



ASX ANNOUNCEMENT
ASX Code: **BDR**

23 March 2011

TUCANO GOLD DRILLING UPDATE

- **3 m @ 45.9 g/t gold & 14 m @ 19.9 g/t gold**
- **15 m @ 7.6 g/t gold**
- **8.5 m @ 5.7 g/t gold**
- **10.8 m @ 2.9 g/t gold & 13.3 m @ 3.7 g/t gold**

Beadell Resources Limited (**Beadell**) is pleased to announce that further highly significant new drill results including **3 m @ 45.9 g/t gold** from 139 m including **1 m @ 127 g/t gold** from 139 m and **14 m @ 19.9 g/t gold** from 214 m including **5 m @ 42.8 g/t gold** from 222.3 m in FD1095 continue to extend zones of high grade mineralisation in all parts of the Tapereba AB deposit (See Figures 1 & 2).

The new results demonstrate the potential for future resource and reserve additions with ongoing drilling. Optimised pits have been finalised for the Definitive Feasibility Study (**DFS**) and are due to be announced shortly. However, drill assays received since closing off of the database, which include results previously announced on 1 March 2011 of up to **17.6 m @ 11.6 g/t gold** including **6 m @ 30 g/t gold**, has necessitated the need to update the resource model and reoptimise the pits at the earliest possible date.

This is particularly relevant for the high grade Trough Zone at Tapereba AB 2 where the current open pit optimisation is effectively bottoming out on high grade indicated material. Drilling to extend the high grade trough zone beneath the current optimised pit have produced the exceptional results released today in FD1095, **3 m @ 45 g/t gold** from 139m and **14 m @ 19.9 g/t gold** from 214 m and a further hole drilled 40 m along strike to the north which reported **15 m @ 7.6 g/t gold** from 197 m in FD1096.

These results combined with the near term opportunity to include the substantial iron ore resource into the economic assessment of the Tucano gold pits is further evidence of the significant upside potential with this project.

Tapereba AB1 – South east extension, FD1086, 10.8 m @ 2.9 g/t gold & 13.3 m @ 3.7 g/t gold

Further significant gold results were received from the Tapereba AB1 southeast extension, which remains open to the south. Results include **FD1086, 10.8 m @ 2.9 g/t gold from 149.6 m, 13.3 m @ 3.7 g/t gold from 168.8 m and 11.6 m @ 1.7 g/t gold from 248 m**. This hole was drilled up dip from a previously reported result FD1301 of **67.3 m @ 2.3 g/t to bottom of hole**.

All the mineralisation intersected in the south east extension of Tapereba AB is hosted within an extremely deep weathered profile in excess of 200 m providing an excellent source of high grade oxide mineralisation.

Tapereba AB2 – Extension of the high grade Trough Zone, 14 m @ 19.9 g/t gold and 15 m @ 7.6 g/t

Down plunge extensions of the high grade Trough Zone continue to produce exceptional results including a new result in FD1095 of **3 m @ 45.9 g/t gold** from 139 m and **14 m @ 19.9 g/t gold** from 214 m. A further result, 40 m along strike to the north at a similar RL intersected **15 m @ 7.6 g/t gold** from 197 m in FD1096. An additional result 140 m south of FD1095 intersected **8.5 m @ 5.7 g/t gold** from 142 m in FD1119 (see Figures 1 & 2)

These new results from Tapereba AB2 are below the current optimised pit and represent down plunge extensions of the high grade shoot which remains open. The current optimised pit is bottoming out on the high grade indicated material and the inclusion of the new drilling to convert inferred resources into indicated is expected to have further positive increases in the depth of the ultimate optimised pit.

Tapereba AB remains the focus of drilling and ongoing resource and open pit modelling due to the higher grade nature of the deposit which is expected deliver a head grade from open pit mining in excess of 2 g/t gold. The extreme deep weathering of the mineralised zones forms a large easy milling oxide component to the ore. In conjunction with the significant iron ore resource this deposit continues to grow into an excellent gold and iron ore orebody.

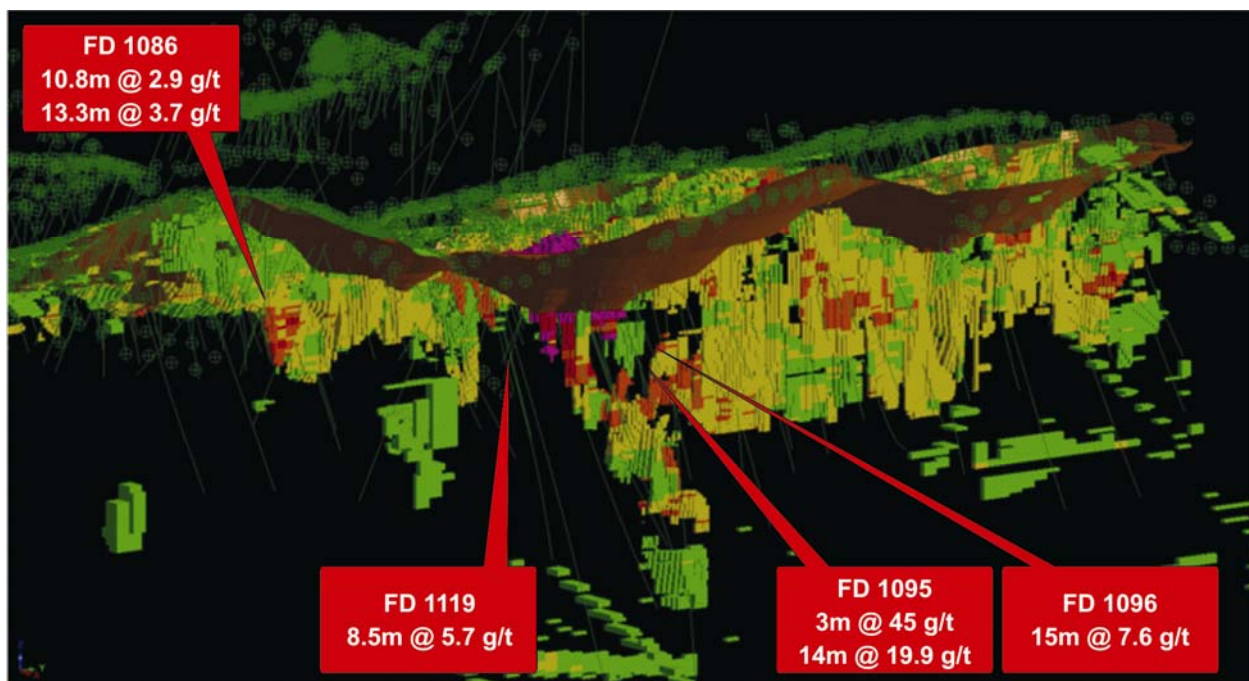


Figure 1. 3D view of Tapereba AB optimised pit outline, looking northwest with new gold results

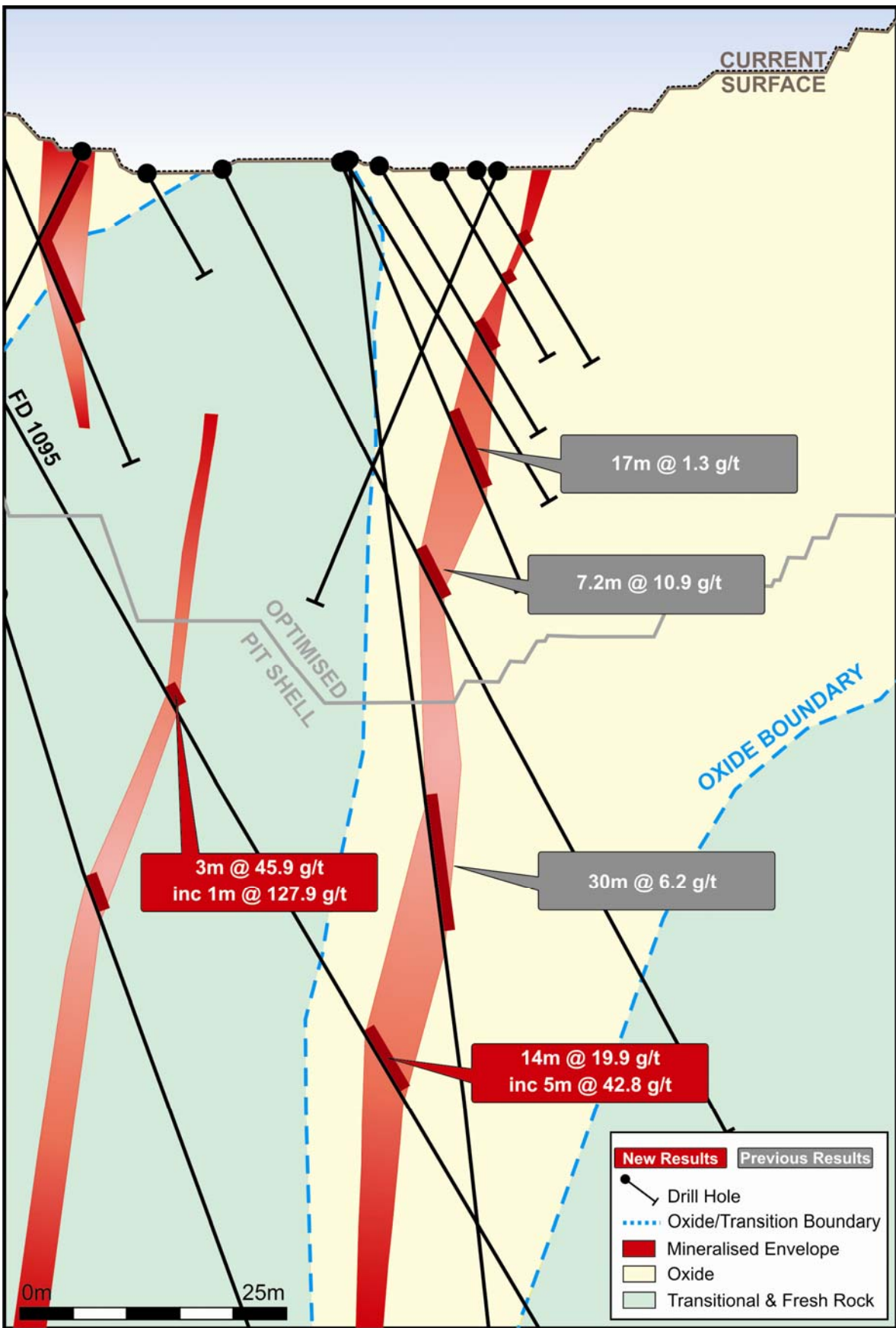


Figure 2. Drill Section 94315N Showing Results from FD1095

Target	Hole	From (m)	To (m)	Length (m)	Gold (g/t)
Urucum	FD1073	28	35	7	0.5
		97.4	98.6	1.2	5.3
		138	143.1	5.1	0.9
Tapereba AB1	FD1086	149.6	160.4	10.8	2.9
		168.8	182.1	13.3	3.7
		217	226	9	0.8
		232.1	234.1	2	0.8
		248	259.6	11.6	1.7
Tapereba AB2	FD1095	139	142	3	45.9
		139	140	1	127.9
		214	228	14	19.9
		222.3	227.3	5	42.8
Tapereba AB2	FD1096	197	212	15	7.6
Tapereba AB2	FD1119	0	4	4	1.2
		16	19	3	0.7
		142	150.5	8.5	5.7
		252	253	1	9.5
Tapereba AB1	FD1127	128	132	4	0.5
		136.5	145	8.5	1
		157	160	3	0.5
Gap	F1027	46	51	5	1.8
Tapereba AB3	F1015	35	37	2	2.5

* All other results reported as >0.5g/t with no greater than 2 m internal dilution. BOH is result to bottom of hole.

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.