BURDEKIN

14 May 2004

The Manager Announcements
Australia Stock Exchange Limited

ASX Code: BKS
(2 pages)

Dear Sir,

Statement delivered to General Meeting 14 May 2004

The attached written statement in respect of Resolution 9 was read out by Dr Craig Rugless at the meeting of shareholders held earlier today. The statement was delivered to the Company after the close of trading.

For and on Behalf of
BURDEKIN PACIFIC LIMITED

Susan J Field
Director and Company Secretary

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Burdekin Pacific Ltd - Extraordinary General Meeting – Perth (14th May 2004)

Statement by Non – Executive Directors re Resolution 9

On behalf of myself and Charles Schaus, as non – executive directors of Burdekin Pacific Ltd, I would like to make the following statement:

All four Directors including non-executive directors Mr Charles Schaus and Dr Craig Rugless initially agreed to support Mr Gino Vitale in his bid to remain a Director of Burdekin Pacific Ltd.

This decision was made based on the information available to directors as at 8th April, 2004 and the perceived need to keep solidarity in the board of Burdekin Pacific Ltd.

This changed dramatically with the release to the market on Monday 3rd May of a Notice outlining an offer of a conditional salary cut by executive Directors Vitale and Field without formal discussions with their fellow non - executive Directors, Rugless and Schaus. This was completely unexpected and came across as a fetē accomplē rather than an offer. The non-executive Directors would have liked to have had the opportunity to negotiate further on these salaries, particularly Vitale's salary, before the Notice was released to the market. In summary, the unexpected dispatch of the Notice to the market was done without adequate consultation with the non-executive Directors and was based on a proposed salary re-structuring that was also done without formal discussions with the non-executive Directors.

This lack of consultation with the technical non-directors has worrying implications for board discussions concerning the Mt Kasi gold deposit itself with potential implications for a lack of consultation on duty of care and environmental issues. Responsibility now lies with all directors and a lack of full, frank and open discussions at a board level could leave any director, particularly the technical non-executive Directors, exposed to potential claims. The non-executive Directors are helping to flag this problem with the stand they are taking in the letter sent to the ASX on 12th May highlighting a lack of proper consultation re executive salaries and as a result they stand by their recommendation that Mr JG Vitale be removed as a director as outlined in Resolution 9.

Craig D Rugless

Craig S. Rugless
Non – executive Director