ASX ANNOUNCEMENT **1 August 2016**
ASX Code: BDR

HIGH GRADE EXPLORATION RESULTS CONTINUE

- **Tap AB1 Trough Lode high grade oxide results:**

F02049	**14 m @ 6.56 g/t from 94 m and** **26 m @ 11.61 g/t from 118 m to BOH**
F02060	**10 m @ 4.59 g/t from 48 m and** **32 m @ 6.07 g/t from 68 m including** **4 m @ 31.91 g/t from 78 m**

- **Tap AB2 Trough Lode high grade oxide results:**

F02015	**31 m @ 14.02 g/t from 95 m including** **14 m @ 26.45 g/t from 97 m**
F02023	**25 m @ 9.92 g/t from 122 m including** **6 m @ 37.11 g/t from 124 m**

- **Tap AB Sul high grade results indicate new lode potential:**

F01970	**27 m @ 2.78 g/t from 69 m**

- **Duckhead Main Lode results in fresh rock below oxide open pit reserve:**

FVM560	**48 m @ 11.62 g/t from 66 m including** **3 m @ 87.79 g/t from 97 m and 4 m @ 49.1 g/t from 124 m**
FVM561	**10 m @ 13.81 g/t from 81 m**

Beadell Resources Limited ("**Beadell**" or "the **Company**") is pleased to announce the receipt of new high grade drilling results from the Tap AB and Duckhead Mine areas at its 100% owned Tucano mine in Brazil (Figures 1-3, Table 1).

Beadell Resources Limited
Second Floor, 16 Ord Street, West Perth 6005, Western Australia
PO Box 542, West Perth 6872, Western Australia
Telephone: +61 8 9429 0800 | Facsimile: +61 8 9481 3176

ABN 50 125 222 291
www.beadellresources.com.au

The exploration program at Tucano continues to deliver significant high grade results. Importantly we are now seeing high grade results from numerous parts of the existing mine corridor.

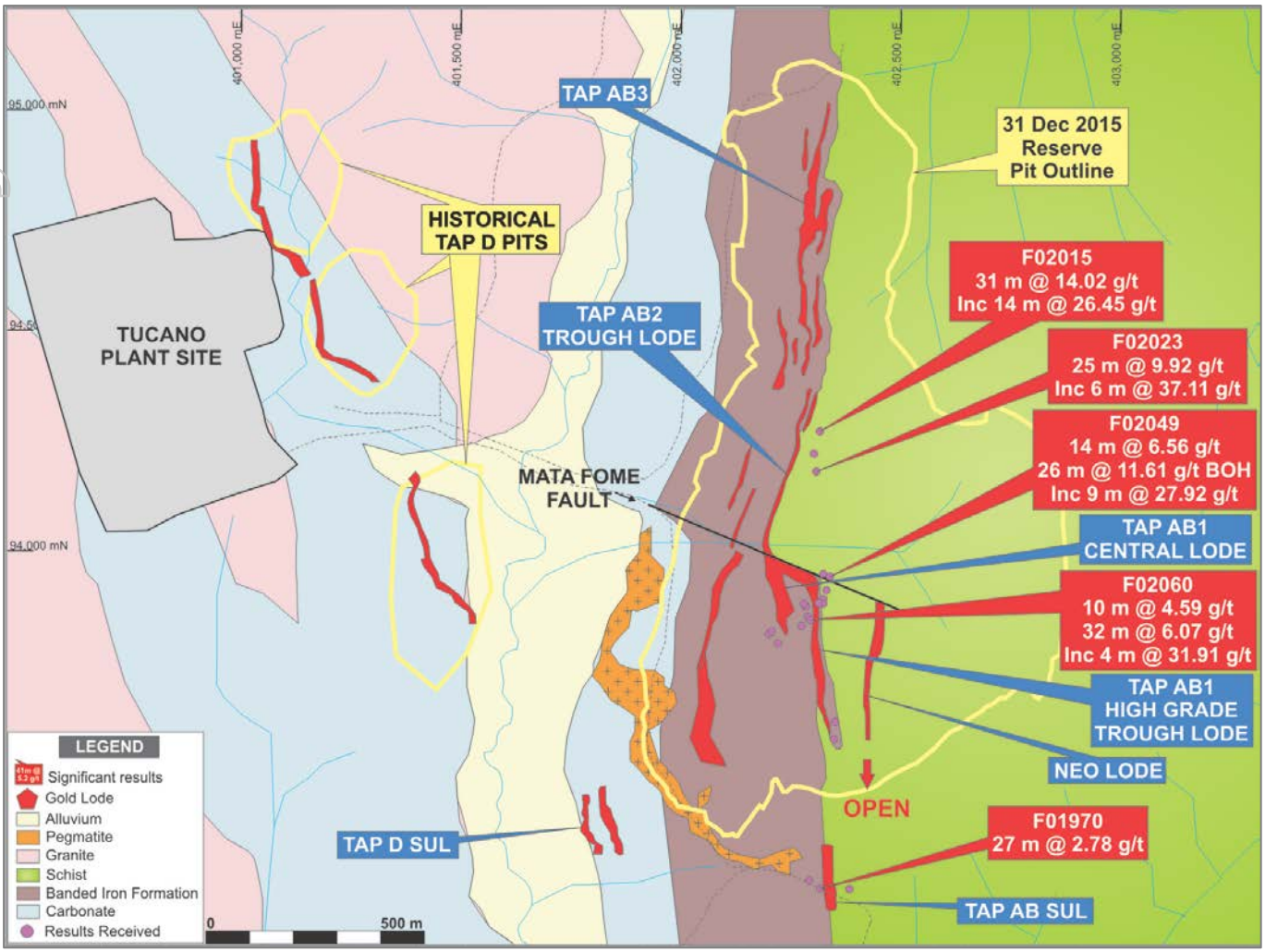

Figure 1. Tap AB – Tap D plan showing location of new drill results

TAP AB1 Trough Lode

Ongoing resource definition and extension drilling of the high grade Tap AB1 Trough Lode continues to improve and grow the mineralised envelope within and below the reserve pit limit.

A significant result below the reserve open pit was intersected of **14 m** @ **6.56 g/t** from 94 m and **26 m** @ **11.61 g/t** from 118 m to BOH, including **9 m** @ **27.92 g/t** from 126 m. The Tap AB1 Trough Lode remains open down plunge to the north where further drilling is planned. The bottom of oxidation in this lode has yet to be reached.

An exceptional resource definition result was also intersected, drilled west to east, intersecting **10 m** @ **4.59 g/t** from 48 m and **32 m** @ **6.07 g/t** from 68 m including **4 m** @ **31.91 g/t** from 78 m.

Other results include a recently discovered new lode (Tap AB1 Central Lode) wholly within the banded iron formation ("BIF") west of the Tap AB1 Trough Lode (Figure 1). Results include **13 m** @ **4.30 g/t** from 64 m and **24 m** @ **3.16 g/t** from 72 m. This new zone is likely to be a parallel BIF hosted lode as occurs in others areas of the Tap AB orebody. Drilling is ongoing and the discovery of another lode within the mine corridor consolidates our belief that the whole Tucano mining lease is underexplored.

Tap AB2 Trough Lode

Resource definition drilling of the Tap AB2 Trough Lode continues to enhance the resource below the open pit reserve. Oxide results of **31 m** @ **14.02 g/t** from 95 m including **14 m** @ **26.45 g/t** from 97 m and **25 m** @ **9.92 g/t** from 122 m including **6 m** @ **37.11 g/t** from 124 m bode well for future resource/reserve additions and the likely deepening of the open pit. Additional drilling is being planned.

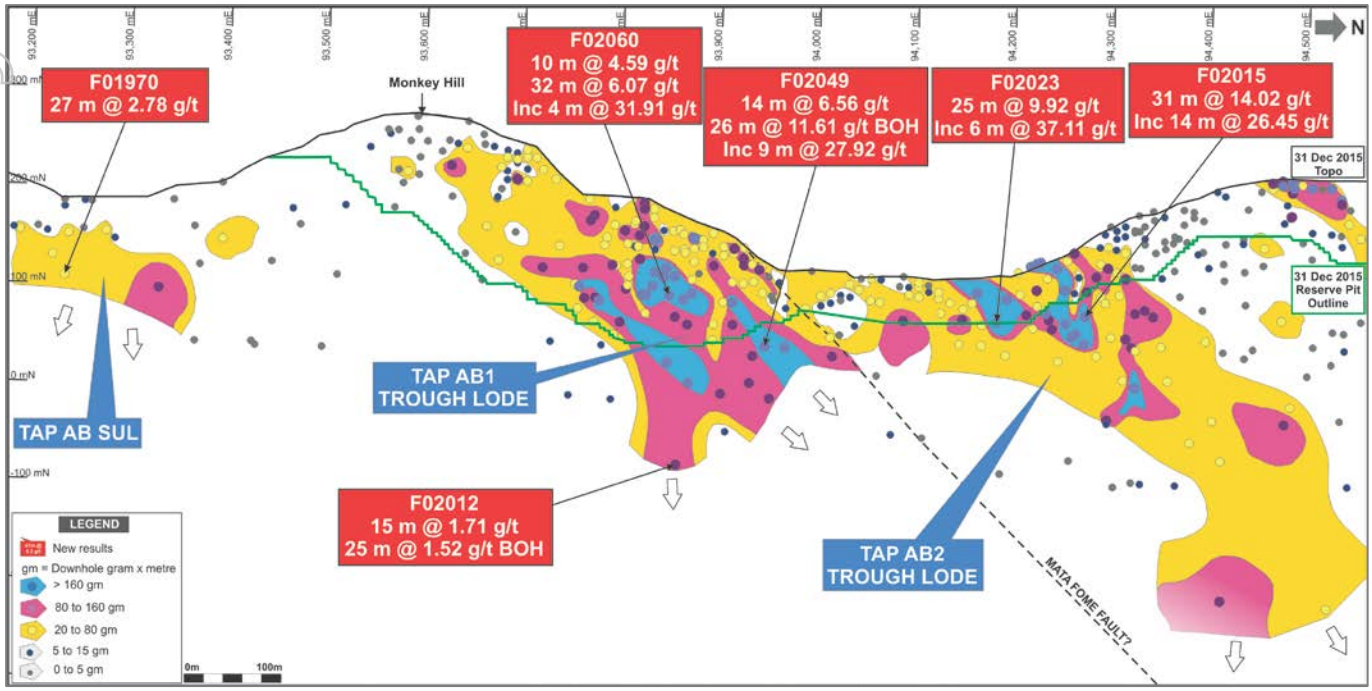

Figure 2. Tap AB1 & 2, AB Sul composite longsection showing location of new results

Tap AB Sul

Tap AB Sul is located 500 m south of the Tap AB1 Trough Lode on the same BIF contact. Previous drilling in this area had identified strong gold mineralisation disrupted by cross cutting pegmatite sills. A significant new result has been received of **27 m** @ **2.78 g/t** from 69 m and remains open at depth. Follow up drilling is being planned.

Duckhead

A drilling program has just been completed from the current base of the Duckhead pit comprising 25 holes for 2,233 m. The drilling was designed to finalise all grade control to the bottom of the current pit cut back and test below the current open pit reserve for extensions of the high grade Main Lode. The final portion of the existing Duckhead pit is currently being mined.

High grade results have been received on the eastern footwall zone of the Main Lode suggesting that the predominant plunge of the Main Lode at depth is in this direction. A stand out result of **48 m** @ **11.62 g/t** from 66 m including **3 m** @ **87.69 g/t** from 97 m and **4 m** @ **49.1 g/t** from 124 m is located 60 m below the base of the current open pit cutback. This result and others in this area including **10 m** @ **13.81 g/t** from 81 m are hosted within fresh rock. These are the first indications that a significant high grade lode exists in fresh rock below the Duckhead pit. If the high grades that have been found in the steeply dipping highly oxidised zones at Duckhead continue in the fresh rock at depth then there exists the potential for a very high grade underground development. Additional drilling is being planned.

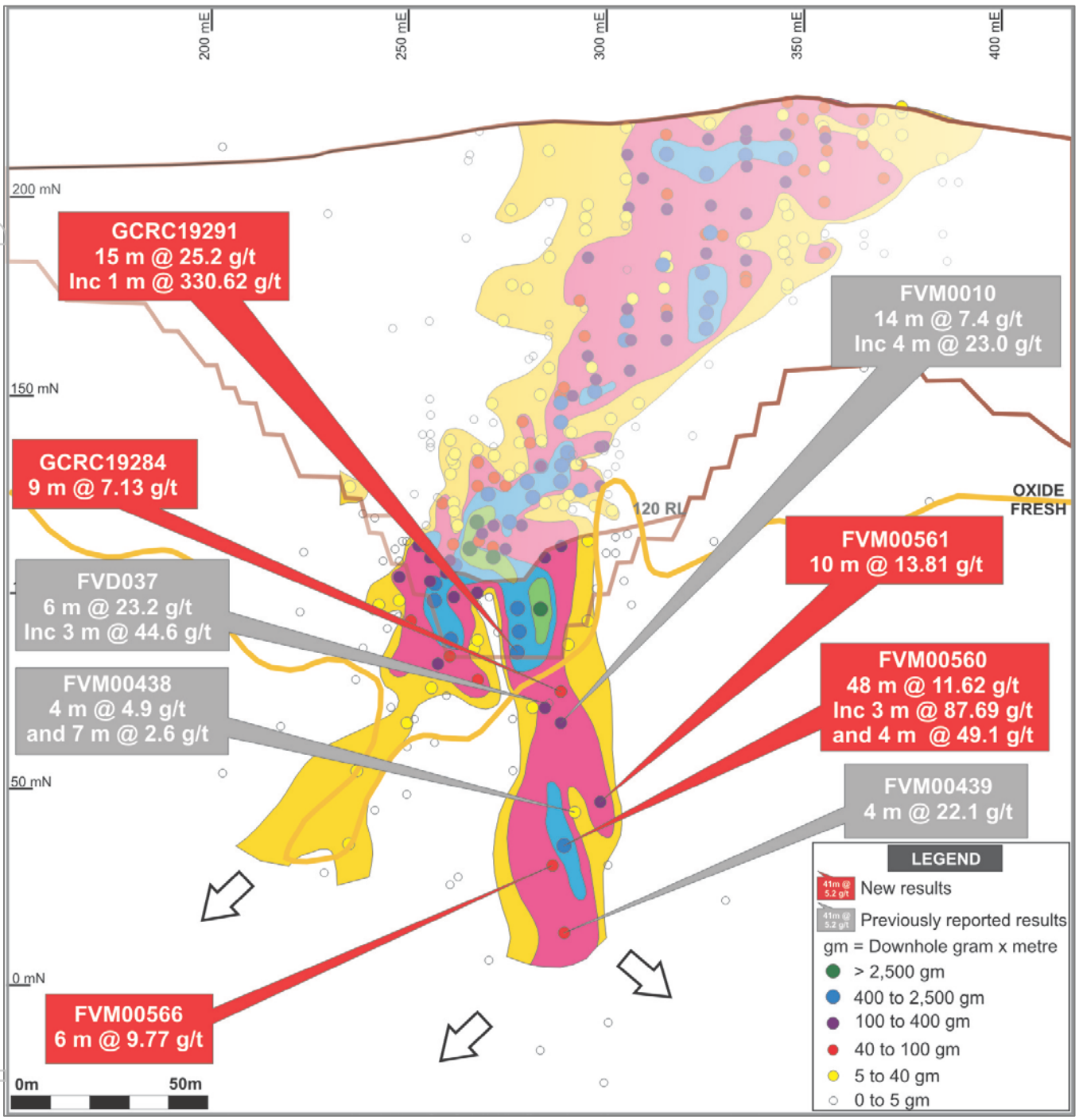

Figure 4. Duckhead Main Lode longsection showing location of new drill results.

Commenting, Simon Jackson, CEO and Managing Director said: “Our exploration program continues to have success as we work towards our aim of increasing the quality and quantity of reserves at Tucano. The AB1 and AB2 Trough Lodes remain 100% oxide as we continue to follow the high grade mineralisation down plunge. At Duckhead, we have intersected a significant high grade extension to the Main Lode in the fresh rock. This is very exciting as it raises the possibility of future high grade underground development.”

For further information please contact:

Simon Jackson | Chief Executive Officer

Greg Barrett | Chief Financial Officer

T: +61 8 9429 0800
info@beadellresources.com.au

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, AB2, AB Sul and Duckhead drill results

Target	Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
Tap AB Sul	F01970	93,230	402,316	193	-76	95	69	96	27	2.78
Tap AB1	F02009	93,790	402,219	158	-61	106	132 159	138 164	6 5	2.43 0.78
Tap AB1	F02011	93,810	402,198	158	-59	92	2 12 70 136 156 168 188	6 29 72 141 160 181 192	4 17 2 5 4 13 4	2.31 0.74 0.89 0.76 2.12 0.79 1.10
Tap AB1	F02012	93,815	402,206	158	-60	76	6 156 165 183 206 242 255-BOH	8 158 168 198 210 248 280	2 2 3 15 4 6 25	0.79 0.60 3.16 1.71 0.62 0.82 1.52
Tap AB2	F02015	94,270	402,316	154	-59	270	95 Inc 97	126 111	31 14	14.02 26.45
Tap AB2	F02023	94,180	402,306	153	-50	268	14 115 122 Inc 124	17 119 147 130	3 4 25 6	1.03 0.64 9.92 37.11
Tap AB1	F02049	93,940	402,337	154	-64	270	50 84 94 118-BOH Inc 126	56 87 108 144 135	6 3 14 26 9	0.57 2.03 6.56 11.61 27.92
Tap AB1	F02050	93,880	402,312		-61	268	29	34	5	1.20
Tap AB1	F02059	93,829	402,273	153	-61	269	64	77	13	4.30
Tap AB1	F02060	93,840	402,293	153	-58	88	38 48 68 Inc 78	40 58 100 82	2 10 32 4	1.19 4.59 6.07 31.91

Target	Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
Tap AB1	F02086	93,850	402,287	153	-55	269	2	4	2	0.75
Tap AB1	F02087	93,880	402,278	154	-52	306	18 35 98 108-BOH	25 37 105 114	7 2 7 6	0.61 1.81 1.25 0.61
Tap AB1	F02088	93,945	402,324	153	-51	269	62	65	3	0.51
Duckhead	FVM00559	89,329	407,307	120	-64	44	46	60	14	1.73
Duckhead	FVM00560	89,303	407,323	120	-66	47	66 Inc 97 124	114 100 128	48 3 4	11.62 87.69 49.10
Duckhead	FVM00561	89,298	407,332	120	-61	47	81	91	10	13.81
Duckhead	FVM00562	89,314	407,342	120	-71	38	34	36	2	14.28
Duckhead	FVM00563	89,301	407,342	120	-61	47	74	75	1	0.52
Duckhead	FVM00564	89,316	407,310	121	-59	352	74	79	5	0.93
Duckhead	FVM00565	89,315	407,300	120	-63	344	115	117	2	0.78
Duckhead	FVM00566	89,320	407,310	121	-71	85	96	102	6	9.77
Duckhead	FVM00568	89,322	407,318	122	-55	57	65	66	1	0.12
Tap AB	GCRC19181	93,249	402,291	194	-57	80	5	17	12	0.82
Tap AB	GCRC19188	93,230	402,381	191	-59	90	13	18	5	1.59
Duckhead	GCRC19278	89,306	407,355	120	-60	45	24	27	3	0.79
Duckhead	GCRC19283	89,312	407,345	120	-60	45	30	32	2	3.88
Duckhead	GCRC19284	89,321	407,348	121	-57	40	52	61	9	7.13
Duckhead	GCRC19289	89,324	407,340	121	-65	40	50	57	7	3.61
Duckhead	GCRC19290	89,328	407,336	121	-50	45	32 Inc 32	45 33	13 1	35.64 420.28
Duckhead	GCRC19291	89,327	407,335	121	-60	45	39 Inc 40	54 41	15 1	25.20 330.62
Duckhead	GCRC19293	89,319	407,313	121	-60	45	49	53	4	10.77
Duckhead	GCRC19294	89,325	407,319	121	-60	45	37	40	3	2.02
Duckhead	GCRC19295	89,330	407,323	120	-60	45	26	28	2	0.80
Duckhead	GCRC19296	89,335	407,329	121	-57	45	21 46	37 48	16 2	13.54 2.23
Duckhead	GCRC19297	89,343	407,326	120	-52	45	17 40	37 43	20 3	5.43 1.15
Duckhead	GCRC19298	89,349	407,325	120	-60	45	17	40	23	7.62
Duckhead	GCRC19300	89,340	407,318	120	-57	45	22 Inc 24 42 65-BOH	38 28 55 78	16 4 13 13	24.96 87.12 1.04 4.23
Duckhead	GCRC19301	89,330	407,309	120	-60	45	37 Inc 39	62 42	25 3	9.16 58.17
Duckhead	GCRC19304	89,351	407,316	120	-65	20	25 50	37 51	12 1	0.74 42.25
Duckhead	GCRC19305	89,350	407,315	120	-58	45	24	35	11	1.81
Tap AB	GCRC19310	93,910	402,331	153	-60	270	23 31 58	26 33 70	3 2 12	2.47 4.21 1.87
Tap AB	GCRC19311	93,890	402,323	152	-60	270	22 28	25 32	3 4	0.95 1.39
Tap AB	GCRC19313	93,880	402,322	153	-60	270	14	24	10	2.89
Tap AB	GCRC19316	93,874	402,283	153	-50	277	62 72	66 96	4 24	1.48 3.16
Tap AB	GCRC19319	93,610	402,350	278	-50	310	35 47	37 52	2 5	0.76 1.07
Tap AB	GCRC19329	94,220	402,301	150	-51	269	73 Inc 75	91 78	18 3	7.74 37.47

Target	Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
Tap AB	GCRC19342	93,570	402,347	278	-57	270	76	79	3	1.31

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. Holes prefix F and GCRC are reverse circulation drill holes. Holes prefix GCPF are open hole RAB.

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 or riffle split separately to 1.5kg – 6.0kg and were utilised for both lithology logging and assaying. For RAB drilling the entire 1m samples were collected and split in the sample preparation laboratory. 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. A 3.5' diameter bit is used for open hole RAB drilling. For diamond drilling NQ size core is produced.
Drill sample	*Method of recording and assessing*	RC recovery was visually assessed, with recovery being

recovery	*core and chip sample recoveries and results assessed.*	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 metallurgical studies.*	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.
	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 or riffle splitter to produce samples in the 1kg to 6kg range. For open hole RAB entire 1m samples are collected and then riffle split. 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 GC) 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, 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.	Geophysical tools not used.
	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 several senior company personnel with extensive experience in similar gold deposit styles).
	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) or greater. At Duckhead a 5 m (NE) x 10 m (NW) spacing is done for grade control.
	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 Tap AB, Tap C and Urucum with a ~60 degree dip, which is roughly perpendicular to the strike of the mineralisation. Due to the anastomosing nature of the mineralised structures varying from steeply west dipping to steeply east dipping, downhole intervals are not necessarily representative of true widths and will vary on a hole by hole basis depending on whether the structure is dipping east or west at the point of intersection. The majority of drilling at Duckhead is oriented north-east with a 60 degree dip which is approximately perpendicular to both the strike and dip of the mineralisation, therefore ensuring the intercepts are close to true width.
	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.	In areas of higher grade control drilling density, 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 the strike of the body as possible and therefore the drill hole to mineralisation is not considered to have introduced a sampling bias. Due to the anastomosing nature of the mineralised structures varying from steeply west dipping to steeply east dipping, downhole intervals are not necessarily representative of true widths and will vary on a hole by hole basis depending on whether the structure is dipping east or

		west at the point of intersection.
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 by independent consultants.

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 Duckhead Deposit is located on the tenement 858.079/14. The holder of this tenement 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. The Tap D deposits are hosted in a carbonate unit west 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.*	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 TapAB 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. At Tap D Sul down holes intervals approximate true widths. At Duckhead the true width generally represent approximately 70% of the reported downhole intervals although this varies between each hole.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	
	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. Due to the anastomosing nature of the mineralisation at Tap AB Trough lode varying from steeply east to steeply west dipping it is unreliable to try and confidently state a true width for each drill hole intercept.
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*	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.

	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.	
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.