

BOADICEA RESOURCES

LTD

ACN 149 582 687



“Regions Caesar never knew thy posterity shall sway”

WILLIAM COWPER

Financial Report - 30 June 2012



BOADICEA RESOURCES

Boadicea Resources Ltd
Contents
30 June 2012

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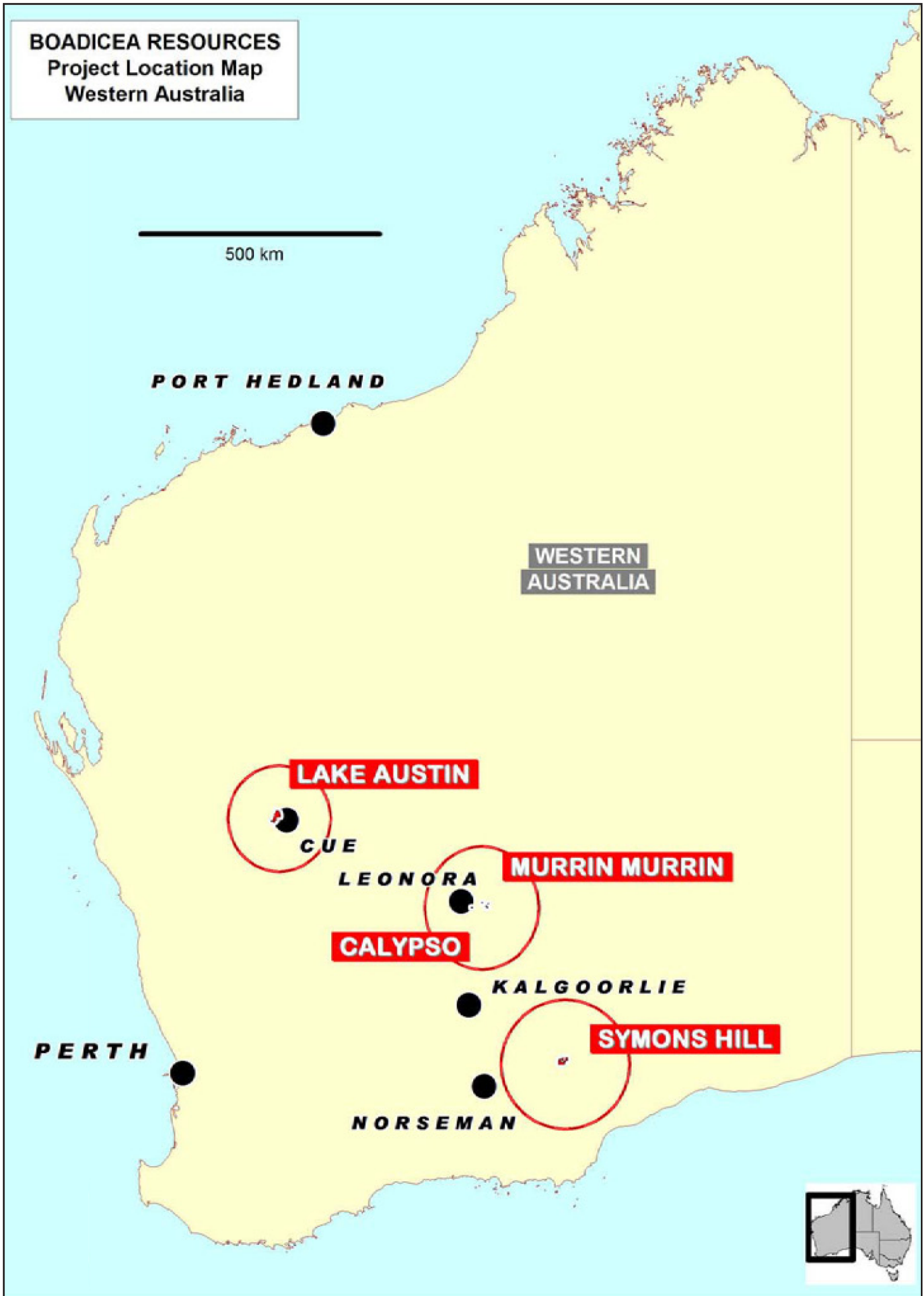


Boadicea Resources Ltd
Corporate directory
30 June 2012

Directors	Clarke Dudley (Executive Chairman and Chief Executive Officer) Nicholas Kempton (Technical Director) Eugene Odachowski (Finance Director)
Company secretary	Eugene Odachowski
Registered office	Suite 2 25 Koornang Road CARNEGIE VIC 3163 Telephone : + 61 3 9569 3467 Fax : + 61 3 9572 3762
Principal place of business	Suite 2 25 Koornang Road CARNEGIE VIC 3163
Share register	Advanced Share Registry Ltd 150 Stirling Highway NEDLANDS WA 6009
Auditor	Melanie Leydin Leydin Freyer Audit Pty Ltd Level 4 100 Albert Road SOUTH MELBOURNE VIC 3205
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street PERTH WA 6000
Stock exchange listing	Boadicea Resources Ltd shares are in the process of being listed. Upon listing the ASX code will be BOA.
Website address	www.boadicearesources.com.au Email : info@boadicearesources.com.au



BOADICEA RESOURCES
Project Location Map
Western Australia



BOADICEA RESOURCES LTD

CHAIRMAN'S LETTER

Dear Shareholder,

It is with much pleasure that I present the Annual Report of Boadicea Resources Ltd (the Company) for the period ended 30 June 2012 and welcome each and every one of you as shareholders of the Company.

The focus of the Company's activities during the period have of necessity been of a corporate rather than of a technical nature.

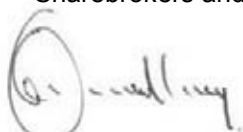
The Company issued a Prospectus just before the Christmas break in 2011 in order to gain a sufficient spread of shareholders to obtain listing on the ASX. Prior to this the Company had raised \$2 million in seed capital.

It is with a great deal of satisfaction that I confirm that the Prospectus issue closed recently and was substantially over subscribed both in terms of number of investors and monies received.

The Company's main project at Symons Hill lies within the geological belt which hosts the Anglogold Ashanti, Tropicana gold discovery and more recently the Sirius Resources nickel – copper discovery.

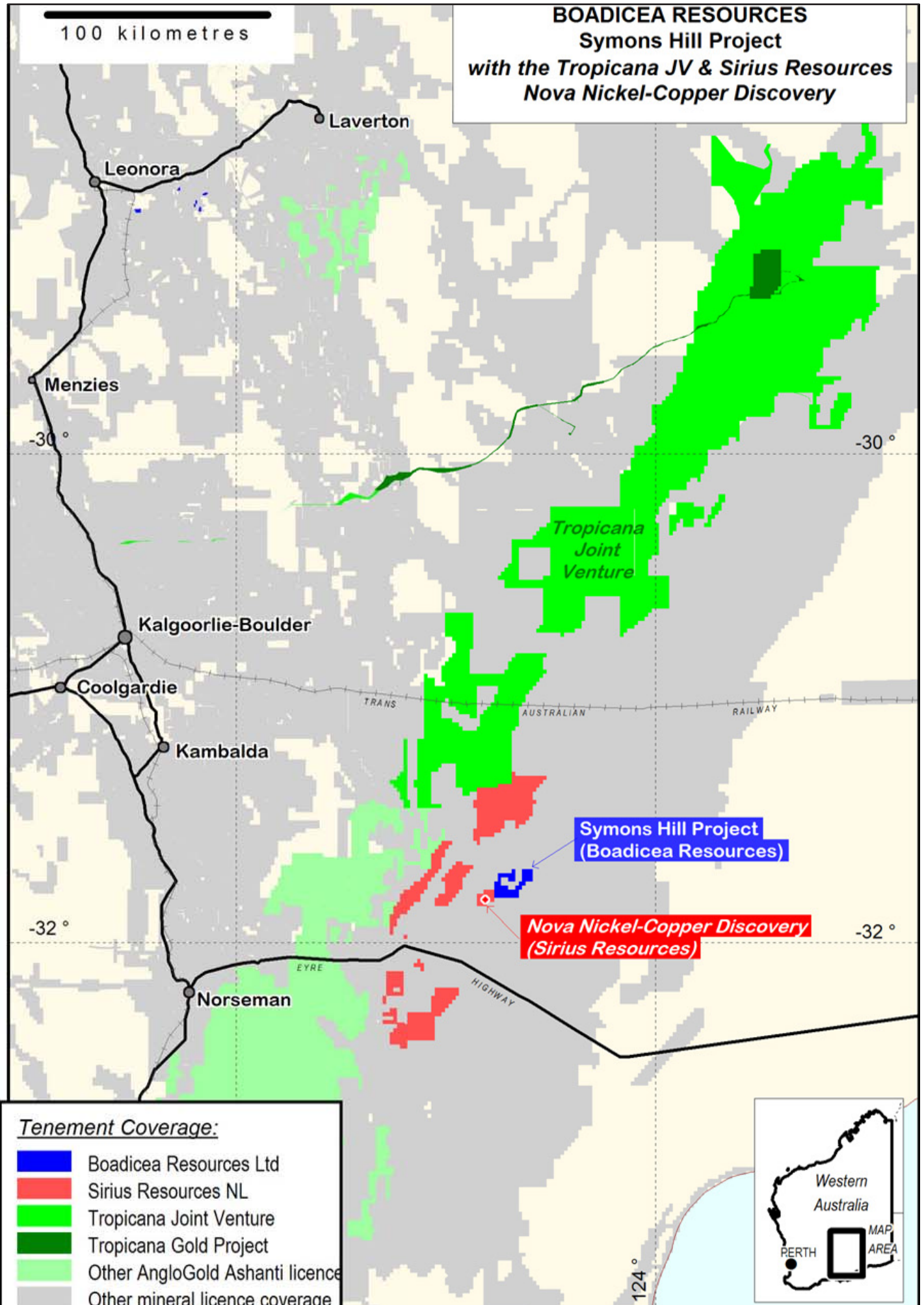
Shareholders can look forward to an exciting and active exploration program post listing, in addition to the Company's loyalty option issue within 3 months of listing.

I would especially like to express my grateful thanks to my fellow Directors, Consultants, Sharebrokers and most importantly our Shareholder investors.



Clarke Dudley
Executive Chairman





Boadicea Resources Ltd
Directors' report
30 June 2012

The directors present their report, together with the financial statements, on the company for the period ended 30 June 2012.

Directors

The following persons were directors of the company during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mr Clarke Dudley (appointed 28 February 2011)
Mr Nicholas Kempton (appointed 28 February 2011)
Mr Eugene Odachowski (appointed 28 February 2011)

Principal activities

During the financial period the principal continuing activities of the company consisted of:

- Boadicea Resources Ltd's principal activity consisted of the preparation and distribution of a Prospectus in order to gain a sufficient spread of shareholders and make application to list on the Australian Securities Exchange.

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Review of operations

The loss for the company after providing for income tax amounted to \$330.

At 30 June 2012 the Company had net assets of \$2,249,675

During the period the following operations occurred in respect of the Company's options over projects:-

Lake Austin

The application for an Exploration Licence was granted by the Department of Mines towards the end of the financial period.

Symons Hill

Field work performed during the period has defined a gold in soil anomaly discovered in sampling by the Company. A more detailed analysis and interpretation of these results is yet to be undertaken.

Significant changes in the state of affairs

On 31 October 2011 a total of 20,000,000 fully paid ordinary shares were issued to seed capitalists at an issue price of \$0.10 (10 cents) per share, raising a total of \$2,000,000.

On 1 December 2011 the Company changed its status from a Proprietary Limited Company to a Limited Company.

On 16 December 2011 the Company issued 2,000,000 fully paid ordinary shares at a deemed price of \$0.10 (10 cents) per share being the share component of the consideration in respect of the option to acquire the vendors' projects.

On 22 December 2011 the Company lodged a Prospectus with the Australian Securities & Investments Commission for an offer of 4,000,000 fully paid ordinary shares at an issue price of \$0.20 (20 cents) per share in order to raise \$800,000 with provision for over subscriptions of 5,000,000 fully paid ordinary shares at \$0.20 (20 cents) to raise a further \$1,000,000.

There were no other significant changes in the state of affairs of the company during the financial period.



Matters subsequent to the end of the financial period

On 20 July 2012 the expiry date for completion in respect of the option to purchase agreements with the vendors was extended to 22 January 2013.

The Directors of the Company resolved to close the Prospectus issue on 24 August 2012. The total amount raised under the initial public offering was \$1,120,500, following the issue of 5,602,500 fully paid ordinary shares at \$0.20 (20 cents) per share. Of this amount \$286,942 had been received before 30 June 2012.

The Company exercised and settled the options to purchase agreements with the vendors on 29 August 2012, at a cost of \$28,592.

No other matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

The Company will continue to concentrate on mineral exploration particularly gold exploration with emphasis on the development of its existing projects.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Mr Clarke Dudley
Title:	Executive Chairman and Chief Executive Officer (appointed 28 February 2011)
Experience and expertise:	Mr Dudley is a Chartered Accountant with extensive experience in the management of listed companies over a period of 30 years within the mining industry. He was previously Chairman and Managing Director of Alcaston Mining NL (Alcaston) from 1991 to 2001. Alcaston's gold exploration activities were subsequently expanded to cover a wider range of commodities including diamonds. At his departure Alcaston was well cashed-up, with a highly desirable portfolio of exploration projects that were attracting major company joint venture interest. Prior to Alcaston he had been a director of Regency Investments Ltd and Tern Minerals Ltd (now Rand Mining NL).
Other current directorships:	None
Former directorships (in the last 3 years):	None
Special responsibilities:	None
Interests in shares:	18,900,005 fully paid ordinary shares
Interests in options:	None



Boadicea Resources Ltd
Directors' report
30 June 2012

Name: Mr Nicholas Kempton
 Title: Non Executive Director (appointed 28 February 2011)
 Experience and expertise: Mr Kempton is a Geologist and a Member of the Australasian Institute of Mining & Metallurgy with more than 35 years' experience within the mining industry. He was previously Technical Director of Alcaston from 1994 to 2001. Prior to joining Alcaston he was Chief Geologist with Shell Coal Australia and later regional head of exploration for Shell Coal International in London. Subsequent to that he was Environmental Advisor to the Coal & Metal Divisions of Shell Australia and was responsible for the successful clearance through public Environmental Impact Statements of several major gold and coal mining projects.

Other current directorships: None
 Former directorships (in the last 3 years): None
 Special responsibilities: None
 Interests in shares: 10,000 fully paid ordinary shares
 Interests in options: None

Name: Mr Eugene Odachowski
 Title: Non Executive Director and Company Secretary (appointed 28 February 2011)
 Experience and expertise: Mr Odachowski is a practising Chartered Accountant with extensive business and commercial experience in both private and public listed companies over a period of 30 years. He was previously Financial Director of Alcaston from 1991 to 2001 and Chairman of that Company's audit and remuneration committees. Prior to joining Alcaston he worked for a number of Chartered Accountancy firms, specialising in public company audits. He left employment to commence his own public practice in 1980 specialising in taxation and audit. For a period of time he was the auditor of Tern Minerals Ltd, a publicly listed gold exploration company.

Other current directorships: None
 Former directorships (in the last 3 years): None
 Special responsibilities: None
 Interests in shares: 1,000,000 fully paid ordinary shares
 Interests in options: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Meetings of directors

The number of meetings of the company's Board of Directors held during the period ended 30 June 2012, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Mr C Dudley	13	13
Mr N Kempton	11	13
Mr E Odachowski	13	13

Held: represents the number of meetings held during the time the director held office.



Remuneration report (audited)

The Directors of Boadicea Resources Ltd did not receive any remuneration during the financial year. The Directors have agreed to defer any remuneration until the Company is listed on the Australian Securities Exchange.

There are no employment contracts between the Company and the Directors.

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of the company under option outstanding as at 30 June 2012.

Shares issued on the exercise of options

There were no shares of the company issued on the exercise of options during the period ended 30 June 2012 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. The Company has not paid a premium in respect of a contract to insure the directors or executives

Indemnity and insurance of auditor

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial period by the auditor.

Officers of the company who are former audit partners of Melanie Leydin

There are no officers of the company who are former audit partners of Melanie Leydin.



Boadicea Resources Ltd
Directors' report
30 June 2012

Auditor's independence declaration

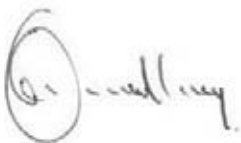
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor

Melanie Leydin continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Mr Clarke Dudley
Executive Chairman

21 September 2012
Melbourne

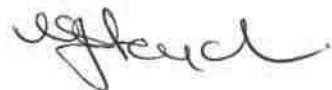


**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 201
FOR THE PERIOD ENDED 30 JUNE 2012**

As lead auditor for the audit of Boadicea Resources Ltd for the period ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Boadicea Resources Ltd.



MELANIE J LEYDIN
Registered Company Auditor
Registration: 212298

Dated: 21 September 2012



Boadicea Resources Ltd
Statement of comprehensive income
For the period ended 30 June 2012

	Note	16 months to 30 June 2012 \$
Revenue	5	73,103
Expenses		
Administration expenses		(28,274)
Corporate expenses		<u>(45,159)</u>
Loss before income tax expense		(330)
Income tax expense	6	<u>-</u>
Loss after income tax expense for the period attributable to the owners of Boadicea Resources Ltd		(330)
Other comprehensive income for the period, net of tax		<u>-</u>
Total comprehensive income for the period attributable to the owners of Boadicea Resources Ltd		<u><u>(330)</u></u>
		Cents
Basic earnings per share	23	(0.001)
Diluted earnings per share	23	(0.001)

The above statement of comprehensive income should be read in conjunction with the accompanying notes



Boadicea Resources Ltd
Statement of financial position
As at 30 June 2012

	Note	30 June 2012 \$
Assets		
Current assets		
Cash and cash equivalents	7	1,354,103
Trade and other receivables	8	9,106
Other financial assets	9	800,000
Other	10	<u>105,750</u>
Total current assets		<u>2,268,959</u>
Non-current assets		
Exploration and evaluation	11	<u>296,723</u>
Total non-current assets		<u>296,723</u>
Total assets		<u>2,565,682</u>
Liabilities		
Current liabilities		
Trade and other payables	12	<u>316,007</u>
Total current liabilities		<u>316,007</u>
Total liabilities		<u>316,007</u>
Net assets		<u>2,249,675</u>
Equity		
Issued capital	13	2,250,005
Accumulated losses		<u>(330)</u>
Total equity		<u>2,249,675</u>

The above statement of financial position should be read in conjunction with the accompanying notes



Boadicea Resources Ltd
Statement of changes in equity
For the period ended 30 June 2012

	Contributed equity \$	Retained profits \$	Total equity \$
Balance at 28 February 2011	-	-	-
Loss after income tax expense for the period		(330)	(330)
Other comprehensive income for the period, net of tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	(330)	(330)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	<hr/> 2,250,005	<hr/> -	<hr/> 2,250,005
Balance at 30 June 2012	<hr/> <hr/> 2,250,005	<hr/> <hr/> (330)	<hr/> <hr/> 2,249,675

The above statement of changes in equity should be read in conjunction with the accompanying notes



Boadicea Resources Ltd
Statement of cash flows
For the period ended 30 June 2012

	Note	16 months to 30 June 2012 \$
Cash flows from operating activities		
Interest and other finance costs paid		66,232
Payments to suppliers		<u>(65,668)</u>
Net cash from operating activities	22	<u>564</u>
Cash flows from investing activities		
Payments for exploration and evaluation		<u>(80,837)</u>
Net cash used in investing activities		<u>(80,837)</u>
Cash flows from financing activities		
Proceeds from issue of shares		2,050,005
Proceeds in advance of initial public offering		286,942
Payments for initial public offering costs		(102,571)
Payments for term deposits		<u>(800,000)</u>
Net cash from financing activities		<u>1,434,376</u>
Net increase in cash and cash equivalents		1,354,103
Cash and cash equivalents at the beginning of the financial period		<u>-</u>
Cash and cash equivalents at the end of the financial period	7	<u><u>1,354,103</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes



Note 1. General information

The financial report covers Boadicea Resources Ltd as an individual entity. The financial report is presented in Australian dollars, which is Boadicea Resources Ltd's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Boadicea Resources Ltd is public company in the process of listing on the Australian Securities Exchange, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2
25 Koornang Road
CARNEGIE VIC 3163

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 21 September 2012. The directors have the power to amend and reissue the financial report.

The financial report covers the sixteen month period from the date of incorporation to 30 June 2012.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.



Note 2. Significant accounting policies (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.



Note 2. Significant accounting policies (continued)

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Boadicea Resources Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the financial period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2012. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.



Note 2. Significant accounting policies (continued)

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and it provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach would be used to measure assets whereas liabilities would be based on transfer value. As the standard does not introduce any new requirements for the use of fair value, its impact on adoption by the company from 1 July 2013 should be minimal, although there will be increased disclosures where fair value is used.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Exploration and evaluation

At each reporting period the directors review the carrying amount of exploration and evaluation expenditure for the indicators of impairment outlined in AASB 6.

Tax losses

The Company has not recognised a deferred tax asset with regard to unused tax losses and other temporary differences, as it has not been determined whether the Company will generate sufficient taxable income against which the unused tax losses and other temporary differences can be utilised in the foreseeable future.

Note 4. Operating segments

Identification of reportable operating segments

The company is organised into one operating segments, exploration for precious metals within Australia: . This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Note 5. Revenue

	16 months to 30 June 2012 \$
<i>Other revenue</i>	
Interest	<u>73,103</u>
Revenue	<u><u>73,103</u></u>



Note 6. Income tax expense

	16 months to 30 June 2012 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>	
Loss before income tax expense	(330)
Tax at the statutory tax rate of 30%	(99)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:	
Formation costs	1,101
Capital raising costs	(3,172)
Exploration expenditure	(89,017)
Tax losses not brought to account	91,187
Income tax expense	-

**16 months
to 30 June
2012
\$**

Deferred tax assets not recognised

Deferred tax assets not recognised comprises temporary differences attributable to:

Capital raising costs	10,575
Exploration and evaluation	296,273
Formation costs	(2,891)
Total deferred tax assets not recognised	303,957

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The taxation benefits of tax losses and temporary difference not brought to account will only be obtained if:

- (i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) the Company continues to comply with the conditions for deductibility imposed by law; and
- (iii) no change in tax legislation adversely affects the Company in realising the benefits from deducting the losses.



Note 7. Current assets - cash and cash equivalents

	30 June 2012 \$
Cash at bank	384,958
Cash on deposit	<u>969,145</u>
	<u><u>1,354,103</u></u>

The cash at bank balance includes \$286,942 of cash received in advance in relation the company's listing on the Australian Securities Exchange, subsequent to the end of the financial year.

The effective interest rate on the cash deposits for the period was \$4.6%

Note 8. Current assets - trade and other receivables

	30 June 2012 \$
Interest receivable	6,871
GST receivable	<u>2,235</u>
	<u><u>9,106</u></u>

Note 9. Current assets - other financial assets

	30 June 2012 \$
Term deposits with over three months to maturity	<u>800,000</u>

The above term deposits are due to mature in October 2012.

Note 10. Current assets - other

	30 June 2012 \$
Prepayments	<u>105,750</u>

The prepayments relate to costs incurred in relation to the Company's initial public offering. These will be recognised in the Statement of Financial Position as a cost of capital raising in the 30 June 2013 financial year.



Note 11. Non-current assets - exploration and evaluation

	30 June 2012 \$
Exploration and evaluation- at cost	296,723
	<u>296,723</u>
	<u>296,723</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

	Exploration & Evaluation \$	Total \$
Balance at 28 February 2011	-	-
Additions	<u>296,723</u>	<u>296,723</u>
Balance at 30 June 2012	<u>296,723</u>	<u>296,723</u>

During the period the Company acquired options over four projects. Two of these projects included a share consideration of 2 million fully paid ordinary shares in the Company at a deemed issue price of \$0.10 (10 cents) per share for a total consideration of \$200,000. This valuation was determined with reference to the value of seed capital shares issued at a similar time to the acquisition.

The Company has spent a further \$96,723 on the projects during the period.

On 29 August 2012 the company exercised its options and has acquired the projects, at a cost of \$28,592.

Note 12. Current liabilities - trade and other payables

	30 June 2012 \$
Trade and other payables	29,065
Cash received in advance in relation to IPO	<u>286,942</u>
	<u>316,007</u>

Refer to note 15 for further information on financial instruments.

The Company has received \$286,942 of cash in advance of completion of its initial public offering. On 24 August 2012 the Company resolved to close its prospectus and finalise its listing on the Australian Securities Exchange.

Note 13. Equity - issued capital

	30 June 2012 Shares	30 June 2012 \$
Ordinary shares - fully paid	<u>36,000,005</u>	<u>2,250,005</u>



Note 13. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	No of shares	Issue price	\$
Subscription shares	28 February 2011	5	\$1.000	5
Promoter shares	10 March 2011	8,000,000	\$0.001	8,000
Promoter shares	19 April 2011	2,000,000	\$0.001	2,000
Seed capital	30 April 2011	4,000,000	\$0.010	40,000
Seed capital	31 October 2011	20,000,000	\$0.100	2,000,000
Vendor shares	16 December 2011	<u>2,000,000</u>	<u>\$0.100</u>	<u>200,000</u>
Balance	30 June 2012	<u>36,000,005</u>		<u>2,250,005</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may issue new shares. On 24 August 2012, the Company successfully closed its initial public offering, which will provide it with sufficient funds to pursue its current exploration projects.

Note 14. Equity - dividends

There were no dividends paid, recommended or declared during the current financial period.

Note 15. Financial instruments

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (primarily interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate.

Risk management is carried out by the Board of Directors ('Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk

The company does not enter into any transaction denominated in foreign currency and as a result is not exposed to foreign currency risk.



Note 15. Financial instruments (continued)

Price risk

The company is not exposed to any significant price risk.

Interest rate risk

The company's main interest rate risk arises from its cash and term deposit balances.

30 June 2012	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash at bank	100	13,541	13,541	100	(13,541)	(13,541)
Term deposits	100	8,000	8,000	100	(8,000)	8,000
		<u>21,541</u>	<u>21,541</u>		<u>(21,541)</u>	<u>(5,541)</u>

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company's receivables relate to interest from financial institutions and GST receivable. Due to the nature of these receivables the company is not exposed to significant credit risk.

Liquidity risk

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. At 30 June 2012 the company had net working capital of \$1,952,952. The company has subsequently closed its initial public offering which will provide sufficient funds to complete the planned exploration programme.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 16. Key management personnel disclosures

Directors

The following persons were directors of Boadicea Resources Ltd during the financial period:

Clarke Dudley
 Nicholas Kempton
 Eugene Odachowski

Compensation

The Directors of Boadicea Resources Ltd did not receive any remuneration during the financial year. The Directors have agreed to defer any remuneration until the Company is listed on the Australian Stock Exchange.



Note 16. Key management personnel disclosures (continued)

Shareholding

The number of shares in the company held during the financial period by each director and other members of key management personnel of the company, including their personally related parties, is set out below:

	Balance at the start of the period	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the period
30 June 2012					
<i>Ordinary shares</i>					
Clarke Dudley	-	-	18,900,005	-	18,900,005
Nicholas Kempton	-	-	10,000	-	10,000
Eugene Odachowski	-	-	1,000,000	-	1,000,000
	-	-	<u>19,910,005</u>	-	<u>19,910,005</u>

Related party transactions

Related party transactions are set out in note 20.

Note 17. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by Melanie Leydin, the auditor of the company:

	16 months to 30 June 2012 \$
<i>Audit services - Melanie Leydin</i>	
Audit or review of the financial statements	<u><u>10,000</u></u>

Note 18. Contingent liabilities

The company has no contingent liabilities at 30 June 2012

Note 19. Commitments

The Company does not have any commitments at 30 June 2012.

Note 20. Related party transactions

Parent entity

Boadicea Resources Ltd is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in note 16 and the remuneration report in the directors' report.

Transactions with related parties

There were no transactions with related parties during the financial period.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the reporting date.



Note 20. Related party transactions (continued)

Loans to/from related parties

There were no loans to or from related parties at the reporting date.

Note 21. Events after the reporting period

On 20 July 2012 the expiry date for completion in respect of the option to purchase agreements with the vendors was extended to 22 January 2013.

The Directors of the Company resolved to close the Prospectus issue on 24 August 2012. The total amount raised under the initial public offering was \$1,120,500, following the issue of 5,602,500 fully paid ordinary shares at \$0.20 (20 cents) per share. Of this amount \$286,942 had been received before 30 June 2012.

The Company exercised and settled the options to purchase agreements with the vendors on 29 August 2012, at a cost of \$28,592.

No other matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 22. Reconciliation of profit/(loss) after income tax to net cash from operating activities

	16 months to 30 June 2012 \$
Loss after income tax expense for the period	(330)
Change in operating assets and liabilities:	
Increase in trade and other receivables	(9,106)
Decrease in prepayments	
Increase in trade and other payables	<u>10,000</u>
Net cash from operating activities	<u><u>564</u></u>



Boadicea Resources Ltd
Notes to the financial statements
30 June 2012

Note 23. Earnings per share

	16 months to 30 June 2012 \$
Loss after income tax attributable to the owners of Boadicea Resources Ltd	<u>(330)</u>
	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>23,922,136</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>23,922,136</u>
	Cents
Basic earnings per share	(0.001)
Diluted earnings per share	(0.001)



Boadicea Resources Ltd
Directors' declaration

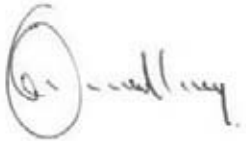
In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the directors



Mr Clarke Dudley
Executive Chairman

21 September 2012
Melbourne



INDEPENDENT AUDIT REPORT TO THE DIRECTORS OF BOADICEA RESOURCES LTD

Report on the Financial Report

We have audited the accompanying financial report of Boadicea Resources Ltd, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Boadicea Resources Ltd are responsible for the preparation of the financial report that give a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Boadicea Resources Ltd, would be in the same terms if provided to the directors as at the date of this auditor's report.



Auditor's Opinion

In our opinion the financial report of Boadicea Resources Ltd is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Boadicea Resources Ltd's financial position as at 30 June 2012 and of its performance for the period ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Report on the Remuneration Report

We have audited the Remuneration Report included in page 9 of the directors' report for the period ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Boadicea Resources Ltd for the period ended 30 June 2012, complies with section 300A of the Corporations Act 2001.



MELANIE J LEYDIN
Registered Company Auditor
Registration: 212298

Dated: 21 September 2012



Boadicea Resources Ltd
Shareholder information
30 June 2012

The shareholder information set out below was applicable as at 18 September 2012.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	-
1,001 to 5,000	-
5,001 to 10,000	464
10,001 to 100,000	46
100,001 and over	17
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	527
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Holding less than a marketable parcel	-
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Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Clarke Barnett Dudley	18,900,005	45.43
Tootub Pty Ltd (The Burton AACI a/c)	2,500,000	6.01
Ulysses Ganas	2,000,000	4.81
Geotech International Pty Ltd (Paul Askins Super Fund a/c)	2,000,000	4.81
Lydon Scott Mahoney	1,200,000	2.88
Mr Emmanuel Boulakas	1,010,000	2.43
My Wayne Williams	1,010,000	2.43
Warwick Edwin Guy	1,000,000	2.40
Holmes Road Superannuation Pty Ltd (Holmes Road Super Fund a/c)	1,000,000	2.40
Jacobean Holdings Pty Ltd (Jacobean Holdings STF SF a/c)	1,000,000	2.40
Roger Yelland	1,000,000	2.40
Norman Andrew Williams	800,000	1.92
Jenifer Bath (No 2 a/c)	600,000	1.44
M&M Driscoll Nominees Pty Ltd (the Driscoll Family a/c)	510,000	1.23
Julian Joseph Baran (JJ Baran Family a/c)	500,000	1.20
Julian Smith (the Bogie Family a/c)	500,000	1.20
Chutima Ulrich & Jim Ulrich (Glen Huntly Super Fund a/c)	300,000	0.72
ACN 078 870 783 (Burger Super Fund a/c)	100,000	0.24
Michael Inge & Jaynia Inge (the Inge Super Fund a/c)	100,000	0.24
Thosnunn Pty Ltd (Super Fund a/c)	100,000	0.24
	<hr/>	
	36,130,005	86.83
	<hr/> <hr/>	

Unquoted equity securities

There are no unquoted equity securities.



Boadicea Resources Ltd
Shareholder information
30 June 2012

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
		% of total
	Number held	shares
		issued
Clarke Barnett Dudley	18,900,005	45.43
Tootub Pty Ltd (The Burton AACI a/c)	2,500,000	6.01

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.



CORPORATE GOVERNANCE STATEMENT

In March 2003, the Australian Securities Exchange Limited (“ASX”) Corporate Governance Council (“Council”) published Principles of Good Governance and Best Practice Recommendations. The Listing Rules of ASX require Australian-listed companies to report on the extent to which they comply with the Best Practice recommendations. Where a company has not followed all the recommendations, it must identify the recommendations that have not been followed and give reasons for not adhering to them.

This Statement:

- sets out the 8 core principles identified by the Council as underlying good corporate governance;
- outlines the main corporate governance practices of the Company. Unless otherwise stated, the Company’s corporate governance practices were in place throughout the 2012 financial period and comply with the Council’s best practice recommendations;
- should be read in conjunction with the Statutory Financial Report 2012 which will automatically be sent to those who opted to receive it, or is accessible on the company’s website at www.boadicearesources.com.au.

1. ROLE OF THE BOARD AND MANAGEMENT

Council Principle 1:

Lay solid foundations for management and oversight.

Council Principle 1.1:

Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.

Boadicea Resources Ltd (“BOA”) Practice: The Company’s Corporate Governance Plan includes a Board Charter disclosing the specific responsibilities of the Board and provides that the Board will delegate responsibility for the day-to-day operations and administration of the Company to the Executive Director.

Council Recommendation 1.2:

Companies should disclose the process for evaluating the performance of senior executives.

BOA Practice: The Board will monitor the performance of senior management, including measuring actual performance against planned performance.

Council Recommendation 1.3:

Companies should provide the information indicated in the Guide to Reporting on Principle 1.

BOA Practice: The Company will explain any departures from best practice recommendations 1.1 and 1.2 in its future annual reports, including whether a performance evaluation for senior executives has taken place in the reporting period and whether it was in accordance with the process disclosed.

2. COMPOSITION OF THE BOARD

Council Principle 2:

Structure of the Board to add value.

Council Recommendation 2.1:

A majority of the Board should be independent directors.

BOA Practice: A majority of the Board are independent directors.

Council Recommendation 2.2:

The chairperson should be an independent director.



BOA Practice: The chairperson is not an independent director. The Board believes that the Company, in its current size and level of complexity, cannot justify the expense of searching for, and appointing, an independent chairperson of the same experience as Mr Dudley.

Council Recommendation 2.3:

The roles of the chairperson and chief executive officer should not be exercised by the same individual.

BOA Practice: The chairperson and chief executive officer are not separate individuals for the same reason as detailed in 2.2 above.

Council Recommendation 2.4:

The Board should establish a nomination committee.

BOA Practice: No formal nomination committee or procedures have been adopted as yet. The Board, as a whole, serves as a nomination committee. Refer to 2.2 above.

Council Recommendation 2.5:

Company should disclose the process for evaluating the performance of the Board, its committees and individual directors.

BOA Practice: The Chair will review the composition of the Board and the performance of each director to ensure that it continues to have a mix of skills and experience necessary for the conduct of the Company's activities.

Council Recommendation 2.6:

Companies should provide the information indicated in the Guide to Reporting on Principle 2.

BOA Practice: The Company will provide relevant details for each director together with an explanation of any departures from best practice recommendations 2.1-2.5 in its future annual report.

3. ETHICAL AND RESPONSIBLE DECISION-MAKING

Council Principle 3:

Promote ethical and responsible decision-making.

Council Recommendation 3.1:

Companies should establish a code of conduct and disclose the code or a summary of the code as to:

- the practices necessary to maintain confidence in the company's integrity;
- the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and
- the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

BOA Practice: The Corporate Governance plan includes a Corporate Code of Conduct, which provides a framework for decisions and actions in relation to ethical conduct in employment.

Council Recommendations 3.2-3.4

Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy.

BOA Practice: The Company's Corporate Governance Plan includes a Diversity Policy which provides the written framework and objectives for achieving a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives, irrespective of gender, age, ethnicity and cultural background. The Board is responsible for developing, where possible, measureable objectives and strategies to support the framework and objectives of the Diversity Policy. The Board is responsible for monitoring the progress of the measureable objectives through various monitoring, evaluation and reporting mechanisms.



Due to the size and nature of the Company, the Board has not yet determined measurable objectives for gender diversity across the workplace and at the Board level.

There are currently no women senior executives and no women on the Board of the Company.

Council Recommendation 3.5

Companies should provide the information indicated in the Guide to reporting on Principle 3.

BOA Practice: The Company will explain any departures from best practice recommendations 3.1-3.4 in its future annual reports.

4. INTEGRITY OF FINANCIAL REPORTING

Council Principle 4:

Safeguard integrity in financial reporting.

Council Recommendation 4.1:

The Board should establish an audit committee.

BOA Practice: The Board considers that it is not of sufficient size at this stage to require a separate audit committee.

Council Recommendation 4.2:

The audit committee should be structured so that it:

- consists only of non-executive directors;
- consists of a majority of independent directors;
- is chaired by an independent chair, who is not chair of the Board; and
- has at least three members.

BOA Practice: Refer to 4.1 above.

Council Recommendation 4.3:

The audit committee should have a formal charter.

BOA Practice: The Corporate Governance Plan includes an Audit and Risk Committee Charter, which discloses its specific responsibilities.

Council Recommendation 4.4:

Companies should provide the information indicated in the Guide to reporting on Principle 4.

BOA Practice: The Company will explain any departures from best practice recommendations 4.1-4.3 in its future annual reports.

5. MAKE TIMELY AND BALANCED DISCLOSURE

Council Principle 5:

Make timely and balanced disclosure.

Council Recommendation 5.1:

Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

BOA Practice: The Company has a continuous disclosure program in place designed to ensure the compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and factual presentation of the Company's financial position.



Council Principle 5.2:

Companies should provide the information indicated in the Guide to reporting on Principle 5.

BOA Practice: The Company will explain any departures from best practice recommendation 5.1 in its future annual reports.

The Company has not currently departed from recommendation 5.1.

6. RESPECT THE RIGHTS OF SHAREHOLDERS

Council Principle 6.1:

Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy.

BOA Practice: The Corporate Governance Plan includes a shareholder communications strategy which aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

Council Principle 6.2:

Companies should provide the information indicated in the Guide to reporting on Principle 6.

BOA Practice: The Company will explain any departures from best practice recommendation 6.1 in its future annual reports.

7. RECOGNISE AND MANAGE RISK

Council Principle 7.1:

Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.

BOA Practice: The Company's Corporate Governance Plan includes a risk management policy. The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

Council Principle 7.2:

The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.

BOA Practice: The Board will require either the CEO or Chief Financial Officer or the Executive Director (or equivalents) to design and implement risk management and internal control systems and provide a report at the relevant time.

Council Principle 7.3:

The Board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

BOA Practice: The Board will seek this assurance from the CEO and the Chief Financial Officer (or equivalent) at the appropriate time.

Council Principle 7.4:

Companies should provide the information indicated in the Guide to reporting on Principle 7.

BOA Practice: The Company has not currently departed from Principles and Recommendations 7.1-7.3. The Company will explain any departures from best practice recommendations 7.1-7.3 in its future annual reports.



8. REMUNERATE FAIRLY AND RESPONSIBLY

Council Principle 8.1:

The Board should establish a remuneration committee.

BOA Practice: The Board considers that the present size and scope of the Company's activities do not justify the establishment of a remuneration committee.

Council Principle 8.2:

The remuneration committee should be structured so that it:

- consists of a majority of independent directors;
- is chaired by an independent director; and
- has at least three members.

BOA Practice: Although no formal remuneration committee has been established, the Board currently serves as the remuneration committee. The Board is comprised of a majority of independent directors and has at least three members.

Council Principle 8.3:

Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

BOA Practice: The Board has distinguished the structure of non-executive directors' remuneration from that of executive directors and senior executives. The structure of directors' remuneration will be disclosed in the remuneration report section of the annual report.

Council Principle 8.4:

Companies should provide the information indicated in the Guide to reporting on Principle 8.

BOA Practice: Departures from Principles and Recommendations 8.1-8.4 are set out above. The Company will explain any departures from best practice recommendations 8.1-8.2 in its future annual reports.



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BOADICEA RESOURCES

LTD

ACN 149 582 687

THE BOADICEA STORY

Boadicea was queen of the Iceni people who led a spectacular uprising against the occupying forces of the Roman Empire in Britain around AD 60.

The Boadicea image, on the front cover, represents an artist's impression of the statue of Boadicea that stands next to Westminster Bridge and the Houses of Parliament in London.
