



ASX ANNOUNCEMENT
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TUCANO UPDATE

Beadell Resources Limited (“**Beadell**” or “the **Company**”) is pleased to provide an update on recent progress of the newly commissioned 100% owned Tucano CIL Gold Plant in Brazil.

Mining

In spite of anticipated heavy wet season rainfall in January and February, the earthmoving fleet has exceeded expectations and is consistently above budget for tonnes moved, and at lower cost. Total material moved at ~US\$2.10 per tonne for the year to date is significantly below the expected costs during ramp up. Further productivity and cost improvements are expected over the ensuing months with the arrival of additional new earthmoving equipment.

Indicator	Unit	YTD (12 Feb 2013)		
		Budget	Actual	Δ%
Total Material Moved	t	1,430,555	1,702,910	19.0%
Total Gold Ore	t	248,894	291,834	17.3%
Grade Control Drilling	m	5,117	11,462	124.0%

Table 1. Total material moved and Grade Control Drilling 1 Jan – 12 Feb

Throughput

CIL Gold Plant throughput has accelerated rapidly and is presently close to an annualised rate of 4 million dry tonnes per annum, 14% over the 3.5 Mtpa nameplate capacity and within two months of commissioning. YTD throughput head grade has been in line with the YTD budget of 1.7 g/t gold.

Gold production and recoveries

All areas of the CIL gold plant including the gold elution circuit are now performing well with resultant strong gold pours. Unaudited approximate gold bullion sales/shipments this week alone are forecast to be between 3,900 and 4,100 ounces. Power and reagent use within the circuit are either below or on budget.

Gold recovery has also improved and remains close to nameplate at 92%.

Magnetic Separation Plant – Construction Update

Construction continues apace and remains on track for first concentrate in May 2013. At current iron ore prices, once in operation, gold cash costs will be significantly reduced.



Photo 1. Construction of Magnetic Separation Plant, 7 February 2013

Beadell's Managing Director, Peter Bowler commented, "This is an outstanding effort from our operational team with further improvements ongoing. With our extensive earthmoving fleet performing well, coupled with our excellent CIL plant, we are well set up to deliver superior returns on our investment. Approvals for the high grade Duckhead oxide gold deposit (~30 g/t gold) continue to progress well with formal go ahead expected shortly".

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