



ASX ANNOUNCEMENT
ASX Code: BDR

31 August 2009

METEORIC FARM IN AGREEMENT
LAKE MACKAY PROJECT

Beadell Resources Limited (“**Beadell**”) is pleased to announce that a Farm in Agreement has been entered into with Meteoric Resources Ltd (“**Meteoric**” – ASX Code: MEI) on the Company’s Lake Mackay project in Western Australia (Figure 1).

The Lake Mackay project covers an area of 1530 km² over two adjacent project areas named Dwarf Well and Mt Webb. The tenements are considered to be highly prospective for Iron Oxide Copper Gold (IOCG) type mineralisation within unexplored Proterozoic rocks of the Tanami – Arunta province, which hosts the 15 Moz Tanami Goldfields and the Tennant Creek Goldfields. Key coincident aeromagnetic and gravity geophysical anomalies have been identified within the project area and will be the focus of exploration by Meteoric.

The prospectivity of the Lake Mackay project was recently highlighted with an award for an \$86,000 subsidy by the Western Australian Government under the Exploration Initiative Scheme to cofund first pass drilling of the identified geophysical and geochemical targets.

Key Terms of the Agreement

The following key terms form the basis of the Farm in Agreement:

1. Meteoric to complete at least 7000 m of RAB/AC drilling by 14 June 2010.
2. Meteoric spend \$400 000 on Exploration Expenditure within 3 years to earn 51% equity.
3. Upon Meteoric earning its 51% equity it can elect to earn an additional 19% by the additional expenditure of \$400 000 in an additional 2 year period.
4. Upon Meteoric earning its 70% equity, Beadell can elect to either contribute or dilute.
5. Meteoric and Beadell hold normal pre-emptive rights over each other’s interest and Oz Minerals Limited has the right to acquire, at fair market value, a 51% interest in any of the joint venture tenements in which Beadell or Meteoric identify a resource of 800 000 tonnes of copper, 3 million ounces of gold or 200 000 tonnes of nickel.

Beadell Resources Limited

Second Floor, 16 Ord Street, West Perth 6005, Western Australia
PO Box 542, West Perth 6872, Western Australia
Telephone: +61 8 9429 0800 | Facsimile: +61 8 9481 3176

6. The Agreement is subject to executing an assignment of the Native Title Agreement.

Dwarf Well Prospect

The Dwarf Well project encompasses two distinct coincident bullseye magnetic and gravity anomalies which are considered to be highly prospective IOCG type mineralisation. First pass field work was completed at Dwarf Well in May with wide spaced, 1 km x 1 km spaced magnetic lag sampling believed to be first ever field reconnaissance work by anyone in this region.

The western geophysical anomaly named "Radiator" is completely covered by Aeolian sand, however a single metre wide outcrop immediately northwest of the geophysical anomaly contained brecciated fine grained felsic rock with abundant iron oxides and elevated copper of 313 ppm.

Limited work was completed on the eastern geophysical anomaly, however a single traverse across the northern part identified widespread brecciated and altered felsic rocks with disseminated iron oxides. While no outcrop was observed directly over the geophysical anomalies a highly anomalous soil result of 423 ppm copper with coincident elevated gold of 5 ppb is situated east of the geophysical anomaly.

Mt Webb Prospect

First pass soil sampling, rock chip sampling and geological / regolith mapping was undertaken at the Mt Webb Prospect in May. Magnetic lag and sieved soil samples were collected on a 1 km x 1 km grid with highest gold result of 6 ppb gold. The area is characterised by shallow Aeolian sand cover with sporadic outcrop. Widespread deformation and alkali alteration was observed in the volcanic and granitic rocks associated with the Mt Webb granite and coeval Pollock Hills volcanic indicating a good source and host rock setting for IOCG mineralisation.

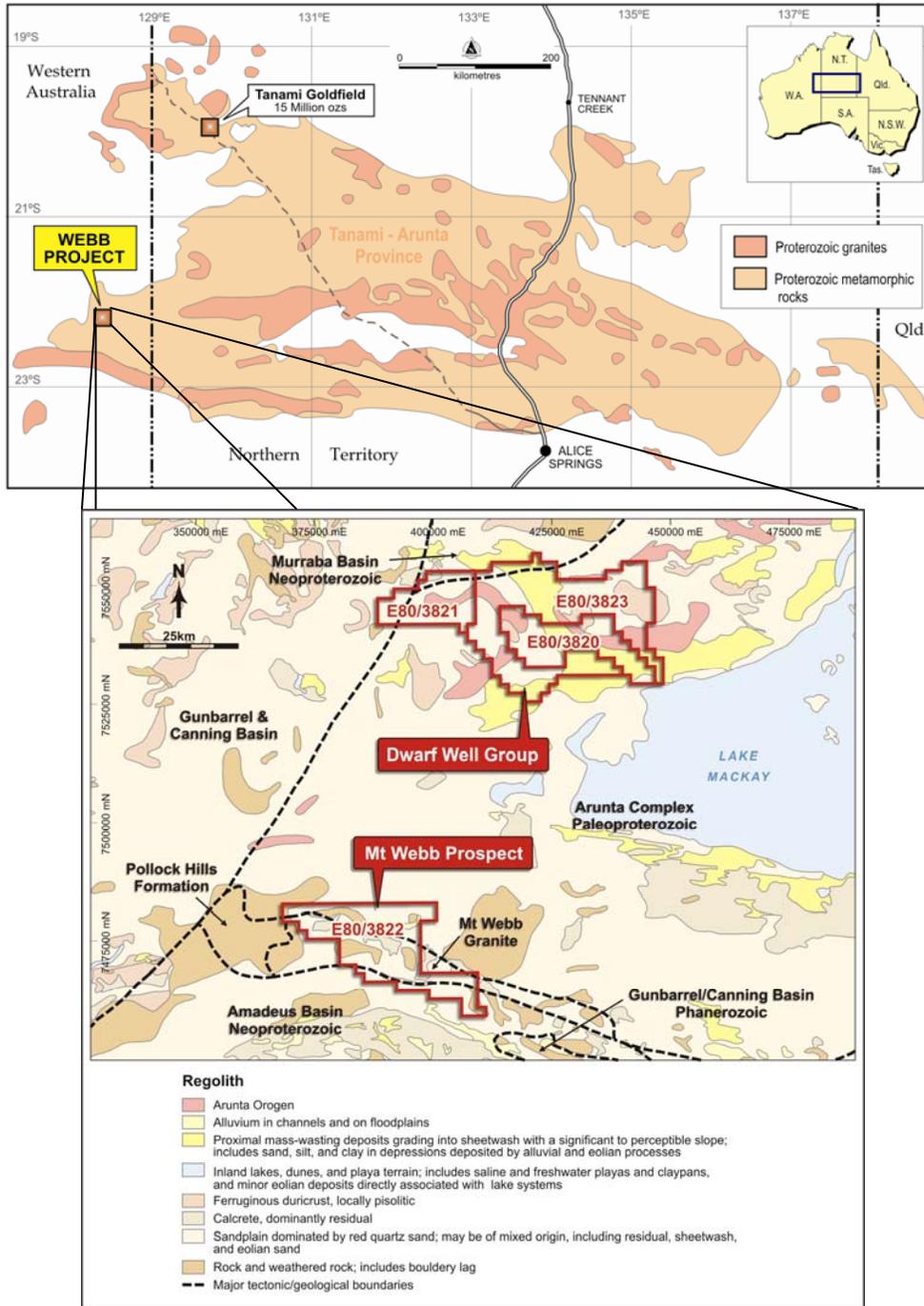


Figure 1. Location plan of Lake Mackay Project, Western Australia.

For further information please contact:

Peter Bowler | **Managing Director**
 T: +61 8 9429 0801
peter.bowler@beadellresources.com.au

Robert Watkins | **Executive Director – Exploration**
 T: +61 8 9429 0802
rob.watkins@beadellresources.com.au

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 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.