



ASX ANNOUNCEMENT
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CHAIRMAN'S ADDRESS TO 2015 ANNUAL GENERAL MEETING

Beadell Resources Limited (“**Beadell**” or “the **Company**”) is pleased to provide the following extract from the Chairman’s Address to the 2015 Annual General Meeting held this morning.

“Good morning Ladies and Gentlemen, it is my pleasure to welcome you to the 2015 Annual General Meeting of Shareholders of Beadell Resources.

The 2014 financial year was challenging at our wholly owned Tucano Gold Mine in Brazil although against that backdrop the Company’s balance sheet was strengthened considerably. Your Company is now hedge free and well positioned to take full advantage of the depreciation of the Brazilian currency along with any upside movement in the US dollar gold price. Beadell was able to improve the cash and bullion position from December 2013, whilst repaying debt and progressing important infrastructure projects at Tucano.

We have implemented plant upgrades to improve mill throughput, invested in the construction of long term tailings dams and mobilised new machinery to site early last year, namely, a new Liebherr 9250 excavator and four 777G dump trucks.

The plant throughput was a pleasing 4.3 million tonnes in 2014, 23% above the nameplate capacity. Mill head grade was 1.24 g/t, below expectations of 1.45 g/t, due to material movement being below budgeted levels. Despite just missing guidance, 2014 gold production and costs were very sound with gold sales of 165,789 ounces at a cash cost of 785 US dollars per ounce.

As highlighted in last year’s AGM, we reinforced our management team with the appointment of Boyd Timler as Chief Operating Officer in March 2014. Boyd’s extensive experience and willingness to spend a considerable amount of his time at Tucano has been invaluable as we continue to build our site management team.

In June last year, we closed out all gold and currency hedges realising approximately 16 million US dollars cash following the replacement of the Macquarie Project Finance Facility with a new three year Facility on much better terms with Banco Santander and Itau.

In November, we entered into a Mining Partnership Agreement with MACA Limited for a term of five years for the management of all drill & blast, load & haul, crusher feed and auxiliary services at Tucano. This strategic partnership brings benefits for Beadell including: strengthening the Company's cash position and balance sheet with no future mobile equipment to be purchased by Beadell; improving the ability to meet Beadell's strong production forecasts now and in future years; and returning Beadell's all-in sustaining costs to the lowest quartile by sharing in the benefits of the expected productivity improvements at Tucano by leveraging off MACA's expertise and experience.

We have also been encouraged by several profitable oxide production sources still being uncovered near to our operating open pits that are able to be immediately added to the mine plan and processed through the plant. Further to this, a Feasibility Study for Urucum underground, including a 20,000 m drill program is being progressed throughout 2015.

With unhedged production and low all-in sustaining costs, Beadell provides strong leverage to the gold price, generating cash over a wide range of gold price scenarios, setting the foundations for a long and profitable gold mining business.

I would like to note that we have recently announced that our corporate strategy has been expanded to include the pursuit of a value accretive producing gold asset or transaction with like-minded gold companies. This will achieve our goal of becoming a relevant multi asset gold producer focused on robust returns. We will be disciplined and patient with any potential transaction.

Subsequent to the end of the year, Beadell paid a maiden dividend of 1 cent per share as a commitment to providing a tangible return to shareholders that is consistent with the Company's operating performance.

We look forward to a rewarding year ahead as we continue to focus on the key priorities required of a successful mining company.

Finally, we acknowledge the efforts and dedication of our workforce in what was a challenging year, but also a year in which good progress was made on improving safety and productivity. I also would like to thank our Shareholders for your support."



CRAIG READHEAD
Chairman

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