



26 November 2012

ASX Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth, WA 6000

Dear Sir/Madam

Appendix 3B and Section 708A(12C)(e) Notice

Attached are the Appendix 3B and the Section 708A(12C)(e) Notice related to the issuance of One Unsecured Convertible Note by Beadell Resources Ltd with a face value of \$10,000,000 repayable by 30 April 2013.

These funds will provide Beadell Resources Ltd with financial contingency as it progress through the ramp up phase and into commercial gold production at its Tucano Gold Project in Brazil.

Yours sincerely,

A handwritten signature in black ink that reads "Greg Barrett". The signature is written in a cursive style with a period at the end.

GREG BARRETT
Company Secretary
Beadell Resources Ltd

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Beadell Resources Limited

ABN

50 125 222 291

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Unsecured Convertible Note |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | One Unsecured Convertible Note |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | One Unsecured Convertible Note with a face value of \$10,000,000 repayable by 30 April 2013. In the event Beadell does not repay all or any portion of the Convertible Note, the amount that is unpaid, multiplied by 1.05, converts automatically to fully paid Beadell Ordinary Shares at the lower of the closing price or the 30 Day VWAP of Beadell Ordinary Shares with a minimum price of \$0.50 per share. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>If converted to Beadell Ordinary Shares, the shares issued will rank equally with Beadell Ordinary Shares on issue. The Convertible Note does not carry any voting rights or entitlement to dividends.</p>
<p>5 Issue price or consideration</p>	<p>\$10,000,000</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>General corporate purposes including working capital.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	N/A	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	On or about 26 November 2012	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number 742,204,752	+Class Ordinary shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	
	900,000	Opts Ex Price \$0.65 Exp 30/6/17 (vesting 1 July 2013)
	900,000	Opts Ex Price \$0.65 Exp 30/6/17 (vesting 1 July 2014)
	550,000	Opts Ex Price \$0.85 Exp 01/01/15
	500,000	Opts Ex Price \$0.80 Exp 01/01/15
	2,000,000	Opts Ex Price \$0.65 Exp 30/06/14
	12,330,000	Opts Ex Price \$0.1875 Exp 30/06/14
	1,800,000	Opts Ex Price \$0.12 Exp 30/06/13
1	Unsecured Convertible Note with a repayment date of 30 April 2013 and a face value of \$10,000,000	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The extent, timing and payment of dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance of the Company.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A

+ See chapter 19 for defined terms.

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- 29 Date rights trading will end (if applicable)
- 30 How do ⁺security holders sell their entitlements *in full* through a broker?
- 31 How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

+ See chapter 19 for defined terms.

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company secretary

Date: 26 November 2012

Print name: Greg Barrett

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for
+eligible entities

Introduced 01/08/12

N/A

+ See chapter 19 for defined terms.

Notice issued under section 708A (12C)(e) of the Corporations Act 2001 (Cth)

26 November 2012

On 26 November, Beadell Resources Limited (**Beadell**) announced that it had entered into a A\$10 million convertible note agreement with a third party investor, who is not a related party of Beadell (**Noteholder**).

Pursuant to the terms of the convertible note agreement between Beadell and the Noteholder (**Note Agreement**), Beadell has today issued an unsecured convertible note (**Convertible Note**) with a face value of \$10 million to the Noteholder. The Convertible Note was issued without disclosure to investors under Part 6D.2 of the *Corporations Act 2001 (Cth)* (**Act**).

Beadell issues this notice under section 708A(12C)(e) of the Act (as inserted by ASIC Class Order CO [10/322] *On-sale for Convertible Note issued to wholesale investors*)(**Class Order**) to enable the Beadell shares (**Beadell Shares**) issued on the conversion of the Convertible Note to be on-sold to retail investors without further disclosure (**Cleansing Notice**).

1. Contents of this Cleansing Notice

This Cleansing Notice sets out the following information:

- (a) in relation to the Convertible Note:
 - (i) the effect of the issue of the Convertible Note and the issue of the Beadell Shares on the conversion of Convertible Note has on Beadell; and
 - (ii) a summary of the rights and liabilities attaching to the Convertible Note and the Beadell Shares;
- (b) information that:
 - (i) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules (**Listing Rules**); and
 - (ii) investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of Beadell; and
 - (B) the rights and liabilities attached to the Convertible Note and the Beadell Shares; and
- (c) other additional information including content relating to Beadell's status as a disclosing entity which is required under the Class Order.

2. Offer of the Convertible Note

2.1 No Offer

No offer or invitation is made pursuant to this Cleansing Notice for any person to subscribe for or apply to acquire any Convertible Note or Beadell Shares.

2.2 Summary of the Note Agreement

The Convertible Note has been issued pursuant to the terms the Note Agreement. Details of the key terms of the Note Agreement are set out below.

(a) Purpose

Beadell will use the funds raised upon the issue of the Convertible Note to pursue its general corporate purposes in connection with its business, including working capital needs.

(b) Payment of the subscription price

The Noteholder paid a subscription price of \$10,000,000 for the Convertible Note which was payable to Beadell upon the issue of the Convertible Note.

(c) Other obligations

The Note Agreement also imposes certain restrictions on Beadell on the conduct of its business. Beadell is also required to provide various undertakings and representations under the Note Agreement which are standard in convertible note agreements of this nature.

3. Convertible Note

3.1 Effect of the issue of Convertible Note on Beadell

The issue of the Convertible Note will result in an increase in:

- (a) the cash held by Beadell by the amount of approximately \$10,000,000 before costs; and
- (b) the indebtedness of Beadell to the Noteholder increasing by approximately \$10,000,000.

3.2 Effect on capital structure

The capital structure of Beadell will be affected by any conversion of the Convertible Note which will result in additional Beadell Shares being issued and the liability position of Beadell decreasing accordingly.

The number of Beadell Shares issued on any conversion of the Convertible Note will be calculated by multiplying the outstanding principal amount (detailed in row entitled "Conversion" in Section 3.3) by 1.05, then dividing that figure by the conversion price of the Convertible Note (**Conversion Price**) (detailed in row entitled "Conversion Price" in Section 3.3). As set out in Section 3.3, the Conversion Price applied at the time of conversion will be no lower than \$0.50.

3.3 Rights and liabilities of the Convertible Note

The key terms of the Convertible Note are set out below.

Terms	Details
Issuer	Beadell Resources Limited (ASX: BDR).

Terms	Details
Principal Amount	Beadell issued the Convertible Note on 26 November 2012 at a subscription price of \$10,000,000 (Principal Amount).
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.
Events of Default	<p>The following are Events of Default:</p> <ul style="list-style-type: none"> (a) failure by Beadell to pay any amount in respect of the Convertible Note when due; (b) failure by Beadell to: <ul style="list-style-type: none"> (i) perform any material obligation, covenant or undertaking under the Note Agreement (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 Beadell by the Noteholder requiring rectification; and (c) any one or more of the following insolvency events occurs in relation to Beadell: <ul style="list-style-type: none"> (i) being in liquidation or provisional liquidation or under administration; (ii) having a controller or analogous person appointed to it or any of its property; (iii) being taken under section 459F(1) of the Act to have failed to comply with a statutory demand; (iv) being unable to pay its debts or being otherwise insolvent; (v) becoming an insolvent under administration, as defined in section 9 of the Act; (vi) entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors; (vii) any analogous event or circumstance under the laws of any jurisdiction; or (viii) taking any step or being the subject of any action that is reasonably likely to result in any of the above occurring, unless such event or circumstance occurs as part of a solvent

Terms	Details
	reconstruction, amalgamation, compromise, arrangement, merger or consolidation on terms approved by the Noteholder (such approval not to be unreasonably withheld or delayed).
Conversion	<p>If an Event of Default occurs before the Maturity Date or if Beadell does not fully redeem the Convertible Note in full on or before the Maturity Date, the portion of the Convertible Note that has not been repaid (Outstanding Principal Amount) will automatically be converted to Beadell Shares at 12.01am on the day after the Event of Default or Maturity Date as follows:</p> <p>Number of Beadell Shares = $\frac{\text{Outstanding Principal Amount} \times 1.05}{\text{Conversion Price}}$</p>
Conversion Price	<p>The Conversion Price is the higher of:</p> <p>(a) \$0.50 per Share (or if, between the date of the Note Agreement and the Maturity Date, Beadell reorganises its share capital or issues bonus shares, an amount equivalent to \$0.50 per Share after taking into account the impact of the capital reorganisation as prescribed in Listing Rules 6 & 7 and, in particular, Listing Rules 6.22.2, 6.22.3 and 7.22, as if the Convertible Note were an option); and</p> <p>(b) the lesser of:</p> <p>(i) the average of the daily volume weighted average price of Beadell Shares traded on the Australian Securities Exchange (ASX) during the 20 trading days period ending on the last trading day before the Maturity Date; and</p> <p>(ii) closing price for Beadell Shares on the last trading day before the Maturity Date.</p>
Ranking on Conversion	Beadell Shares issued on the conversion of any Convertible Note will be fully paid ordinary shares in the capital of the Beadell, having all of the rights set out in Beadell's constitution (the Constitution).
Governing Law	The Note Agreement will be governed by the laws of the State of Queensland.
ASX Listing	The Convertible Note will not be quoted on the ASX or any other securities exchange. Under the Note Agreement, Beadell is required to apply to ASX for quotation of any new Beadell Shares issued on the conversion of a Convertible Note as soon as practicable, and in any event within 2 Business Days after the date on which such Beadell Shares are issued.
Transferability	The Convertible Note is not transferable.

4. Rights and liabilities of the Beadell Shares

A summary of the rights attaching to the Beadell Shares is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from

Beadell on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of shareholders of Beadell (**Beadell Shareholders**). These rights and liabilities can involve complex questions of law arising from an interaction of Beadell's constitution with statutory and common law requirements. For a Beadell Shareholder to obtain a definitive assessment of the rights and liabilities which attach to shares in specific circumstances, the Beadell Shareholder should seek legal advice.

(a) Voting

Subject to the Constitution and any rights or restrictions attached to a class of shares, at a general meeting, on a show of hands, every ordinary Beadell Shareholder present in person or by proxy has one vote. At the taking of a poll, every ordinary Beadell Shareholder present in person or by proxy, and whose shares are fully paid has one vote for each of their shares. On a poll, the holder of a partly paid share has a fraction of a vote with respect to the share. The fraction is equivalent to the proportion which the amount paid bears to the total amount paid and payable (excluding amounts credited).

(b) Dividends

The directors of Beadell (**Directors**) may pay to ordinary Beadell Shareholders any dividends as the Directors resolve to the extent permitted by law and subject to any rights or restrictions attached to a class of shares. The directors may determine the amount paid, whether the dividend is franked and the percentage of the franking class, the date when entitlements for dividends are determined, and the time and method of payment.

(c) Transfer of shares

Beadell Shareholders may transfer Beadell Shares by any method permitted by the applicable law. Subject to the applicable law and the Constitution, Beadell must not refuse to register a transfer of shares. Beadell may refuse to register a transfer where the applicable law permits Beadell to do so. Where Beadell refuses to register a transfer it must give reasons in writing for the refusal to the person who lodged the transfer. Beadell must not charge a registration fee.

(d) General meetings

Each Beadell Shareholder is entitled to receive notice of, attend and vote at, general meetings of Beadell and to receive all notices, financial statements and other documents required to be sent to Beadell Shareholders under the Constitution, the Corporations Act and the Listing Rules.

(e) Variation of rights

Beadell may only modify or vary the rights attaching to any class of shares with the prior approval by a special resolution of Beadell Shareholders and:

- (i) a special resolution of the holders of shares in that class at a meeting of those holders; or
- (ii) with the written consent of the holders of at least 75% of the issued shares of that class.

(f) Liquidation rights

Subject to any rights or restrictions attached to a class of shares, the surplus assets of Beadell after winding-up will be divided among the members in the proportion which the amount paid (including amounts credited) on the shares of a member is of the total amounts paid and payable (including amounts credited) on the shares of all members.

Subject to any rights or restrictions attached to a class of shares, a liquidator in a winding-up may, with the sanction of a special resolution of members, divide among the members the whole or any part of the property of Beadell and determine how the division is to be carried out as between the members or different classes of members.

(g) Issue of further shares

Subject to any rights and restrictions attached to a class of shares, Beadell may allot and issue unissued shares, including preference shares, and grant options over unissued shares on any terms, at any time and for any consideration as the directors resolve.

(h) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least 75% of Beadell Shareholders present and voting at a general meeting.

(i) Directors

The minimum number of Directors is 3 and the maximum is 10. By general resolution at a general meeting, Beadell may vary the minimum and maximum number of Directors so long as the minimum is not less than 3. Directors must retire on a rotational basis so that one-third of Directors retire at each annual general meeting. Any other Director who has been in office for three or more years must also retire. A retiring Director is eligible for re-election. The directors may appoint a Director who then holds office until the next general meeting and is then eligible for re-election.

(j) Decisions of directors

Questions arising at a meeting of directors are decided by a majority of votes. Where the votes are equal on a proposed resolution, the chairman has a casting vote.

5. Continuous disclosure obligations

5.1 Continuous disclosure

Beadell is a "disclosing entity" for the purposes of section 111AC of the Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to ASX any information of which it is, or becomes, aware concerning it and which a reasonable person would expect to have a material effect on the price or value of securities of Beadell.

Beadell is also required to prepare and lodge with ASIC yearly and half yearly financial statements accompanied by a directors' statement and report and an audit report or review. Copies of documents lodged with ASIC in relation to Beadell may be obtained from or inspected at ASIC's office.

Beadell will provide a copy of each of the following documents, free of charge, to any person who asks for it:

- (a) the annual financial report for the financial year ended 31 December 2011, being the annual financial report most recently lodged with ASIC by Beadell; and
- (b) any continuous disclosure notices given by Beadell after the lodgement of the annual financial report referred to in paragraph (a) above and before the lodgement of this Cleansing Notice with ASX.

Copies of documents lodged with ASIC in relation to Beadell may be obtained from, or inspected at, an office of ASIC.

5.2 No further information to disclose

Aside from the information contained in this Cleansing Notice and documents previously lodged by Beadell with the ASX pursuant to its continuous disclosure obligations, there is no additional information that:

- (a) has been excluded from a continuous disclosure notice in accordance with the Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of Beadell; and
 - (ii) the rights and liabilities attaching to the Convertible Note or Beadell Shares to be issued on conversion of the Convertible Note.

6. No Responsibility

Neither ASX nor the ASIC take responsibility for the contents of this Cleansing Notice.