



ASX ANNOUNCEMENT
ASX Code: BDR

20 November 2012

FUNDING THROUGH TO COMMERCIAL GOLD PRODUCTION

Beadell Resources Limited (“**Beadell**” “the **Company**”) is pleased to advise that it has secured \$10 million in additional funding in the form of an Unsecured Convertible Note.

Beadell’s Managing Director, Peter Bowler said “As our 3.5mt per annum CIL gold plant at Tucano, Brazil has now reached practical completion and successful commissioning continues apace, these funds will provide Beadell with financial contingency as we progress through the ramp up phase and into commercial gold production. It is our intention that these funds will be repaid in cash at the end of April 2013 and thus be non-dilutionary to shareholders.”

A summary of the key terms of the Unsecured Convertible Note (including conditions to issue) is attached.

For further information please contact:

Peter Bowler | **Managing Director**
T: +61 8 9429 0801
peter.bowler@beadellresources.com.au

Greg Barrett | **Company Secretary / CFO**
T: +61 8 9429 0803
greg.barrett@beadellresources.com.au

Unsecured Convertible Note – Key Terms

Terms	Details
Note	Unsecured Convertible Note.
Issuer	Beadell Resources Limited.
Noteholder	The Noteholder has warranted that it is a professional investor or sophisticated investor as defined under the Corporations Act.
Issue Price	1 Convertible Note will be issued to the Noteholder at a subscription price of AU\$10,000,000 (Principal Amount).
Conditions Precedent	<p>The following are conditions precedent to the issue of the Convertible Note (which must be satisfied by 21 November 2012):</p> <ul style="list-style-type: none"> (a) Beadell having received consent from its lenders to issuing the Convertible Note and provision and execution of any documentation required by those lenders; (b) the Noteholder having received consent from its lenders to entering into, and paying the Principal Amount under, the Convertible Note; (c) evidence that each of the Noteholder and the Company have received all necessary Board approvals to enter into the Convertible Note Deed; and (d) the Company confirming no shareholder approvals are necessary or desirable to proceed with the issue of the Convertible Note and obtaining any regulatory or other approvals that are necessary.
Maturity Date	The sixth Business Day before 30 April 2013.
Voluntary Redemption before Maturity Date	Beadell may at its discretion redeem the Convertible Note in whole or in part on any Business Day before the Maturity Date by paying to the Noteholder an amount on account of the Principal Amount.
Redemption on Maturity Date	Beadell must redeem the Convertible Note on the Maturity Date by paying to the Noteholder an amount equal to the Principal Amount.
Interest Rate	The Convertible Note does not bear interest.

Terms	Details
Events of Default	<p>The following are Events of Default:</p> <ul style="list-style-type: none"> (a) failure by the Company to pay any amount in respect of the Convertible Note when due; (b) failure by the Company to: <ul style="list-style-type: none"> (i) perform any material obligation, covenant or undertaking under the Convertible Note Deed (other than in relation to the payment of money referred to in paragraph (a) above); and (ii) if the non-compliance is capable of remedy, it is not remedied within 14 days after notice of such default shall have been given to the Company by the Noteholder requiring rectification; and (c) an insolvency event occurs in relation to the Company.
Conversion	<p>If an Event of Default occurs prior to the Maturity Date, or if Beadell does not redeem the Convertible Note in full on or before the Maturity Date, then the Convertible Note automatically converts into fully paid ordinary shares in the capital of Beadell (Beadell Shares) at the Conversion Price.</p>
Number of shares converted	<p>The number of Beadell Shares into which a Convertible Note will be converted is calculated by multiplying the outstanding Principal Amount by 1.05 and dividing that figure by the Conversion Price.</p>
Conversion Price	<p>The Conversion Price is the higher of:</p> <ul style="list-style-type: none"> (a) \$0.50 per Beadell Share (or if, between the date of the Convertible Note Deed and the Maturity Date the Company reorganises its share capital or issues bonus shares, an amount equivalent to \$0.50 per Beadell Share after taking into account the impact of the capital reorganisation as prescribed in Listing Rules 6 & 7); and (b) the lesser of: <ul style="list-style-type: none"> (i) the average of the daily volume weighted average price of Beadell Shares traded on the ASX during the 20 trading days period ending on the last trading day before the Maturity Date; and (ii) closing price for Beadell Shares on the last trading day before the Maturity Date.

Terms	Details
Approvals for Conversion	<p>Beadell must use its best endeavours to obtain all shareholder, regulatory and other approvals necessary to enable the Convertible Note to be converted into Beadell Shares. If, at the Maturity Date:</p> <ul style="list-style-type: none"> (a) any such approval has not been obtained; and (b) the Convertible Note would otherwise have converted into Beadell Shares, <p>then the Noteholder will receive such number of Beadell Shares as can be then converted without such approval at the Conversion Price and Beadell must immediately pay the Noteholder in cash an amount equal to the remaining balance of the Principal Amount multiplied by 1.05.</p>
Representations and Undertakings	<p>Usual representations and undertakings are given by Beadell to the Noteholder.</p>
Transferability	<p>The Convertible Note is not transferable.</p>