



BCD RESOURCES NL

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Successful Mine Closure and June Quarter Production Tailings Production on Schedule

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ASX Announcement

BCD Resources NL (ASX:BCD) is pleased to announce that final mining at the Tasmania Mine was completed on schedule on 25th June 2012, and that processing of all underground ore will be complete by 9th July.

More tonnes, at lower grades than anticipated were treated in June as the last, low grade material was scavenged from underground and from the base of surface stockpiles. Gold production for the June quarter was 10,823 oz, at an operating cost of \$786 per ounce, with an average gold price of A\$1,597 per ounce achieved. BCD's cash balance at 30th June, including the value of bullion despatched and included as revenue, was **\$10.4 million**, including \$2.7 million of unavailable cash (environmental bonds and employee entitlements). July gold production, including removal of gold-in-circuit, is expected to be around 1,200 oz. Complete details of June quarter production will be provided in the June Quarterly Report towards the end of July.

Access to the underground mine will be maintained until Sept or October, depending on what underground equipment is to be hoisted to surface for committed sales. The sale of mobile plant and equipment from underground has to date resulted in offers accepted or in negotiation for \$1.63 million, of which deposits totaling \$0.1 million has been received. Significant value remains in mobile fleet and in underground infrastructure items still for sale (refer to BCD website <http://bcdresources.com.au/tasmania-mine/asset-sales>).

Lefroy Tailings Retreatment

The Lefroy tailings retreatment project remains on schedule, with plant modifications to carbon-in-leach (CIL) to be implemented in July, as well as some minor road upgrading near Lefroy. 150,000 tonnes at an estimated grade of 1.3 g/t gold of stockpiled Lefroy tailings are due for retreatment through the modified Beaconsfield process plant between August and December this year.

Middle Arm and Golconda Tailings

Studies for the retreatment potential of historical Beaconsfield tailings are ongoing, with an Exploration Licence application in place over Middle Arm Bay and a Mining Lease application over the 1980s

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Golconda tailings dams. Drilling programmes for both of these projects have been designed, and further details on the status of these applications are expected during July.

Closure plan

The Mine Closure and Rehabilitation Plan is proceeding to schedule, with emptying of tailings dam TSF2 to commence in July, and dismantling of mine infrastructure underway. Rehabilitation of Wetlands has been slower than planned, with different methods of sediment removal under consideration. An estimated \$3.5 million remains to be spent on completion of the Closure and Rehabilitation Plan, excluding contingency and the cost of process plant removal if required.

CEO's Comments

The successful closure of the Tasmania Mine signals the end of the modern era of mining at Beaconsfield, which recommenced in 1999. Although the mine has come to the end of its economically viable life, it was possible for the Company to operate at significantly lower cost for the past year, to repay all debt and accumulate a significant cash position, currently in excess of market capitalisation. The Company now looks forward to applying its significant plant infrastructure and expertise to produce gold at low capital and operating cost from various local sources using CIL technology. In the longer term, opportunities to apply the Beaconsfield Bacox-CIL plant to other undeveloped refractory gold projects are also being assessed.

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