



Notice of General Meeting and Explanatory Memorandum

**General Meeting to be held at the Boardroom of
Beadell Resources Limited's Registered and Corporate Office at Level 2, 16 Ord Street,
West Perth, Western Australia on Thursday, 24 March 2016 commencing at 9.00am (WST)**

**Beadell Resources Limited
ABN 50 125 222 291**

This Notice of General Meeting and Explanatory Memorandum should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Notice of General Meeting

Notice is given that the General Meeting of Beadell Resources Limited will be held at the Boardroom of Beadell Resources Limited's Registered and Corporate Office at Level 2, 16 Ord Street, West Perth, Western Australia on Thursday, 24 March 2016 commencing at 9.00am WST.

Terms used in this Notice and Explanatory Memorandum are defined in the glossary to this document. The Explanatory Memorandum which accompanies and forms part of this Notice describes the matters to be considered at the General Meeting.

AGENDA

ORDINARY BUSINESS

Resolution 1 – Ratification of Placement Shares (Tranche 1) for purpose of Listing Rule 7.4: refresh of 15% placement capacity

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve the issue and allotment of 119,798,592 Tranche 1 Placement Shares at \$0.195 per Share as further described in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast on Resolution 1 by any person who participated in Tranche 1 of the Placement and any of their associates, unless:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2 – Approval of Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of up to 136,611,668 Tranche 2 Placement Shares at \$0.195 per Share as further described in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by any person who may participate in Tranche 2 of the Placement and any of their associates, and a person who might obtain a benefit, except solely in the capacity of a holder of ordinary securities, unless:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3 – Participation of Mr Craig Readhead in Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 128,200 Shares at \$0.195 per Share to Mr Craig Readhead or his nominee as further described in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will in accordance with Listing Rule 10.13, disregard any votes cast on Resolution 3 by Mr Craig Readhead (or his nominees) or any of his associates. However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4 – Participation of Mr Brant Hinze in Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 384,610 Shares at \$0.195 per Share to Mr Brant Hinze or his nominee as further described in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will in accordance with Listing Rule 10.13, disregard any votes cast on Resolution 4 by Mr Brant Hinze (or his nominees) or any of his associates. However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 – Participation of Mr Timo Jauristo in Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 512,820 Shares at \$0.195 per Share to Mr Timo Jauristo or his nominee as further described in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will in accordance with Listing Rule 10.13, disregard any votes cast on Resolution 5 by Mr Timo Jauristo (or his nominees) or any of his associates. However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6 – Participation of Mr Simon Jackson in Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 512,820 Shares at \$0.195 per Share to Mr Simon Jackson or his nominee as further described in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will in accordance with Listing Rule 10.13, disregard any votes cast on Resolution 6 by Mr Simon Jackson (or his nominees) or any of his associates. However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 7 – Participation of Dr Glen Masterman in Placement of Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 256,410 Shares at \$0.195 per Share to Dr Glen Masterman or his nominee as further described in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will in accordance with Listing Rule 10.13, disregard any votes cast on Resolution 7 by Dr Glen Masterman (or his nominees) or any of his associates. However the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

OTHER BUSINESS

To transact any other business which may be properly brought before the Meeting in accordance with the Company's Constitution and the Corporations Act.

NOTES

Requisite majorities

Resolutions 1 to 7 are ordinary resolutions and will be passed only if supported by a simple majority of the votes cast by Shareholders entitled to vote on the resolutions.

Proxies

Please note that:

- a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- a proxy can be an individual or a body corporate;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or

number is not specified, each proxy may exercise half of the votes.

In order to record a valid vote, members will need to take the following steps:

- Custodian voting - For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions;
- Lodge your vote Online: www.investorvote.com.au using the Control Number and your SRN/HIN which are provided on your Proxy Form; or
- Complete and lodge the proxy form with the Company at the address or facsimile number specified below, along with any power of attorney or notary certified copy of a power of attorney (if the proxy form is signed pursuant to a power of attorney) to:

Beadell Resources Limited
c/- Computershare Investor Services Pty Ltd
GPO Box 242
Melbourne VIC 3001
or facsimile 1800 783 447 (within Australia) or +613 9473 2555 (outside Australia)

So that your proxy is received not later than **9:00am (WST) on Tuesday, 22 March 2016**, being not less than 48 hours prior to the commencement of the meeting. Proxies received later than this time will be invalid. The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

"Snap-shot" time

The Company's directors have determined that all shares of the Company that are quoted on ASX at 4:00pm (WST) on Tuesday, 22 March 2016 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the shares at that time.

Corporate representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative. An appointment of Corporate Representative form is available upon request from the Company Secretary.

Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of General Meeting is incorporated in and comprises part of this Notice of General Meeting.

By Order of the Board of Directors



Greg Barrett

Company Secretary
Beadell Resources Limited
22 February 2016

Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of General Meeting.

Resolution 1 – Ratification of Placement Shares (Tranche 1) for purpose of Listing Rule 7.4: refresh of 15% placement capacity

As announced on 22 February 2016, the Company conducted a placement to sophisticated and professional investors (as defined in sections 708(8) and 708(11) of the Corporations Act respectively) (**Placement**).

By way of background, the Company has issued 119,798,592 Placement Shares, under the Company's 15% placement capacity, at the issue price of \$0.195 for the Placement Share, raising approximately \$23.36 million (before costs) (**Tranche 1**).

The net proceeds from the issue of the Tranche 1 Placement Shares are to be used by the Company as follows:

- Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;
- Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
- For general working capital purposes.

Listing Rule 7.4

As the Tranche 1 Placement Shares were issued within the Company's placement capacity under Listing Rule 7.1, it was issued without the requirement for Shareholder approval.

Listing Rule 7.4 allows a company to seek the approval of its shareholders for an issue of securities after the issue has been made without approval under Listing Rule 7.1. The Company now seeks Shareholder approval to ratify the issue of the Placement Shares. Approval of this resolution will provide the Company with the flexibility to issue further securities as required.

The following information is required by Listing Rule 7.5 in relation to the issue of the Tranche 1 Placement Shares.

- a) The number of Tranche 1 Placement Shares issued by the Company was 119,798,592 Shares.
- b) The issue price for the Tranche 1 Placement Shares was \$0.195 for each Tranche 1 Placement Share, representing a discount of 5.1% to the Company's 5-day VWAP prior to the Company's shares being placed into a trading halt on 19 February 2016 in order for the Company to conduct the Placement.
- c) The Tranche 1 Placement Shares rank equally in all respects with the Company's existing Shares.
- d) The Tranche 1 Placement Shares were issued and allotted to professional and sophisticated investors.

e) The funds raised from the issue of the Tranche 1 Placement Shares were used by the Company for the following purposes:

- 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;
- 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
- 3) For general working capital purposes.

f) Upon receipt of Shareholder approval for this Resolution, the Tranche 1 Placement Shares will be issued immediately following the Shareholders meeting and in any event not later than 3 months following this meeting.

g) A voting exclusion statement is included in the Notice.

Directors' Recommendation

The Directors intend to vote in favour of Resolution 1 (subject to any applicable voting exclusion) and unanimously recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Approval of Placement Shares (Tranche 2)

The Company is seeking shareholder approval for the issue of up to 136,611,668 Shares under Tranche 2 of the Placement at \$0.195 per share, raising up to approximately \$26.64 million.

Listing Rule 7.1 provides that a company may not issue securities in any 12-month period which, when aggregated with the number of the other securities issued within that 12-month period, exceed 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period, unless the issue falls within one of the nominated exceptions or the prior approval of members of the company in general meeting is obtained.

The following information is required by Listing Rule 7.3 in relation to the Tranche 2 Placement Shares:

- a) The number of Tranche 2 Placement Shares which may be issued by the Company is up to 136,611,668 Shares.
- b) The Tranche 2 Placement Shares will be issued at an issue price of \$0.195 for each, representing a discount of 5.1% to the Company's 5-day VWAP prior to the Company's shares being placed into a trading halt on 19 February 2016 in order for the Company to conduct the Placement.
- c) The Tranche 2 Placement Shares will be issued and allotted to professional and sophisticated investors.
- d) The Tranche 2 Placement Shares will rank equally in all respects with the Company's existing Shares.
- e) The funds to be raised from the issue of the Tranche 2 Placement Shares will be used by the Company for the following purposes:
 - 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining

lease (including underground) and on surrounding properties;

- 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
 - 3) For general working capital purposes.
- f) Upon receipt of Shareholder approval for this Resolution, the Tranche 2 Placement Shares will be issued immediately following the Shareholders meeting and in any event not later than 3 months following this meeting.
- g) A voting exclusion statement is included in the Notice.

Directors' Recommendation

The Directors intend to vote in favour of Resolution 2 (subject to any applicable voting exclusion) and unanimously recommend that Shareholders vote in favour of Resolution 2.

Resolution 3 – Participation of Mr Craig Readhead in Placement of Shares

The Company is seeking shareholder approval for the issue of 128,200 Shares to Mr Craig Readhead or his nominee pursuant to the Placement.

Listing Rule 10.11 provides that a company must not, without the approval of shareholders, issue equity securities to a related party. Mr Craig Readhead wishes to participate in the placement of 136,611,668 Shares in the Company as part of Tranche 2, at an issue price of \$0.195 per share as previously announced to ASX on 22 February 2016. His participation must be approved by the shareholders in accordance with Listing Rule 10.11.

In compliance with Listing Rule 10.13, Shareholders are advised:

- a) The Company will issue 128,200 Shares to Mr Craig Readhead no later than 1 month after the date of meeting;
- b) The issue price of the Shares will be \$0.195;
- c) The Shares issued will rank equally with the existing Shares on issue; and
- d) The net proceeds from the Placement are to be used by the Company as follows:
 - 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;
 - 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
 - 3) For general working capital purposes.

Tables 1 and 2 set out the direct and indirect relevant interests of Mr Craig Readhead prior to and following the issue of the Shares the subject of Resolution 2 and 3.

Table 1

Relevant interests of Mr Craig Readhead immediately prior to the Issue of Placement Shares.

Director	Number of Shares	% of Capital Issued
Craig Readhead	945,000	0.12%

Table 2

Relevant interests of Mr Craig Readhead immediately following the Issue of Placement Shares and assuming the passing of Resolutions 2 to 7 and that no Options or Performance Rights are exercised.

Director	Number of Shares	% of Capital Issued
Craig Readhead	1,073,200	0.10%

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain Shareholders approval for giving a financial benefit to a related party is where the benefit is given on arm's length terms or terms that are less favourable than arm's length terms.

Directors' Recommendation

The Directors (other than Mr Craig Readhead who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 3 because the Placement Shares will be issued to Mr Craig Readhead (or his nominee) on the same terms as the Placement Shares issued to non-related party participants in the Tranche 2 of the Placement and as such the giving of the financial benefit is on arm's length terms.

Resolution 4 – Participation of Mr Brant Hinze in Placement of Shares

The Company is seeking shareholder approval for the issue of 384,610 Shares to Mr Brant Hinze or his nominee pursuant to the Placement.

Listing Rule 10.11 provides that a company must not, without the approval of shareholders, issue equity securities to a related party. Mr Brant Hinze wishes to participate in the placement of 136,611,668 Shares in the Company as part of Tranche 2, at an issue price of \$0.195 per share as previously announced to ASX on 22 February 2016. His participation must be approved by the shareholders in accordance with Listing Rule 10.11.

In compliance with Listing Rule 10.13, Shareholders are advised:

- a) The Company will issue 384,610 Shares to Mr Brant Hinze no later than 1 month after the date of meeting;
- b) The issue price of the Shares will be \$0.195;
- c) The Shares issued will rank equally with the existing Shares on issue; and
- d) The net proceeds from the Placement are to be used by the Company as follows:
 - 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;
 - 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
 - 3) For general working capital purposes.

Tables 1 and 2 set out the direct and indirect relevant interests of Mr Brant Hinze prior to and following the issue of the Shares the subject of Resolutions 2 and 4.

Table 1

Relevant interests of Mr Brant Hinze immediately prior to the Issue of Placement Shares.

Director	Number of Shares	% of Capital Issued
Brant Hinze	-	-%

Table 2

Relevant interests of Mr Brant Hinze immediately following the Issue of Placement Shares and assuming the passing of Resolutions 2 to 7 and that no Options or Performance Rights are exercised.

Director	Number of Shares	% of Capital Issued
Brant Hinze	384,610	0.04%

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain Shareholders approval for giving a financial benefit to a related party is where the benefit is given on arm's length terms or terms that are less favourable than arm's length terms.

Directors' Recommendation

The Directors (other than Mr Brant Hinze who has a material personal interest in Resolution 4) consider

that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4 because the Placement Shares will be issued to Mr Brant Hinze (or his nominee) on the same terms as the Placement Shares issued to non-related party participants in the Tranche 2 of the Placement and as such the giving of the financial benefit is on arm's length terms.

Resolution 5 – Participation of Mr Timo Jauristo in Placement of Shares

The Company is seeking shareholder approval for the issue of 512,820 Shares to Mr Timo Jauristo or his nominee pursuant to the Placement.

Listing Rule 10.11 provides that a company must not, without the approval of shareholders, issue equity securities to a related party. Mr Timo Jauristo wishes to participate in the placement of 136,611,668 Shares in the Company as part of Tranche 2, at an issue price of \$0.195 per share as previously announced to ASX on 22 February 2016. His participation must be approved by the shareholders in accordance with Listing Rule 10.11.

In compliance with Listing Rule 10.13, Shareholders are advised:

- a) The Company will issue 512,820 Shares to Mr Timo Jauristo no later than 1 month after the date of meeting;
- b) The issue price of the Shares will be \$0.195;
- c) The Shares issued will rank equally with the existing Shares on issue; and
- d) The net proceeds from the Placement are to be used by the Company as follows:
 - 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;
 - 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
 - 3) For general working capital purposes.

Tables 1 and 2 set out the direct and indirect relevant interests of Mr Timo Jauristo prior to and following the issue of the Placement Shares the subject of Resolutions 2 and 5.

Table 1

Relevant interests of Mr Timo Jauristo immediately prior to the Issue of Placement Shares.

Director	Number of Shares	% of Capital Issued
Timo Jauristo	-	-%

Table 2

Relevant interests of Mr Craig Readhead immediately following the Issue of Placement Shares and assuming the passing of Resolutions 2 to 7 and that no Options or Performance Rights are exercised.

Director	Number of Shares	% of Capital Issued
Timo Jauristo	512,820	0.05%

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain Shareholders approval for giving a financial benefit to a related party is where the benefit is given on arm's length terms or terms that are less favourable than arm's length terms.

Directors' Recommendation

The Directors (other than Mr Timo Jauristo who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the Placement Shares will be issued to Timo Jauristo (or his nominee) on the same terms as the Placement Shares issued to non-related party participants in the Tranche 2 of the Placement and as such the giving of the financial benefit is on arm's length terms.

Resolution 6 – Participation of Mr Simon Jackson in Placement of Shares

The Company is seeking shareholder approval for the issue of 512,820 Shares to Mr Simon Jackson or his nominee pursuant to the Placement.

Listing Rule 10.11 provides that a company must not, without the approval of shareholders, issue equity securities to a related party. Mr Simon Jackson wishes to participate in the placement of 136,611,668 Shares in the Company as part of Tranche 2, at an issue price of \$0.195 per share as previously announced to ASX on 22 February 2016. His participation must be approved by the shareholders in accordance with Listing Rule 10.11.

In compliance with Listing Rule 10.13, Shareholders are advised:

- a) The Company will issue 512,820 Shares to Mr Simon Jackson no later than 1 month after the date of meeting;
- b) The issue price of the Shares will be \$0.195;
- c) The Shares issued will rank equally with the existing Shares on issue; and
- d) The net proceeds from the Placement are to be used by the Company as follows:
 - 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;

- 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
- 3) For general working capital purposes.

Tables 1 and 2 set out the direct and indirect relevant interests of Mr Simon Jackson prior to and following the issue of the Shares the subject of Resolutions 2 and 6.

Table 1

Relevant interests of Mr Simon Jackson immediately prior to the Issue of Placement Shares.

Director	Number of Shares	% of Capital Issued
Simon Jackson	-	-%

Table 2

Relevant interests of Mr Simon Jackson immediately following the Issue of Placement Shares and assuming the passing of Resolutions 2 to 7 and that no Options or Performance Rights are exercised.

Director	Number of Shares	% of Capital Issued
Simon Jackson	512,820	0.05%

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain Shareholders approval for giving a financial benefit to a related party is where the benefit is given on arm's length terms or terms that are less favourable than arm's length terms.

Directors' Recommendation

The Directors (other than Mr Simon Jackson who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the Placement Shares will be issued to Mr Simon Jackson (or his nominee) on the same terms as the Placement Shares issued to non-related party participants in the Tranche 2 of the Placement and as such the giving of the financial benefit is on arm's length terms.

Resolution 7 – Participation of Dr Glen Masterman in Placement of Shares

The Company is seeking shareholder approval for the issue of 256,410 Shares to Dr Glen Masterman or his nominee pursuant to the Placement.

Listing Rule 10.11 provides that a company must not, without the approval of shareholders, issue equity securities to a related party. Dr Glen Masterman wishes to participate in the placement of 136,611,668 Shares in the Company as part of Tranche 2, at an issue price of \$0.195 per share as previously announced to ASX on 22 February 2016. His participation must be approved by the shareholders in accordance with Listing Rule 10.11.

In compliance with Listing Rule 10.13, Shareholders are advised:

- a) The Company will issue 256,410 Shares to Dr Glen Masterman no later than 1 month after the date of meeting;
- b) The issue price of the Shares will be \$0.195;
- c) The Shares issued will rank equally with the existing Shares on issue; and
- d) The net proceeds from the Placement are to be used by the Company as follows:
 - 1) Fund exploration activities to further increase Beadell's mining inventory, both on the mining lease (including underground) and on surrounding properties;
 - 2) Strengthen Beadell's balance sheet, including the possible retirement of some debt; and
 - 3) For general working capital purposes.

Tables 1 and 2 set out the direct and indirect relevant interests of Dr Glen Masterman prior to and following the issue of the Shares the subject of Resolutions 2 and 7.

Table 1

Relevant interests of Dr Glen Masterman immediately prior to the Issue of Placement Shares.

Director	Number of Shares	% of Capital Issued
Glen Masterman	-	-%

Table 2

Relevant interests of Dr Glen Masterman immediately following the Issue of Placement Shares and assuming the passing of Resolutions 2 to 7 and that no Options or Performance Rights are exercised.

Director	Number of Shares	% of Capital Issued
Glen Masterman	256,410	0.02%

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain Shareholders approval for giving a financial benefit to a related party is where the benefit is given on arm's length terms or terms that are less favourable than arm's length terms.

Directors' Recommendation

The Directors (other than Dr Glen Masterman who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because the Placement Shares will be issued to Dr Glen Masterman (or his nominee) on the same terms as the Placement Shares issued to non-related party participants in the Tranche 2 of the Placement and as such the giving of the financial benefit is on arm's length terms.

GLOSSARY

The following terms and abbreviations used in this Notice of General Meeting and accompanying Explanatory Memorandum have the following meaning:

Associate: Has the meaning given to that term in sections 11 to 17 of the Corporations Act.

ASX: ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX.

Board: The board of directors of the Company.

Chairman means the chairman of the Company.

Company or **Beadell:** Beadell Resources Limited ABN 50 125 222 291.

Company Secretary: company secretary of the Company.

Constitution: The constitution of the Company.

Corporations Act: *Corporations Act 2001 (Cth)*.

Director: A member of the Board.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice of General Meeting.

Listing Rules the listing rules of the ASX.

Meeting or **General Meeting:** The meeting convened by the Notice.

Notice or **Notice of General Meeting:** The notice convening the General Meeting which accompanies this Explanatory Memorandum.

Options mean an option to acquire a Share.

Performance Rights means an entitlement granted to an eligible participant to receive a Share subject to the satisfaction of any applicable vesting conditions and performance hurdles.

Placement Issue of Placement Shares.

Placement Share: A Share which is the subject of Resolution 1 and Resolution 2.

Resolution: A resolution included in the Notice.

Shareholders: Holders of Shares.

Shares: Fully paid ordinary shares in the capital of the Company.

Tranche 1 means 119,798,592 Shares issued pursuant to the Placement.

Tranche 1 Placement Shares means the Shares issued under Tranche 1 of the Placement.

Tranche 2 means up to 136,611,668 Shares issued pursuant to the Placement.

Tranche 2 Placement Shares means the Shares to be issued under Tranche 2 of the Placement.

VWAP means volume weighted average price.


WST: Western Standard Time, being the time in Perth, Western Australia.



BDR

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia



Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

XX

 Vote online <ul style="list-style-type: none">• Go to www.investorvote.com.au or scan the QR Code with your mobile device.• Follow the instructions on the secure website to vote.	
Your access information that you will need to vote: Control Number: 999999 SRN/HIN: I9999999999 PIN: 99999 PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.	

 **For your vote to be effective it must be received by 9:00am (WST) on Tuesday 22 March 2016**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Beadell Resources Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Beadell Resources Limited to be held at the Boardroom of Beadell Resources Limited's Registered and Corporate office at Level 2, 16 Ord Street, West Perth, Western Australia on Thursday 24 March at 9:00am (WST) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
1. Ratification of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Participation of Mr Craig Readhead in Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Participation of Mr Brant Hinze in Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Participation of Mr Timo Jauristo in Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Participation of Mr Simon Jackson in Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Participation of Dr Glen Masterman in Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /