing monthly at a rate of 15% and as set out in the DIP Loan Agreement.
9. Professional fees of BGI's counsel, the Proposal Trustee and its counsel and the DIP Lender's counsel.

Dated at Auckland, New Zealand, this 20th day of October 2015.



John A.G. Seton, Chief Executive Officer
Besra Gold Inc., Debtor

BESRA GOLD INC.
CASH FLOW PROJECTION
FOR THE 13 WEEKS ENDING THE WEEK ENDING JANUARY 16, 2016

| Note | PROJECTED | | | | | | | | | | | | | Total |
|--|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | |
| Week Ended | 10/24/15 | 10/31/15 | 11/07/15 | 11/14/15 | 11/21/15 | 11/28/15 | 12/05/15 | 12/12/15 | 12/19/15 | 12/26/15 | 01/02/16 | 01/09/16 | 01/16/16 | |
| Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| DIP Loan Facility Advances | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Cash Disbursements | | | | | | | | | | | | | | |
| Contractor Payments + Directors | 67,125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Travel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Advances to Besra NZ Limited | 23,656 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Payment of expenses to Incor to share security | 150,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| DIP Loan (Mollard) Commitment Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| DIP Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Professional Fees | 109,550 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Contingency | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Disbursements | 368,665 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Cash Flows | 853,335 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Cash - Ending | 853,335 | 853,335 | 809,702 | 772,952 | 658,865 | 648,365 | 615,232 | 578,482 | 454,551 | 454,551 | 432,443 | 384,668 | 260,737 | |

This consolidated statement of projected cash flow of Besra Gold Inc. is prepared by the debtor in accordance with s.50.4(2)(a) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Report on Cash-Flow Statement by the Person Making the Proposal and the Trustee's Report on Cash-Flow Statement.

MANP Ltd.
acting in re: the Notice of Intention to Make a Proposal of
Besra Gold Inc.

Per:

Besra Gold Inc.



John A.G. Seton, Chief Executive Officer
Dated: October 20, 2015

Jerry Hienchowitz
Dated: October 20, 2015

BESRA GOLD INC.
CASH FLOW PROJECTION
FOR THE 13 WEEKS ENDING THE WEEK ENDING JANUARY 16, 2016

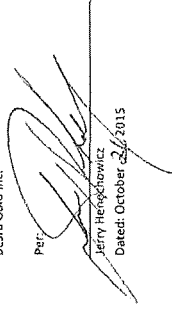
| Note | PROJECTED | | | | | | | | | | | | | Total |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | |
| | Week Ended 10/24/15 | Week Ended 10/31/15 | Week Ended 11/07/15 | Week Ended 11/14/15 | Week Ended 11/21/15 | Week Ended 11/28/15 | Week Ended 12/05/15 | Week Ended 12/12/15 | Week Ended 12/19/15 | Week Ended 12/26/15 | Week Ended 01/02/16 | Week Ended 01/09/16 | Week Ended 01/16/16 | |
| Cash Receipts | | | | | | | | | | | | | | |
| DIP Loan Facility Advances | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| Total Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| Cash Disbursements | | | | | | | | | | | | | | |
| Contractor Payments + Directors | -67,125 | 0 | -6,000 | 0 | -67,125 | 0 | -6,000 | 0 | -66,500 | 0 | 0 | -6,000 | -66,500 | -285,250 |
| Insurance | 0 | 0 | -4,500 | 0 | -4,500 | 0 | -4,500 | 0 | -4,500 | 0 | 0 | -4,500 | -4,500 | -13,500 |
| Travel | 0 | 0 | -10,000 | 0 | -10,000 | 0 | -10,000 | 0 | -10,000 | 0 | 0 | 0 | -10,000 | -40,000 |
| Advances to Besra NZ Limited | -23,656 | 0 | -22,108 | 0 | -23,656 | 0 | -27,108 | 0 | -23,656 | 0 | -22,108 | 0 | -23,656 | -160,948 |
| Payment of expenses to incur to share security | -150,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -150,000 |
| DIP Loan (Mellor) Commitment Fees | 0 | 0 | 0 | 0 | -19,000 | 0 | 0 | 0 | -19,000 | 0 | 0 | 0 | -19,000 | -57,000 |
| DIP Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | -109,550 | 0 | 0 | -35,000 | -35,000 | 0 | 0 | 0 | -35,000 | 0 | 0 | 0 | -35,000 | -114,550 |
| Contingency | 18,732 | 0 | -1,035 | -36,750 | 360 | -3,306 | -1,750 | -4,775 | -3,725 | 0 | 0 | 0 | -4,775 | -38,015 |
| Total Disbursements | -368,665 | 0 | -43,633 | -36,750 | -114,087 | -10,500 | -33,133 | -57,500 | -123,931 | -36,750 | -22,108 | -47,775 | -123,931 | -959,865 |
| Cash Flows | 853,335 | 0 | -43,633 | -36,750 | -114,087 | -10,500 | -33,133 | -57,500 | -123,931 | -36,750 | -22,108 | -47,775 | -123,931 | 260,737 |
| Cash - Ending | 853,335 | 853,335 | 809,702 | 772,952 | 658,865 | 648,365 | 615,232 | 578,482 | 454,551 | 432,443 | 384,668 | 260,737 | 260,737 | |

This consolidated statement of projected cash flow of Besra Gold Inc. is prepared by the debtor in accordance with s.50.4(2)(a) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Report on Cash-Flow Statement by the Person Making the Proposal and the Trustee's Report on Cash-Flow Statement.

MNP Ltd.
acting in re: the Notice of intention to Make a Proposal of
Besra Gold Inc.

Besra Gold Inc.

Per:



John A.G. Seton, Chief Executive Officer

Dated: October 2, 2015

APPENDIX F

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2047972
Estate No. 31-2047972

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

Purpose:

1. The Statement of Projected Cash Flow has been prepared for the period commencing the week ending October 24, 2015, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

Projection Notes:

2. Hypothetical Assumptions

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in BGI's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

3. Probable Assumptions

Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the Insolvent Person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of BGI and provide a reasonable basis for the Statement of Projected Cash Flow.

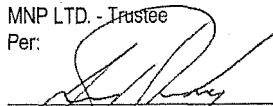
Assumptions:

4. Payments to senior management and non-executive directors.
5. Premiums for directors and officers insurance coverage.
6. The subsidiaries of BGI do not require any advances during the period covered by the Statement of Projected Cash Flow, with the exception of Besra NZ Limited, which requires funds to cover certain administrative costs.
7. Payment InCor pursuant to inter-creditor agreement.
8. Interest on the DIP Facility accruing monthly at a rate of 15% and as set out in the DIP Loan Agreement.
9. Professional fees of BGI's counsel, the Proposal Trustee and its counsel and the DIP Lender's counsel.

Dated at the City of Toronto in the Province of Ontario, this 2nd day of October 2015.

MNP LTD. - Trustee

Per:



Jerry Henechowicz
300 - 111 Richmond Street West
Toronto ON M5H 2G4
Phone: (416) 596-1711 Fax: (416) 323-5242

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2047972
Estate No. 31-2047972

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Besra Gold Inc.
of the City of Toronto
in the Province of Ontario

The attached statement of projected cash flow of Besra Gold Inc., as of the 20th day of October 2015, consisting of projected cash flow statement for the period commencing the week ended October 24, 2015 and the Notes to the projected cash flow statement., has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 21st day of October 2015.

MNP LTD. - Trustee

Per:



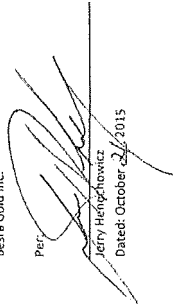
Jerry Henechowicz
300 - 111 Richmond Street West
Toronto ON M5H 2G4
Phone: (416) 596-1711 Fax: (416) 323-5242

BESRA GOLD INC.
CASH FLOW PROJECTION
FOR THE 13 WEEKS ENDING THE WEEK ENDING JANUARY 16, 2016

| Note | PROJECTED | | | | | | | | | | | | | Total | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------|-----------|
| | 1 10/24/15 | 2 10/31/15 | 3 11/07/15 | 4 11/14/15 | 5 11/21/15 | 6 11/28/15 | 7 12/05/15 | 8 12/12/15 | 9 12/19/15 | 10 12/26/15 | 11 01/02/16 | 12 01/09/16 | 13 01/16/16 | | |
| Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| DJP Loan Facility Advances | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| Total Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| Cash Disbursements | -87,125 | 0 | -6,000 | 0 | -67,125 | 0 | -6,000 | 0 | -66,500 | 0 | 0 | -6,000 | -6,500 | -86,500 | -285,250 |
| Contractor Payments + Directors | 0 | 0 | -4,500 | 0 | 0 | 0 | -4,500 | 0 | 0 | 0 | 0 | -4,500 | 0 | 0 | -13,500 |
| Insurance | 0 | 0 | -10,000 | 0 | 0 | -10,000 | 0 | 0 | -10,000 | 0 | 0 | 0 | 0 | -10,000 | -40,000 |
| Travel | 0 | 0 | -24,106 | 0 | -23,656 | 0 | -22,108 | 0 | -23,656 | 0 | -22,108 | 0 | 0 | -23,656 | -160,948 |
| Advances to Besra NZ Limited | -150,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -150,000 |
| Payment of expenses to incur share security | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DJP Loan (Mollard) Commitment Fees | 0 | 0 | 0 | 0 | -19,900 | 0 | 0 | 0 | -19,900 | 0 | 0 | 0 | 0 | -19,900 | -57,000 |
| DJP Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | -109,650 | 0 | 0 | 0 | -35,000 | 0 | 0 | -35,000 | 0 | 0 | 0 | 0 | 0 | 0 | -219,650 |
| Contingency | -16,324 | 0 | -1,023 | 0 | -1,750 | -903 | -575 | -1,750 | -4,775 | 0 | 0 | -2,275 | -4,775 | -38,015 | -95,863 |
| Total Disbursements | -355,653 | 0 | -63,633 | -36,750 | -116,087 | -10,500 | -33,133 | -36,750 | -123,531 | 0 | -22,108 | -47,775 | -123,931 | -559,663 | |
| Cash Flows | 864,347 | 0 | -63,633 | -36,750 | -114,087 | -10,500 | -33,133 | -35,750 | -123,531 | 0 | -22,108 | -47,775 | -123,931 | -260,737 | |
| Cash - Ending | 853,335 | 853,335 | 809,702 | 772,952 | 658,865 | 648,365 | 615,232 | 578,482 | 454,551 | 454,551 | 432,443 | 384,668 | 260,737 | 260,737 | |

This consolidated statement of projected cash flow of Besra Gold Inc. is prepared by the debtor in accordance with s.50.4(2)(a) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Report on Cash-Flow Statement by the Person Marking the Proposal and the Trustee's Report on Cash-Flow Statement.

MNP Ltd.
 acting in re: the Notice of intention to Make a Proposal of
 Besra Gold Inc.
 Per: _____
 Besra Gold Inc.

Per: 
 Jeffrey Hengchowicz
 Dated: October 21, 2015

John A.G. Seton, Chief Executive Officer
 Dated: October 21, 2015

BESRA GOLD INC.
CASH FLOW PROJECTION
FOR THE 13 WEEKS ENDING THE WEEK ENDING JANUARY 16, 2016

| Note | PROJECTED | | | | | | | | | | | | | Total |
|---|------------------|---------------|----------------|----------------|-----------------|----------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|------------------|
| | 1 10/24/15 | 2 10/31/15 | 3 11/07/15 | 4 11/14/15 | 5 11/21/15 | 6 11/28/15 | 7 12/05/15 | 8 12/12/15 | 9 12/19/15 | 10 12/26/15 | 11 01/02/16 | 12 01/09/16 | 13 01/16/16 | |
| Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| DIP Loan Facility Advances | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| Total Cash Receipts | 1,220,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,220,000 |
| Cash Disbursements | | | | | | | | | | | | | | |
| Contractor Payments + Directors | -67,175 | 0 | -5,000 | 0 | -62,125 | 0 | -6,000 | 0 | -66,500 | 0 | 0 | -5,000 | -66,500 | -385,250 |
| Insurance | 0 | 0 | -4,500 | 0 | -4,500 | 0 | -4,500 | 0 | -13,500 | 0 | 0 | -4,500 | -4,500 | -33,500 |
| Travel | 0 | 0 | -10,000 | 0 | -10,000 | 0 | -10,000 | 0 | -30,000 | 0 | 0 | -10,000 | -10,000 | -60,000 |
| Advances to Besra NZ Limited | -23,656 | 0 | -22,106 | 0 | -33,656 | 0 | -22,106 | 0 | -79,464 | 0 | -22,106 | 0 | -23,656 | -160,948 |
| Payment of Expenses to Inco to share security | -150,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -150,000 | 0 | 0 | 0 | -150,000 | -150,000 |
| DIP Loan (Mollard) Commitment Fees | 0 | 0 | 0 | 0 | -13,000 | 0 | 0 | 0 | -13,000 | 0 | 0 | 0 | -13,000 | -13,000 |
| DIP Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | -109,550 | 0 | 0 | -35,000 | -1,300 | 0 | 0 | -35,000 | -150,000 | 0 | 0 | 0 | -35,000 | -315,850 |
| Contingency | -18,532 | 0 | -1,025 | -1,750 | -4,300 | 0 | 0 | -1,750 | -4,775 | 0 | 0 | 0 | -4,775 | -21,132 |
| Total Disbursements | -365,863 | 0 | -43,633 | -38,750 | -114,087 | -10,500 | -33,133 | -36,750 | -123,931 | -123,931 | -22,106 | -47,775 | -123,931 | -952,263 |
| Cash Flows | 853,335 | 0 | 43,633 | -36,750 | -114,087 | -10,500 | -33,133 | -36,750 | -123,931 | -123,931 | -22,106 | -47,775 | -123,931 | 260,737 |
| Cash - Ending | 853,335 | 853,335 | 809,702 | 772,952 | 658,865 | 648,365 | 615,232 | 578,482 | 454,551 | 454,551 | 432,443 | 384,668 | 260,737 | |

This consolidated statement of projected cash flow of Besra Gold Inc. is prepared by the debtor in accordance with s.50.4(2)(a) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Report on Cash-Flow Statement by the Person Making the Proposal and the Trustee's Report on Cash-Flow Statement.

MNP Ltd.
acting in re: the Notice of intention to Make a Proposal of
Besra Gold Inc.

Per:

Besra Gold Inc.



John A.G. Stoen, Chief Executive Officer

Dated: October 20, 2015

Dated: October 20, 2015

APPENDIX G

DIP COMMITMENT LETTER

Dated as of October 19, 2015

WHEREAS, each of the DIP Lenders (as defined below) has agreed to provide Besra Gold Inc. funding in the amounts noted herein in the context of its proposal proceedings under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) in accordance with the terms set out herein;

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of such consideration is hereby acknowledged), agree as follows:

- A. DIP BORROWER:** Besra Gold Inc. (the “**Borrower**”).
- B. DIP LENDERS:** Molard FMS Limited (“**MFL**”)
Pierre de Loës (“**PDL**”)
Stavely Investments Limited (“**SIL**”)
(with MFL, PDL and SIL collectively referred to herein as the “**DIP Lenders**”).
- C. PURPOSE:** To provide for the short-term liquidity needs of the Borrower while under BIA protection, as more fully set forth herein.
- D. DIP FACILITY, MAXIMUM AMOUNT AND COMMITMENTS:** CDN\$1,220,000 (the “**Maximum Amount**”) super priority credit facility (the “**DIP Facility**”), provided by the DIP Lenders as follows:
- MFL: CDN\$900,000 (the “**MFL Commitment**”)
 - PDL: CDN\$200,000 (the “**PDL Commitment**”)
 - SIL: CDN\$120,000 (the “**SIL Commitment**”)
- In this Commitment Letter, each DIP Lender’s “**Commitment Percentage**” shall be the percentage resulting from the MFL Commitment, the PDL Commitment or the SIL Commitment (collectively, the “**Commitments**”), as the case may be, divided by the Maximum Amount and multiplied by 100%.
- E. MATURITY DATE:** The DIP Facility shall be repayable in full on the earlier of: (i) the occurrence of any Event of Default hereunder that is continuing; (ii) April 23, 2016 and (iii) the effective date of implementation of a Proposal under the BIA (the earlier date being the “**Maturity Date**”). The Maturity Date may be extended at the request of the Borrower and with the consent of the DIP Lenders for such period and on such terms and conditions as the Borrower and the DIP Lenders may agree.
- The commitment in respect of the DIP Facility shall expire, unless otherwise extended in accordance with this Commitment Letter, on the Maturity Date and all amounts outstanding and any interest, fees and costs owing under or in connection with the DIP

Facility shall be repaid in full by no later than the Maturity Date, without the DIP Lenders being required to make demand upon the Borrower or to give notice that the DIP Facility has expired and the obligations are due and payable.

F. INTEREST RATE, FEES AND EXPENSES:

15 % per annum, accruing monthly in arrears on the outstanding amount of the DIP Facility from time to time, provided that during the occurrence and continuance of an Event of Default, the DIP Lenders may, in their discretion, increase this to 17% per annum (the “**Interest Rate**”).

Interest shall be calculated monthly at the applicable Interest Rate on the first day of each calendar month and be added to the principal amount of the DIP Facility. All outstanding interest not accrued and added to the principal amount of the DIP Facility shall be repaid on the Maturity Date.

DIP Lenders shall be entitled to a monthly commitment fee of CDN \$ 19,000, the first such payment payable within 5 days of the approval of the DIP Facility by the Court and the balance on the 23rd day of each month, commencing November 23, 2015 and continuing until the Maturity Date.

G. PREPAYMENTS:

Subject to the terms herein, the Borrower may prepay without notice or penalty any amounts outstanding under the DIP Facility at any time prior to the Maturity Date.

H. APPLICATION OF PAYMENTS:

All payments or prepayments on account of the DIP Facility shall be made by the Borrower to the DIP Lenders in accordance with the Commitment Percentage of each DIP Lender applicable to such payment or prepayment.

I. DIP SECURITY:

All obligations of the Borrower under or in connection with the DIP Facility and this Commitment Letter and any other definitive security or other documents, agreements, registrations, financing statements and instruments in respect of the DIP Facility (collectively, the “**DIP Facility Documentation**”) shall, subject to the provisions of this Commitment Letter, be secured by a first super priority charge, subject only to (a) any charge, encumbrance or security arising by operation of, and given priority over the DIP Security by, any applicable statutory law; (b) the Administration Charge; and (c) the D&O Charge (the “**DIP Priority Charge**”).

J. ADVANCE TO PROPOSAL TRUSTEE UNDER THE DIP FACILITY:

The entire amount of the DIP Facility shall be made available by way of a single advance (the “**Advance**”) by the DIP Lenders to the Proposal Trustee (in the amount of their respective Commitments) by way of wire transfers, upon the satisfaction of

the conditions listed under the heading "Conditions Precedent to the Advance and each Draw" noted below. The Advance shall be a term loan and may not be repaid and re-borrowed.

**K. DRAWS BY THE
BORROWER FROM THE
PROPOSAL TRUSTEE:**

The Proposal Trustee shall distribute the DIP Facility to the Borrower (or to such third parties as the Borrower may direct in writing) in draws (each a "Draw" and, collectively, the "Draws") in accordance with the terms hereof. Subject to the satisfaction of all of the conditions listed under the heading "Conditions Precedent to the Advance and each Draw" noted below, each Draw shall be:

1. made upon request in writing by the Borrower to the Proposal Trustee, in the form attached hereto as **Schedule "A"**, which request shall detail the amount of the Draw, the date on which such Draw is required, the purpose for the Draw and such other matters as the Proposal Trustee may reasonable require; and
2. be of an amount of not less than **\$50,000** and thereafter in further multiples of **\$50,000**

The Proposal Trustee shall only be required to make draws available to the Borrower up to the Maximum Amount. Each Draw may not be repaid and re-borrowed.

**L. CONDITIONS
PRECEDENT TO THE
ADVANCE AND EACH
DRAW:**

The availability of the DIP Facility, the making of the Advance by the DIP Lenders to the Proposal Trustee, and the Draws of the DIP Facility by the Borrower from the Proposal Trustee, shall be subject to the satisfaction by the Borrower, or waiver by the DIP Lenders (in the case of the Advance) or the Proposal Trustee (in the case of each Draw), of each and every one of the following conditions:

1. in the case of any Draws, that the Proposal Trustee shall have received, and be satisfied with, a request for Draw, in the form attached hereto as **Schedule "A"**;
2. receipt of the issued and entered Initial Order;
3. the Initial Order shall not have been vacated, stayed or otherwise caused to become ineffective or amended in a manner not acceptable to the DIP Lenders;
4. the Initial Order shall contain, to the satisfaction of the DIP Lenders:
 - (a) provisions approving the DIP Facility created herein, the execution and delivery by the Borrower of this Commitment Letter and any other DIP Facility Documentation;
 - (b) provisions granting to the DIP Lenders the DIP Priority Charge;

- (c) provisions authorizing and directing the Borrower to execute and deliver such loan and security documents relating to the DIP Facility and such security documents evidencing the DIP Priority Charge in such form and substance as the DIP Lenders may reasonably require;
 - (d) provisions authorizing, but not requiring, the DIP Lenders to effect registrations, filings and recordings wherever in its discretion it deems appropriate regarding the DIP Priority Charge;
 - (e) provisions confirming that the DIP Priority Charge, the documents delivered pursuant hereto (including, without limitation, this Commitment Letter and the other DIP Facility Documentation) (collectively, the “**DIP Security**”) shall, subject to the provisions hereof, have priority over all present and future charges, encumbrances and security, whether legal or equitable, other than (i) any charge, encumbrance or security arising by operation of, and given priority over the DIP Security by, any applicable statutory law; (ii) the Administration Charge; and (iii) the D&O Charge;
 - (f) provisions providing that the DIP Priority Charge shall be valid and effective to secure all of the obligations of the Borrower to the DIP Lenders without the necessity of the making of any registrations or filings and whether or not any other documents are executed by the Borrower and/or the DIP Lenders pursuant hereto; and
 - (g) provisions declaring that the granting of the DIP Priority Charge and all other documents executed and delivered to the DIP Lenders as contemplated herein, including, without limitation, all actions taken to perfect, record and register the DIP Priority Charge, do not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law;
5. the DIP Lenders shall have been granted the DIP Priority Charge and received executed or registered copies of all Additional DIP Security Documents, all to their absolute satisfaction;
 6. the DIP Lenders shall have received cash flow projections reflecting the projected cash requirements of the Borrower for the week ending October 24, 2015 through the period ending January 16, 2016 calculated

on a weekly basis, which, for greater certainty are attached hereto as **Schedule "B"** (the "**Cash Flow Projections**");

7. the DIP Lenders shall be satisfied that the Borrower has complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to its business;
8. the DIP Lenders shall be satisfied that there are no Liens ranking ahead of the DIP Security, except as provided for herein or as arising by operation of law in the ordinary course of business without any contractual grant of security;
9. the DIP Lenders shall have received, and continue to receive, all reporting required hereunder;
10. the Borrower is in compliance with all covenants hereunder;
11. The DIP Lenders have not notified the Proposal Trustee that, in their view, an Event of Default has occurred and is continuing; and
12. no Default or Event of Default shall have occurred and be continuing;

For greater certainty, the DIP Lenders shall not be obligated to make the Advance, and the Proposal Trustee shall not be required to make any Draw, unless and until all of the foregoing conditions have been satisfied at the time the Advance or Draw, as the case may be, is to be made.

**M. REPRESENTATIONS
AND WARRANTIES:**

The Borrower represents and warrants to each of the DIP Lenders, upon which each of the DIP Lenders relies in entering into this Commitment Letter and the other DIP Facility Documentation, that:

1. the transactions contemplated by this Commitment Letter and other DIP Facility Documentation, including the DIP Security:
 - (a) are within the powers of the Borrower;
 - (b) have been duly authorized by all necessary corporate approval;
 - (c) have been duly executed and delivered by or on behalf of the Borrower;
 - (d) upon the granting of the Initial Order, constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their terms;

- (e) upon the granting of the Initial Order, do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings that may be made to register or otherwise record the DIP Security; and
 - (f) will not violate the charter documents or by-laws of the Borrower or any applicable law relating to the Borrower; and
2. the business operations of the Borrower have been and will continue to be conducted in material compliance with all laws of each jurisdiction in which business has been or is carried on.

**N. AFFIRMATIVE
COVENANTS:**

The Borrower hereby covenants and agrees to:

- 1. allow each of the DIP Lenders full access to the books and records of the Borrower and cause management thereof to fully co-operate with each of the DIP Lenders;
- 2. use reasonable efforts to keep each of the DIP Lenders apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower and the BIA Proceedings;
- 3. deliver to the DIP Lenders the reporting and other information from time to time reasonably requested by each of the DIP Lenders and as set out herein (including, without limitation, the Cash Flow Projections and summaries of sales and accounts receivable and any information pertaining to non-debtor affiliates and/or subsidiaries of the Borrower) at the reasonable times requested and in form and substance satisfactory to the each of the DIP Lenders;
- 4. use the proceeds of the DIP Facility only for the purposes of the short-term liquidity needs of the Borrower in a manner consistent with the restrictions set out herein and the Cash Flow Projections;
- 5. comply with the provisions of the Court orders made in connection with the BIA Proceedings (collectively, the “**Restructuring Court Orders**” and each a “**Restructuring Court Order**”); provided that if any such Restructuring Court Order contravenes this Commitment Letter or the DIP Facility Documentation in a manner detrimental to the DIP Lenders, the same shall be an Event of Default hereunder;
- 6. preserve, renew and keep in full force its corporate existence;

7. maintain at all times adequate insurance coverage of such type, in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope acceptable to each of the DIP Lenders;
8. conduct all activities in accordance with the Cash Flow Projections previously approved by the DIP Lenders and reviewed by the Proposal Trustee and the credit limits established under the DIP Facility as set out hereunder;
9. duly and punctually pay or cause to be paid to each of the DIP Lenders all principal, interest, fees and other amounts payable by it under this Commitment Letter or under any other DIP Facility Documentation on the dates, at the places and in the amounts and manner set forth in such documents;
10. forthwith notify each of the DIP Lenders of the occurrence of any Default or Event of Default, or of any event or circumstance that may constitute a material adverse change from the Cash Flow Projections and any change or proposed change in any arrangement for the supply of inventory to the Borrower or a supplier's support for the Borrower's restructuring;
11. duly and punctually pay when rendered such reasonable professional fees, costs and expenses of the DIP Lenders reasonably incurred in respect of the DIP Facility, this Commitment Letter and the ongoing advice in respect thereof;
12. comply in all material respects with all applicable laws, rules and regulations applicable to its business.

**O. REPORTING
REQUIREMENTS:**

While any portion of the DIP Facility or any interest thereon remains outstanding, the Borrower will provide the following reporting to the Proposal Trustee and each of the DIP Lenders:

1. reports outlining weekly actual cash flows as compared to the Cash Flow Projections for such week;
2. a weekly update to the Cash Flow Projections, in a form similar to that attached hereto as **Schedule "B"**; and
3. a description of any variance from Cash Flow Projections.

**P. NEGATIVE
COVENANTS:**

The Borrower agrees not to do the following other than with the prior written consent of the DIP Lenders:

1. transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking over CDN\$50,000 at any one time or through a series of related transactions,

or more than CDN\$200,000 in the aggregate during the period of the DIP Facility (excluding dispositions in the ordinary course of business), without the prior written consent of the DIP Lenders and the Court. For greater certainty, in the case of any transfer, lease or disposition of any property, assets or undertaking of the Borrower, or any affiliates or subsidiaries thereof, all proceeds of such transfer, lease or disposition sale shall be subject to used to repay the DIP Facility;

2. other than in respect of the leases of specific personal property (which the Borrower, in consultation with the Proposal Trustee and the DIP Lenders, determines is necessary for the continued operation of the Borrower's business), make any payment of principal or interest in respect of existing (pre-filing) borrowed money;
3. enter into any transaction with any affiliate or subsidiary or any of its or their directors or senior or executive officers or senior management, or enter into or assume any employment, consulting or analogous agreement or arrangement with any of its or their directors or senior or executive officers or senior management, or make any payment to any of its or their directors or senior or executive officers or senior management (other than wages or salaries to directors or officers pursuant to existing agreements, all as permitted under the Cash Flow Projections);
4. make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise where to do so would be inconsistent with the Cash Flow Projections;
5. make any payments outside the ordinary course of business, subject always to the Cash Flow Projections delivered hereunder and the maximum availability under the DIP Facility. For greater certainty, no payments shall be used to reduce any existing (pre-filing) indebtedness or trade or unsecured liabilities of the Borrower (other than in respect of accrued payroll and vacation pay or as required by law, including, without limitation, the Restructuring Court Orders), with the exception only of existing (pre-filing) leases of personal property (which the Borrower, in consultation with the Proposal Trustee and the DIP Lenders, determines is necessary for the continued operation of the Borrower's business), and critical vendor payments as approved by the DIP Lenders and as contemplated in the Cash Flow Projections;
6. make any payments on account of bonuses or new retainers (other than payments in respect of amounts

subject to the Administration Charge and the D&O Charge) or establish or create any trust accounts;

7. permit any new Liens to exist on any of its properties or assets other than the Administration Charge, the D&O Charge and Liens in favour of the DIP Lenders as contemplated by this Commitment Letter, other DIP Facility Documentation and inchoate or statutory Liens and such other security as is specifically provided for herein;
8. create or permit to exist any other claim, administrative or otherwise, which is senior to or *pari passu* with the super priority claims of the DIP Lenders, other than as provided in the Administration Charge, the D&O Charge, any intercreditor agreement between the DIP Lenders and any other creditor(s) or as otherwise contemplated herein;
9. amalgamate, consolidate with or merge into, or enter into any similar transaction with any other entity;
10. make any capital expenditures;
11. purport to compromise or restructure the DIP Lenders' Commitments hereunder, in respect of which the DIP Lenders shall be treated as unaffected creditors; and
12. other than as permitted by the Restructuring Court Orders, and the Cash Flow Projections, make any payments of bonuses of any kind whatsoever to any directors, officers or employees of the Borrower.

**Q. INDEMNITY AND
RELEASE:**

The Borrower agrees to indemnify and hold harmless the DIP Lenders and their respective directors, officers, employees, agents, attorneys, advisors and affiliates (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from the BIA Proceedings, any bankruptcy or insolvency proceedings, this Commitment Letter or any other DIP Facility Documentation, and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding (including, without limitation, any inquiry or investigation) or claim (whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise); provided, however, the Borrower shall not be

obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent it resulted from the gross negligence or wilful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction.

The indemnities granted under this Commitment Letter shall survive any termination of the DIP Facility.

R. EVENTS OF DEFAULT: The occurrence of any one or more of the following events shall constitute an event of default ("**Event of Default**") under this Commitment Letter:

1. the entry of an order dismissing the BIA Proceedings or lifting the stay in the BIA Proceedings to permit the enforcement of any security against the Borrower, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, other than in respect of a non-material asset not required for the operations of the Borrower's business and which is subject to a priority Lien;
2. the entry of an order granting any other claim super priority status or a Lien equal or superior to that granted to the DIP Lenders other than the Administration Charge and the D&O Charge or as otherwise contemplated herein;
3. the entry of an order staying, reversing, vacating or otherwise modifying the DIP Facility Documentation, any Restructuring Court Order or the entry of an order by the Court having the equivalent effect, without the prior written consent of the DIP Lenders;
4. failure of the Borrower to pay (i) interest or fees when due under this Commitment Letter or any other DIP Facility Documentation, (ii) principal when due under the DIP Facility, or (iii) legal fees of the DIP Lenders;
5. failure of the Borrower to comply with any negative covenants in this Commitment Letter or any other DIP Facility Documentation;
6. failure of the Borrower to perform or comply with any term or covenant under this Commitment Letter or any other DIP Facility Documentation (other than as set out in subparagraphs (d) and (e) above);
7. the Borrower ceases to carry on business in the ordinary course, except where such cessation occurs in connection with a sale of all or substantially all of the assets of the Borrower or other restructuring or reorganization of the

Borrower, which has been consented to by the DIP Lenders or such cessation is otherwise consistent with the activities of the Borrower during the six months preceding the date of the Initial Order;

8. any representation or warranty by the Borrower shall be incorrect or misleading in any material respect when made;
9. the filing of any pleading by the Borrower seeking any of the matters set forth in clauses 1 through 3 above; or
10. a default has occurred under any of the DIP Facility Documentation.

S. REMEDIES:

Upon the occurrence of an Event of Default and, if the Event of Default is capable of being cured, if such default continues to exist unremedied for a period of 5 days after notice thereof is given to the Borrower, and subject to the provisions of the Initial Order, the DIP Lenders may:

1. declare the obligations in respect of the DIP Facility Documentation to be immediately due and payable;
2. direct the Proposal Trustee to cease making any further Draws available to the Borrower under the DIP Facility and require that the Proposal Trustee return any remaining amount of the Advance to the DIP Lenders, in accordance with their relative Commitment Percentages;
3. apply to a court for the appointment of an interim receiver, a receiver or a receiver and manager of the undertaking, properties and assets of the Borrower, or for the appointment of a trustee in bankruptcy of the Borrower;
4. exercise the powers and rights of a secured party under the *Personal Property Security Act* (Ontario) or any other legislation of similar effect applicable to the DIP Security; and
5. exercise all such other rights and remedies under the DIP Facility Documentation and the Restructuring Court Orders.

For greater certainty, the DIP Lenders shall have customary remedies under the DIP Facility Documentation, including, but not limited to, the right to realize on all or part of the DIP Security without the necessity of obtaining further relief or order from the Court, subject to applicable law.

T. DIP LENDER APPROVALS:

Any consent, approval (including, without limitation, any approval of or authorization for any waiver under or any amendment to any of the DIP Facility Documentation),

instruction, enforcement step or other expression of the DIP Lenders requirement or action under any of the DIP Facility Documentation (collectively "**DIP Lender Actions**") shall be determined by an instrument in writing signed by the DIP Lenders (which instrument in writing, for greater certainty, may be delivered by facsimile or other electronic transmission) who comprise at least **50.1%** of the total Commitment Percentages of all DIP Lenders.

Each of the DIP Lenders acknowledges and agrees: (a) to be bound by each DIP Lender Action which is agreed to in writing by the DIP Lenders who comprise at least **50.1%** of the total Commitment Percentages of all DIP Lenders; and (b) that any DIP Lender Actions requiring "the consent of the DIP Lenders", "the approval of the DIP Lenders" or similar, shall be considered given when agreed to in writing by the DIP Lenders who comprise at least **50.1%** of the total Commitment Percentages of all DIP Lenders.

U. CURRENCY:

The DIP Facility shall be repaid by the Borrower as required under this Commitment Letter in Canadian dollars. Any payment on account of an amount payable under any DIP Facility Documentation in Canadian dollars (the "**proper currency**") made to or for the account of a DIP Lender in a currency (the "**other currency**") other than the proper currency, whether pursuant to a judgment or order of any court or tribunal or otherwise, shall constitute a discharge of the applicable Borrower's obligation under such DIP Facility Documentation only to the extent of the amount of the proper currency which each of the DIP Lenders is able, in the normal course of its business within one (1) Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which each of the DIP Lenders is so able to purchase is less than the amount of the proper currency originally due to it under such DIP Facility Documentation, the Borrower shall indemnify and save each of the DIP Lenders harmless from and against any loss or damage arising as a result of such deficiency.

V. TAXES:

All payments by the Borrower under the DIP Facility Documentation to each of the DIP Lenders, including any payments required to be made from and after the exercise of any remedies available to the DIP Lenders upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any

country (collectively “**Taxes**”); provided, however, that if any Taxes are required by applicable law to be withheld (“**Withholding Taxes**”) from any interest or other amount payable to the DIP Lenders under any DIP Facility Documentation, the amount so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable under such DIP Facility Documentation at the rate or in the amount specified in such DIP Facility Documentation and the Borrower shall provide evidence satisfactory to the DIP Lenders that the Taxes have been so withheld and remitted.

W. FURTHER ASSURANCES:

The Borrower shall at its expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Proposal Trustee or the DIP Lenders may reasonably request for the purpose of giving effect to this Commitment Letter and the DIP Security, perfecting, protecting and maintaining the Liens created by the DIP Security establishing compliance with the representations, warranties and conditions of this Commitment Letter or any other DIP Facility Documentation.

X. ENTIRE AGREEMENT; CONFLICT:

This Commitment Letter, including the schedules hereto and the DIP Facility Documentation, constitute the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this Commitment Letter and any of the other DIP Facility Documentation, this Commitment Letter shall govern. In the event of any inconsistency between any DIP Facility Documentation and a Restructuring Court Order, the Restructuring Court Order shall govern.

Y. AMENDMENTS, WAIVERS, ETC.:

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder or under any other DIP Facility Documentation will operate as a waiver hereof or thereof unless made in writing and signed by an authorized officer of the DIP Lenders.

Z. ASSIGNMENT:

Neither this Commitment Letter nor any right and obligation hereunder may be assigned by the Borrower or the DIP Lenders without the prior written consent of all the parties hereto.

AA. SEVERABILITY:

Any provision in any DIP Facility Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions

hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

**BB. COUNTERPARTS
AND FACSIMILE
SIGNATURES:**

This Commitment Letter may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Commitment Letter by signing any counterpart of it.

**CC. GOVERNING LAW
AND JURISDICTION:**

This Commitment Letter shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the parties irrevocably submits to the non-exclusive courts of the Province of Ontario, waives any objections on the ground of venue or forum non conveniens or any similar grounds, and consents to service of process by mail or in any other manner permitted by relevant law.

DD. DEFINITIONS:

Capitalized terms not otherwise defined herein shall have the following meanings:

“**Administration Charge**” has the meaning ascribed to such term in the Initial Order;

“**BIA Proceedings**” means the proceedings in respect of the Borrower before the Court commenced pursuant to the BIA;

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Toronto, Ontario;

“**Court**” means the Ontario Superior Court of Justice (Commercial List);

“**D&O Charge**” has the meaning ascribed to such term in the Initial Order;

“**Default**” means an event which, with the giving notice and/or lapse of time would constitute an Event of Default (as defined herein);

“**Initial Order**” means the Order of the Court which, among other things, grants the Borrower an extension of the time to file a proposal under the BIA and approves this Commitment Letter;

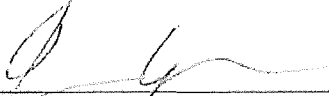
“**Liens**” means all mortgages, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever;

“**Proposal Trustee**” means MNP Ltd., in its capacity as proposal trustee of the Borrower.

IN WITNESS HEREOF, the parties hereby execute this Commitment Letter as at the date first above mentioned.

BESRA GOLD INC.

MOLDARD FMS LIMITED

By: 
Name: JOHN GLEN
Title: CHIEF FINANCIAL OFFICER

By: _____
Name: _____
Title: _____

STAVELY INVESTMENTS LIMITED

MNP Ltd., in its capacity as proposal trustee of BESRA GOLD INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Witness)
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Pierre de Loës)
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IN WITNESS HEREOF, the parties hereby execute this Commitment Letter as at the date first above mentioned.

BESRA GOLD INC.

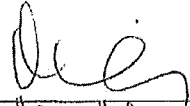
MOLDARD FMS LIMITED


By: _____
Name:
Title:

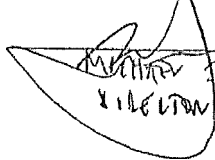
By: _____
Name:
Title:

STAVELY INVESTMENTS LIMITED

MNP Ltd., in its capacity as proposal trustee
of **BESRA GOLD INC.**

By: 
Name: Mark WOODS WOODS
Title: Director

By: 
Name: Jerry Henegouwe
Title: Senior Vice President


MOLDARD FMS LIMITED
SILVER

Witness)
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)
)
)
)

Pierre de Loës

SCHEDULE "A"

FORM OF DRAWDOWN CERTIFICATE

TO: MNP Ltd., in its capacity as proposal trustee of the Borrower (the "**Proposal Trustee**")

AND TO: Molard FMS Limited, Pierre de Loës and Stavely Investments Limited (collectively, the "**DIP Lenders**")

FROM: Besra Gold Inc. (the "**Borrower**")

DATE: <*>, 2015

1. This certificate is delivered to the Proposal Trustee and the DIP Lenders in connection with a request for a Draw pursuant to the DIP Commitment Letter made as of October 19, 2015 between the Borrower, the DIP Lenders and the Proposal Trustee, as amended, supplemented, restated or replaced from time to time (the "**Commitment Letter**"). All defined terms used, but not otherwise defined, in this certificate shall have the respective meanings set forth in the Commitment Letter, unless the context requires otherwise.

2. The Borrower hereby requests a Draw from the DIP Lenders (to be advanced by the Proposal Trustee) as follows:

- (a) Date of Draw: _____
- (b) Proposed amount of Draw (not less than \$50,000 multiples of \$50,000 (CDN\$): _____
- (c) Purpose of Draw: _____

3. All of the representations and warranties of the Borrower as set forth in the Commitment Letter are true and accurate as at the date hereof, as though made on and as of the date hereof.

4. All of the covenants of the Borrower contained in the Commitment Letter together with all of the conditions precedent to the Draw hereby requested and contained in the Commitment Letter, and all other terms and conditions contained in the Commitment Letter to be complied with by the Borrower, not properly waived in writing by or on behalf of the DIP Lenders, have been fully complied with.

5. In addition to the foregoing, the Borrower is in compliance with the DIP Facility Documentation, including, without limitation, the Restructuring Court Orders.

6. The DIP Advance hereby requested has been reviewed and approved by the Proposal Trustee.

7. No Default or Event of Default has occurred and is continuing nor will any such event occur as a result of the DIP Advances hereby requested.

BESRA GOLD INC.

Per: _____

Name:

Title:

I have authority to bind the corporation.

SCHEDULE "B"
INITIAL CASH FLOW PROJECTIONS

(See Attached)

IN THE MATTER OF THE PROPOSAL OF BESRA
GOLD INC., A COMPANY INCORPORATED
PURSUANT TO THE LAWS OF CANADA, WITH A
REGISTERED OFFICE IN THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO

Court File No. 31-2047972

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings commenced at Toronto

FIRST REPORT OF
THE PROPOSAL TRUSTEE

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

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Email: iaversa@airdberlis.com

*Lawyers for MNP Ltd., in its capacity as the proposal trustee of Besra
Gold Inc.*