

# Oxiana to take major stake in Beadell

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Oxiana will emerge as the major shareholder in a business built on former Agincourt Resources assets and run by the previous management of that company, which it bought this year.

Beadell Resources expects to lodge its prospectus at the end of the week, aiming to raise \$15 million at 25¢ a share.

Oxiana has agreed to vend a host of domestic gold and uranium assets into Beadell for \$3.2 million of scrip, which will make the diversified miner the new company's major shareholder with a 13.7 per cent interest.

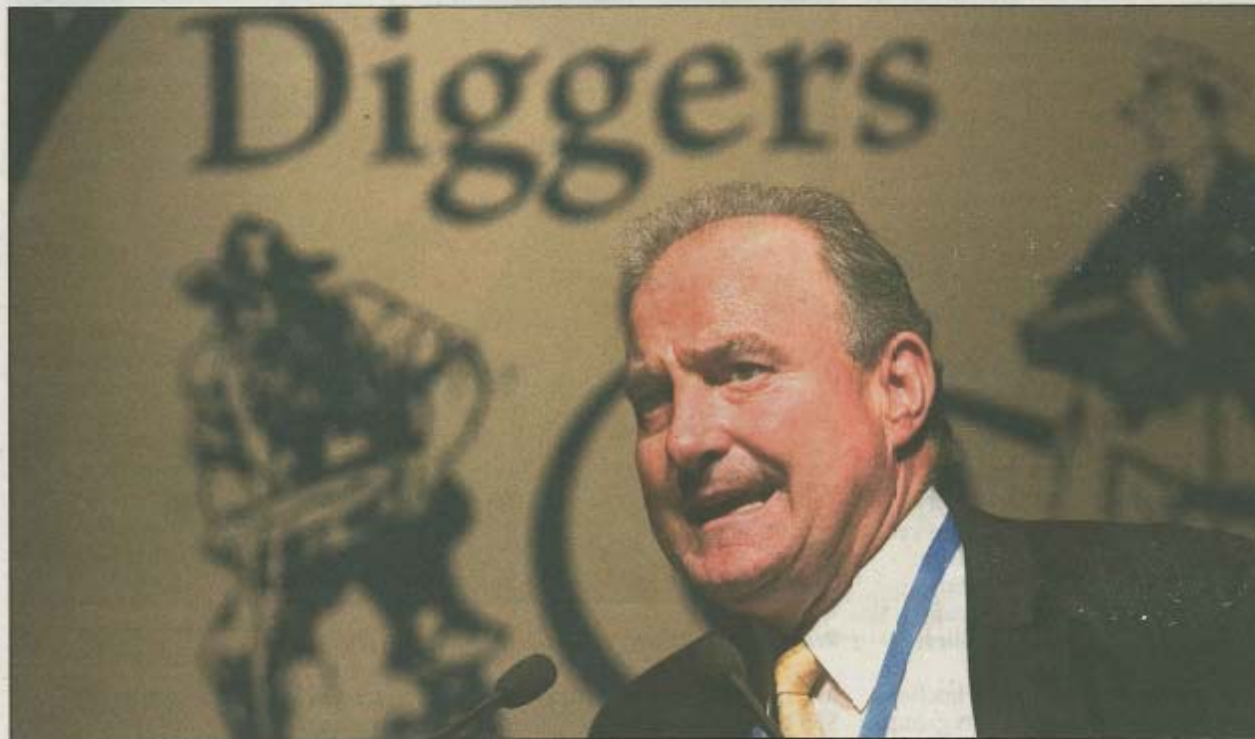
It comes after Toro Energy, the uranium company in which Oxiana owns 46 per cent, confirmed plans on Monday for a \$350 million merger with Nova Energy.

Beadell has also struck a deal with a private Brazilian group to acquire a gold asset in Brazil, which the company believes has near-term development potential.

*The Australian Financial Review* understands the group is one of the frontrunners to buy the Pajingo project in Queensland, which Newmont Mining has put up for sale.

Pajingo produced 84,000 ounces at \$414 an ounce in the first half of 2007 and is the latest in a series of assets the world's biggest gold miners have divested to smaller companies this year.

Newmont said it would sell the mine by the end of the year because its use to such a large company was running out but that potential future



Oxiana chief Owen Hegarty addresses the mining industry's annual gathering.

Photo: BLOOMBERG

production of 50,000 ounces a year would suit a junior company.

Yesterday Barrick Gold's president for Australia-Pacific, Joc O'Rourke, said the effect of rising costs and the strong Australian dollar were hurting its local operations.

But bullish sentiment about the gold price has dominated the Diggers & Dealers forum in Kalgoorlie this week.

Agincourt's relationship with Newmont stretches back to October

2003, when it bought the Wiluna goldmine in Western Australia from the Denver-based company.

Agincourt also acquired the Martabe project in Indonesia from Newmont for \$US80.25 million in cash and scrip in 2006.

Oxiana then bought the resultant 19 per cent holding Newmont had in Agincourt as it completed a \$415 million buy-out of the company in April.

Former Agincourt managing director Peter Bowler will head

Beadell and company secretary Greg Barrett will act as the new company's chief financial officer.

Some of Beadell's Australian assets lie in the region of Teck Cominco's Carapateena discovery in South Australia and AngloGold Ashanti's Tropicana joint venture with Independence Group in Western Australia.

Southern Cross Equities and Taylor Collison will jointly manage the listing, which should reach the market in late September.