



ASX ANNOUNCEMENT
ASX Code: **BDR**

28 March 2013

A\$25 MILLION UNDERWRITTEN INSTITUTIONAL PLACEMENT

Overview

- Underwritten institutional placement successfully raised A\$25 million
- Placement Price was set at A\$0.91
- Strong demand from domestic and international investors

Details

Beadell Resources Limited (**Beadell or the Company**) is pleased to announce that it has successfully completed a A\$25 million institutional placement (the **Placement**). The placement price was set by way of an institutional bookbuild which cleared at A\$0.91 (**Placement Price**) per new share issued under the Placement (**New Share**).

The Placement Price represents a 3.2% discount to the last closing price of Beadell shares of A\$0.94 on 27 March 2013 and is equal to the five-day volume weighted average price of A\$0.91 (up to and including 27 March 2013).

Managing Director of Beadell, Peter Bowler said, "We were extremely pleased with the level of interest in the Placement. The Placement was exceptionally well supported by both new and existing institutions and we welcome them on board. We continue to be very pleased with progress at our 100% owned Tucano Gold Project in Brazil with strong operational cash flows for our first three months of production with throughput and recovery results exceeding our expectations. Our magnetic separation plant is nearing completion and is tracking slightly below budget with commissioning to commence in late April. Our approvals for the ultra high grade oxide deposit, Duckhead, are progressing very well with full approvals expected over the coming weeks."

Settlement of the Placement is expected on 4 April 2013, with allotment expected on 5 April 2013. The Placement will be made within Beadell's placement capacity under the ASX Listing Rules and accordingly shareholder approval will not be required.

Beadell Resources Limited

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UBS AG, Australia Branch is acting as sole lead manager, bookrunner and underwriter of the Placement.

Background to the raising

Beadell's 100% owned Tucano CIL Gold Plant in Brazil continues to experience strong performance and is currently producing above nameplate following first gold pour achieved in December 2012. However, as previously announced Beadell experienced a delay in the commissioning of the Tucano CIL Gold Plant. In light of this delay Beadell has worked with its primary debt provider to restructure payments due under the primary debt facility. To satisfy the conditions of the restructure the primary debt provider requires that Beadell undertake an equity raising to further strengthen its balance sheet.

Approximately US\$8 million of the raising will be used to pay down all outstanding capital expenditure invoices on the CIL gold plant which was completed in December 2012. The remainder of the funds will be used to bolster the Company's balance sheet and cash reserves.

As at 31 December 2012, Beadell had fully drawn the primary debt facility to US\$110 million. Beadell expects to repay US\$72 million of this facility by 31 December 2013 through the expected future cash flows from the Tucano CIL Gold Plant in Brazil. The Tucano CIL Gold Plant is progressing well with throughput at the SAG Mill continuing to improve with a consistent feed rate significantly over nameplate of 3.5 million tonnes per annum with incremental increases ongoing.

For further information please contact:

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Disclaimer

Forward looking statements

Certain statements in this announcement, including without limitation those statements in relation to the use of proceeds raised from the Placement, Beadell's magnetic separation plant, approvals for Duckhead deposit, Beadell's repayment of its primary debt facility and the throughput at the SAG Mill of the Tucano CIL Gold Plant in Brazil are forward looking statements. Forward looking statements are not guarantees or predictions of future performance. These forward looking statements are subject to known and unknown risks, uncertainties other factors that may cause actual results to differ from those expressed or implied by such statements. There can be no guarantee that such statements will be realised.

You should not place undue reliance on these forward-looking statements. These forward-looking statements are based on information available to Beadell as of the date of this announcement.

Not an offer

Nothing in this announcement constitutes an offer of securities for sale or an offer to purchase any securities, or an invitation to any person to make such an offer, in any jurisdiction.

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares have not been, and will not be, registered under the *U.S. Securities Act of 1933* (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Securities may not be offered or sold in the United States absent registration under the Securities Act or an exemption from registration. Accordingly, the New Shares to be offered and sold in the Placement may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the Securities Act) except in pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable U.S. state securities laws.