

HIGHLIGHTS

OPERATIONS

- **Gold Sales and Production** – Gold sales and production for the March 2018 quarter were 32,165 ounces and 26,386 ounces respectively.
- **Costs** – Cash costs for the March 2018 quarter were US\$855 per ounce. All-in Sustaining Costs (AISC)* for the March 2018 quarter were US\$1,204 per ounce.
- The Tucano plant upgrade is on schedule and on budget with commissioning forecast for early September 2018 quarter.
- The Company maintains its CY2018 guidance of 145,000 to 155,000 ounces of gold, with AISC forecast to be in the range of US\$1,100 to US\$1,200 per ounce

CORPORATE

- **Gold Sales** – Gold sales for the March 2018 quarter totalled 32,165 ounces at an average cash price received of US\$1,333 per ounce.
- **Cash and Bullion** – Cash and bullion as at 31 March 2018 was A\$10.7 million (as at 31 December 2017 was A\$19.9 million) (bullion valued at AUD/USD = 0.77 and US\$1,325 per ounce).

EXPLORATION

- Near mine exploration completed in the March 2018 quarter continued to focus on the Tap AB complex targeting extensions and definition of Neo Lode, Tap AB1 Trough Lode, Torres and Urso. Results will be released shortly.
- The Company's exploration strategy is changing as a result of the plant upgrade. Exploration will be tailored to optimising the blend of sulphide and oxide ore types. The Company has identified high priority brownfields sulphide targets at the predominantly sulphide Urucum deposit, which has open pit reserves of 547,000 ounces at 1.76 g/t gold. An initial step out drill program began in the March 2018 quarter.
- Regional exploration programs continue to delineate sizeable surface geochemical anomalies in the underexplored Tucano greenstone belt. Limited drilling was completed at two targets due to the early onset of the wet season and permitting delays. Surface geochemical programs will continue through the wet season to refine drill targets for dry season in the second half of 2018.

*AISC has been calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP metrics released 27 June 2013.

OPERATIONS

TUCANO GOLD MINE (100%)

| Production Summary | Unit | Mar 2018 Quarter | Dec 2017 Quarter | % | Mar 2017 Quarter | % |
|-----------------------------|-----------|------------------|------------------|-------------|------------------|------------|
| Total Waste Moved* | t | 5,866,219 | 6,399,335 | -8% | 2,709,503 | 117% |
| Gold Ore Mined | t | 634,215 | 1,184,112 | -46% | 621,736 | 2% |
| Total Material Moved | t | 6,500,433 | 7,583,446 | -14% | 3,331,239 | 95% |
| Gold Ore Milled | t | 879,907 | 997,030 | -12% | 862,538 | 2% |
| Head Grade | g/t | 1.06 | 1.65 | -36% | 1.16 | -9% |
| Plant Recovery | % | 88.0% | 92.1% | -4% | 88.8% | -1% |
| Total Gold Recovered | oz | 26,386 | 48,739 | -46% | 28,558 | -8% |
| Total Gold Sold | oz | 32,165 | 45,351 | -29% | 30,476 | 6% |

| Cash Costs and All-In Sustaining Costs | Unit | Mar 2018 Quarter | Dec 2017 Quarter | % | Mar 2017 Quarter | % |
|--|-------------------|------------------|------------------|------------|------------------|-------------|
| On-Site Production Costs | US\$/ounce | 789 | 806 | -2% | 1,024 | -23% |
| On-Site G&A Costs | US\$/ounce | 66 | 45 | 47% | 61 | 8% |
| Cash Costs | US\$/ounce | 855 | 851 | 0% | 1,085 | -21% |
| Royalties | US\$/ounce | 33 | 33 | 0% | 24 | 38% |
| On-Site Corporate Costs | US\$/ounce | 42 | 34 | 24% | 30 | 40% |
| Exploration Costs (Sustaining) | US\$/ounce | 7 | 1 | 600% | 0 | -% |
| Capitalised Stripping Costs (Sustaining) | US\$/ounce | 260 | 8 | 3,150% | 0 | -% |
| Capital Expenditure (Sustaining) | US\$/ounce | 7 | 6 | 17% | 22 | -68% |
| All-In Sustaining Costs* | US\$/ounce | 1,204 | 933 | 29% | 1,161 | 4% |

* AISC has been calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP metrics released 27 June 2013 and in accordance with this Guidance Note, gold ounces sold are used as the denominator in the cost per ounce calculations. Production costs are inclusive of the effects of ore stockpile and GIC inventory movements.

Production

Gold recovered in the March 2018 quarter totalled 26,386 ounces, a decrease of 8% over the March 2017 quarter. This was due to 9% reduction in grade and 1% drop in recovery offset by a 2% increase in processed tonnes. Comparing the March 2018 quarter to the December 2017 quarter, production was down 46%. This was predominantly due to a 36% grade decrease and 12% decline in processed tonnes.

Costs

Reported AISC per ounce for the March 2018 quarter increased 29% from the December 2017 quarter due to increased waste stripping to access higher grade oxide ore for processing in the June 2018 quarter combined with a 36% grade decrease.

The Company is undertaking a plant upgrade at Tucano that will result in full optimisation of the mine to mill by removing the constraint on sulphide ore processing. The Tucano plant will transition from being able to process a maximum 20% sulphide ore to 100% sulphide ore.

The Company's efficiency and cost review commenced in late 2017 and will be completed in 2018.

Mining

In the March 2018 quarter 634,215 tonnes of gold ore were mined, an increase of 2% over the March 2017 quarter. Total material movement was 6,500,433 tonnes, an increase of 95% over the March 2017 quarter. The increased material movement resulted from improved mining productivity, the addition of the second mining contractor in July 2017 and a focus on waste stripping campaigns at the predominantly sulphide Urucum pit in preparation for completion of the plant upgrade in mid-2018 and Tap C pits.

Total mined has been above planned for the quarter in both Urucum and Tap C mining areas, which has offset the lower than planned production in Tap AB. Additional mining fleet will arrive in April and May to assist with increasing the production in the Tap AB Pit to make up the shortfall.

The mine will transition from predominately oxide to sulphide ore in the September and December 2018 quarters concurrent with completion of the Tucano plant upgrade. The mining team has a focus on improving mine planning efficiencies to ensure an optimised material blend is sent to the mill.

Processing

During the quarter CIL plant throughput was 879,907 tonnes, an increase of 2% over the March 2017 quarter and the process plant recovery for the period was 88.0%. The mill feed grade was 1.06 g/t gold, 9% lower than the same period last year due to lower than planned production in Tap AB.

The Tucano plant continues to perform well and processed approximately 15,000 tonnes more ore than planned during the quarter, despite the shutdown associated with the planned mill reline in March.

Various oxide stockpiles were used to facilitate the blend through the mill during the quarter. Total high grade and low grade gold ore stockpile ounces at the end of March 2018 decreased by 6% to 2.76 million tonnes @ 0.65 g/t for 57,500 ounces, whilst marginal stockpiles of 1.5 million tonnes @ 0.43 g/t for 20,400 ounces remained static. The decrease in stockpiles was principally due to a drawdown of in high grade and low grade oxide stockpiles on the ROM following the completion of the phase pit in Tap AB1 Trough Lode. Spent Ore was also drawn down by 13% to supply oxide feed to the plant during this period. 0.47 million tonnes @ 0.70 g/t for 10,500 ounces form part of the ROM expansion and are not included in the high and low grade ore stockpile total.

CORPORATE & FINANCE

Gold Sales

Gold sales for the March 2018 quarter totalled 32,165 ounces at an average cash price received of US\$1,333 per ounce.

Cash & Bullion

Cash and Bullion as at 31 March 2018 was A\$10.7 million (as at 31 December 2017 was A\$19.9 million) (bullion valued at AUD/USD = 0.77 and US\$1,325 per ounce).

Capital and Exploration Expenditure

Non-sustaining capital expenditure for the quarter was A\$9.5 million, which was largely associated with the Tucano Plant Upgrade, construction of long term tailings storage facilities and hydro-electric grid power transition costs.

Non-sustaining exploration expenditure for the quarter was A\$1.5 million.

EXPLORATION

In the March 2018 quarter 19,825 m of drilling, comprising 15,161 m of grade control reverse circulation (RC) drilling and 4,078 m of exploration/resource delineation RC drilling, was completed. In addition, 586 m of diamond drilling was also completed.

An exploration update detailing results from near mine and regional exploration programs will be released shortly.

Near mine exploration completed in the March 2018 quarter continued to focus on the Tap AB complex targeting extensions and definition of Neo Lode, Tap AB1 Trough Lode, Torres and Urso.

With the Plant upgrade almost complete and resultant flexibility to process up to 100% sulphide ore, the near mine exploration can now focus on the highest potential targets versus the previous focus on oxide ore sources. The largest deposit at Tucano is Urucum, which will become the main ore source over the coming years due to its lower strip ratio. Urucum was underexplored as it is a predominantly sulphide orebody as weathering has only occurred to an approximate 20 m depth. Resource extension and definition drilling commenced in the March 2018 quarter as there is known mineralisation that is not in resource or reserve category. Both the open pit and underground potential at Urucum will become a priority for ongoing exploration and resource definition drilling.

Regional exploration continued to successfully delineate sizeable and encouraging surface geochemical anomalies within the Tucano greenstone belt. Mapping and stream sediment sampling occurred northeast of Tucano and at T3 and Serra da Canga East, including collection of 41 fine fraction samples, 173 soil samples and 2,318 m of blast hole drilling.

The early onset of the wet season resulted in limited drill access at Mutum and T3; however a total of six RC holes (409 m) were completed at Mutum and four RC holes (252 m) at T3.

| ASX Code: BDR | | | |
|--|-------------------------|--|---------------------------|
| Board of Directors | | Senior Management | |
| Craig Readhead | Non-Exec. Chairman | Simon Jackson | CEO & Managing Director |
| Simon Jackson | CEO & Managing Director | Greg Barrett | CFO / Company Secretary |
| Nicole Adshead-Bell | Non-Exec. Director | Peter Holmes | Chief Operating Officer |
| Brant E. Hinze | Non-Exec. Director | Graham Donahue | Head of Corp. Develop. |
| Timo Jauristo | Non-Exec. Director | Luis Pablo Diaz | General Manager - Brazil |
| | | Julio Cesar Carneiro | Finance Director - Brazil |
| Corporate Details | | Head Office | |
| Issued capital: 1,233,430,847 ordinary shares (as at 31 March 2018) | | Level 2, 16 Ord Street West Perth 6005 | |
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