ASX ANNOUNCEMENT
ASX Code: BDR

9 May 2016

HIGH GRADE RESULTS CONTINUE TO GROW TAP AB1 TROUGH LODE – 24m @ 58.71 g/t FROM 78m

- **High-grade mineralization extended further at Trough Lode under the Tap AB1 pit. Best results include:**

F01886	**7 m @ 15.59 g/t gold from 34 m and** **24 m @ 58.71 g/t gold from 78 m including** **8 m @ 153.71 g/t gold from 85 m including** **1 m @ 935.83 g/t gold from 92 m**
F01935	**14 m @ 3.44 g/t fold from 126 m and** **7 m @ 6.96 g/t Au from 144 m**
F01934	**17 m @ 3.59 g/t gold from 151 m**
F01890	**44 m @ 3.19 g/t gold from 65 m and** **28 m @ 1.08 g/t gold from 123 m and** **22 m @ 6.89 g/t gold from 174 m to BOH**
F01895	**17 m @ 2.89 g/t gold from 86 m and** **23 m @ 0.66 g/t gold from 125 m**
GCRC19125	**20 m @ 1.57 g/t gold from 29 m and** **20 m @ 1.21 g/t gold from 53 m**

Beadell Resources Limited ("**Beadell**" or "the **Company**") is pleased to announce the receipt of new drilling results from the Tap AB1 Trough Lode at its Tucano mine in Brazil (Figures 1-3, Table 1).

Simon Jackson, CEO and Managing Director commented: "Our drill targeting is paying off with confirmation of the high-grade Trough Lode repeating beneath the mining surface in the AB1 pit. Timing prevented inclusion of these new results in our recent update of reserves and resources. However, we expect mining grades to improve relative to those predicted by our models in areas where recent drilling has been completed inside the life-of-mine pit. We are continuing to test the Trough Lode below the reserve pit to the north where it remains open down plunge. We look forward to reporting new results as they become available."

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On 30 March 2016, the Company announced results from drill holes intersecting the continuation of the high-grade Trough Lode beneath the pit surface at Tap AB1. Follow-up drilling commenced late April with a 6,000 metre reverse circulation (RC) program. Of the 31-hole program, 9 holes have been completed to date with results received. The current drilling program is corroborating results previously reported from hole GCRC1879 (33 metres grading 31.82 g/t gold, March 30th, 2016) and extends the zone of high grade further down plunge (Figures 2 & 3).

Hole F01886 (Figure 2) contains the best results encountered so far in this phase of drilling. Multiple zones of strong mineralisation confirm the high grade nature of the shoot and increase its lateral extent. Additional new results (e.g., F01890) are illustrated in Figure 2 which underscores the open nature of the Trough Lode beneath the AB1 pit. The first hole drilled in the program (F01934) was a large step out hole collared from Tap AB2 and passed through the interpreted position of the Mataforme Fault. A positive result of **17 m @ 3.59 g/t gold** (from 151 m) suggests the Trough Lode may extend 160 m down-plunge from the last hole drilled in the pit to the location of this new intercept (Figure 2). Drilling is ongoing with the aim of confirming this concept along with advancing our geologic understanding which is limited by the sparse amount of drilling at this location.

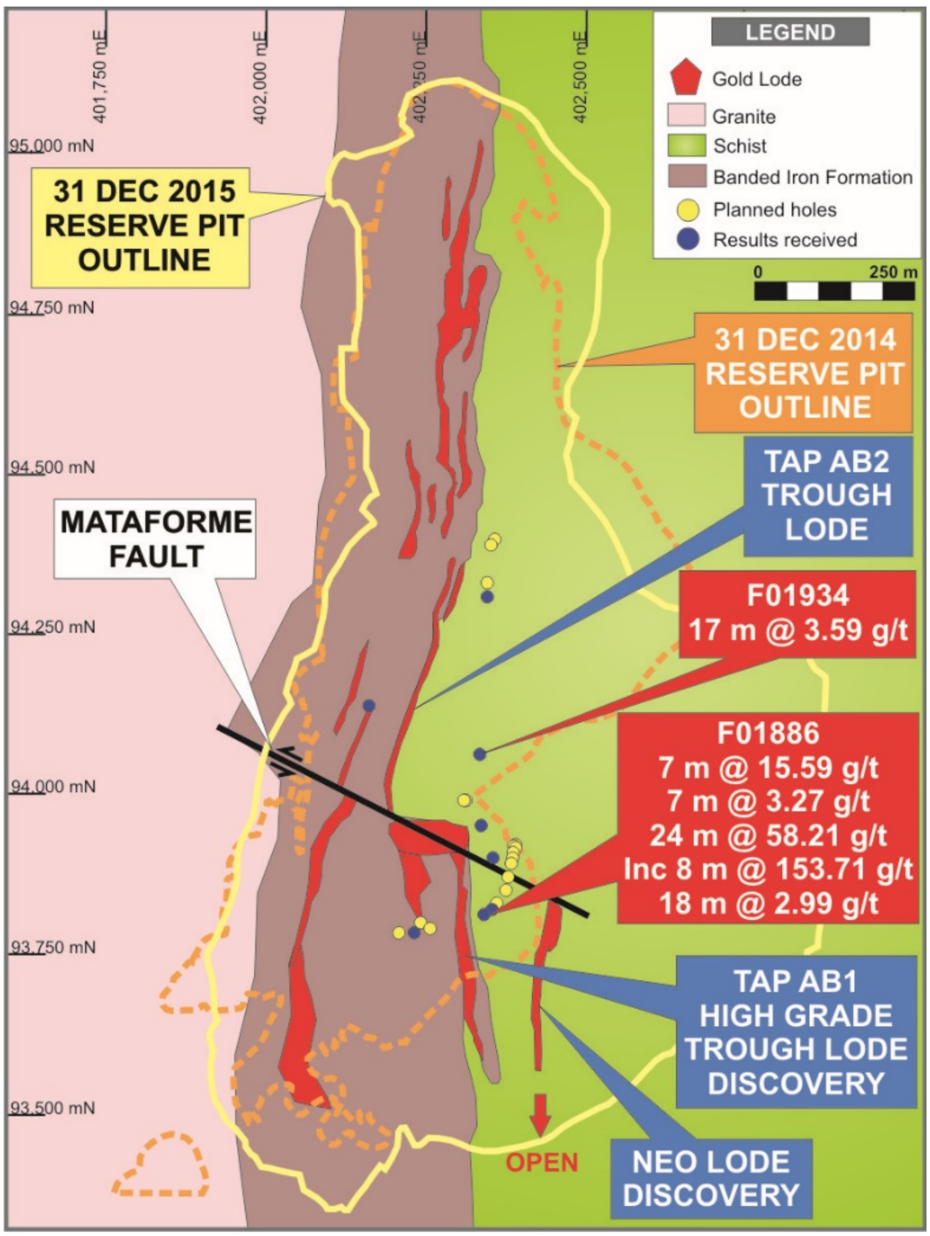

Figure 1. Tap AB plan showing location of recent drill holes at Tap AB1 Trough Lode.

Optimisation of the Trough and Neo Lode resources drove a lateral expansion to east in the 2015 year-end reserve pit, based largely on the results announced on 30 March 2016 (received prior to finalisation of the resource and reserve models). Ore from both lodes will be dominated by oxide mineralisation occurring in an extremely deep (>250 m) weathering profile developed along the main eastern BIF contact. The new pit design has bottomed out on drilling data implying potential down plunge extensions of the Trough Lode may continue to pull the pit assuming an ongoing successful drilling campaign in 2016. The Company expects to resume drilling on the Neo Lode (located 80 m east of Trough Lode) when access improves during the dry season (June to December). Neo remains open to the south and any future resource growth will potentially expand the AB1 pit in the same direction.

Beadell is currently updating life of mine plans at Tucano. The timing of production from the Trough and Neo Lodes in Tap AB1 will be determined when the new mining schedules are complete. The Company expects to be able to report further drill results from the Tap AB1 drilling as they are received over the coming months.

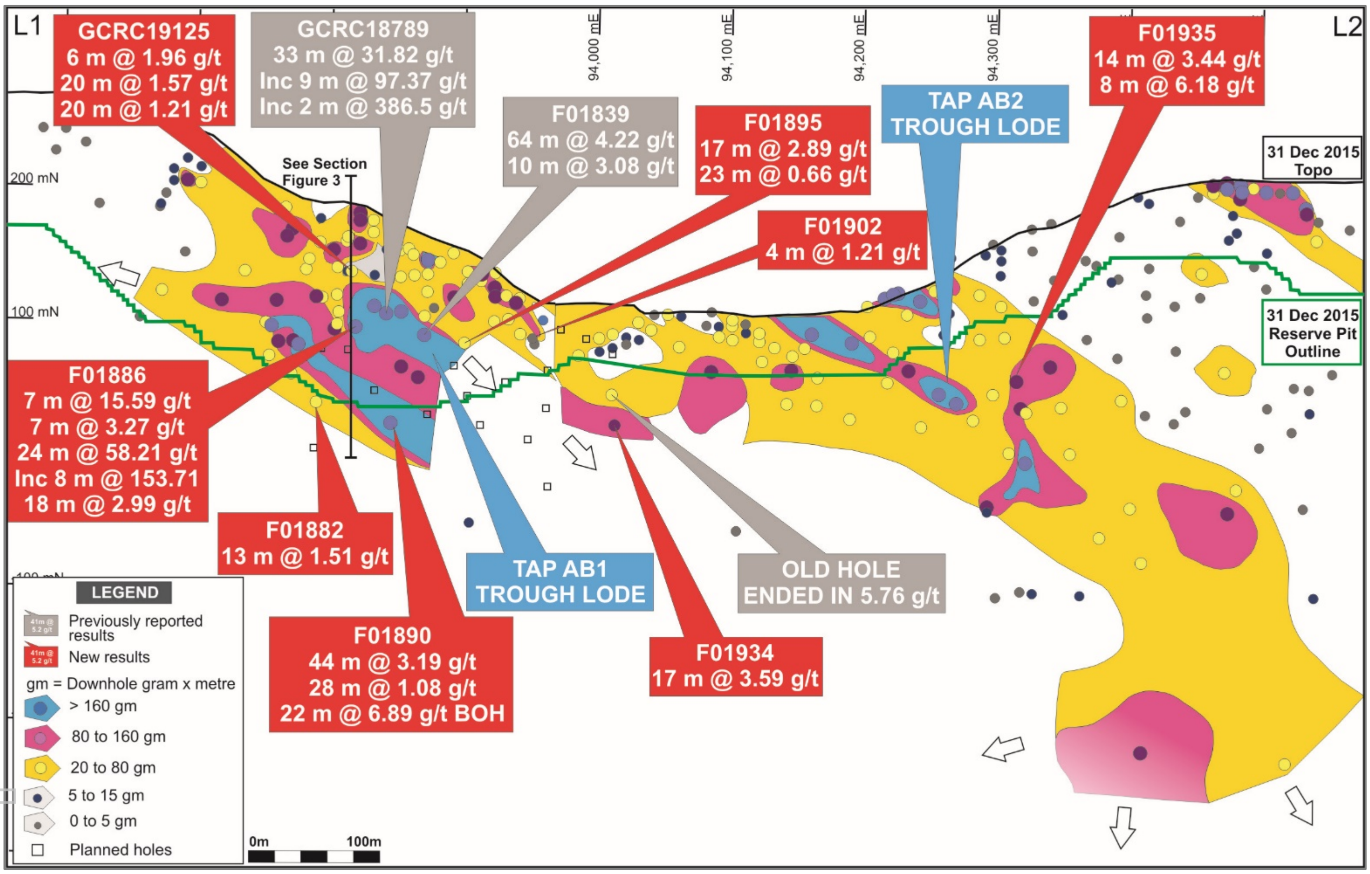

Figure 2. Tap AB1 & 2 Trough Lode long-section looking west.

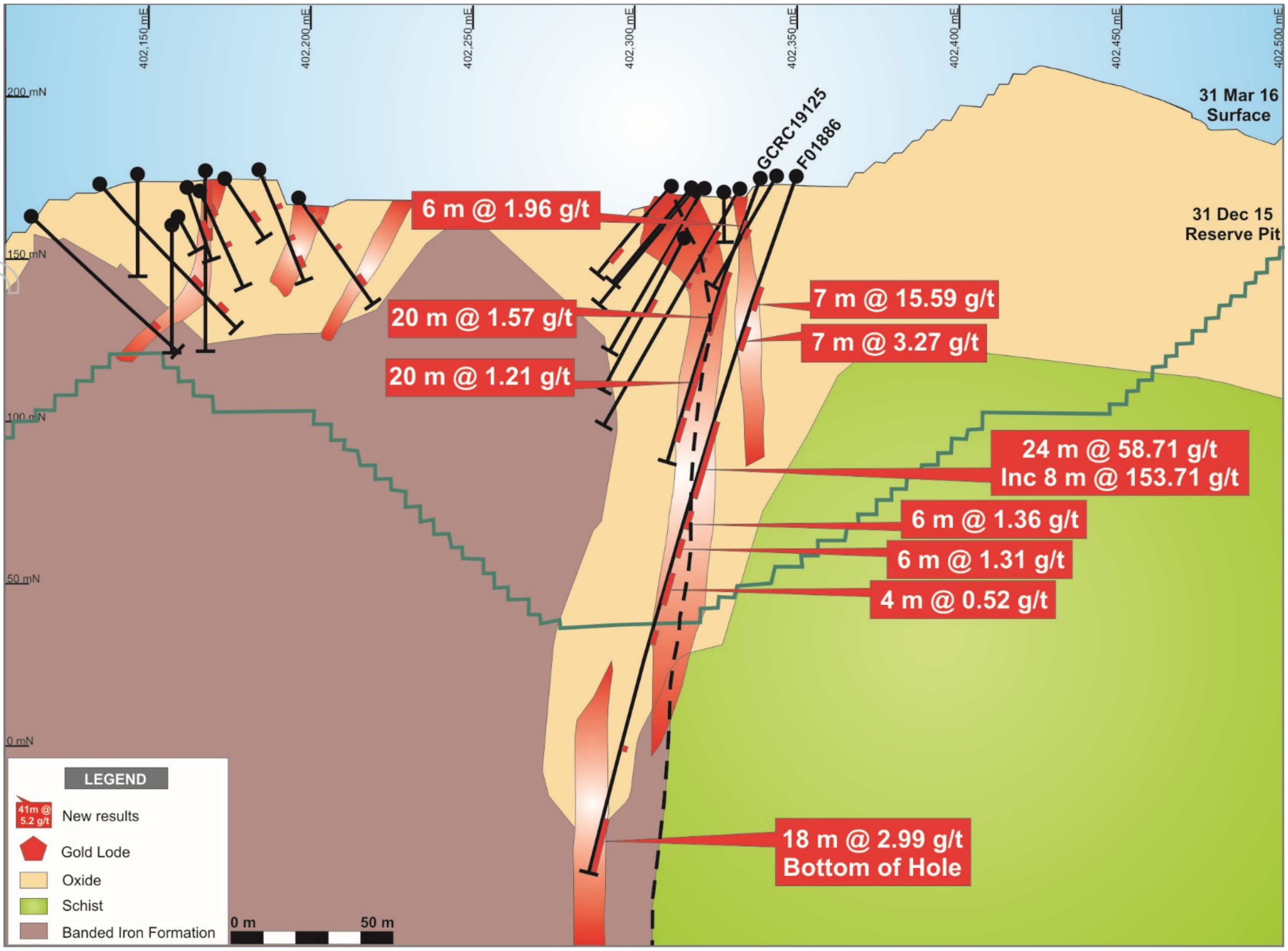

Figure 3. Tap AB1 Trough Lode section 93815N looking north.

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Competent Persons Statement

The information in this report relating to Exploration Results and Mineral Resources and Ore Reserves 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 2012 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 Limited. 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.

Table 1
Tap AB1 Trough Lode RC drill results

Target	Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
Tap AB2 Trough	F01845	94149	402160	109	-61	082	2 116	4 124	2 7	1.32 1.30
Tap AB1 Trough	F01882	93784	402230	166	-60	087	139 195	152 199	13 4	1.51 0.54
Tap AB1 Trough	F01886	93820	402349	173	-70	265	34 48 78 Inc 85 Inc 92 106 115 132 204	41 55 102 93 93 112 121 136 222 (BOH)	**7** **7** **24** **8** 1 6 6 4 **18**	**15.59** **3.27** **58.71** **153.71** **935.83** 1.36 1.31 0.52 **2.99**
Tap AB1 Trough	F01890	93850	402372	173	-64	271	65 Inc 78 123 174	109 96 151 196 (BOH)	**44** **18** 28 **22**	**3.19** **6.13** 1.08 **6.89**
Tap AB1 Trough	F01895	93900	402352	161	-54	269	86 119 125 151 165	103 121 143 153 171	**17** 2 23 2 6	**2.89** 0.78 0.66 0.66 0.91
Tap AB1 Trough	F01902	93950	402333	156	-52	270	87	91	4	1.21
Tap AB1 Trough	F01934	94062	402331	163	-67	219	79 105 151 172 220 244 258	85 114 168 174 223 250 260 (BOH)	6 9 **17** 2 3 6 2	1.22 0.83 **3.59** 0.79 0.59 0.74 0.74
Tap AB2 Trough	F01935	94310	402345	170	-59	270	126 144 155	140 152 163	**14** **8** 8	**3.44** **6.18** 0.75
Tap AB1 Trough	GCRC19125	93810	402338	173	-70	273	11 29 53	17 49 73	**6** **20** **20**	**1.96** **1.57** **1.21**

All intercepts are reported as downhole intervals using a 0.5 g/t gold lower cut off and no greater than 2 m internal dilution.

BOH = Bottom of hole

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	For RC drilling the entire 1m RC samples were obtained and split by an adjustable cone splitter attached to the base of the cyclone (1.5kg – 6.0kg) and were utilised for both lithology logging and assaying. For diamond core, half core is measured, logged and then cut, crushed and pulverised at the Tucano site sample preparation laboratory.

	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Samples are split into single meter intervals. Certified standards were inserted every 25th sample and to assess the accuracy and methodology of the external laboratories. Field duplicates were inserted every 20th sample to assess the repeatability and variability of the gold mineralisation. Laboratory duplicates were also completed approximately every 20th sample to assess the precision of the laboratory as well as the repeatability and variability of the gold mineralisation. A blank standard was inserted at the start of every batch. Results of the QAQC sampling were assessed on a batch by batch basis and were considered acceptable.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	1m RC samples were obtained by an adjustable cone splitter attached to the base of the cyclone (1.5kg – 6.0kg) and were utilised for both lithology logging and assaying. At the mine exploration sample preparation facility, core samples are dried at 105C, crushed to -8mm then to -2mm and split to 0.9-1kg before being pulverised to 1mm. This sample is quartered cut to between 200-400g before being pulverised to 95% passing 105µm. The final pulp is quartered again to achieve a sample of 100 - 200g and is sent to SGS laboratories in Belo Horizonte for fire assay. At the mine exploration sample preparation facility, the RC 1m samples are dried at 140C, crushed to -2mm (if aggregated) and riffle split to 1kg. The 1 kg sample is then pulverised to 1mm and quarter cut to between 200 and 400g. This sample is then pulverised to 95% passing 105µm and quarter cut to a 100-200g sample to send to SGS. Any duplicates samples of the same interval are also sent to ACME laboratories for analysis.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	A 5.5'' diameter face sampling hammer was used for RC drilling. For diamond drilling NQ size core is produced.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	RC recovery was visually assessed, with recovery being excellent except in some wet intervals at the water table. The majority of mineralised intersection results received occurred above the water table. All core is orientated and measured for recovery
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	RC samples were visually checked for recovery, moisture and contamination. The drilling contractor utilised a cyclone and cone splitter to provide uniform sample size. The cone splitter was cleaned at the end of every rod and the cyclone cleaned at the completion of every hole.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential	Sample recoveries for RC holes were high within the mineralised zones. No significant bias is expected.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and*	Lithology, alteration, veining, mineralisation and weathering were logged from the RC chips and stored in Datashed. Chips from selected holes were also placed in chip trays and stored in a designated building at site for future reference. All core was orientated and geotechnically logged and recorded.

	metallurgical studies.	
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	All logging is qualitative except for density and recovery. All core photography has been completed shortly after being received at the core yard and always prior to cutting.
	The total length and percentage of the relevant intersections logged.	All drill holes are logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core holes and half core sampled from cut core.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	The RC drilling utilised a cyclone and cone splitter to produce samples in the 1kg to 6kg range. Once collected the sample is dried, crushed to -2mm and split at the site sample preparation lab down to approximately 1kg prior to pulverisation.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The 1 kg sample is then pulverised to 1mm and quarter cut to between 200 and 400g. This sample is then pulverised to 95% passing 105µm and quarter cut to a 100-200g sample to send to SGS or to the mine chemical lab for analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Certified standards and blanks were inserted every 25th sample to assess the accuracy and methodology of the external laboratory (SGS), and field duplicates were inserted every 20th sample to assess the repeatability and variability of the gold mineralisation. At Tucano field duplicates were taken for diamond core but not for RC. Laboratory duplicates (sample preparation split) were completed every 20th sample to assess the precision of the laboratory as well as the repeatability and variability of the gold mineralisation. Duplicate samples were also sent to a different lab (ACME Laboratories) for analysis.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Filed duplicate samples are collected every 20th samples.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes (1kg to 6kg) are considered to be a sufficient size to accurately represent the gold mineralisation based on the mineralisation style, the width and continuity of the intersections, the sampling methodology. Field duplicates of diamond core have routinely been collected to ensure monitoring of the sub-sampling quality. Acceptable precision and accuracy is noted in the field duplicates albeit the precision is marginally acceptable and consistent with a course gold deposit.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	All resource or exploration holes (prefix FD or F) gold assaying completed by external certified laboratories (SGS in Belo Horizonte and ACME laboratories) and using a 30g charge for fire assay analysis with an AAS finish. This technique is industry standard for gold and considered appropriate. All grade control hole (prefix GCRC) gold assaying completed at the non-certified Tucano mine site chemical laboratory using similar fire assay analysis. Selected Screen fire analysis was performed on selected intervals where coarse gold was observed. The results reported in this release were assayed at the mine site chemical laboratory and will be duplicated at SGS to ensure repeatability.
	For geophysical tools, spectrometers,	Geophysical tools not used.

	handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Certified Reference Material (CRM or standards) were inserted every 25th sample to assess the assaying accuracy of the external laboratories. Field duplicates were inserted every 20th sample to assess the repeatability from the field and variability of the gold mineralisation. Laboratory duplicates were also completed approximately every 20th sample to assess the precision of assaying. Evaluation of both the Beadell submitted standards, and the internal laboratory quality control data, indicates assaying to be accurate and without significant drift for significant time periods. Excluding obvious errors, the vast majority of the CRM assaying report shows an overall mean bias of less than 5% with no consistent positive or negative bias noted. Duplicate assaying show high levels of correlation (linear correlation >0.96) and no apparent bias between the duplicate pairs. Field duplicate sample show marginally acceptable levels of correlation (0.89 for the SGS data set, 0.96 for the Ultratrace and MinAnalytical data set but 0.61 for the KalAssay data set) and no relative bias. Each analysis batch (approx. 150 samples) is checked to ensure that the standards fall within the accepted levels of standard deviation. Where any standard exceeds 3 standard deviations or where more than one standard falls between 2 and 3 standard deviations, the entire batch is resubmitted for analysis.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The high grade intersections of core and RC have been observed by various visiting geological consultants (e.g. Cube consulting).
	The use of twinned holes.	Diamond twin holes have been drilled previously showing what is considered to be normal variations in Orogenic gold mineralisation.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All geological logging information is entered directly into Logchief and synchronised with the Datashed database. Other field data (e.g. sampling sheets, downhole surveys etc.) are entered into excel spreadsheets formatted for Datashed importation. Lab assay reports are directly imported into Datashed along with all QAQC data and metadata. Data importation is done by Maxwell Geoservices staff under contract by Beadell Resources. All data loading procedures have been documented by Maxwell Geoservices.
	Discuss any adjustment to assay data.	Data below the detection limit is defined with a negative value, e.g. <0.01 = -0.01.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Beadell drill hole collar locations were picked up by site-based authorized surveyors using Total Station Leica 407, calibrated to a base station (expected accuracy of 20mm). Downhole surveying was measured by the drilling contractors using a Reflex Gyro Downhole Survey Instrument for RC holes. Shallow RC holes were picked up at the collar and 2 points on the rod string using Total Station. Grade control RC holes less than ~50m depth are not down hole surveyed.
	Specification of the grid system used.	The grid system is SAD 69 Zone 22N.

	Quality and adequacy of topographic control.	Beadell Brasil Ltda Survey Staff generated a digital terrain model (DTM) from Total Station surface pickups of the Tucano deposit.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Nominal drill hole spacing is 12m (E) by 10m (N) for grade control and a nominal 20m (E) x 40m (N) spacing for resource definition. Exploration drill spacing typically is done at 40m (E) x 80m (N).
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The data spacing and distribution is sufficient to demonstrate spatial and grade continuity of the mineralised domains to support the definition of Inferred, Indicated and Measured Mineral resources under the 2012 JORC code.
	Whether sample compositing has been applied.	No sample compositing has been applied in the field within the mineralised zones.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The majority of drilling is orientated east-west at Tucano with a ~60 degree dip, which is roughly perpendicular to the strike of the mineralisation.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Sectional interpretation of 12m spaced holes on 10m spaced lines shows a very uniform mineralised zone both along strike and down dip. The drill orientation is as close to normal to this body as possible and therefore the drill hole to mineralisation is not considered to have introduced a sampling bias.
Sample security	*The measures taken to ensure sample security.*	Samples are securely sealed and stored onsite, until delivery to Macapa via the company contracted Taxi driver, who then also delivers the samples directly to TAM airlines cargo dispatch facility for delivery to Belo Horizonte. Sample submission forms are sent with the samples as well as emailed to the laboratory, and are used to keep track of the sample batches.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	A site visits was completed in 2012 (Cube Consulting) to review sampling procedures and grade control practices. This visit concluded the sampling to be at an industry standard, and of sufficient quality to carry out a Mineral Resource Estimation. A similar audit was completed in 2015.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Tucano Mine Corridor deposits reside in tenement 851.676/1992, centrally located within the northern state of Amapa, Brazil. The current registered holder of the tenements is Beadell Brasil Ltda.

	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Existing mining concession owned 100% by Beadell Resources Ltd for the Tucano deposits.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Beadell Brasil Ltda acknowledges the previous operator MPBA for the initial discovery of gold at Tucano.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Tucano deposits are structurally controlled orogenic lode type gold deposit hosted within a Banded Iron Formation unit in contact with a Clastic quartz biotite schist. The Lodes are characterised by shear parallel disseminated pyrite and pyrrhotite mineral assemblages and generally exhibit a strong oxidation profile in the regolith without any secondary dispersion other than colluvial deposits. The Neo Lode is a new style of gold mineralisation hosted solely in the clastic unit east of the main BIF sequence.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	See Table 1
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	In the reporting of exploration results, un-cut grades are reported. The lower cut-off limit is considered to be 0.5g/t for the reporting of drill hole intercepts with no more than 2 m downhole internal dilution. Intercepts are determined using a weighted average over the length of the intercept.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	In the instance where aggregate intercepts include shorter lengths of higher grade material, the total interval is stated first followed by the word "including", then a listing of the contained shorter high grade intercepts.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents are used at Tucano.

Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	The drilling was designed to intersect the mineralisation at an angle that is roughly perpendicular to the overall strike. The mineralised intervals are generally much wider than the minimum sample interval of 1m. At TapAB1 Trough Lode the mineralisation is subvertical but anastomoses to steeply east and steeply west dipping. True width generally vary between 40-60% of the reported downhole interval although this varies between each hole.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	All drill intersections are stated as down hole lengths.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See diagrams in main body of the announcement.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All the significant results greater than 0.5 g/t gold over at least 2m downhole have been reported in Table 1 and Table 2.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	The Tucano results are from an active mining area where open pit mining is in progress. Reconciliation has been verified by mill metallurgical balance based on models using the same drilling method for results.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The Tucano lodes remain open at depth and along strike in most cases and contain numerous outlying intersections that will require follow up drilling. Several diagrams have been included to highlight this aspect.