



ASX ANNOUNCEMENT
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DECEMBER QUARTER GOLD PRODUCTION AND CASH & BULLION

Beadell Resources Limited (“Beadell” or “the Company”) is pleased to announce record gold production and throughput and unaudited available cash and bullion for the quarter ended 31 December 2013 from its 100% owned Tucano Gold Mine, located in Brazil.

Gold Production

Production Summary	Unit	October	November	December	December Quarter	September Quarter	Δ%
Annualised Plant Throughput	(Mtpa)	4.2	4.0	4.3	4.2	4.0	+5.0%
Head Grade	(g/t)	1.57	1.87	2.39	1.95	1.91	+2.1%
Plant Recovery	(%)	90.9	91.8	91.9	92.0	93.0	-1.1%
Gold Recovered	(oz)	15,722	19,628	25,473	60,823	55,094	+10.4%

Gold production at the Tucano CIL gold plant was very strong in the December quarter reflecting the continued contribution of high grade ore from Duckhead. Gold recovered totalled **60,823 ounces** and gold recovery was at 92%. During the quarter, the annualised CIL plant throughput capacity was solid at 4.2 million tonnes per annum (Mtpa) with the month of December averaging 4.3 Mtpa (nameplate capacity of 3.5 Mtpa). Continued throughput improvements are expected to reach an annualised rate of 4.5 Mtpa in the March quarter.

Gold recovered for the second half of 2013 was 116,000 ounces against guidance of 120,000 ounces, (-3.4%). Total gold ore, waste & iron ore mined for the December quarter was 4.7 million tonnes compared to a forecast of 6.9 million tonnes (-32%). This, along with a slightly earlier onset of the wet season, was the main contributor to the lower than forecast gold production. As at the commencement of the current March quarter 2014, the earthmoving fleet has been enlarged with the addition of a new 250 t excavator and four 100 t 777G dump trucks, which will increase material movement capacity by approximately 30%. This will greatly assist to meet the material movement forecasts into the future.

C1 cash costs (which exclude the 1% royalty) are yet to be finalised, but are expected to be close to the upper limit of the guidance range of **US\$435 – \$485 per ounce** for the second half of 2013. Iron ore credits will positively impact on these cash costs.

Beadell Resources Limited

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Cash and Bullion

Cash and Bullion as at 31 December 2013 totalled ~\$25M*.

The following once off cash outflows during the quarter were:

Macquarie loan repayments (\$36.0M principal, \$1.0M interest)	\$37.0 million
Earthmoving fleet expansion (1x250 t Ex and 4x777G 100 t Dump Trucks)	\$9.6 million
Construction of Phase 1 West Pond tailings dam (65% complete)	\$4.0 million
Construction of Spent Ore/Emergency Feeder and other CIL plant improvements	\$3.0 million
Total	\$53.6 million

Additionally, as at 31 December 2013, the Company's gold and foreign exchange hedges stood at a net position of +\$35.5 million.

Gold sales for the quarter totalled a record 64,131 ounces (compared to 43,529 ounces in the September quarter), as a result of the successful upgrade of the gold elution circuit completed in the previous quarter.

Beadell's Managing Director, Peter Bowler said: **"This record breaking quarter was particularly gratifying given our capacity to pay out ~\$54 million in debt repayments coupled with important plant and equipment upgrades, whilst maintaining a strong cash & bullion balance, in an environment of low gold prices. Taking into account our positive hedge balance of \$35.5 million and the US\$62 million remaining on our loan, the Company's balance sheet has improved markedly this quarter. Our ultra high grade oxide pit, Duckhead, performed very strongly and we look forward to a continued significant contribution from this low cost gold source over the coming quarters."**

Full details of the December Quarter will be released in the Company's Quarterly Activities Report on or about 23 January 2014.

For further information please contact:

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* Bullion valued at US\$0.89 and US\$1,240 per ounce