



ASX ANNOUNCEMENT
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HIGH GRADE GOLD DISCOVERY CONFIRMED, BRAZIL
NEW RESULTS UP TO 192.6 g/t GOLD

Beadell Resources Limited (“**Beadell**”) is pleased to announce that a major new gold discovery has been confirmed within the Tartaruga Project in Brazil with additional face sampling rock chip results including **192.6 g/t** gold, **105.4 g/t** gold and **98.2 g/t** gold over a mineralised strike length in excess of 400 m open in all directions. The new discovery, called “**Rio de Ouro**”, is located only 2 km east of the current resource area of Mineiro and Mandiocal (Figure 1). These results follow on from the initial announcement of the discovery where up to **470 g/t** gold was reported (see ASX Release 23 November 2009).

A total of 17 additional rock chip face samples were collected in late December 2009 which averaged **25.3 g/t**. Significant results are tabulated in Table 1 and presented in plan view in Figure 1.

A face sampling traverse completed west of the original **470 g/t** rock chip confirmed the continuity of the high grade shear / vein hosted gold mineralisation with results up to **105.4 g/t** gold. This sampling highlighted the existence of multiple high grade parallel zones assaying **14.7 g/t** and **6.2 g/t** (Figure 1). The sampling also demonstrated that lower grade mineralised halos to the high grade zones are also present.

A further face sampling traverse completed in the eastern extension of the artisanal (garimpo) mining area also intersected very high grade mineralisation with results up to **192.6 g/t** (Figure 1). A continuous *insitu* face sample across this whole zone was not possible due to a 1 m area of loose rock material within the core of the high grade zone which was not sampled. Face sampling on the southern margin of the zone intersected **1.7 m @ 12.5 g/t** including **0.2 m @ 98.2 g/t** gold. The eastern extension of this zone remains completely open.

The Rio de Ouro discovery is located immediately east of the Rio (River) Tarataruga Grande where shallow cover associated with the northern delta of the Amazon basin masks the prospective basement rocks. The cover appears to be a thin drape of slowly east deepening fluvial sediments which average 2 m thick on top of the new discovery. The landscape is characterised by open cleared farmland with easy access for drill rigs. A first pass RC drilling program is currently being planned and will be expedited as soon as is possible in the current quarter.

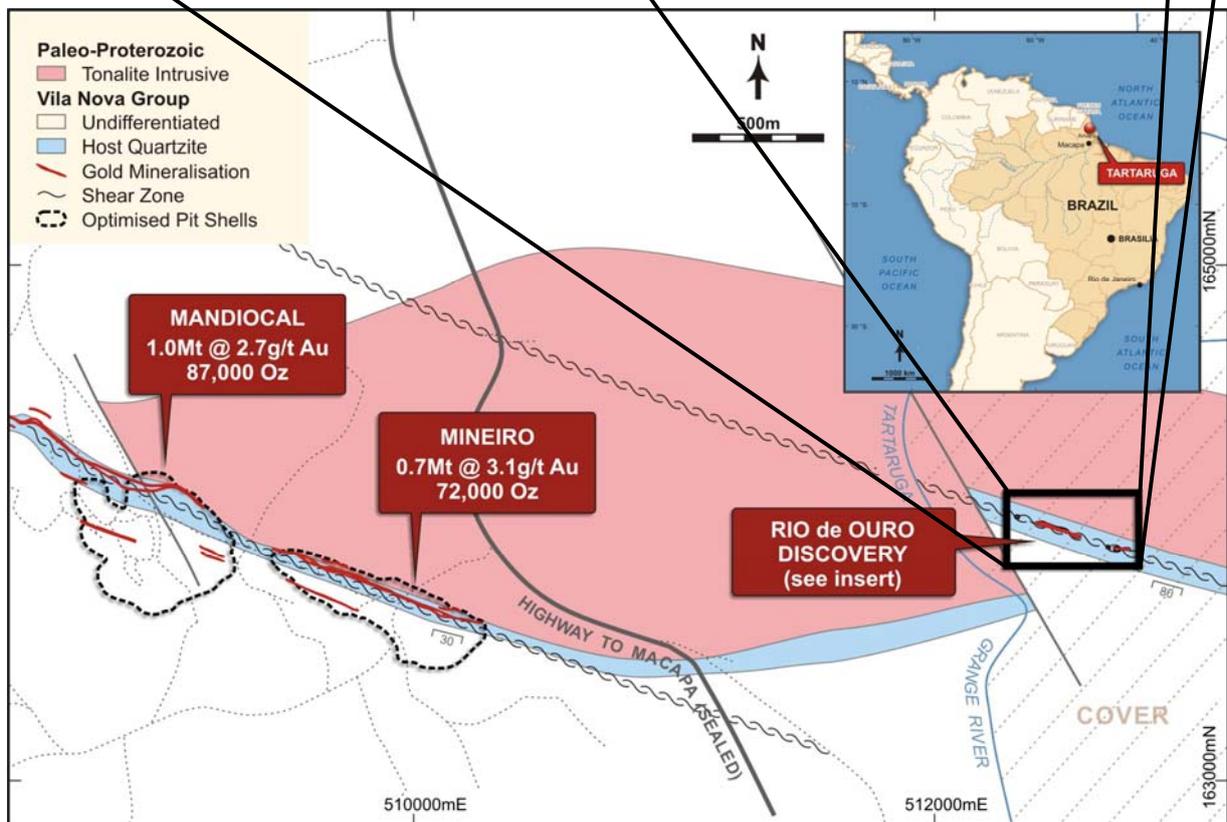
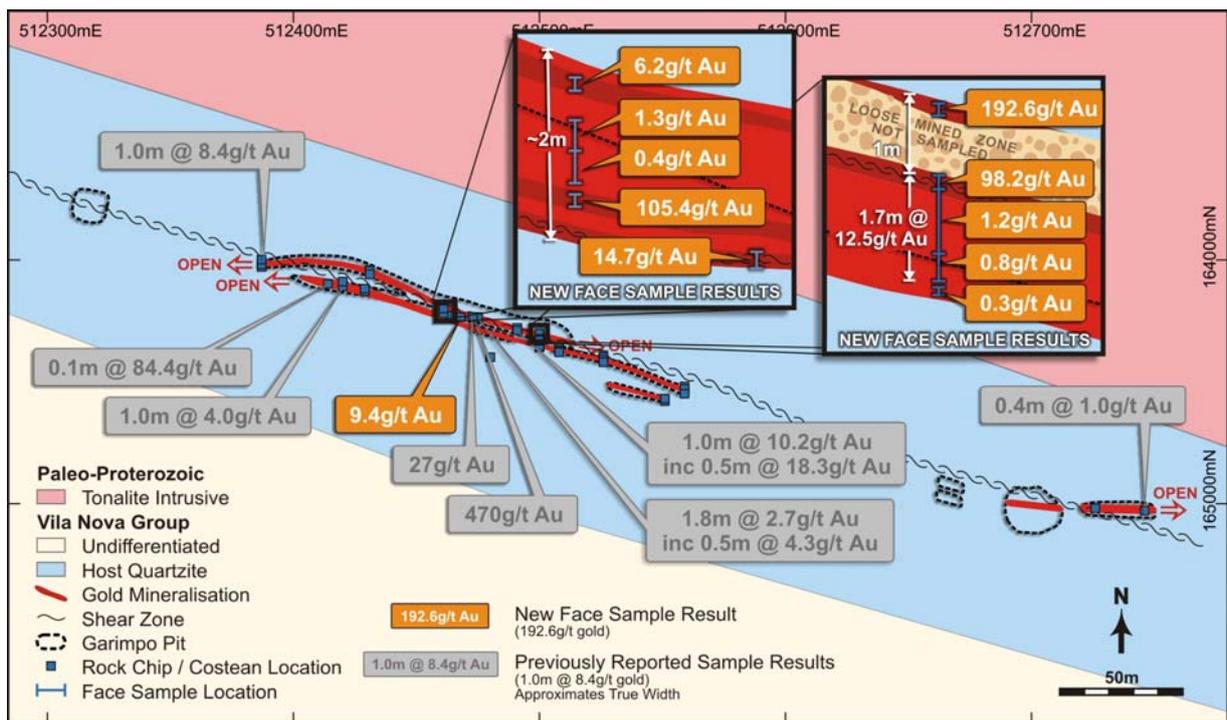


Figure 1. Location of Rio de Ouro Discovery.

Sample Number	Easting	Northing	Length (m)	Gold (g/t)	Face Sample Interval (g/t)
BLT1010	512461E	163979N	0.3	1.3	
BLT1011	"	163978.5N	0.5	0.4	0.8m @ 0.7
BLT1014	"	163978N	0.1	105.4	0.1m @ 105.4
BLT1015	"	163980N	0.1	6.2	0.1m @ 6.2
BLT1012	512468E	163976.5N	0.1	9.4	0.1m @ 9.4
BLT1013	512464E	163977N	0.2	14.7	0.2m @ 14.7
BLT1020	512500E	163969.7N	0.1	192.6	0.1m @ 192.6
BLT1019	"	163968.5N	0.2	98.2	1.7m @ 12.5
BLT1021	"	163967.5N	1.0	1.2	inc 0.2m @ 98.2
BLT1022	"	163967N	0.5	0.8	
BLT1023	"	163966.9N	0.1	0.3	

Table 1. Significant Face sampling rock chip results from Rio de Ouro Discovery.

The Rio de Ouro discovery remains completely undrilled with no previous drilling completed east of the Tartaruga Grande River (Figure 1). Excellent potential exists to define a significant resource in the area of artisanal mining and to explore for extensions and repetitions of the mineralisation along strike.

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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 Australian 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 'Australian 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.