



**ASX ANNOUNCEMENT**  
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## **SUCCESSFUL COMMISSIONING – IRON ORE CONCENTRATE PLANT**

Beadell Resources Limited (“**Beadell**” or “the **Company**”) is pleased to announce that the first iron ore concentrate has been produced from its newly commissioned Magnetic Separation plant in Brazil. This concentrate is extracted from the Tucano gold plant tailings as a by-product and will be a significant financial credit to the gold operation.

The plant has been constructed on time and within the budget of US\$11.7 million. Construction was completed on 20 May with commissioning and generation of first product on 27 May. The commissioning went smoothly and the plant will now be optimised to maximise the yield of +65% Fe concentrate. The plant consists of 3 drum magnets as the primary part of the circuit and an additional 3 cleaning drum magnets followed by a ceramic filter to reduce the moisture of the magnetite product (see Photos 1, 2 & 3). All magnets are working well and the filter circuit is being optimised to increase output. The commissioning team is in the process of training and handing over the plant to the operational team.

The iron ore concentrate produced is the subject of an off-take agreement with the Anglo Ferrous group, which operates a large iron ore mine 5 kilometres from the Tucano mine site. Payment for the product will be received once Anglo’s ship loading facility in the nearby port of Santana is reinstated in the next few months. In the interim, as operating costs are negligible, the high grade concentrate will be stockpiled in readiness for shipment. At current iron ore prices, the concentrate produced is expected to generate net income of ~US\$30/t and has the potential to reduce the Tucano gold operation’s monthly cash cost by ~US\$1M.

Beadell’s Managing Director, Peter Bowler said: “This project was completed ahead of schedule and within budget. I am very pleased with our experienced in-house project team which has worked hard to achieve this outcome. We are committed to continuing investigation of further cost-saving initiatives at our Tucano gold mine to ensure our cost of production is within the bottom quartile globally.”



Photo 1. Iron Ore Concentrate Plant



Photo 2. Iron Ore Concentrate Plant



**Photo 3. First Iron Ore Concentrate coming off the Stacker**

**For further information please contact:**

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