



ASX ANNOUNCEMENT
ASX Code: BDR

1 February 2012

DIVIDEND POLICY

Beadell Resources Limited (ASX: BDR) (“Beadell”) is pleased to announce that the Board of Directors has resolved to introduce a dividend policy whereby it states its intention to pay dividends to shareholders. Dividends will be payable on a regular basis to the extent permissible under the Corporations Act and the Company’s Constitution. Any payment of dividends will be subject to Beadell’s capital expenditure requirements, exploration and resource replacement strategy, acquisition activities, liquidity needs and the requirements of its bankers. Franking of the dividends will be subject to the composition of income.

As Beadell progresses towards gold production at the Tucano Gold Project in Brazil, the Board has considered it appropriate to adopt a dividend policy reflecting the Company’s changing status to a profitable gold producer. Beadell will be a low cost gold producer generating high cash margins and significant cash flow from its 100% owned Tucano Gold Mine. Gold production is expected to average over 150,000 ounces of gold per year, over an 8 – 10 year period with a high probability of significant extensions to both mine life and scale.

Beadell's Managing Director Peter Bowler commented “We are determined to continue to build value for our shareholders via our extensive gold and iron ore assets in Brazil and Australia whilst remaining focused on our strategy of not growing for growths sake. It is very pleasing that the Company has now reached a stage in its corporate development that it is able to implement a dividend policy that provides a formalised way of returning some of the strong cash flows that will be generated in the coming years back to our shareholders.”

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