



ASX ANNOUNCEMENT
ASX Code: BDR

21 March 2011

POTENTIAL IRON ORE PRODUCTION FROM GOLD PLANT TAILINGS

Following ongoing discussions with Anglo American Plc in relation to various joint initiatives, Beadell Resources Ltd (**Beadell**) is pleased to report it will expand the scope of works of the Definitive Feasibility Study (**DFS**). Ausenco Ltd, who is presently concluding the DFS at the Company's Tucano Gold Project in Brazil, will now also investigate the viability of a value add initiative which includes producing Iron Ore Pellet feed from future Carbon in Leach (**CIL**) Tailings.

The initial test work program will include but not be limited to:

- determining a full sizing of the tailings solids which is expected from the Company's proposed 3.5 million tonnes per annum CIL Plant;
- undertake a chemical analysis to determine the percentage iron content and other elements in the tailings to confirm and report on the expected quality of the iron ore concentrate;
- undertake flotation test work to assess amenability with the current grade and recovery data and to determine possible flotation feedstock and likely subsequent concentrate quality; and
- consider a Phase 2 program for incorporation into the DFS;

Beadell's Managing Director, Peter Bowler commented "We are embarking on this important study in close consultation with our adjacent neighbors, Anglo American Plc, who have a large Iron Ore Beneficiation Operation with all associated infrastructure and marketing logistics firmly in place within 3.5 kms from our gold project. While the results of this study are unknown, any value add initiatives associated with our emerging large CIL Gold plant will be of mutual benefit to both parties. We look forward to the outcomes of this study with interest as we move towards gold production from Tucano early next year".

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