



STATEMENT DISCLOSING THE EXTENT TO WHICH THE COMPANY HAS FOLLOWED THE BEST PRACTICE RECOMMENDATIONS SET BY THE ASX CORPORATE GOVERNANCE COUNCIL

Principles of Good Corporate Governance

In March 2003 the ASX Corporate Governance Council published the "Principles of Good Corporate Governance and Best Practice Recommendations" for the guidance of ASX listed companies. It requires listed companies to disclose in their annual reports the extent to which they have followed the recommendations of the ten basic principles to identify any which have not been adopted and to disclose the reasons for such departure.

Accordingly the Company has tabulated departures from the recommendations and the reasons for such departures.

The ASX's Principles of Good Corporate Governance and Best Practice Recommendations, and the Company's compliance with, or departure from, the recommendations are listed on the Company's website. It is envisaged that further recommendations will be adopted as the Company grows.

A copy of the Beadell Resources Corporate Governance Statement, together with its policies on continuous disclosure, share trading and corporate code of conduct, are listed on the Company's website. Interested parties may refer to the website at www.beadellresources.com.au or, alternatively, request the above information by contacting the Company.

ABN: 50 125 222 291

Level 2, 16 Ord Street West Perth WA 6005 | PO Box 542 West Perth WA 6872
Phone: 08 9216 5804 Fax: 08 9216 5888



PRACTICE RECOMMENDATION	NOTIFICATION OF DEPARTURE	EXPLANATION OF DEPARTURE
1.1 Formalise and disclose the functions reserved to the Board and those delegated to management.	No formalisation and disclosure of functions reserved to the Board and those delegated to management.	Directors believe that such formality is inappropriate at this formative stage of the Company's development. This recommendation will be reviewed as the Board and management structure evolves.
2.1 A majority of the Board should be independent Directors.	No members of the Board are independent Directors.	The Board supports the principle of having a majority of non-executive and independent Directors. However, it is mindful that in the early stages of the Company's development other competing priorities which may impact on the Board's structure could be of greater importance, in terms of increasing Shareholder value, than the independence of Directors.
2.2 The chairperson should be an independent Director.	The chairman is a non-executive but not an independent Director as defined.	The Board considers that the role carried out by the chairman (Mr Michael Donaldson) is in the best interests of the Company. Mr Donaldson's relevant industry experience of over 30 years is viewed positively by Directors.
2.4 The Board should establish a nomination committee.	The Company does not have a nomination committee.	The role of the nomination committee is assumed by the full Board. The size and scope of the Company's activities does not justify the establishment of such a committee.
4.2, 4.3, 4.4, 4.5 The board should establish an audit committee.	The Company does not have an audit committee.	The role of the audit committee is assumed by the full Board. The size and scope of the Company's activities does not justify establishment of such a committee. Instead the entire Board regularly and closely monitors the Company's financial performance and ensures that accurate and timely reporting systems are established in consultation with its auditors.
7.1 The Board or appropriate board committee should establish policies on risk oversight and management.	The Company does not have a formal risk management policy.	Business risk is continually assessed by the Board and management including addressing the key items listed in this Corporate Governance Statement.
9.2, 9.5 The Board should establish a remuneration committee.	The Company does not have a remuneration committee.	The role of the remuneration committee is assumed by the full Board. The size and scope of the Company's activities does not justify the establishment of such a committee. No Director participates in any deliberation regarding his own remuneration or related issues.