

## GRANT OF ASX WAIVER

Beadell Resources Ltd (Beadell or Company) refers to its announcement today regarding the issue of convertible debentures, ordinary shares and warrants.

The Company announces that ASX has granted the Company a waiver of ASX Listing Rule 10.1 in relation to the potential participation of funds and accounts under management by subsidiaries of BlackRock, Inc (**BlackRock**) in the proposed debenture issue of US\$10.5 million.

The Company applied for a waiver of ASX Listing Rule 10.1 to allow it to grant security for the debentures (**Security**) over its shares in its Australian subsidiaries, Beadell (Brazil) Pty Ltd and Beadell (Brazil 2) Pty Ltd, in favour of BlackRock (as a potential holder of the debentures) without obtaining shareholder approval.

ASX granted the waiver on the terms set out in **Attachment 1** to this announcement.

The Company expects to pay the coupon on the debentures from revenue from its operations and fund the repayment of the principal either through the conversion of the debentures in accordance with their terms or by redeeming the debentures at maturity from available cash reserves at that time and/or additional capital raised to meet the redemption obligation. The Company will seek to discharge the Security when the debentures have been redeemed or converted in full. The Company considers the issue of the convertible debentures, together with the placement of shares and warrants, to be the most efficient and expedient method for raising the funds required in the circumstances, and it was considered by the Company important to provide for the support of its major shareholders in the raising, which in turn meant seeking and obtaining this waiver.

### ABOUT BEADELL

Beadell owns and operates the Tucano gold mine in Amapá State, in the north of Brazil. Tucano sits within an extensive land package of 2,500km<sup>2</sup> of highly prospective, under explored greenstone belt.

### FOR FURTHER INFORMATION PLEASE CONTACT:

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## ATTACHMENT 1

1. *Based solely on the information provided, ASX Limited (“ASX”) grants Beadell Resources Limited (the “Company”) a waiver from listing rule 10.1 to the extent necessary to permit the Company to grant security over the Company’s shares in its Australian subsidiaries, Beadell (Brazil) Pty Ltd and Beadell (Brazil 2) Pty Ltd in favour of convertible debenture holders, funds and accounts under management by subsidiaries of BlackRock, Inc (“BlackRock”) to whom Listing Rule 10.1 applies (the “Security”) pursuant to a security agreement between the Company and a security trustee who will hold the Security for the benefit of BlackRock, without obtaining shareholder approval on the following conditions.*
  - 1.1. *The Security includes a term that if an event of default occurs and BlackRock exercises its rights under the Security, neither BlackRock nor any of its associates can acquire any legal or beneficial interest in an asset of the Company or its subsidiaries in full or part satisfaction of the Company’s obligations under the Security, or otherwise deal with the assets of the Company or its subsidiaries, without the Company first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver, or receiver or manager (or analogous person) appointed by BlackRock exercising its power of sale under the Security and selling the assets to an unrelated third party on arm’s length commercial terms and conditions and distributing the cash proceeds to BlackRock or any of its associates in accordance with their legal entitlements.*
  - 1.2. *A summary of the material terms of the convertible debentures and Security is made in each annual report of the Company during the term of the convertible debentures.*
  - 1.3. *Any variations to the terms of the convertible debentures or Security documents which are:*
    - 1.3.1. *not a minor change; or*
    - 1.3.2. *inconsistent with the terms of the waiver,**must be subject to shareholder approval.*
  - 1.4. *The Company and BlackRock must seek to discharge the Security when the funds advanced to the Company are repaid, or if it is not discharged, seek shareholder approval for the continuation of the Security for any further period.*
  - 1.5. *The Company immediately releases to the market an announcement which sets out the material terms of this waiver, including:*
    - 1.5.1. *the Company’s plans with respect to the repayment of the funds advanced under the convertible debentures, and discharge of the Security, including the timeframe within which it expects the repayment and discharge to occur; and*
    - 1.5.2. *a statement of the reasons why the Company has chosen to obtain a financial accommodation from a listing rule 10.1 party rather than a lender that is not a related party or substantial shareholder, and the steps the Company’s board has taken to satisfy itself that the transaction is being entered into on arms’ length terms and is fair and reasonable from the perspective of the Company’s securityholders.*
2. *ASX has considered listing rule 10.1 only and makes no statement as to the Company’s compliance with other listing rules.*