ASX ANNOUNCEMENT **25 March 2014**
ASX Code: BDR

2014 GUIDANCE UPGRADE AND PRODUCTION UPDATE

- **2014 Gold Production Guidance –** Increased to 200,000 - 220,000 ounces
- **Production Schedule –** Reconfigured to match seasonal conditions
- **Debt Repayment Schedule –** Rescheduled in line with new production plan
- **Dividend Policy –** Sustainable plan before year end
- **2015 Outlook –** Approximately 200,000 ounces at low cash costs
- **Remaining Duckhead Reserve Upgraded –** 25% increase
- **Extension and Step Out Drilling –** Commencing with two drill rigs

2014 Gold Production Guidance

Beadell Resources Limited ("**Beadell**" or "the **Company**") is pleased to announce an increase to CY2014 gold production guidance for the Tucano Gold Mine in Brazil. Guidance has increased to **200,000 to 220,000 ounces of gold** (previously 190,000oz to 210,000oz) under a revised mine plan. Costs are expected to be slightly lower than previous guidance (cash costs of US$535 - $585 per ounce including royalty and by-product credits).

Production Schedule

The new mine plan and production profile for 2014 accounts for seasonal conditions by increasing production from the main Tucano pits of Tap AB, Tap C and Urucum in the first half during the wet season (typically January to June) where well established and sheeted roads allow for more efficient mining. As a result, gold production for the first half of 2014 will be significantly lower than in the second half. Mining at the oxide Duckhead pit has been reduced during the wet season because it does not have adequately sheeted haul roads and waste dumps. Consequently, smaller all weather articulated trucks will be utilised until June. From July to October the focus of mining will shift back to the high grade Duckhead pit which will be completed during that period.

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During this weather related slowdown in mining at Duckhead, Beadell, working together with Zamin and the local Government Mining Department (DNPM) have agreed to temporarily suspend mining at this location whilst the various operating agreements which relate to mining at Duckhead are restructured. This has arisen because Zamin and Beadell have decided to propose to the DNPM the continuation of the contractual based approach rather than replacing it with a mining lease, as was the preferred option, in view of the limited period now remaining before Beadell concludes its mining operations at Duckhead. The proposed changes to the operating agreements will shortly be submitted to the DNPM. Recommencement of mining at Duckhead is expected over the coming weeks.

Debt Repayment Schedule and Hedging

Project debt repayments have been restructured with the Company's bankers to better align with the strong cash flows in the second half of the year under the revised mine plan. A requirement of the debt roll out is the addition of 55,000 ounces of forward gold sales at a price of US$1,313 per ounce, completed on March 24, closing out in increments until March 2015. This adds to the existing "in the money" forward sales of 131,600 ounces of gold at a price of US$1,600 per ounce and US$108.7M in currency hedging at USD1 = BRL1.97 both closing out in increments until December 2014. The project debt facility is still scheduled for repayment in full before the end of 2014 and allows for contingency in the Company's cash flows.

Dividend Policy

The Beadell Board is committed to implementing a sustainable dividend policy towards the end of CY2014, once the project debt facility is repaid.

2015 Outlook

Prevailing plant throughput levels, which are approaching 5 million tonnes per annum will permit a production target of approximately 200,000 ounces to be maintained into 2015 with low cash costs. Increased quantities of high grade iron ore concentrate from the Company's Magnetic Separator will positively impact on costs.

Duckhead Drill results

Exceptional, extremely high grade infill drill results have been received from the Main Lode, including FVM382 which recorded the highest ever down-hole gram x meter result of 4,141 (previously record 2,251) in an intersection of 29 m @ 142.8 g/t gold which included the highest ever individual meter assay of 2,001.6 g/t gold. The new drill results are discussed below and tabulated in Appendix 1.

An extensive RC drilling program was recently completed at the Main Lode to infill the ore-body to the base of the current reserve pit.

A summary of the more significant results include;

FVM382	**29 m @ 142.8 g/t gold including 7 m @ 546.8 g/t including 1 m @ 2,001.6 g/t**
FVM393	**20 m @ 72.9 g/t gold including 11 m @ 128.2 g/t**
FVM394	**19 m @ 70.3 g/t gold including 1 m @ 203.4 g/t and 1 m @ 767.1 g/t**
FVM422	**15 m @ 45.8 g/t gold including 1 m @ 647.9 g/t**
FVM426	**27 m @ 49.1 g/t gold including 2 m @ 476.3 g/t**

Several significant results were also received from shallow infill drilling of the Wing Lode and Hangingwall Lode with better results including;

Wing Lode	**GCRC9819**	**14 m @ 8.1 g/t gold**
Hangingwall Lode	**GCRC9706**	**34 m @ 7.5 g/t gold**

Numerous additional results are yet to be received from the Main Lode drilling and several significant intersections have not yet been included into the updated resource or reserve, including the very high grade intersections from FVM393 and FVM394 above.

Duckhead Resource and Reserve

An updated resource and reserve for Tucano is currently being completed and will be released shortly. **Total un-depleted resources as at 31 December 2012 are 114.1 Mt @ 1.42 g/t gold for 5.2 Moz. Total un-depleted open pit reserves are 41.0 Mt @ 1.44 g/t gold for 1.9 Moz.**

An updated resource and reserve for the Duckhead deposit in accordance with JORC 2012 has been completed. A breakdown of the resource and reserves are presented in the table below depleted to 31 December 2013. Total Duckhead remaining resources are 793,782t @ 3.51 g/t gold for 89,510 ounces. Total remaining open pit JORC reserves are 269,251t @ 5.84 g/t gold for 50,561 ounces.

A total pre-mining reserve of 634,541t @ 5.98 g/t gold for 122,177 oz was depleted by the mining of 365,290t @ 6.09 g/t gold for 71,616 ounces. This reconciled production included a 30% positive reconciliation of ounces (additional 16,709 ounces). With over 40% of the metal still to be mined from the Duckhead pit, potential for ongoing positive reconciliation remains high.

Duckhead Total Resource Upper Cut 1100g/t	Estimate	Tonnes	Au (g/t)	Ounces
Measured	21-Mar-14	24,243	4.74	3,695
Indicated	21-Mar-14	352,356	5.76	65,218
Inferred	21-Mar-14	417,183	1.54	20,597
Remaining Resource as at 31 December 2013	**21-Mar-14**	**793,782**	**3.51**	**89,510**
Reconciled Production to 31 December 2013	21-Mar-14	365,290	6.09	71,616
Combined Reconciled Production and Remaining Resource	21-Mar-14	1,159,072	4.32	161,126

Duckhead Open Pit Reserve	Estimate	Tonnes	Au (g/t)	Ounces
Proven	21-Mar-14	26,667	4.31	3,695
Probable	21-Mar-14	242,584	6.01	46,866
Remaining Reserve as at 31 December 2013	**21-Mar-14**	**269,251**	**5.84**	**50,561**
Reconciled Production to 31 December 2013	21-Mar-14	365,290	6.09	71,616
Total un-depleted reserve as at 31 December 2013	**21-Mar-14**	**634,541**	**5.98**	**122,177**
Duckhead Reserve as at 30 April 2013	**30-Apr-13**	**400,000**	**7.60**	**98,000**

Duckhead Extension and Step out Drilling

Near Duckhead pit exploration drilling activities have been accelerated with a RC and diamond rig scheduled to commence extensional drilling within the next two weeks to extend the existing resource and look for repetitions of Duckhead style lodes. Excellent potential exists to discover more lodes at Duckhead but also to test the down-plunge projection of the Main Lode, Hangingwall Lode and Wing Lode, which remain shallowly drilled and completely open at depth. The drilling will also aim to convert JORC inferred resources below the reserve pits to assess whether deepening of the pits is warranted or whether underground development will be viable. The close proximity of the three known lodes and the high grade nature of the mineralisation are considered highly prospective for underground exploitation in the future and to date only shallow drilling has been completed. Additional resources are also anticipated from the immediate Duckhead area and will form the focus of ongoing drilling programs throughout 2014, where targets such as the Fold Nose have economic type gold intersections from previously sampled iron ore drill holes.

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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**.**

APPENDIX 1

Duckhead Infill Drill Results

Drill Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
FVM0349	89,334	407,328	169	-67	61	28 54	30 72	2 18	4.2 10.4
FVM0359	89,337	407,327	169	-57	33	49 63	59 66	10 3	8.5 0.7
FVM0365	89,338	407,332	169	-66	46	47 64	61 75	14 11	2.3 3.2
FVM0368	89,340	407,333	169	-53	45	40	43	3	2.1
FVM0380	89,334	407,337		-66	49	46	68	22	19.9
FVM0382	89,327	407,344	170	-73	47	52 73	55 102	3 29	7.4 142.7
FVM0383	89,328	407,345	169	-69	46	60 Incl 60 79	74 65 84 (BOH)	14 5 5	15.9 39.5 0.6
FVM0384	89,330	407,346	170	-53	45	39	55	16	17.1
FVM0385	89,331	407,347	170	-50	45	42	49	7	1.4
FVM0391	89,324	407,341	169	-52	45	48 Incl 49	70 62	22 13	18.8 30.7
FVM0393	89,328	407,357	170	-56	40	36 Incl 38	56 49	20 11	72.9 128.2
FVM0394	89,328	407,357	170	-51	40	35 Incl 39 Incl 42	54 40 43	19 1 1	70.3 209.4 767.1
FVM0395	89,326	407,356	170			40 46	43 48	3 2	1.0 0.7
FVM0398	89,322	407,352	170	-62	44	43 Incl 43 64	51 44 71	8 1 7	40.0 299.0 20.1
FVM0399	89,322	407,352	170	-58	42	39 58	50 60	11 2	2.7 0.8
FVM0408	89,326	407,365	171	-57	43	52	59	7	32.9
FVM0409	89,324	407,364	171	-53	50	0	6	6	1.1
FVM0410	89,326	407,365	171	-50	43	0 34	3 52	3 18	6.5 5.7
FVM0423	89,337	407,368	171	-51	37	0 21	6 47	6 16	0.6 8.1
FVM0425	89,337	407,368	170	-51	60	0 21 Incl 21	2 36 23	2 15 2	1.3 10.7 56.6
FVM0426	89,337	407,368	170	-56	64	22 Incl 22 Incl 40	49 24 41	27 2 1	49.1 476.3 142.8
GCRC09498	89,130	407,536	187	-60	45	4	6	2	1.1
GCRC09499	89,134	407,540	187	-60	45	3	5	2	0.6
GCRC09500	89,137	407,543	187	-60	45	2	4	2	1.1

Drill Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC09501	89,141	407,547	187	-60	45	1	4	3	0.7
GCRC09511	89,127	407,519	185	-60	45	4	6	2	1.9
GCRC09512	89,130	407,522	185	-60	45	1	8	7	1.6
GCRC09513	89,134	407,526	186	-60	45	1	6	5	1.0
GCRC09514	89,137	407,529	186	-60	45	1	7	6	0.8
GCRC09515	89,141	407,533	187	-60	45	22	24	2	4.3
GCRC09541	89,130	407,493	181	-60	45	1	5	4	1.1
GCRC09542	89,134	407,498	182	-60	45	1	6	5	1.3
GCRC09555	89,134	407,482	180	-60	45	0 6	2 10	2 4	2.1 0.5
GCRC09577	89,138	407,459	180	-60	45	1 25	8 30	7 5	3.0 0.5
GCRC09578	89,144	407,466	180	-60	45	0	17	17	1.0
GCRC09579	89,149	407,470	180	-60	45	0	8	8	1.1
GCRC09581	89,155	407,476	180	-60	45	0 6	3 10	3 4	0.5 0.8
GCRC09586	89,144	407,451	180	-60	45	23	30	7	0.7
GCRC09588	89,152	407,459	180	-60	45	0	13	13	0.7
GCRC09590	89,159	407,466	180	-60	45	3	7	4	0.9
GCRC09595	89,148	407,441	181	-60	45	23 28	25 30	2 2	0.6 0.5
GCRC09596	89,152	407,444	181	-60	45	2	4	2	1.1
GCRC09611	89,162	407,427	182	-60	45	8	15	7	0.8
GCRC09672	89,192	407,499	168	-70	45	13	18	5	0.6
GCRC09673	89,196	407,503	168	-70	45	11	17	6	1.3
GCRC09674	89,199	407,506	168	-70	45	1	4	3	4.0
GCRC09678	89,196	407,489	168	-70	45	0	34	34	7.4
GCRC09679	89,199	407,492	168	-70	45	0	19	19	5.0
GCRC09680	89,203	407,496	168	-70	45	0	13	13	8.9
GCRC09681	89,206	407,499	168	-70	45	0	16	16	1.3
GCRC09684	89,195	407,475	168	-90	0	27	33	6	4.0
GCRC09685	89,199	407,478	168	-70	45	8	34	26	2.8
GCRC09686	89,203	407,482	168	-70	45	0	29	29	3.3
GCRC09687	89,206	407,485	168	-70	45	0 18	13 23	13 5	5.2 4.1
GCRC09688	89,210	407,489	168	-70	45	0 22	16 28	16 6	1.5 0.8
GCRC09689	89,213	407,492	168	-70	45	2	7	5	2.1
GCRC09693	89,199	407,464	168	-70	45	0 21	15 34	15 13	1.9 3.7
GCRC09694	89,203	407,468	168	-70	45	0	34	34	4.0
GCRC09695	89,206	407,471	168	-70	45	3 17	12 34	9 17	2.0 9.9
GCRC09696	89,210	407,475	168	-70	45	0 11	6 32	6 21	6.6 3.2

Drill Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC09697	89,213	407,478	168	-70	45	0 31	20 34	20 3	3.0 0.6
GCRC09703	89,205	407,456	168	-70	45	5 25	8 49	3 24	4.6 2.3
GCRC09704	89,210	407,461	168	-70	45	0 20	13 34	13 14	0.7 2.8
GCRC09705	89,214	407,466	168	-70	45	0 10 30	9 27 34	9 17 4	2.4 4.4 2.7
GCRC09706	89,217	407,468	167	-70	45	0	34	34	7.5
GCRC09707	89,221	407,472	167	-70	45	0 15 27	12 19 31	12 4 4	0.8 1.1 4.6
GCRC09708	89,224	407,475	168	-70	45	0 6	3 11	3 5	1.4 2.5
GCRC09712	89,213	407,450	169	-70	45	1 11	3 50	2 39	0.7 1.2
GCRC09713	89,216	407,453	169	-70	45	12	42	30	1.6
GCRC09714	89,221	407,457	169	-70	45	1 5	4 33	3 28	0.7 1.1
GCRC09720	89,221	407,443	169	-70	45	0 5	2 47	2 42	2.7 1.1
GCRC09721	89,224	407,446	169	-70	45	0 28	19 34	19 6	2.0 1.9
GCRC09741	89,196	407,461	168	-90	0	7 29	15 31	8 2	3.4 0.9
GCRC09742	89,199	407,465	168	-90	45	0	3	3	1.9
GCRC09744	89,206	407,457	168	-85	45	21 27	24 30	3 3	0.9 0.8
GCRC09748	89,220	407,442	169	-90	0	1 23	13 29	12 6	2.8 0.6
GCRC09757	89,141	407,474	180	-50	225	0	6	6	1.4
GCRC09758	89,145	407,478	180	-50	225	0	14	14	0.9
GCRC09759	89,149	407,481	179	-50	225	9	30	21	0.8
GCRC09760	89,152	407,485	179	-50	225	13 27	20 34	7 7	0.8 0.6
GCRC09761	89,155	407,487	179	-50	225	0 24 33	2 26 35	2 2 2	0.7 0.9 0.8
GCRC09762	89,146	407,464	180	-50	225	0	12	12	1.2
GCRC09763	89,150	407,468	180	-50	225	0	7	7	0.7
GCRC09764	89,152	407,471	180	-50	225	5	10	5	0.6
GCRC09765	89,156	407,474	179	-60	225	15	31	16	1.6
GCRC09768	89,148	407,452	180	-50	225	27	29	2	6.4
GCRC09769	89,153	407,457	180	-50	225	1	6	5	1.1

Drill Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC09770	89,156	407,459	180	-50	225	0 9 18 27	5 13 20 30	5 4 2 3	0.7 0.7 2.0 1.7
GCRC09773	89,153	407,442	181	-50	225	5 12	8 17	3 5	0.9 2.2
GCRC09774	89,156	407,445	181	-50	225	1 9	5 12	4 3	1.5 0.7
GCRC09775	89,161	407,449	180	-50	225	0	2	2	0.7
GCRC09778	89,159	407,434	181	-50	225	2 11	5 14	3 3	0.7 1.3
GCRC09779	89,162	407,437	181	-50	225	0	2	2	0.6
GCRC09783	89,163	407,425	182	-50	225	14	18	4	1.1
GCRC09784	89,167	407,428	182	-50	225	14	17	3	0.5
GCRC09785	89,170	407,431	181	-50	225	1	3	2	0.6
GCRC09792	89,174	407,421	182	-50	225	11	24	13	0.6
GCRC09795	89,173	407,407	182	-50	225	11 20	13 23	2 3	1.1 1.5
GCRC09796	89,178	407,411	182	-50	225	24	27	3	0.9
GCRC09797	89,180	407,413	183	-50	225	23 28	25 30	2 2	1.6 1.1
GCRC09801	89,180	407,400	183	-50	225	2	4	2	0.7
GCRC09806	89,184	407,390	183	-55	225	4	6	2	0.6
GCRC09813	89,132	407,457	179	-90	0	3	12	9	0.9
GCRC09819	89,135	407,453	179	-90	0	4	18	14	8.1
GCRC09826	89,142	407,446	180	-60	45	9 34	11 37	2 3	1.2 0.8
GCRC09827	89,146	407,449	180	-60	45	1 25	6 33	5 8	1.0 0.7
GCRC09828	89,150	407,446	181	-60	45	2 17 22	4 20 27	2 3 5	0.9 0.5 1.1
GCRC09829	89,149	407,453	180	-60	45	1 10	7 21	6 11	1.7 0.8
GCRC09830	89,154	407,449	180	-60	45	0	5	5	1.4
GCRC09831	89,158	407,453	180	-60	45	0	2	2	0.7
GCRC09833	89,139	407,428	181	-90	0	7	18	11	1.2
GCRC09834	89,142	407,432	180	-90	0	8	18	10	3.7
GCRC09835	89,149	407,431	181	-60	45	0	18	18	0.9
GCRC09836	89,146	407,436	180	-70	45	4 13 44	6 17 46	2 4 2	0.7 0.5 1.7
GCRC09837	89,149	407,439	181	-60	45	5 27 33	14 29 41	9 2 8	0.6 0.5 0.6
GCRC09843	89,145	407,422	180	-90	0	10	18	8	0.9

Drill Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC09844	89,149	407,424	181	-70	45	36 59	39 71	3 12	0.6 1.7
GCRC09846	89,155	407,423	181	-60	45	4 13 42	6 15 44	2 2 2	1.4 0.7 0.7
GCRC09851	89,148	407,410	181	-90	0	11	14	3	1.0
GCRC09853	89,153	407,414	181	-90	0	14	16	2	0.8
GCRC09854	89,156	407,418	181	-60	45	19	22	3	0.7
GCRC09859	89,159	407,399	181	-90	0	11	15	4	0.8
GCRC09862	89,160	407,407	181	-72	45	29 57	37 60	8 3	0.8 1.9
GCRC09867	89,162	407,389	180	-90	0	10	12	2	0.6
GCRC09868	89,163	407,396	180	-90	0	10	14	4	2.7
GCRC09874	89,164	407,382	179	-90	0	13	15	2	0.6
GCRC09875	89,167	407,385	180	-90	0	11	16	5	0.7
GCRC09920	89,120	407,544	186	-60	225	5	7	2	0.8
GCRC09921	89,122	407,546	186	-60	225	5	9	4	0.7
GCRC09928	89,118	407,514	183	-90	0	0	3	3	0.6
GCRC09929	89,121	407,517	184	-70	45	3	5	2	0.7
GCRC09930	89,122	407,518	184	-60	45	4	7	3	0.6
GCRC09935	89,126	407,507	182	-70	45	1 8	6 11	5 3	1.8 0.6
GCRC09938	89,124	407,498	182	-90	0	2	6	4	0.8
GCRC09939	89,130	407,496	182	-60	45	2	6	4	2.4
GCRC09940	89,131	407,498	182	-60	45	15	18	3	1.4
GCRC09943	89,130	407,482	180	-75	45	0	2	2	1.1
GCRC09946	89,136	407,489	181	-60	45	0	5	5	1.3
GCRC09948	89,126	407,466	179	-90	0	5	12	7	1.3
GCRC09955	89,121	407,530	185	-70	45	2	6	4	0.7
GCRC09956	89,120	407,530	185	-50	45	2	8	6	0.7
HW00443	89,148	407,433	179	-57	44	36 96	38 104	2 8	1.1 2.9
HW00448	89,140	407,454	179	-72	48	2 33 38 106	4 35 42 108	2 2 4 2	0.6 0.6 1.4 3.3
HW00450	89,134	407,477	180	-72	43	8	10	2	1.4
HW00451	89,134	407,476	180	-83	28	19 28	21 30	2 2	1.2 0.6
HW00522	89,148	407,455	180	-62	45	1 22 81	14 29 84	13 7 3	0.8 0.6 1.7
HW00525	89,173	407,423	183	-60	51	79 86 100	82 94 104	3 8 4	1.4 2.1 1.5

APPENDIX 2

JORC Code, 2012 Edition – Table 1 report template

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 (eg 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.*	The Duckhead deposit was sampled using Reverse Circulation (RC), Diamond Drill Holes (DD) and Auger Holes (AUG). RC drilling was completed on a nominal 5m x 10m grid spacing for the Main Lode and 5m x10m for the Hangingwall Lode. 1256 RC holes (52,936m), 113 Diamond holes (13,599 m) and 451 Auger holes (2148 m) were drilled mainly angled toward grid north-east.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Beadell drill hole collar locations were picked up by site-based authorized surveyors using a Total Station Leica 407. Downhole surveying was measured by the drilling contractors using a Maxibore II Downhole Survey Instrument for DD holes. Shallow RC holes were picked up at the rig's rod string using Total Station, 13 deeper RC holes were re-entered using a diamond rig and downhole surveyed using Maxibore II. Maxibore II surveys were completed every 3m down the drillhole. In late 2013, the survey tool was changed to a Reflex Gyro instrument for use in the RC drill string. Samples were sent to SGS Geosol in Belo Horizonte for analysis. Certified standards were inserted every 20th sample by Beadell to assess the accuracy and methodology of the laboratory. Field duplicates were inserted every 20th sample of diamond core to assess the repeatability and variability of the gold mineralisation. Beadell laboratory duplicates were also completed approximately every 20th sample to assess the repeatability of the result using ACME Laboratories. A blank standard was inserted at the start of every batch of approximately 150 samples. In addition the contract labs SGS Geosol and ACME also carried out their own internal standards, lab duplicates for each lot. 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 (eg 'reverse circulation drilling was*	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. Diamond core was used for structural, geotechnical and density measurements as well as lithology logging and

Criteria	JORC Code explanation	Commentary
	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 (eg submarine nodules) may warrant disclosure of detailed information.	assaying. HQ diameter diamond coring has been used through the less competent, near surface oxide material and later changed to NQ with the commencement of more competent oxide or fresh rock. The core has been predominantly been sampled at 1m intervals, with some sampling on geological intervals (0.6m – 1.4m). Density measurements were done for both oxide and fresh whole core with the oxide being weighed before and after drying to determine wet SG, dry SG and moisture content. 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 same preparation facility 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. All lab duplicates samples of the same interval were sent to ACME laboratories for analysis as a lab check.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	In the Duckhead resource area RC accounts for 71% of the total combined RC and Diamond drilling metres with hole depths ranging from 3m to 240m (42m average). A 5.5'' diameter face sampling hammer was used for RC drilling. Diamond drilling accounts for 29% of the total combined RC and Diamond drilling metres in the resource area with hole depths ranging from 10m to 322m (average 120m), and comprises HQ and NQ sized core. Core orientations were completed using a Reflex Act II RD/NQ orientation tool. Auger holes account for only 3% of the total drilling metres with holes ranging from 1- 15m (average 4.7m). A 3 person operated, motor driven auger with a cylindrical cutting tube is used to obtain a core sample of the colluvium material.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	Diamond core recovery was logged and recorded in the database, with no significant core loss issues occurring in the mineralised zones. The diamond drilling contract includes penalty rates for poor core recovery to encourage drillers to maximise sample recovery. Average core recovery is 99% for the mineralised zones. RC recovery was visually assessed, with recovery being excellent except in some wet intervals at the water table. The vast majority of mineralised RC intersection results received occurred above the water table.

Criteria	JORC Code explanation	Commentary
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	Coreyard staff measure and record the recovery of the core shortly after it is received. This information is later used to adjust the drill contractor payment invoice. Diamond core was reconstructed on racks for orientation and marking. Depths are checked and measured against those marked by the drilling contractors on core blocks. 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 3m 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 loss/gain of fine/coarse material.*	Sample recoveries for diamond and 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, structure (foliation, bedding etc), weathering, resistance (knife scratch test), recovery, RQD, density were all logged for the diamond core using Logchief software and saved in an SQL (Datashed) database. Whole core photographs were taken and all half-core was retained in a core yard for future reference. 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.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	All logging is qualitative except for density, recovery and RQD. 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 drillholes are logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	All core was cut in half onsite (HQ & NQ) with a core saw or with a chisel in the case of clay/soft oxide. Half core samples for analysis were all collected from the same side. Where field duplicates are taken, the other half of the core is used as the duplicate sample. At the on-site sample preparation facility the half core sample is dried, crushed to -8mm, then to -2mm and split to approximately 1kg for pulverisation.
	• *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.

Criteria	JORC Code explanation	Commentary
	• *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.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Beadell has inserted its own QAQC samples within every batch as follows; Certified standards and blanks were inserted at 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 Duckhead field duplicates were taken for diamond core but not for RC. Laboratory duplicates (sample preparation split) were completed every 20th sample to assess repeatability of the result using ACME labs. In addition the contract labs SGS Geosol and ACME also carried out their own internal standards, lab duplicates for each lot.
	• *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.*	The results of the field duplicates show an acceptable level of repeatability of gold analysis. Wet oxide intervals were wrapped in plastic shortly after being received to preserve oxide sample moisture and integrity prior to density & moisture measurement.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sample sizes (1kg to 6kg) at Duckhead 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 majority of these were outside the very high grade zones.
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 gold assaying completed by external 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.
	• *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.

Criteria	JORC Code explanation	Commentary
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Beadell has inserted its own QAQC samples within every batch as follows; Certified standards and blanks were inserted at every 25th sample to assess the accuracy and methodology of the external laboratory (SGS Geosol), and field duplicates were inserted every 20th sample to assess the repeatability and variability of the gold mineralisation. At Duckhead field duplicates were taken for diamond core but not for RC. Laboratory duplicates (sample preparation split) were completed every 20th sample to assess repeatability of the result using ACME labs. In addition the contract labs SGS Geosol and ACME also carried out their own internal standards, lab duplicates for each lot. Evaluation of both the Beadell submitted standards, and the internal laboratory quality control data, indicates assaying to be good precision and accuracy. Excluding obvious errors, the vast majority of the Beadell supplied CRM assaying reported shows an overall mean bias of less than -0.21% weighted by number of standards with no consistent positive or negative bias noted. Excluding obvious errors, the vast majority of the Lab supplied CRM assaying reported shows an overall mean bias of less than +0.4% weighted by number of standards with no consistent positive or negative bias noted. Field Duplicate assays showed a high level of correlation (0.993) and no apparent bias between the duplicate pairs. Field Duplicate samples were mainly of low gold grade intervals. Lab duplicate sample show excellent levels of correlation (0.999) and no relative bias. Lab repeats showed good correlation (0.987) with slight negative bias on the first repeat analysis. Each analysis batch (approx. 150 samples) is checked to ensure that the standards fall within the accepted levels of standard deviation. Where any standard assay 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 use of twinned holes.*	The high grade intersections of core at Duckhead have been observed by various visiting geological consultants (eg Cube consulting). Very high grade intersections occur in highly weathered saprolite and no visible gold present. No hole twinning was undertaken at Duckhead. All geological logging information is entered directly into Logchief and

Criteria	JORC Code explanation	Commentary
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	synchronised with the Datashed database. Other field data (eg 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, eg <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 drillhole 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 Maxibore II Downhole Survey Instrument for DD holes. Shallow RC holes were picked up at the collar and 2 points on the rod string using Total Station, 13 deeper RC holes were re-entered using a Rede Diamond Rig and Downhole Surveyed using Maxibore II. Maxibore II surveys were completed every 3m down the drillhole.
	• *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 Duckhead deposit.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	The nominal drillhole spacing is 5m (NE) by 10m (NW) in the Duckhead Main Lode Area and 5m (NE) by 10m (NW) in the Duckhead Hangingwalll Lode Area.
	• *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.*	Of samples >0.5g/t, 0% of RC and 23% of diamond intervals were sampled to >1m length.
Orientation of data in relation to	• *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 north-east with a 60 degree dip, which is roughly perpendicular to both the strike and dip of the mineralisation, therefore ensuring intercepts are close to true-width.

Criteria	JORC Code explanation	Commentary
geological structure	• *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 5m 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 to the laboratory and the laboratory emails a confirmation that the samples have been received along with a job number for tracking purposes.
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.

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The Duckhead prospect resides in tenement 852.730/1993, centrally located within the northern state of Amapa, Brazil. The current registered holders of the tenements is Anglo Ferrous Amapa Mineracao Ltda, however Beadell Brasil Ltda has mineral rights to extract gold resources under a Joint Operators Agreement with Anglo Ferrous Amapa Mineracao Ltda. Beadell Brasil Ltda is already operating a nearby gold and iron ore producing minesite ("Tucano Gold") on its neighbouring mining lease. . The Duckhead prospect is located on a granted mining concession which is regulated by normal Brazilian mining and environmental law regulations.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Beadell Brasil Ltda acknowledges the previous operator MPBA for the discovery of the deposit.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Mineralisation at Duckhead is controlled by the recently interpreted intersection of steep east-west striking shear zones with a banded iron formation lithological contact to form steeply west plunging high grade shoots. The texture and mineralogy along the shear zone indicates high-

Criteria	JORC Code explanation	Commentary
		temperature hydrothermal alteration, particularly silicification and sulfidation, bearing auriferous pyrite. The majority of the deposit that has been drill tested is heavily oxidised with high grade mineralisation extending right to the surface through a layer of colluvium several metres thick.
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.* • *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.*	Refer to Appendix 1.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	In the reporting of exploration results, not maximum cut off grades are used to cap results. At Duckhead generally the lower cutoff limit is considered to be 0.5g/t for minimum grade truncations of drill hole intercepts. In the instance where aggregate intercepts include shorter lengths of higher grade material, the total interval is stated first followed by the word “”including or inc”, then a listing of the contained shorter high grade intercepts, eg; FVM232 22m @ 58.2g/t inc 11m @ 113.4g/t inc 1m @ 832.9g/t. No metal equivalents are used at Duckhead.
Relationship between mineralisatio	• *These relationships are particularly important in the reporting of Exploration Results.*	The Duckhead drilling was designed to intersect the mineralisation at an angle that is roughly perpendicular to the overall trend for both strike and dip.

Criteria	JORC Code explanation	Commentary
n widths and intercept lengths	• *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 (eg 'down hole length, true width not known').*	Previously publicly reported drill intersections have stated that drill hole results are "down-hole length".
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.*	The drill results are all infill results and in line with previously released plans and sections.
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.*	Due to the high grades at Duckhead, it is normal practice to separate all notably high assay results within any reported intersection.
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.*	N/A
Further work	• *The nature and scale of planned further work (eg 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 Duckhead deposit remains open at depth and contains numerous outlying intersections that will require follow up drilling including further drilling towards the anomalous eastern fold hinge zone.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	The database was checked against the original raw data with respect to drill collar locations and down-hole surveys, and final drill hole depths. All data with respect to sample intervals has been (overlaps and duplicate records) have been verified.

Criteria	JORC Code explanation	Commentary
		No issues were identified with the data.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Mr Rob Watkins is a member of The Australian Institute of Mining and Metallurgy and is a Competent Person who has visited this site on numerous occasions. In the opinion of the competent person, the drilling, sampling and mining practices used on site are of a high industry standard.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	Detailed mapping of the lithological units and bounding major shears, fault splays and breccia zones shows a very close correlation to the 3D wireframe gold model in orientation, morphology and location. Interpreted wireframe mineralised contacts have been repeatedly investigated in the pit following ore markout and have also been rechecked with periodic earth-saw lines and check sampling. This check sampling has correlated well with the angled RC grade control grades.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The vast majority of the Duckhead resource occurs within the Duckhead Pit area. Two smaller much satellite deposits situated 500m west and 800m east of the Duckhead pit. The Duckhead pit deposit is 260m long with a known vertical extent of 180m from surface (open at depth) and widths ranging from 5 to 20m. It comprises 3 principle lodes plunging steeply to the south west and an overlying blanket of colluvium mineralization. Overall model extents were 2500m in y direction, 2000m in the x direction and 550m in the z direction.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of*	Ordinary Kriging was used to calculate the gold grade of the deposit using a 5m (x), 10m (y) and 2m (z) parent block size. Subblocking was undertaken to a minimum size of 0.625m (x), 2.5m (y) and 1.0m (z) to improve the resolution of the grade estimation against the lode contacts. The model was rotated 45 degrees anticlockwise to fit the overall strike of the gold mineralization. The software used to build the Ordinary Kriged Model was Surpac. The block model estimate was compared to production until 31st Dec 2013. This showed a 94% metal reconciliation of the resource against the reconciled production to this date. The estimation was constrained within the following tightly constrained

Criteria	JORC Code explanation	Commentary
	economic significance (eg sulphur for acid mine drainage characterisation). • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	wireframes defining the gold mineralisation; Nested gold grade envelopes use to constrain the estimation in the 3 principal lodes; Main Lode >60g/t, >2g/t and > 0.3g/t. Hangingwall Lode, >2g/t and > 0.3g/t Wing Lode >2g/t and > 0.3g/t An upper cut of 1100g/t was applied to grades within the >60g/t envelope to achieve an grade estimate close to the mean average of the composites within this domain.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	All tonnages were calculated using dry density.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	The resource was calculated using a lower cutoff of 1g/t.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Owing to the extremely high gold grades at Duckhead, it is normal practice to take an additional margin (10% dilution) of waste around the mineralization to avoid leaving ore on irregular contacts of the lode and ensure that recovery of the resource is as close to 100% as possible.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Metallurgical test work indicates recoveries of around 95% for oxide and 92% for sulphide ores for average grade of 5g/t. The metallurgy performance and recovery estimates used have been validated by actual mill production in 2013.
Environmen-	• *Assumptions made regarding possible waste and process residue*	Both the mine and the processing facility have full environmental

Criteria	JORC Code explanation	Commentary
tal factors or assumptions	*disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	licensing in place. The mine has been operational for 9 months and the Process facility for 15 months.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	The geological model was built by numerically coding lithologies in the database and building solid wireframes of each unit using implicit computer modeling in Surpac. Owing the friable nature of the oxide material and poor representation of reliable dry oxide SG measurements, global averages were assigned based geological unit and whether the sample was oxide or fresh. In the case of friable banded iron (itabirite) and colluvium, a selection of bulk density test pits were used to establish dry density average for this material The following densities were established an assigned to their repective domains; Colluvium 1.85t/m3, Quartz Biotite Schist 1.56t/m3 (oxide) and 2.79 (fresh), Banded Iron Formation 2.08t/m3 (oxide) and 3.3t/m3 (fresh), Carbonate & Hydrothermal Altered Zone 1.53 t/m3 (oxide) and 3.09 t/m3 (fresh).
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The mineral resource was classified using a combination of density of drill hole coverage and known performance of particular lodes from previous mining. Blocks within an average distance of 20m from informing drill holes were considered to be measured. Minor peripheral lode mineralization within the Duckhead pit was classed as inferred along with deeper parts of 2 of the principal lodes were drill coverage was poor.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	A check of the extracted resource estimate mined to date showed it to have only 6% less gold metal than the 6 months of reconciled production up to the 31st December 2013.
Discussion of relative	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach*	The approach for the estimation follows the same methodology used by Cube consulting for the maiden resource estimate for Duckhead. Hard

Criteria	JORC Code explanation	Commentary
accuracy/ confidence	*or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	domain grade envelopes of 0.3g/t and 2g/t to constrain both the compositing and grade estimation. Owing to improved drill definition of extreme grades in the lower half of the principal main lode, it was also possible to define a narrow >60g/t envelope as a continuous tabular body situated wholly within the >2g/t envelope. The rationale behind this was to limit the amount of sideways influence of these grades within the >2g/t envelope. An upper cut of 1100g/t was selected to achieve an overall estimate Au grade close to the mean composite grade of the >60g/t envelope.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	The resources at Duckhead are reported above a 1.0g/t cut-off. This represents the current mining cutoff grade used by mining operations at Duckhead. Material below this cut-off is not considered in the resource. Ore Reserves are the material reported as a sub-set of the resource, that which can be extracted from the mine and processed with an economically acceptable outcome. Reported Ore Reserves are exclusive to the Resources.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Mr Rob Watkins is a member of The Australian Institute of Mining and Metallurgy and is a Competent Person who has visited this site on numerous occasions. In the opinion of the competent person, the drilling, sampling and mining practices used on site are of a high industry standard.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a*	Study to Pre-feasibility level has been undertaken. The Duckhead mine is within an existing mining operation where mining parameters, mining and processing costs and processing performance are well known.

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	mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	For the purpose of the pit optimization, cut-off grades were calculated using the following formula; Cut-off Grade Formula= Treatment Costs (Gold Price-Selling Cost)* (1-Royalty)*Recovery
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	The Duckhead mine is a satellite of an existing mining operation and as such, mining parameters and costs are well known and have been applied accordingly to the Duckhead reserve. The mining method is conventional open pit with hydraulic excavators and trucks. Mining costs are based on actual costs for a similar pit within the existing operation. The majority of the ore reserve lies within oxide material that requires no blasting. Ore zones are broad and dig cleanly. Fresh material at the base of the pit requires drilling and blasting. For the reserve estimate, 100% mining recovery and 10% dilution at zero grade was applied to the measured and indicated resource, using a 1g/t Au cutoff. The reserve estimate was restricted to wholly within the pit design and above the 90mRl. No inferred resources have been utilised in the reserve calculation. The reporting of the ore reserves was done within the latest detailed pit design based on a Whittle optimized shell using the cost parameters detailed under “Costs” section. Geotech parameters have been derived from an independent consultant review. Knowledge of the material being mined in this location is extensive, within the existing operation. Minimum mining widths is 10m for 35 tonne payload all terrain trucks and 64 tonne excavators.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel*	The Duckhead ore will be processed using conventional Carbon-in-leach methodology. The facility that will process the Duckhead ore has been operating for 15 months and a considerable quantity of Duckhead ore

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	in nature. • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	has previously been processed with no issues. Metallurgical test work for the Duckhead ore comprised leach characteristic and metal recovery with cyanide. Plus grind size relationship with recovery. The ores at the Tucano are free milling with very high metallurgical recoveries. The metallurgical recovery for the average grade of Duckhead ores are 95% and 92%, for oxide and sulphide ore, respectively.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	The waste rock at the Duckhead deposit is inert and does not pose any environmental impact. The same rock as present at Duckhead was the subject of waste rock characterization testing and kinetic testing to feasibility study level. No adverse conditions were the result of this study for these rock types.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	Mining operations commenced at Duckhead in August 2013 with existing infrastructure and workforce in place to mine the deposit.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and*	No capital required for this satellite open pit. Operating cost assumptions are based on actual mining, processing and general & administration costs are derived from the main operation. There are no deleterious elements to be considered Duckhead is not a long life mine and metal price is closely linked to spot gold price. This approach was also used for exchange rates. Transport charges are contract values. Gold refining charges are contract values. Allowance for all applicable royalties have been included in Whittle optimisations and financial evaluations

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	private.	
($Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	See comments in "Costs" above
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	N/A
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	NPV analysis not undertaken for this deposit. Cashflow and simple payback analysis has been undertaken
Social	• *The status of agreements with key stakeholders and matters leading to social license to operate.*	In place.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which*	Zamin and the local Government Mining Department have agreed to temporarily suspend mining at this location whilst the current equipment lease agreement operating regime with Zamin is restructured to more accurately reflect the relationship between Zamin and Beadell.

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	extraction of the reserve is contingent.	
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	Only Measured Resources within the Duckhead pit design and above the 90mRl were converted to Proven Reserves. Only Indicated Resources within the Duckhead pit design and above the 90mRl were converted to Probable Reserves. Inferred resources are not included in the Ore Reserves.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	No external audits of resources/reserves were undertaken.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	Operational performance of production to maiden reserve estimates to the 31st Dec 2013 show a positive reconciliation of the contained metal by +30%, largely due to increases in orebody size through infill grade control drilling when compared to the maiden reserve estimate. Applying the same production reconciliation to the new reserve estimate yields a difference of only 6% in ounces indicating the estimate correlates well will with past production. Over the life of mine, Duckhead pit production has been confirmed through mine production to mill reconciliations.