



ASX ANNOUNCEMENT
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SIGNIFICANT EXTENSION TO URUCUM DEEPS - TUCANO

- **14 m @ 4.3 g/t gold including 7 m @ 6.4 g/t gold from Urucum Deeps**
- **8 m @ 3.9 g/t gold including 5.3 m @ 5.3 g/t gold from Urucum Deeps**
- **4.6 m @ 10.2 g/t gold including 1.2 m @ 33.5 g/t gold from Tap Sul**
 - **3 m @ 5.5 g/t gold from Tap Sul**
 - **8 m @ 24.6 g/t gold Tap D Grade Control**
 - **6 m @ 22.7 g/t gold from Urucum Grade Control**
 - **7 m @ 29.8 g/t gold from Urucum Grade Control**

Beadell Resources Limited (**Beadell**) is pleased to announce significant new extensional drill results from the Urucum Deeps drilling program of up to **14 m @ 4.3 g/t gold** including **7 m @ 6.4 g/t gold** and a separate ore zone with **15 m @ 2.3 g/t gold** in FD1215. Three drill rigs are currently extending the mineralisation below the FD1215 intersection (see Figure 1), which will lead to a significant resource addition in 2012.

Further significant results were received from the Tap Sul discovery, including **4.6 m @ 10.2 g/t gold** and **3 m @ 5.5 g/t gold**. Tap Sul remains open at depth and along strike to the south with further drilling underway.

Extensive grade control RC drilling in preparation for open pit mining has also encountered significant new drill results across all deposits including **8 m @ 24.6 g/t gold** at Tap D2, **7 m @ 29.8 g/t gold** and **6 m @ 22.7 g/t gold** at Urucum.

Urucum Deeps – Drill hold FD1215 intersects 14 m @ 4.3 g/t gold and 15 m @ 2.3 g/t gold

Extensional drilling outside of the existing resource at Urucum has intersected the continuation of the lode 1 and lode 2 structures with an intercept of **14 m @ 4.3 g/t gold** from 663 m including **7 m @ 6.7 g/t gold** from 667 m and **15 m @ 2.3 g/t gold** from 736 m in FD1215. This result is significant and demonstrates the potential for significantly increasing the Urucum resource which currently stands at 2.5 Moz.

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Drill hole FD1215 intersected a large zone of sulphide mineralisation 140 m below the nearest up dip intersection where a result of **24.2 m @ 2.5 g/t** including **13.2 m @ 3.7 g/t gold** was previously recorded (Figure 2). It is interpreted that the mineralisation at Urucum and Tucano in general plunges shallowly to moderately to the north. The closest up plunge intersection of the high grade zone intersected in FD1215 is located over 200 m to the south where FD92 previously intersected the two main lodes assaying **12.6 m @ 9.2 g/t gold** and **11.9 m @ 11.3 g/t gold**.

A new result was also received from hole FD1217 drilled 100 m south of FD1215, intersecting **8 m @ 3.9 g/t gold** from 648 m including **5.3 m @ 5.3 g/t gold** from 648 m and **19.2 m @ 1.4 g/t gold** from 666 m.

The 2.5 Moz Urucum deposit has been drilled to a maximum depth of 500 m below surface with some of the strongest mineralisation open at depth. The top 200 m of the deposit has been tightly drilled as part of the open pit Tucano Definitive Feasibility Study (DFS).

However from 200 m to the limit of drilling at 500 m below surface the drill density is extremely wide, generally greater than 100 m x 100 m. A major infill drilling program will target this window in 2012 utilising the recently acquired T685 Schramm RC rig which is due to be exported from Australia on 6 January 2012.

The current open pit optimisations at Tucano are all held back by the limit of infill drilling to convert inferred resources to indicated, as no inferred resources have been used to drive the pits deeper. Likewise a conservative gold price assumption of US\$1,050 used in the DFS optimisations will also be a catalyst for materially increasing reserves when higher gold prices are factored in.

Excellent potential exists to increase the open pit reserve and / or supplement the open pit with an incremental underground operation at Urucum Deeps.

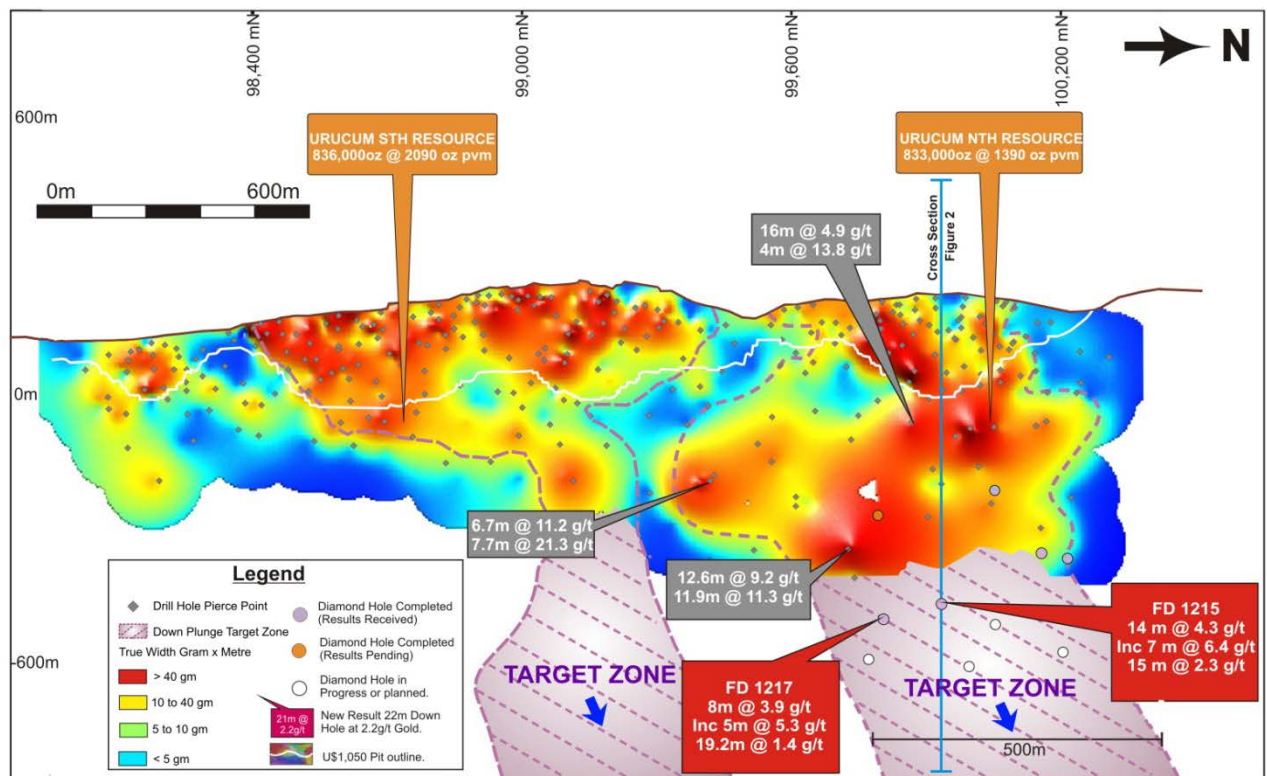


Figure 1. Urucum longsection showing location of new drill results

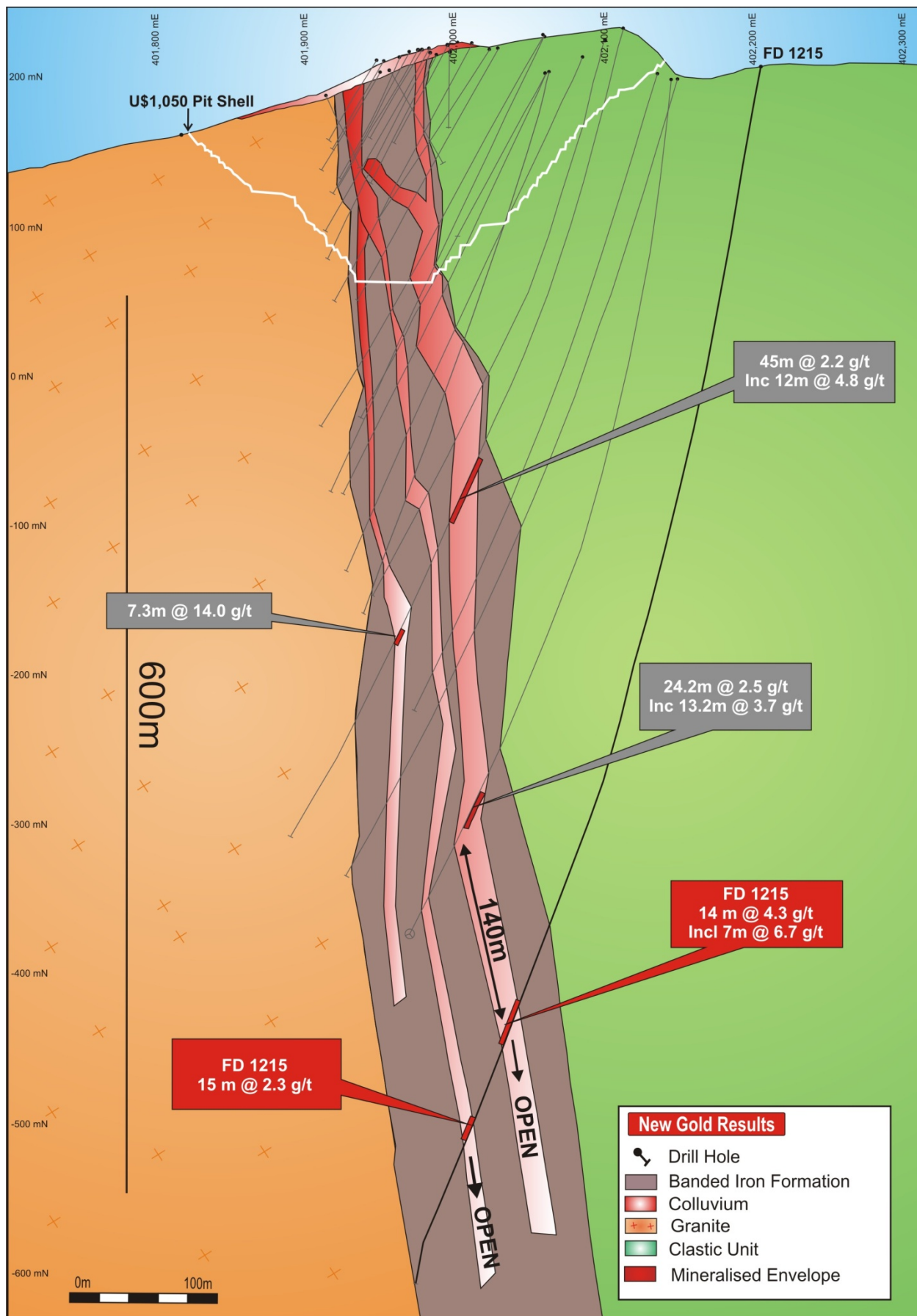


Figure 2. Urucum Deeps Cross Section 99980N looking north.

The Urucum Deeps drilling program is designed to significantly extend the Urucum resource in the target window of 500 m to 1000m below surface. The Urucum orebody exhibits extremely favourable geometries, style and tenor for underground mining with two main lodes averaging in excess of 5 m wide and dipping steeply to the east (Figure 2).

Ground conditions are excellent with a competent footwall of homogenous granite and BIF host rock. The Urucum lodes have excellent continuity and endowment of gold with the southern lodes showing 2090 ozpvm and the northern lodes showing 1390 ozpvm.

Re-modelling of the resources followed by re-optimisations of the open pits and an underground scoping study will be completed in 2012. The incremental addition of an underground operation at Urucum targeting a modest 0.5 Mt pa project has the potential to lift gold production at Tucano to a steady state of over 200,000 oz pa and materially increase the reserve position.

Tapereba Sul – New shallow high grade results, 4.6 m @ 10.2 g/t gold and 3 m @ 5.5 g/t gold

Further drilling at the Tap Sul discovery has intersected additional, shallow high grade oxide gold mineralisation including FD1355, **4.6 m @ 10.2 g/t gold** from 39.4 m including **1.2 m @ 33.5 g/t gold** from 40.6 m and FD1356, **3 m @ 5.5 g/t gold** from 53 m.

The new results have confirmed the continuity of a high grade oxide zone beneath a thin, flat lying pegmatite sill (Figure 3). The Tap Sul discovery is considered to be a similar style and geometry to the high grade Trough Zone in Tap AB2, 1 km to the north, being located on the same Banded Iron Formation (BIF) and clastic contact and hosted within deeply oxidised saprolite.

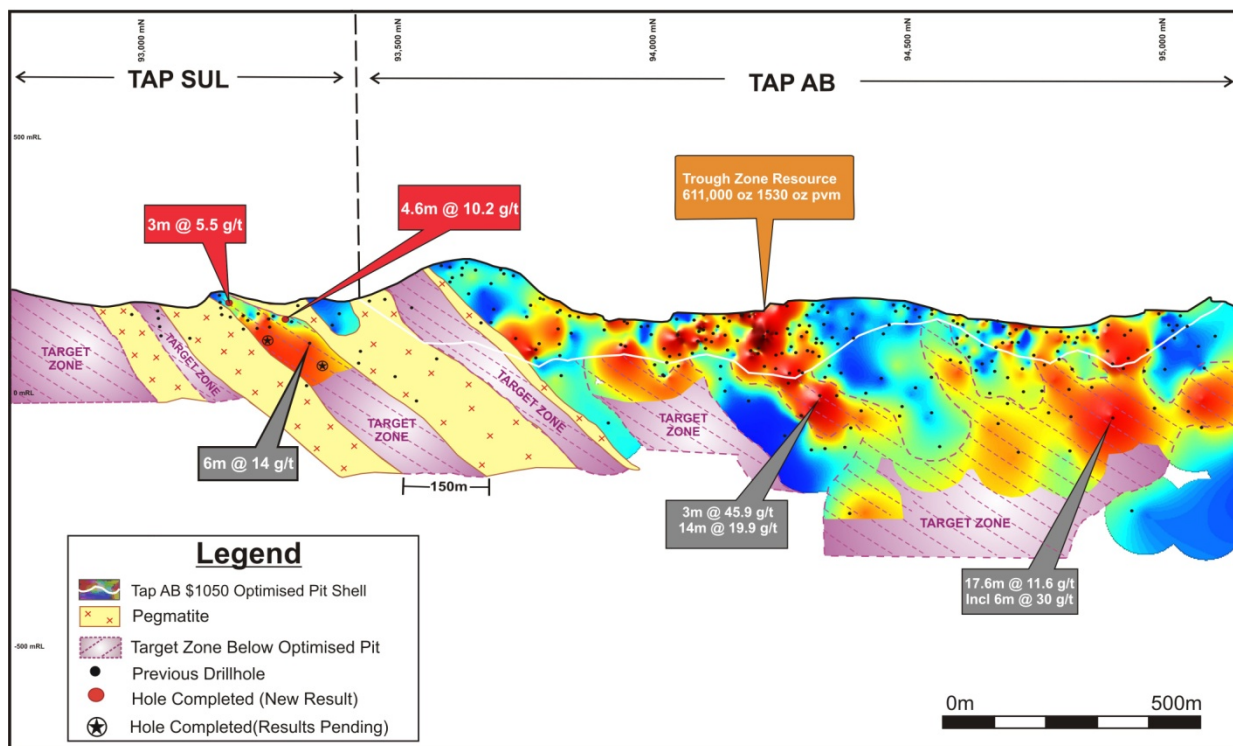


Figure 3. Tap Sul and Tap AB longsection looking west.

Additional step out diamond drilling is underway to define the extents of the Tap Sul gold mineralisation. The Tap Sul area is located south and along strike from Tap AB and has historically been shallowly drilled by mostly auger drilling, which intersected predominantly pegmatite. However deeper drilling beneath the flat to gently dipping pegmatite sills has demonstrated that significant gold mineralisation occurs at depth.

Excellent potential exists to define a significant open pittable oxide gold resource at Tap Sul and extensive drilling is currently in progress.

Grade Control – RC grade control drilling continues to intersect spectacular results

Extensive RC grade control drilling on a nominal 15 m x 7 m spacing continues to intersect significant high grade intercepts throughout all the open pits. Significant results include Tap D2 pit, drill hole GCRC1331, **8 m @ 24.6 g/t gold** from 13 m to bottom of hole (BOH), Urucum pit, drill hole GCRC1109, **6 m @ 22.7 g/t gold** from 5 m and GCRC1127, **7 m @ 29.8 g/t gold** from 11 m, Tap C pit, drill hole GCRC873, **21 m @ 4.3 g/t gold** from 7 m to BOH, Tap AB3 pit drill hole GCRC442, **8 m @ 6.6 g/t gold** from surface.

To date a total of 953 grade control RC holes have been drilled for 23,209 m representing approximately 32 % of the next 12 months production.

Target	Hole	From (m)	To (m)	Length (m)	Gold (g/t)
Urucum Deeps	FD1206	455	457	2	2.2
		468	478	10	1.1
		490	492	2	0.6
Urucum Deeps	FD1215	625	630	5	0.9
		635	638	3	0.6
		663	677	14	4.3
		667	674	7	6.4
		693	697	4	0.9
		736	751	15	2.3
Urucum Deeps	FD1217	5	7.3	2.3	0.8
		648	656	8	3.9
		Incl. 648	653.3	5.3	5.3
		666	685.2	19.2	1.4
Tap Sul	FD1354	43	46	3	0.5
		63.6	68.4	4.8	1.7
Tap Sul	FD1355	39.4	44	4.6	10.2
		Incl. 40.6	41.8	1.2	33.5
		47	49	2	0.7
		82	86	4	0.9
		118.2	123	4.8	0.8
Tap Sul	FD1356	27	29	2	0.7
		53	56	3	5.5
Tap D2	GCRC1300	0	4	4	6.0
Tap D2	GCRC1331	13	21 Boh	8	24.6
Tap D2	GCRC1385	0	16 Boh	16	3.5
Tap D3	GCRC91	21	25	4	14.4
Tap D3	GCRC195	3	8	5	10.6
Tap D3	GCRC260	0	11	11	2.7
Urucum	GCRC1109	5	11	6	22.7
Urucum	GCRC1098	5	35 Boh	30	5.7
Urucum	GCRC1141	26	37 Boh	11	7.5
Urucum	GCRC1127	11	18	7	29.8
Tap C	GCRC873	7	28 Boh	21	4.3

Tap C	GCRC882	19	29 Boh	10	3.7
Tap C	GCRC519	9	33	24	2.5
Tap AB3	GCRC442	0	8	8	6.6
Tap AB1	GCRC266	20	26 Boh	6	5.8
Tap AB1	GCRC159	5	24	19	3.0
Tap AB1	GCRC161	9	14	5	7.4

All other results reported as >0.5g/t with no greater than 2 m internal dilution. BOH is result to bottom of hole. Hole prefix FD = diamond drilling, F = RC drilling, GC = Grade Control RC.

Table 1. Significant New Tucano Gold Drill Results

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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 Australasian 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Watkins is a full time employee of Beadell Resources Ltd. 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.