



ASX ANNOUNCEMENT

**17 OCTOBER 2007
ASX CODE: BDR**

EXPLORATION UPDATE

Beadell Resources Limited has already commenced onground field activities at three of the main projects, Tropicana East in Western Australia, Tartaruga in Brazil and Reedy Creek in Victoria. Beadell is committed to an aggressive exploration program over the next two years and has secured a team of highly experienced professionals to expedite the exploration. In all, six Geologists are now employed with associated support staff.

The highly prospective **Tropicana East Project** in **Western Australia** is located adjacent to the Tropicana gold discovery 350km east of Kalgoorlie. The Tropicana discovery is hosted in a new unexplored gold province with mineralisation already identified in several locations by AngloGold Ashanti / Independence Group over an area in excess of 200km² (Figure 1).

A recently completed reconnaissance field trip to Tropicana East highlighted the potential of both the Neale and Pleiades Lakes tenements. At the Neale prospect, resampling of historical mineral sands aircore holes highlighted a variable cover thickness from 0m to a maximum depth of 30m. Basement lithology's including granite / gneiss are interpreted from aeromagnetism to be the same stratigraphy as occurs at Tropicana. The potential at Pleiades Lakes is highlighted by outcrop of layered gneiss, amphibolites and metasedimentary rocks indicating a complex geological setting interpreted to be a fault offset segment of the Tropicana stratigraphy 20km to the west (Figure 2).

Beadell is currently setting up a remote field camp and establishing 50km of access tracks and drill lines over the next few weeks to allow access for auger and other drilling rigs. A 7,000 hole program of wide spaced auger drilling, which has been successfully used to define the Tropicana mineralisation, will commence in December. An Aircore rig is currently being sourced to commence a follow up 15,000 metre drill program.

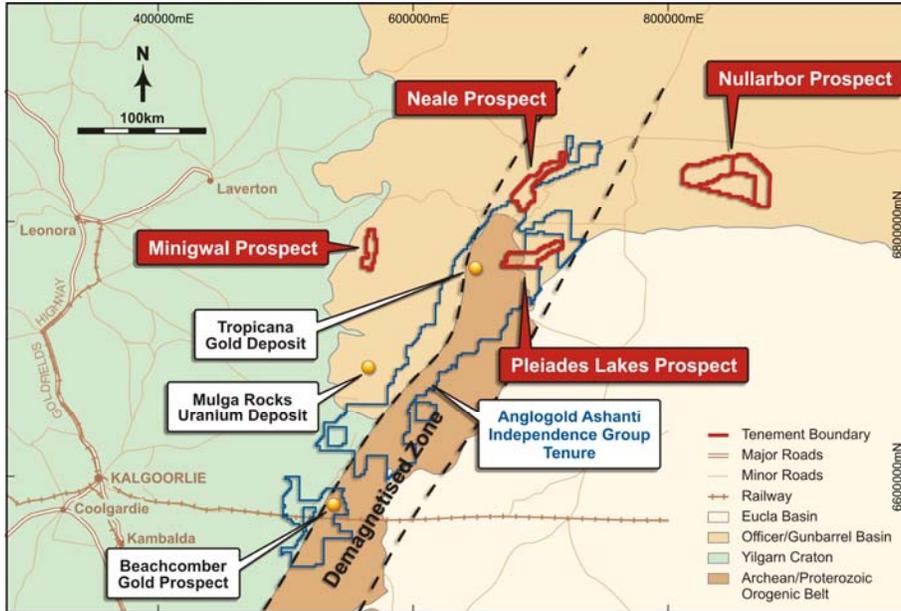


Figure 1: Tropicana East Project Location Plan

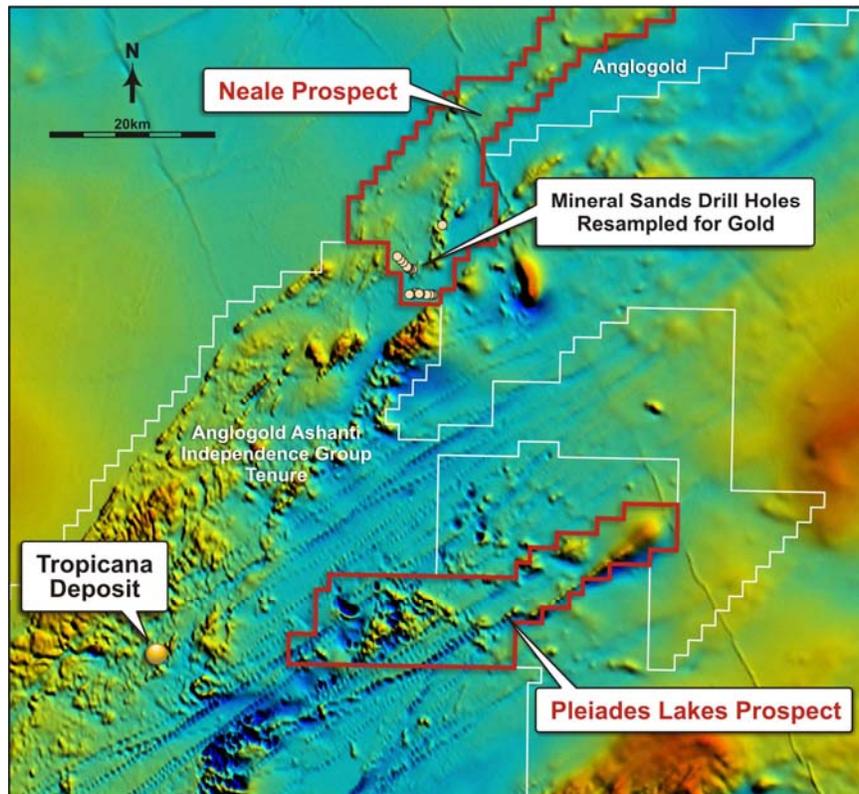


Figure 2: Tropicana East, Neale and Pleiades Lakes Prospects and Aeromagnetics



At the **Tartaruga Project** in **Brazil** a permanently manned, residential field office is being setup in the town of Tartarugalzinho located adjacent to the project. Recently completed reconnaissance mapping and rock chip sampling highlighted several new target areas away from the main known deposits, including two large previously unidentified garimpeiro pits in excess of 100m long by 50m wide. Results from rock chip sampling are expected shortly. The project area is characterised by an easily accessible open undulating and clear landform considered to be ideal for conventional aircore and reverse circulation drilling not previously used in the area.

A large soil sampling and mapping program will commence in November 2007 aimed at identifying new mineralised corridors and extensions to known occurrences within the highly unexplored project area. This will be followed by a major resource definition and extension drilling program commencing early next year aimed at defining a maiden JORC resource for the project.

At the **Reedy Creek Project** in **Victoria** a 3,000m RC / Diamond drilling program has been finalised targeting the Clinbinane prospect where historical drill results including 21m @ 4.8g/t gold from 9m depth and 8m @ 7.0g/t gold from 9m depth are open at depth and along strike over an 800m mineralised zone. Drilling is anticipated to commence at the project in December.

At the **West Musgrave, Lake Mackay and Lake Torrens Projects** ongoing land access negotiations, heritage and environmental clearances are being completed before onground exploration activities commence.

OTHER OPPORTUNITIES

Beadell is continuing to pursue acquisitions that enhance the Company's strength and profile leading to a re-rating of the share price by the equities market. The Beadell team has a sound track record of locating and executing sensible acquisitions.

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Competency Statement

The information in this report relating to Exploration Results and Mineral Resources is based on information compiled by Mr Robert Watkins who is a member of the Australian Institute of Mining and Metallurgy and has sufficient exploration experience which is relevant to the various styles of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Watkins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.