



ASX ANNOUNCEMENT
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DUCKHEAD HANGINGWALL CONTINUES TO GROW

- **FVM289** **35 m @ 5.6 g/t gold including 14 m @ 8.0 g/t gold**
- **FVM100** **25 m @ 5.8 g/t gold including 12 m @ 10.1 g/t gold**
- **HW312** **25 m @ 4.7 g/t gold including 10 m @ 8.9 g/t gold**

Beadell Resources Limited (Beadell) is pleased to announce significant drill results from the new Hangingwall Lode at the Duckhead deposit at Tucano in Brazil (Figures 1, 2, 3 & 4, Table 1). The Hangingwall Lode, which is approximately 20 m true width, is located on the edge of the current starter pit design for the main high grade lode and is currently outside of any resource or reserve estimation. Additional results are awaited, however, initial resource modelling and re-optimisation of the Duckhead starter pit to include the Hangingwall Lode will be completed during February 2013.

The Duckhead deposit has only been drilled to approximately 120 m below surface. Exceptional potential exists to continue to expand the resource and reserves with ongoing drilling. Testament to this, is a new potential Footwall Zone that has been intersected in the eastern most scout RC hole drilled with FVM111 intersecting 1 m @ 2.0 g/t gold from 123 m to bottom of hole. Further drilling is planned in this area. Ongoing diamond drilling is targeting downplunge of the high grade Main Lode. The program will also be expanded to extend the new Hangingwall Lode and also to test for additional lodes as indicated above.

In addition to the new results, initial bottle roll and gravimetric recovery results have been received from the high grade Main Lode. Recoveries from all ore types and master composite have exceptionally high gold recoveries of between 97 and 99 % from a 48 hour bottle roll test. Additional gravimetric testwork also showed excellent reporting of approximately 70% gold to the gravity concentrate.

New Duckhead Hangingwall Lode – Located On the edge of the Main Lode Starter Open Pit

Further highly encouraging results have been received from the emerging Hangingwall Lode at Duckhead. New results include FVM289, **5 m @ 2.0 g/t gold** from surface and **35 m @ 5.6 g/t gold** from 33 m including **14 m @ 8.0 g/t gold** from 52 m, FVM100, **7 m @ 1.3 g/t gold** from 1 m and **25 m @ 5.8 g/t gold** from 52 m including **12 m @ 10.1 g/t gold** from 56 m and HW312, **25 m @ 4.7 g/t gold** from 1 m including **10 m @ 8.8 g/t gold** from 10 m and **2 m @ 4.6 g/t gold** from 36 m (Figures 1, 2 & 3, Table 1).

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The Hanginwall Lode remains completely open at depth and is interpreted to have the same moderate west dipping plunge as the high grade Main Lode (Figure 1 & 2). The Hangingwall Lode mineralisation is hosted within strongly oxidised saprolite down to approximately 50 m below surface with the deeper primary intersections hosted by disseminated pyrite and pyrrhotite within Banded Iron Formation. Incorporation of the Hangingwall Lode into the Duckhead resource model will no doubt result in a significant expansion of the open pit.

Ongoing Drilling to test for depth extensions and additional lodges - New Footwall Zone

Ongoing diamond drilling is focussing on extending the high grade Main Lode at depth and the program has been expanded to also target the new Hangingwall Lode and test for additional lodges in the immediate area. A 6 hole program has commenced on the high grade Main Lode extension with the first hole FVD035 intersecting a large weathered oxide trough zone. This hole failed to intersect any significant gold mineralisation. A second hole has recently been completed with results awaited.

A new Footwall Zone has been intersected in the eastern most drilled scout RC hole FVM111, which recorded **2.0 g/t gold** at the bottom of the hole at 123 m (Figure 1). Preliminary geological interpretations suggest that the main BIF sequence is repeated at depth. It is unclear though whether this is the main northern limb of the regional scale fold or a thrust slice repeat of the BIF. The Footwall Zone is nevertheless considered to be highly prospective for additional high grade lodges and will be followed up with additional drilling.

Duckhead Metallurgy Results - Exceptional recoveries of 97 - 99 % gold

Initial metallurgical results have confirmed the high grade Main Lode to be completely free milling. Individual and master composite 48 hour bottle roll tests from 80% passing 106 micron samples have recorded recoveries of 97 - 99% gold. Additional gravimetric testing was also undertaken to test the potential to extract gold via a gravity circuit. Exceptional recoveries were also generated from the gravimetric separation with approximately 70 % of gold reporting to a gravity concentrate. Leach tests of both the concentrate with intense cyanidation and the reject under normal CIL conditions indicate a total gold recovery of 99%.

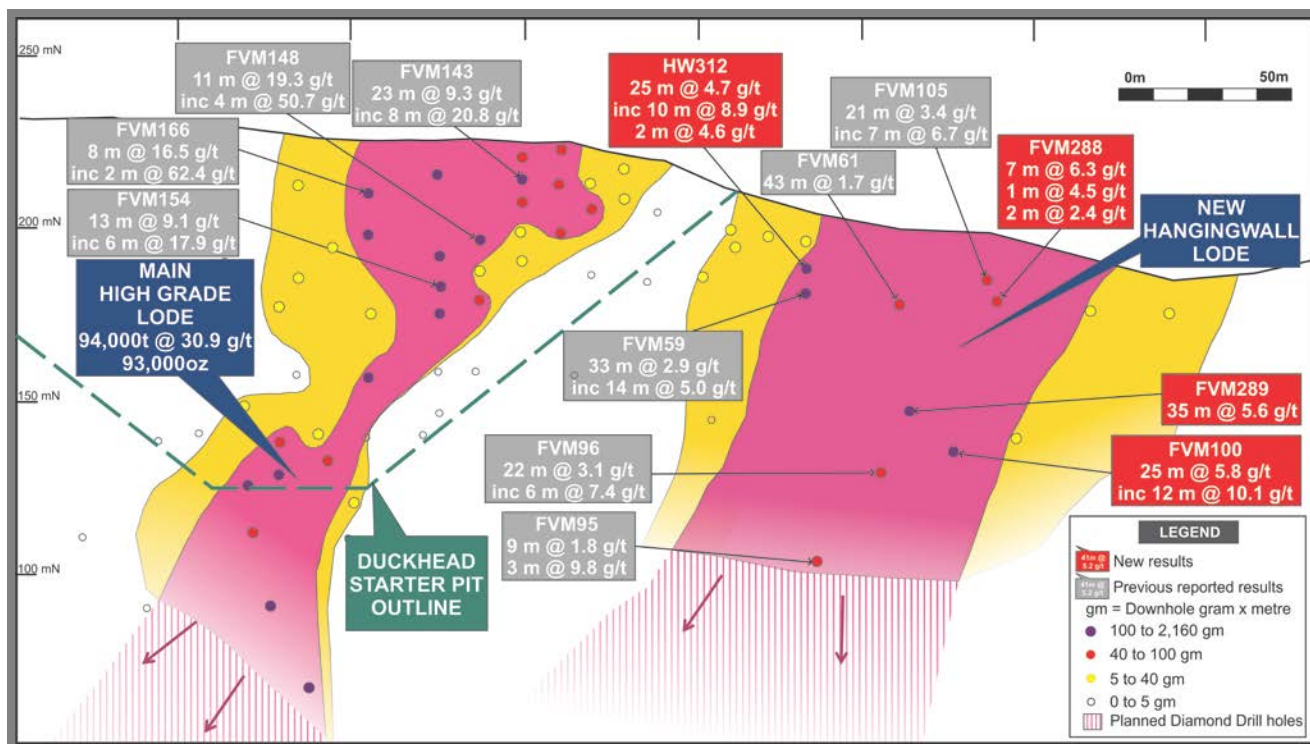


Figure 1. Duckhead long-section showing location of new RC drill results and starter pit

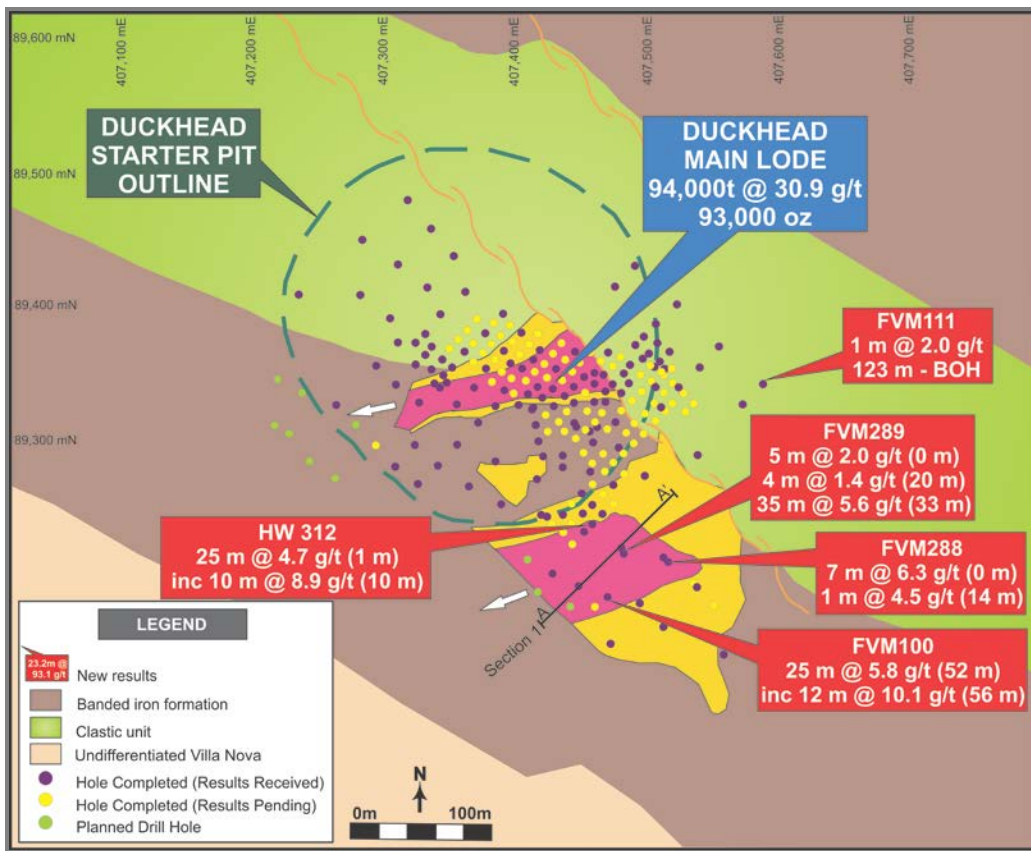


Figure 2. Duckhead plan showing location of new RC results and starter pit

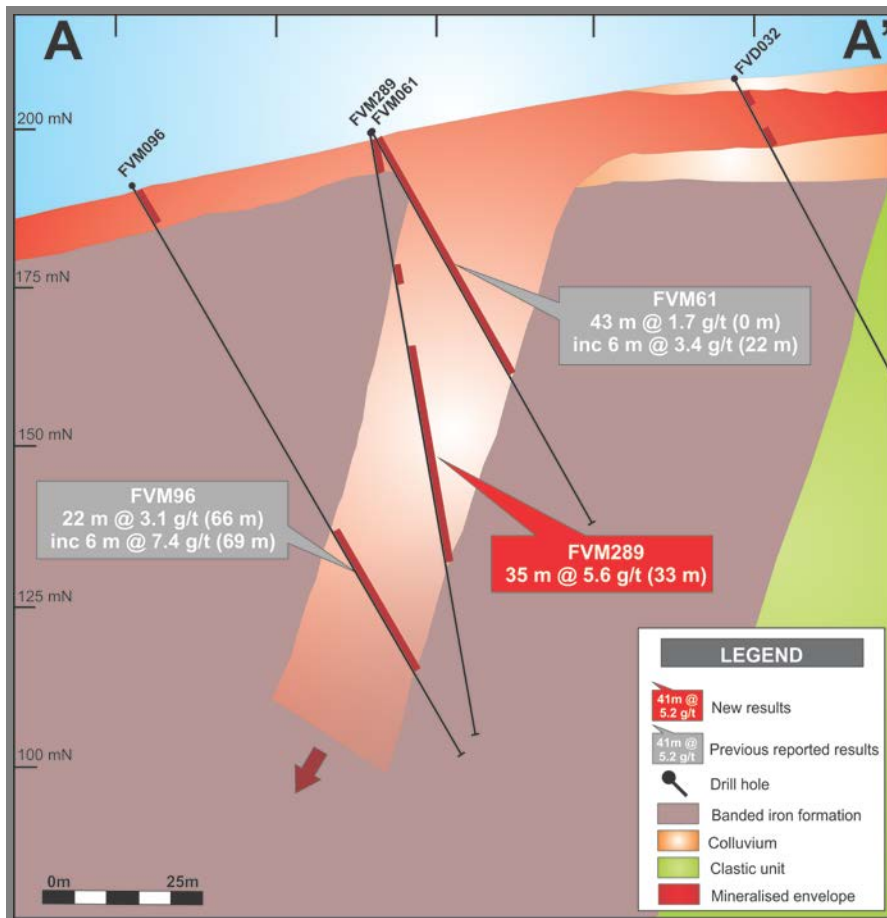


Figure 3. Duckhead Hangingwall Lode cross-section 1

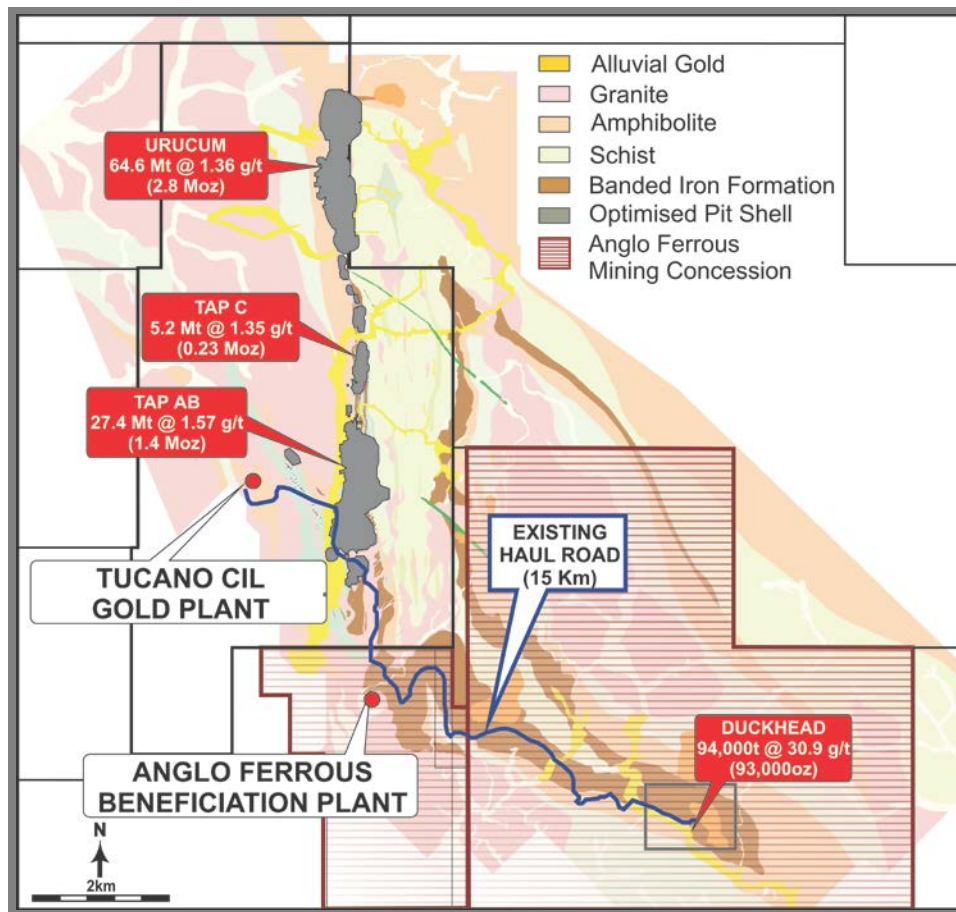


Figure 5. Tucano plan showing location of Duckhead and haul road access.

Duckhead Lode	Hole	From (m)	To (m)	Width (m)	Gold (g/t)
Colluvium	FVM92	0	5	5	1.1
Hangingwall Lode		17	20	3	0.8
		78	83	5	2.6
Colluvium	FVM100	1	8	7	1.3
Hangingwall Lode		52	77	25	5.8
		Incl 56	68	12	10.1
Main Lode	FVM106	0	5	5	1.8
		53	55	2	1.1
		75	78	3	0.6
Colluvium	FVM110	3	5	2	0.6
Footwall Lode	FVM111	123	124 (Boh)	1	2.0
Colluvium	FVM113	0	8	8	0.5
Colluvium	FVM114	2	7	5	0.6
Colluvium	FVM116	0	3	3	1.0
Main Lode	FVM170	38	40	2	7.1
Main Lode	FVM267	33	35	2	5.5
Hangingwall Lode	FVM288	0	7	7	6.3
		14	15	1	4.5
		23	25	2	0.6
		33	38	5	1.0
Hangingwall Lode	FVM289	71	73	2	2.4
		0	5	5	2.0
		20	24	4	1.4
		33	68	35	5.6
	Incl. 52	66	14	8.0	

Hangingwall Lode	HW331	6	11	5	2.1
		19	21	2	1.6
		33	35	2	0.8
Hangingwall Lode	HW312	1	26	25	4.7
		Incl. 10	20	10	8.9
		36	38	2	4.6
Hangingwall Lode	HW313	0	17	17	0.7
Colluvium	HW332	0	2	2	1.9
Hangingwall Lode	HW334	3	6	3	0.9
		26	29	3	0.6
Hangingwall Lode	HW335	2	9	7	0.8
		30	38	8	1.4
Hangingwall Lode	HW349	0	20	20	0.7
Colluvium	HW353	3	6	3	0.9
		15	17	2	1.8
		31	35	4	0.6
Hangingwall Lode	HW400	1	7	6	0.6
		18	21	3	3.5

All results are reported as >0.5g/t with no greater than 2 m internal dilution.

Table 1. New Duckhead RC drill results.

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Competency Statement

The information in this report relating to Exploration Results 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.