



ASX ANNOUNCEMENT
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20 January 2010

TUCANO DRILLING UPDATE - 18.6 m @ 12.5 g/t & 10 m @ 8.7 g/t GOLD

- **FD1335 18.6 m @ 12.5 g/t & 10m @ 8.7 g/t**
 - **F986 5 m @ 10.2 g/t**
 - **FD1312 7.3 m @ 10.6 g/t**

Beadell Resources Limited (**Beadell**) is pleased to announce that further significant drill results have been received from the Company's Tucano Gold Project in Brazil from the Tapereba AB, Urucum and Tapereba D deposits. A total of 8 drill rigs are in operation at Tucano, rapidly growing the magnitude and quality of the current 4.3 Moz resource base (Table 1). Key results include;

- **Tapereba AB3** northern depth extension at the base of and below the current optimised pit, including **FD1335, 18.6 m @ 12.5 g/t gold** from 86.4 m including **4.4 m @ 20.9 g/t gold** from 92 m and **2 m @ 37.4 g/t gold** from 103 m, **10 m @ 8.7 g/t gold** from 149 m including **5 m @ 16.0 g/t gold** from 151 m.
- **Tapereba AB2** Trough Zone result **FD1312, 7.3 m @ 10.6 g/t gold** from 84.8 m including **3 m @ 23.2 g/t gold** from 84.8 m.
- **Urucum** reverse circulation drilling results **F986, 5 m @ 10.2 g/t gold** from 26 m and **F1002, 12 m @ 4.1 g/t gold** from 16 m, **F990, 9 m @ 4.1 g/t gold** from 3 m.

Drilling in the December period has been focussed predominantly on infill drilling of the resource to convert inferred resources within the optimised pits shells into indicated status prior to final re-optimisation for the Definitive Feasibility Study (**DFS**). The resultant maiden reserve is on track to be announced at the end of February 2011.

Significant geotechnical and hydrogeological drilling has also been completed over the last month with results from this work being incorporated into the DFS parameters.

Drilling will now focus on increasing the resource base by extending the shallow plunging high grade zones which remain open at all the deposits as well as commencing regional exploration targeting the highly prospective Duck Head and Sucuriju prospects.

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Tapereba AB3 – Northern depth extension intersection enhances potential to extend the pit depth

An exceptional result was received from FD1335 of **18.6 m @ 12.5 g/t gold** from 86.4 m including **4.4 m @ 20.9 g/t gold** from 92 m and **2 m @ 37.4 g/t gold** from 103 m, **10 m @ 8.7 g/t gold** from 149 m, including **5 m @ 16.0 g/t gold** from 151 m (Figures 1 & 2). This result, from the base of and below the current optimised pit, highlights the potential for further pit optimisation depth extensions into the northern part of Tapereba AB3. Results from a further drill hole targeted directly beneath FD1335 are expected in the next few weeks.

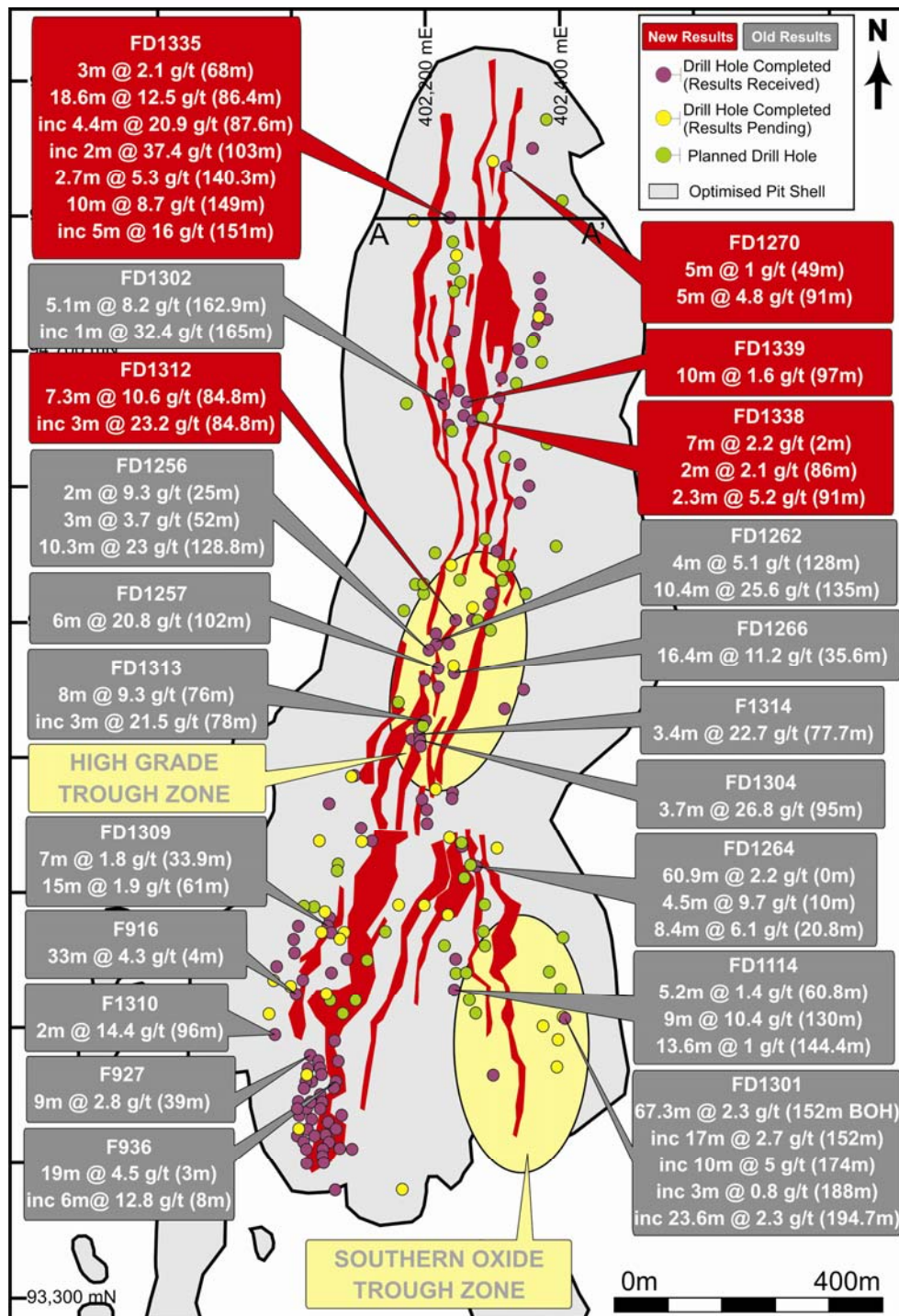


Figure 1. Tapereba AB plan showing location of new results

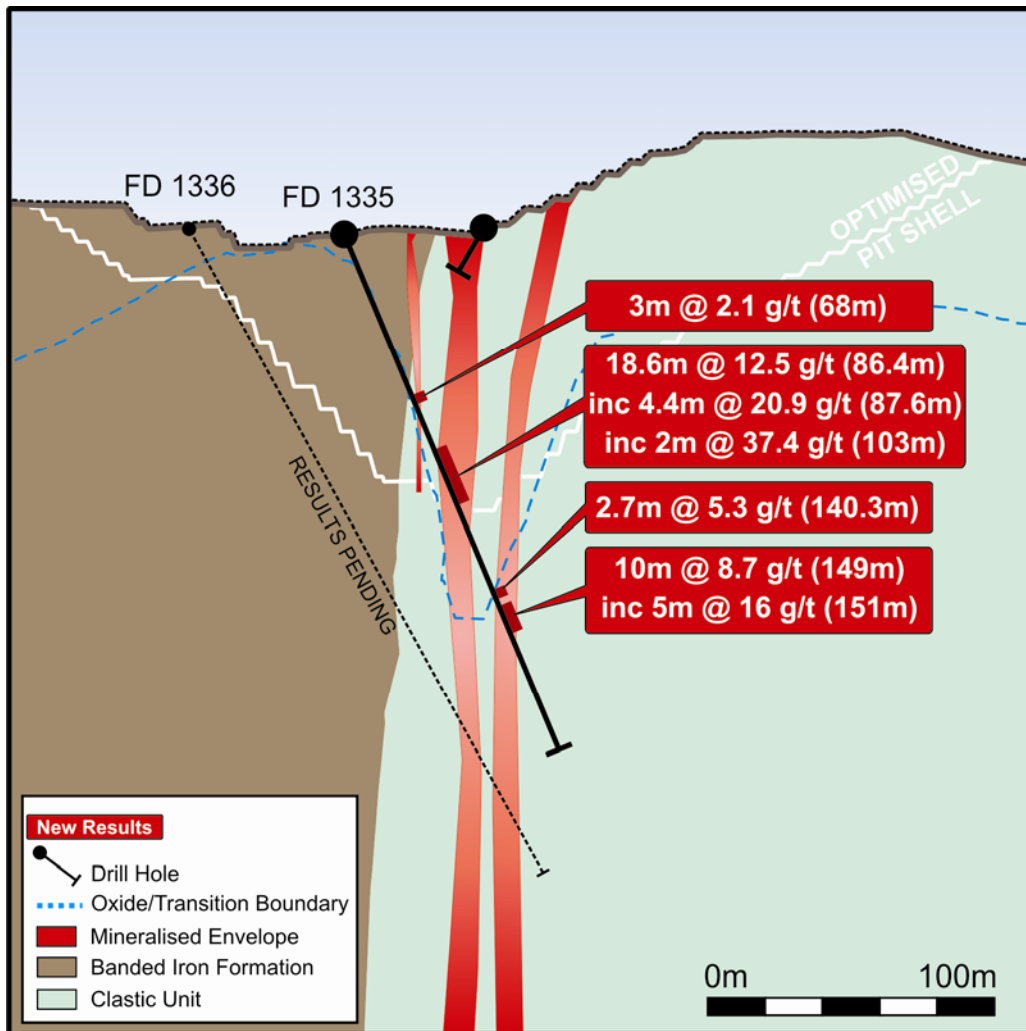


Figure 2. Tapereba AB3 Drill Section 94895N Showing Results from FD1335

Tapereba AB2 – Infill drilling of the high grade Trough Zone 7.3 m @ 10.6 g/t gold

Further significant results were received from infill drilling of the high grade Trough Zone at Tapereba AB2 including FD1312, **7.3 m @ 10.6 g/t gold** from 84.8 m, including **3 m @ 23.2 g/t gold** from 84.8 m.

Additional drilling is planned to test the depth extension of the Trough Zone targeting a moderate north plunge under the "saddle" between Tapereba AB2 and Taperaba AB3.

Urucum – Infill RC drill results including 5 m @ 10.2 g/t, 10 m @ 2.1 g/t and 12 m @ 4.1 g/t

Infill drilling of the Urucum deposit with shallow RC drilling has been prioritised to convert inferred resources to indicated status. Results from this drilling include F986, **5 m @ 10.2 g/t gold** from 26 m, F992, **10 m @ 2.1 g/t gold** from 64 m, F993, **18 m @ 1.6 g/t gold from surface** and **7 m @ 2.4 g/t gold** from 23 m, F1002, **12 m @ 4.1 g/t gold** from 16 m and F990, **9 m @ 4.1 g/t gold** from 3 m.

A deeper diamond hole at Urucum intersected **2.5 m @ 17.7 g/t gold** from 150.3 m in FD1294.

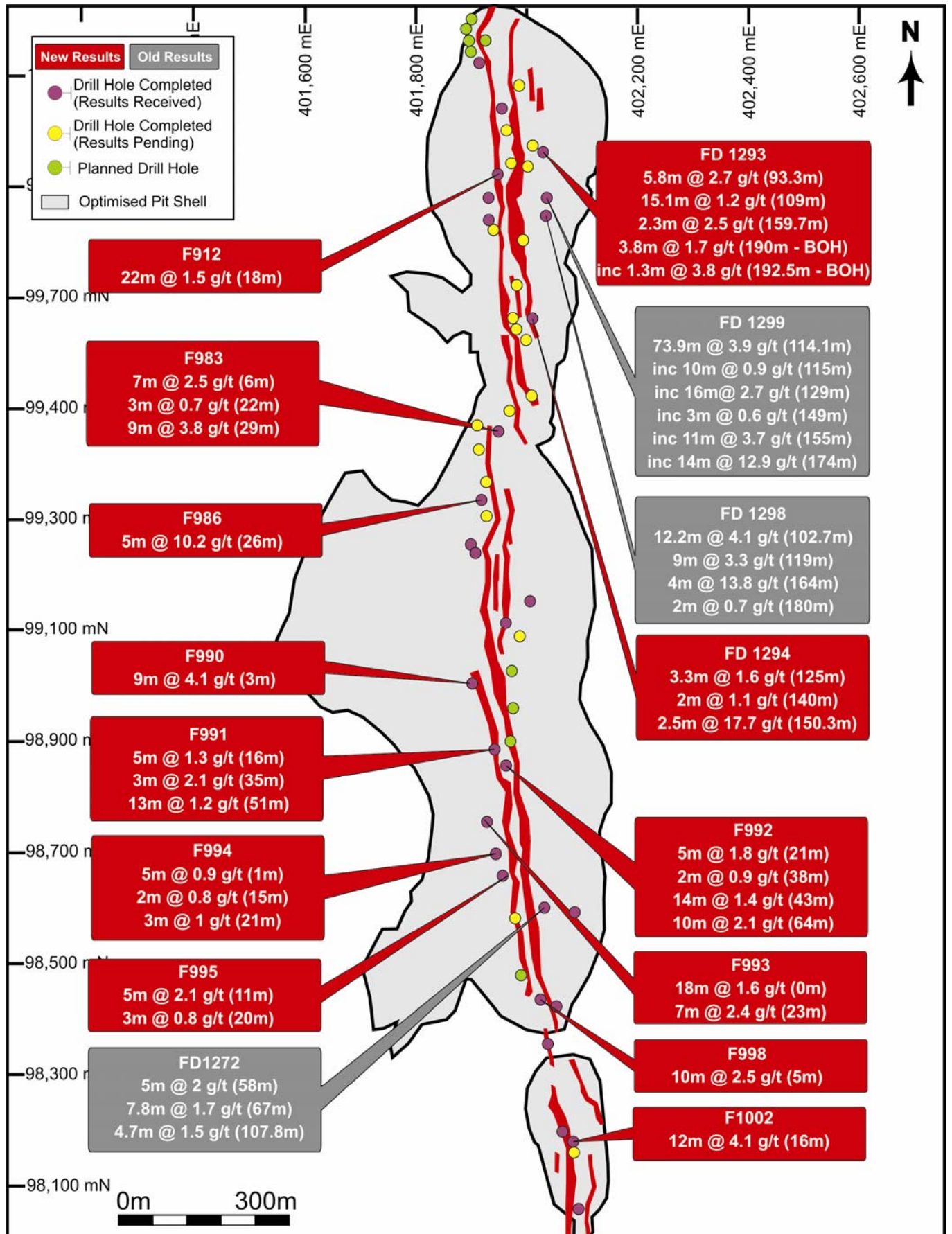


Figure 3. Urucum plan showing location of new Drill Results.

Tapereba D – Hydrogeological drilling intersected 9 m @ 4.5 g/t gold to bottom of hole

Hydrogeological and geotechnical drilling at the Tapereba D deposit intersected significant gold mineralisation in SRKHG03 of **9 m @ 4.5 g/t gold from 72 m to bottom of hole**. Tapereba D is a small satellite deposit located adjacent to the plant site which will be mined prior to commissioning of the gold plant so that in-pit tailings can initially be deposited in a stage 1 tailings dam facility.

No resource drilling has been completed at Tapereba D other than the hydrogeological and geotechnical drilling.

Target	Hole	From (m)	To (m)	Length (m)	Gold (g/t)
Tapereba AB3	FD1270	49	54	5	1.0
		91	96	5	4.8
Tapereba AB3	FD1271	112	114	2	1.0
Tapereba AB2	FD1312	84.8	92.1	7.3	10.6
		Incl. 84.8	87.8	3	23.2
Tapereba AB3	FD1335	68	71	3	2.1
		86.4	105	18.6	12.5
		Incl. 87.6	92	4.4	20.9
		103	105	2	37.4
		140.3	143	2.7	5.3
		149	159	10	8.7
Tapereba AB3	FD1338	Incl. 151	156	5	16.0
		2	9	7	2.2
		40.4	44	3.6	0.5
		86	88	2	2.1
		91	93.3	2.3	5.2
Tapereba AB3	FD1339	97	107	10	1.6
Urucum	FD1293	93.3	99.1	5.8	2.7
		109	124.1	15.1	1.2
		159.7	162	2.3	2.5
		190	193.8	3.8	1.7
		Incl. 192.5	193.8 (BOH)	1.3	3.8
Urucum	FD1294	125	128.3	3.3	1.6
		140	142	2	1.1
		150.3	152.8	2.5	17.7
Urucum	F912	18	40	22	1.5
Urucum	F983	6	13	7	2.5
		22	25	3	0.7
		29	38	9	3.8
Urucum	F986	26	31	5	10.2
Urucum	F988	0	3	3	0.7
Urucum	F989	4	13	9	0.6
Urucum	F990	3	12	9	4.1
Urucum	F991	16	21	5	1.3
		26	31	5	0.7
		35	38	3	2.1
		45	48	3	0.6
		51	64	13	1.2

Urucum	F992	21	26	5	1.8
		38	40	2	0.9
		43	57	14	1.4
		64	74	10	2.1
Urucum	F993	0	18	18	1.6
		23	30	7	2.4
Urucum	F994	1	6	5	0.9
		15	17	2	0.8
		21	24	3	1.0
Urucum	F995	0	2	2	0.8
		5	7	2	0.6
		11	16	5	2.1
		20	23	3	0.8
Urucum	F999	28	30	2	0.5
Urucum	F1002	16	28	12	4.1
Urucum	F1005	4	7	3	0.7
Tapereba AB2	SRKHG01	9	11	2	0.9
Tapereba AB1	SRKGT01	79	81	2	0.7
		85.1	91.2	6.1	1.3
Tapereba D	SRKHG03	67	69	2	1.1
		72	81 (BOH)	9	4.5
Tapereba C	SRKHG04	101	110	9	1.1
Tapereba D	SRKHG07	65	67	2	2.2
		92	94	2	2.0
		103	111	8	2.8
Tapereba D	SRKGT22	9.8	16.8	7	0.6

Results are reported at greater than 0.5 g/t gold with no more than 2 m internal dilution. BOH = Bottom of hole. Drill holes with prefix SRK denote holes drilled targeting geotechnical and hydrogeological targets.

Table 1. New Tucano Drill Results

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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 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.