



ASX ANNOUNCEMENT
ASX Code: **BDR**

19 October 2012

DUCKHEAD DRILL RESULTS AND DEVELOPMENT TIMETABLE

- **11 m @ 76.5 g/t gold (incl. 2 m @ 375.2 g/t gold)**
- **10 m @ 47.3 g/t gold (incl. 4 m @ 115.7 g/t gold)**
- **8 m @ 40.1 g/t gold (incl. 3 m @ 105.7 g/t gold)**
- **22 m @ 2.7 g/t gold (incl. 6 m @ 6.1 g/t gold)**
- **14 m @ 4.2 g/t gold (incl. 3 m @ 13.4 g/t gold)**

Beadell Resources Limited (Beadell) is pleased to confirm extremely high grade drill results from the Duckhead Prospect, located 9 km southeast of the company's new 3.5 Mtpa CIL Gold Plant at Tucano in Brazil (Figure 1). Results include FVM15, **11 m @ 76.5 g/t gold** from 103 m including **5 m @ 164.7 g/t gold** from 103 m, FVM29, **10 m @ 47.3 g/t gold** from 67 m including **4 m @ 115.7 g/t gold** from 68 m and FVM31, **8 m @ 40.0 g/t gold** from 30 m including **3 m @ 105.7 g/t gold** from 30 m (Figure 2-4 Table 1).

Further highly encouraging drill results have been received from the up dip projection of the orebody to the surface including, FVM66, **22 m @ 2.7 g/t gold** from 1 m including **6 m @ 6.1 g/t gold** from 15 m, FVM72, **14 m @ 4.2 g/t gold** from 0 m including **3 m @ 13.4 g/t gold** from 8 m and FVM69, **14 m @ 2.6 g/t gold** from 9 m (Figure 3, Table 1).

The Duckhead orebody has only been drilled to just over 100 m below surface and remains completely open at depth. Reverse circulation drilling continues to test extensions and repetitions of the main lode and the RC rig is currently drilling the Duckhead West target (Figure 2) where up to 14 g/t gold has been recorded in the bottom of auger drilling. A diamond drill rig is also mobilising to site and will commence drilling within the next two weeks targeting the down dip extension of the main high grade lode.

Beadell Resources Limited

Second Floor, 16 Ord Street, West Perth 6005, Western Australia
PO Box 542, West Perth 6872, Western Australia
Telephone: +61 8 9429 0800 | Facsimile: +61 8 9481 3176

ABN 50 125 222 291
www.beadellresources.com.au

Duckhead Development Timetable – Targeting open pit production by June Quarter 2013

An expanded Duckhead resource is currently in progress and will be announced to the market shortly. The resource will be handed over to engineering to complete open pit optimisation and engineering designs to determine a reserve. Cube Consulting have been engaged to complete the resource and engineering work. A maiden reserve is expected to be completed in November.

October 2012	-	Complete Duckhead resource
Early November 2012	-	Engineering and Design to define maiden reserve
November 2012 to March 2013	-	Regulatory and Anglo Ferrous approval process
April 2013	-	Commence open pit mining

Subject to regulatory and Anglo Ferrous approvals, Beadell will incorporate Duckhead into the medium term future mining schedule for 2013. Once this is achieved Beadell expects to revise significantly upwards the current forecast gold production in CY2013-14.

Duckhead Prospect – RC drilling intersects up to 11 m @ 76.5 g/t gold from 103 m

Single metre resplit results from the original 5 m composite results (See ASX release 13 September 2012) have confirmed the up dip, extremely high grade extension of the Duckhead resource. Results include FVM29, **10 m @ 47.3 g/t gold** from 67 m including **4 m @ 115.7 g/t gold** from 68 m and **3 m @ 10.2 g/t gold** from 82 m including **1 m @ 28.6 g/t gold** from 83 m, FVM31, **8 m @ 40.0 g/t gold** from 30 m including **3 m @ 105.7 g/t gold** from 30 m (Figure 2-4).

New results from ongoing shallow RC drilling has shown excellent continuity of the main high grade shoot which extends all the way to the surface and up into the ~10 m of colluvium cover overlying the deposit. Results include FVM66, **22 m @ 2.7 g/t gold from 1 m** including **6 m @ 6.1 g/t gold** from 15 m, FVM69, **14 m @ 2.6 g/t gold** from 9 m and FVM72, **14 m @ 4.2 g/t gold** from surface including **3 m @ 13.4 g/t gold from 8 m** (Figure 3).

Another extremely high grade drill result in FVM015 of **11 m @ 76.5 g/t gold** from 103 m including **2 m @ 375.2 g/t gold** from 103 m and **23 m @ 2.8 g/t gold** from 117 m to bottom of hole including **10 m @ 5.4 g/t gold** from 117 m was recorded by the single metre results. This result confirms the continuity of the extreme high grade shoot at depth (Figure 3).

The main Duckhead high grade shoot remains completely open at depth below a previous intercept of **5.9 m @ 87.2 g/t gold** from just over 100 m below surface. Excellent potential exists to further extend the resource down plunge and a diamond drill rig is mobilising to site to test this target.

The Duckhead high grade shoot is located on the contact of a clastic schist unit in the footwall and a hanging wall chemical unit dominated by Banded Iron Formation (BIF). Deep weathering down this shear zone / contact has caused a deep weathering trough that hosts the high grade gold mineralisation. This geological setting is identical to the high grade trough zone at Tap AB 2 and is hosted on the same major geological contact. The gold mineralisation is interpreted to occur where a cross cutting shear zone transects through the footwall schist

The hangingwall BIF unit at Duckhead is the main iron ore bearing unit that forms ore feed to the Anglo Ferrous iron ore beneficiation plant located only a few kilometres from Duckhead. A deep weathering profile within the BIF surrounding Duckhead forms excellent itabirite iron ore down to depths of 60 to 90 meters below surface.

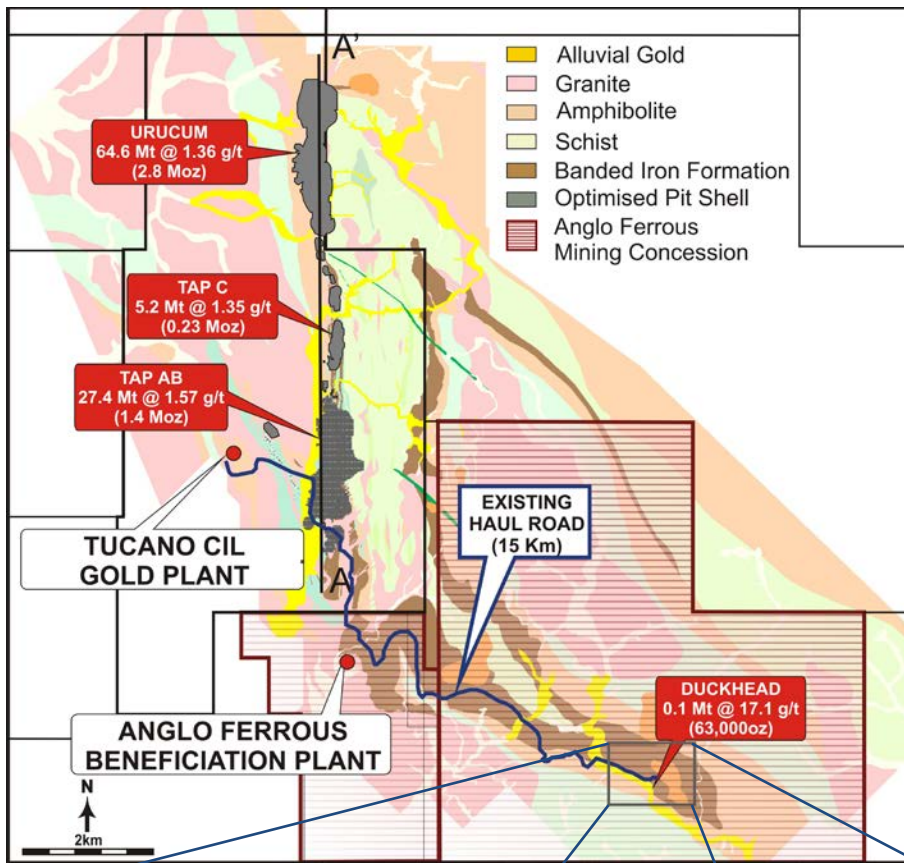


Figure 1. Mining Concession Plan showing Duckhead Location

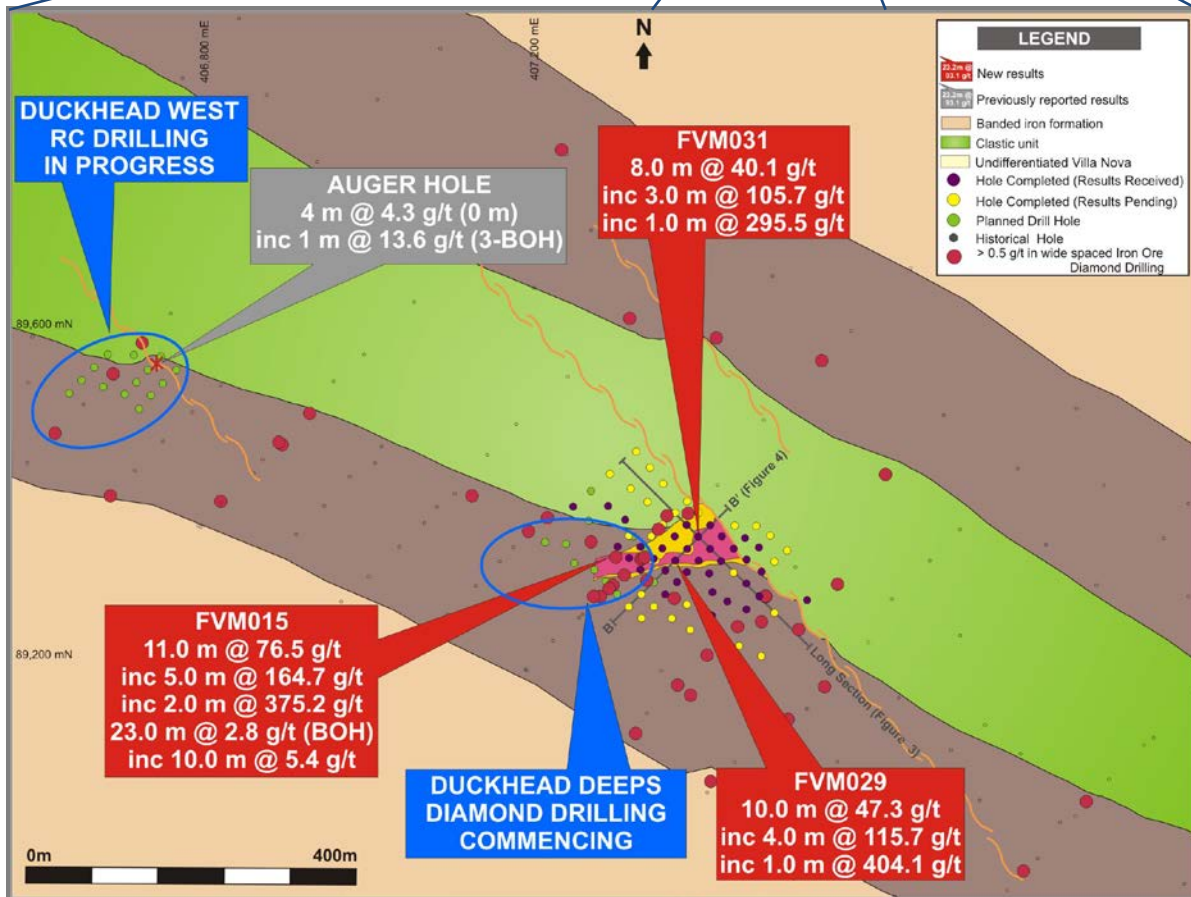


Figure 2. Duckhead Plan showing location of new RC drill results.

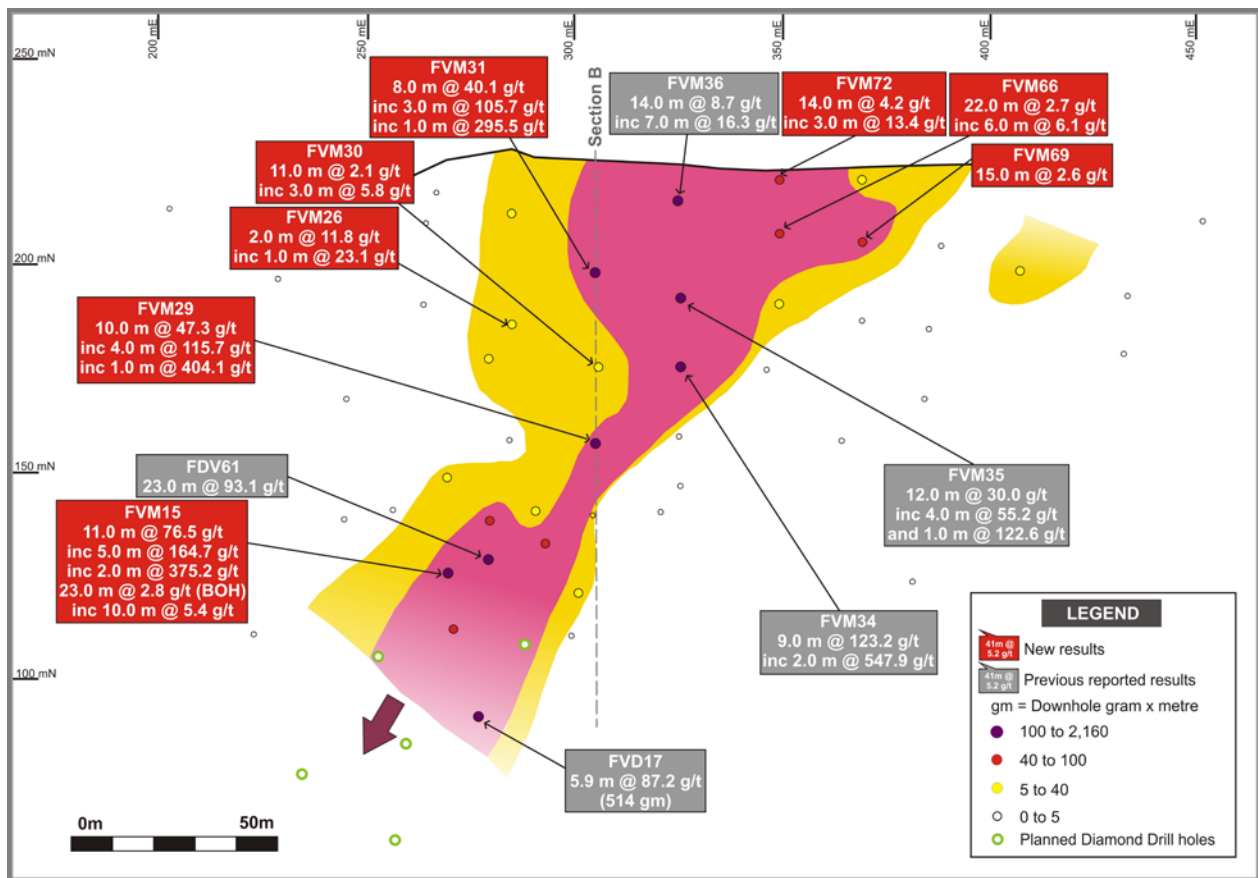


Figure 3. Duckhead Longsection looking northeast.

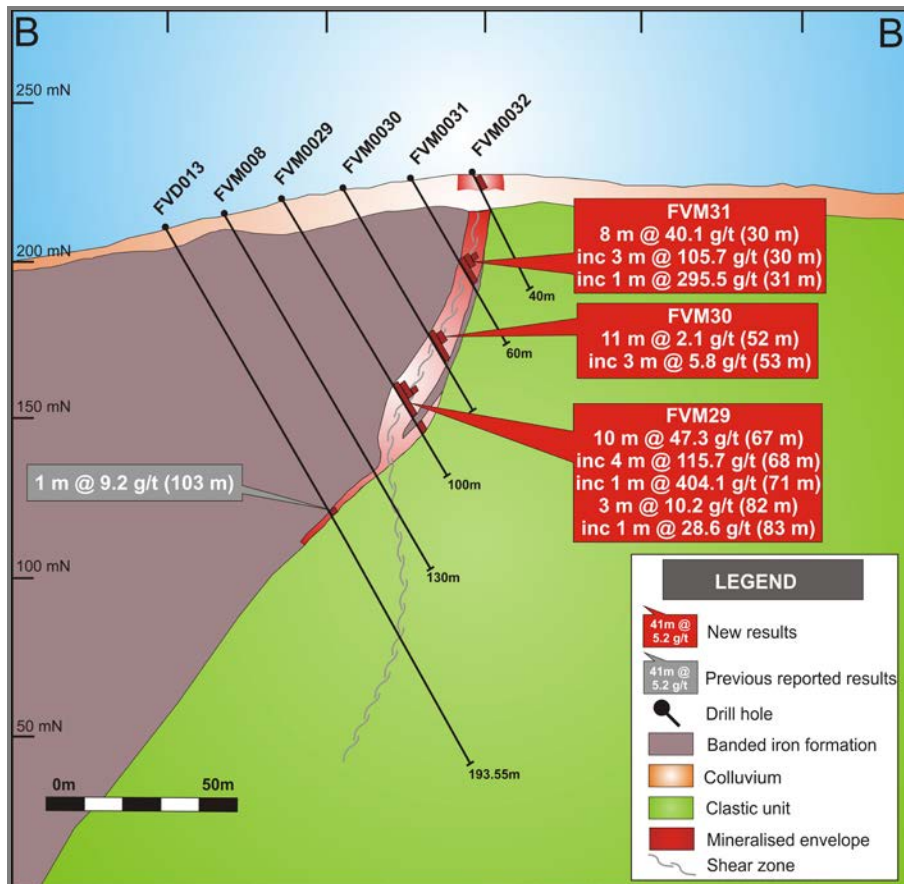


Figure 4. Duckhead B - B' Drill Section looking northwest.

Prospect	Hole	From (m)	To (m)	Width (m)	Gold (g/t)
Duckhead	FVM004	1	6	5	0.7
		18	28	10	1.35
Duckhead	FVM011	0	9	9	1.1
Duckhead	FVM012	4	6	2	0.6
		79	82	3	0.7
		89	92	3	1.6
Duckhead	FVM015	2	4	2	0.91
		27	30	3	0.95
		103	104	11	76.5
		Inc 103	108	5	164.7
		Inc 103	105	2	375.2
		117	140 (BOH)	23	2.8
Inc 117	127	10	5.4		
Duckhead	FVM016	80	82	2	3.6
Duckhead	FVM019	2	6	4	0.5
		10	12	2	0.5
Duckhead	FVM025	69	72	3	1.5
Duckhead	FVM026	43	45	2	11.8
		Inc 43	44	1	23.1
Duckhead	FVM027	16	19	3	3.0
Duckhead	FVM029	67	77	10	47.3
		Inc 68	72	4	115.7
		Inc 71	72	1	404.1
		82	85	3	10.2
		Inc 83	84	1	28.6
Duckhead	FVM030	52	63	11	2.1
		Inc 53	56	3	5.8
Duckhead	FVM031	30	38	8	40.1
		Inc 30	33	3	105.7
		Inc 31	32	1	295.5
Duckhead	FVM051	4	18	14	0.5
Duckhead	FVM054	1	5	4	0.6
		46	50	4	0.5
Duckhead	FVM058	4	6	2	0.7
		19	22	3	0.7
Duckhead	FVM060	20	40	20	0.9
Duckhead	FVM066	1	23	22	2.7
		Inc 15	21	6	6.1
Duckhead	FVM069	9	23	14	2.6
Duckhead	FVM071	1	11	10	1.8
Duckhead	FVM072	0	14	14	4.2
		Inc 8	11	3	13.4
Duckhead	T5942	2	3 (BOH)	1	3.9

*5 m composite result. All other results are reported as >0.5g/t with no greater than 2 m internal dilution.

Table 1. Duckhead new RC drill results.

For further information please contact:

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

Rob Watkins | **Executive Director Geology**
T: +61 8 9429 0802
rob.watkins@beadellresources.com.au

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.