



ASX ANNOUNCEMENT
ASX Code: BDR

21 December 2012

COMMISSIONING AND FUNDING CONTINGENCY UPDATE

Beadell Resources Limited (“**Beadell**” “the **Company**”) is pleased to advise that commissioning at Beadell’s 100% owned Tucano Gold Project in Brazil is now complete with first high grade ore being fed via the crusher into the 7MW SAG mill on 20 December 2012. The plant is now processing 2.5 g/t gold ROM ore, replacing the low grade stockpile which has been grading up to 1 g/t gold. Throughput is also now expected to increase significantly as the ROM high grade ore is more suited to the mill configuration. Fine-tuning of the plant by the remaining five expat commissioning personnel on-site continues to produce improvements which will ensure the plant exceeds nameplate capacity (3.5 million tonnes per annum) as soon as is practicable. The Tucano project is expected to become cash flow positive over the next two weeks.

Additionally, the Company has prudently opted to increase its funding contingency by \$5 million to cover any unexpected funding requirement over the Christmas period. This has been achieved by selling to Macquarie Bank Limited call options over 20,250 ounces of gold at a strike price of US\$1400 per ounce and an expiry date of 31 December 2013.

Beadell’s Managing Director, Peter Bowler said “The commissioning of the last part of the CIL plant, the crushing circuit, now clears the way for the team to implement our very simple strategy: to become the best gold mine in Brazil within the bottom quartile of costs globally. We now have a large scale gold producing asset in one of the best countries to do business in the world, Brazil. The additional small funding contingency now in place will put us on a firm footing as we become cash flow positive over the coming weeks. This is a simple, non-dilutive funding option.”



Photo 1. First high grade ore travelling up CV1



Photo 2. Crushing circuit in full operation

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