ASX ANNOUNCEMENT **11 April 2014**
ASX Code: BDR

DRILLING UPDATE

- **FVM351 31 m @ 490.8 g/t gold**
- **Including 6 m @ 2,491.2 g/t gold**
- **Including 1 m @ 14,018.6 g/t (1.4 %) gold**

Beadell Resources Limited ("**Beadell**" or "the **Company**") is pleased to announce the highest drill intercept received at the Duckhead deposit of **31 m @ 490.8 g/t gold** including a metre assay of **14,018.6 g/t or 1.4 % gold** in FVM351 (Table 1, Figures 2&3). Drilling to target a potential down plunge extent of this result, has commenced.

Main Lode

Exceptional extremely high grade infill drill results continue to be received from the Main Lode, including FVM351 which recorded the highest ever down-hole gram x meter result of **15,215** (previous record 4,141) in an intersection of **31 m @ 490.8 g/t gold** which included the highest ever individual meter assay of **14,018.6 g/t gold or 1.4 % gold** (previous highest 2,001.6 g/t).

The result in FVM351 will add additional reserves as it is located within the reserve pit limits. However, the significance and magnitude of this individual result will not be definitively known until further drilling confirms its existence and/or until mining occurs in this area in the second half of 2014. Geostatistically, the 14,018.6 g/t will be top cut in the soon to be released resource and reserve update. The mineralisation at Main Lode is completely oxidised saprolite with extremely fine disseminated gold, rarely visible to the naked eye. Even though the mineralisation at Duckhead is extremely high grade, it is not a nuggety orebody and in general the extreme high grades have been consistently validated in the mining and milling reconciliations. The 14,018.6 g/t (1.4 %) gold result in FVM351 repeated at a certified off site laboratory at 17,025.6 g/t (1.7%) gold, further adding to the validity of this result. Additionally, the further 30 m of the intercept excluding the 14,018.6 g/t gold result averaged 39.9 g/t gold.

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All results have now been received from the infill drilling program completed earlier this year and a new program of RC drilling has just commenced targeting a potential down plunge strike extend of the ultra-high grade intersected in FVM351 (Figures 2&3).

The latest infill drilling at Duckhead has highlighted two plunges to the mineralisation with a moderate ~50 degree west plunge in the top half of the pit, intersecting a steep sub vertical plunge in the yet to be mined bottom half of the pit. The result in FVM351 appears to be located close to the intersection of these two high grade plunges and forms a coherent moderate west plunging, plus 400 gm high grade core. The strike extent of FVM351 appears to be open down plunge for ~35 metres to the west where a previous drill hole intersected 4 g/t gold in the bottom of the hole (Figure 3). Step out drilling on 10 m spaced section will determine if any additional strike extent exists.

A diamond drill rig is also mobilising to Duckhead and in conjunction with the RC rig will complete a major step out drilling and exploration program targeting the down plunge extents of all the lodes which remain open and shallowly drilled beneath the current reserve pit boundaries.

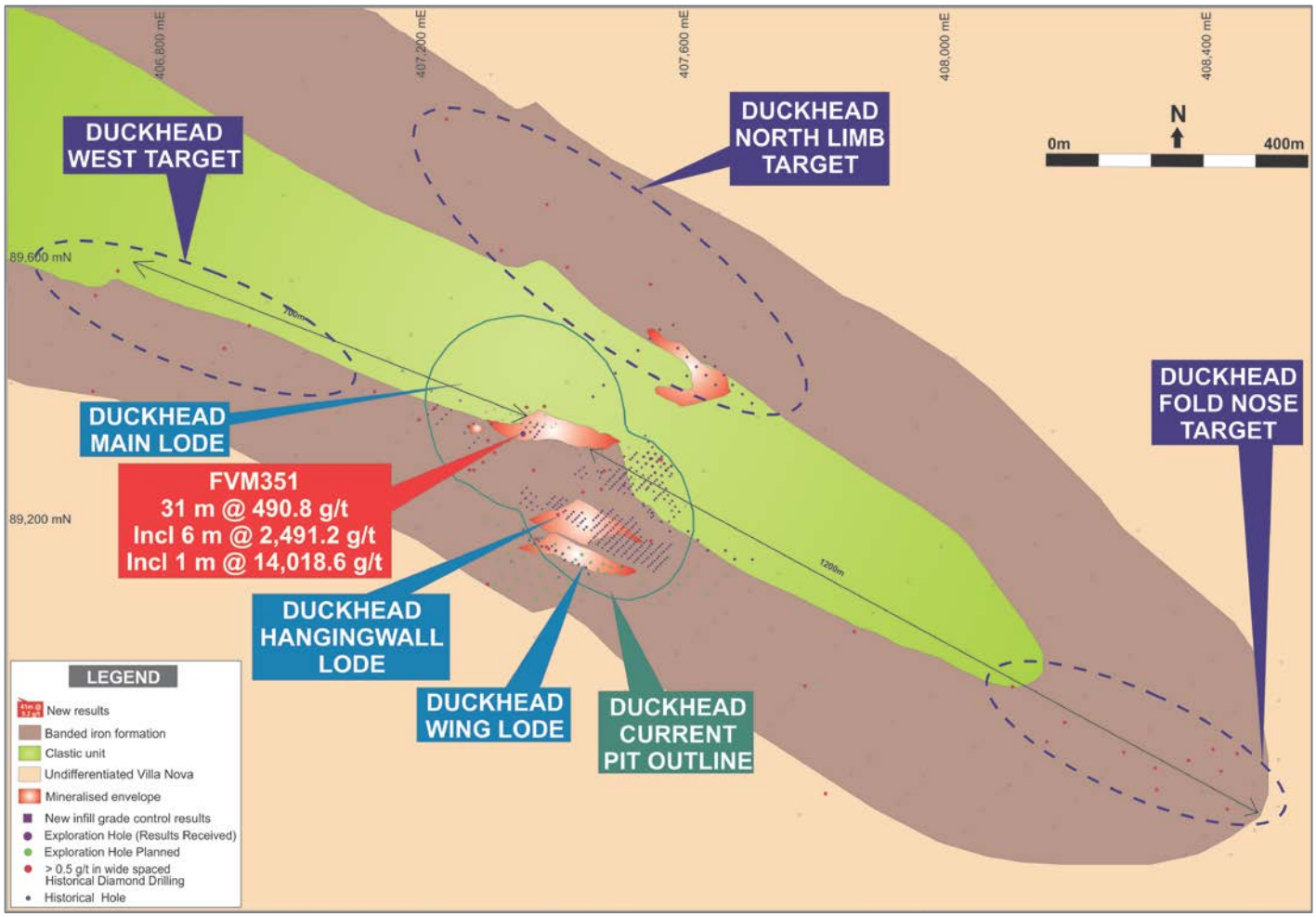

Figure 1. Planview of Duckhead showing step out drilling targets

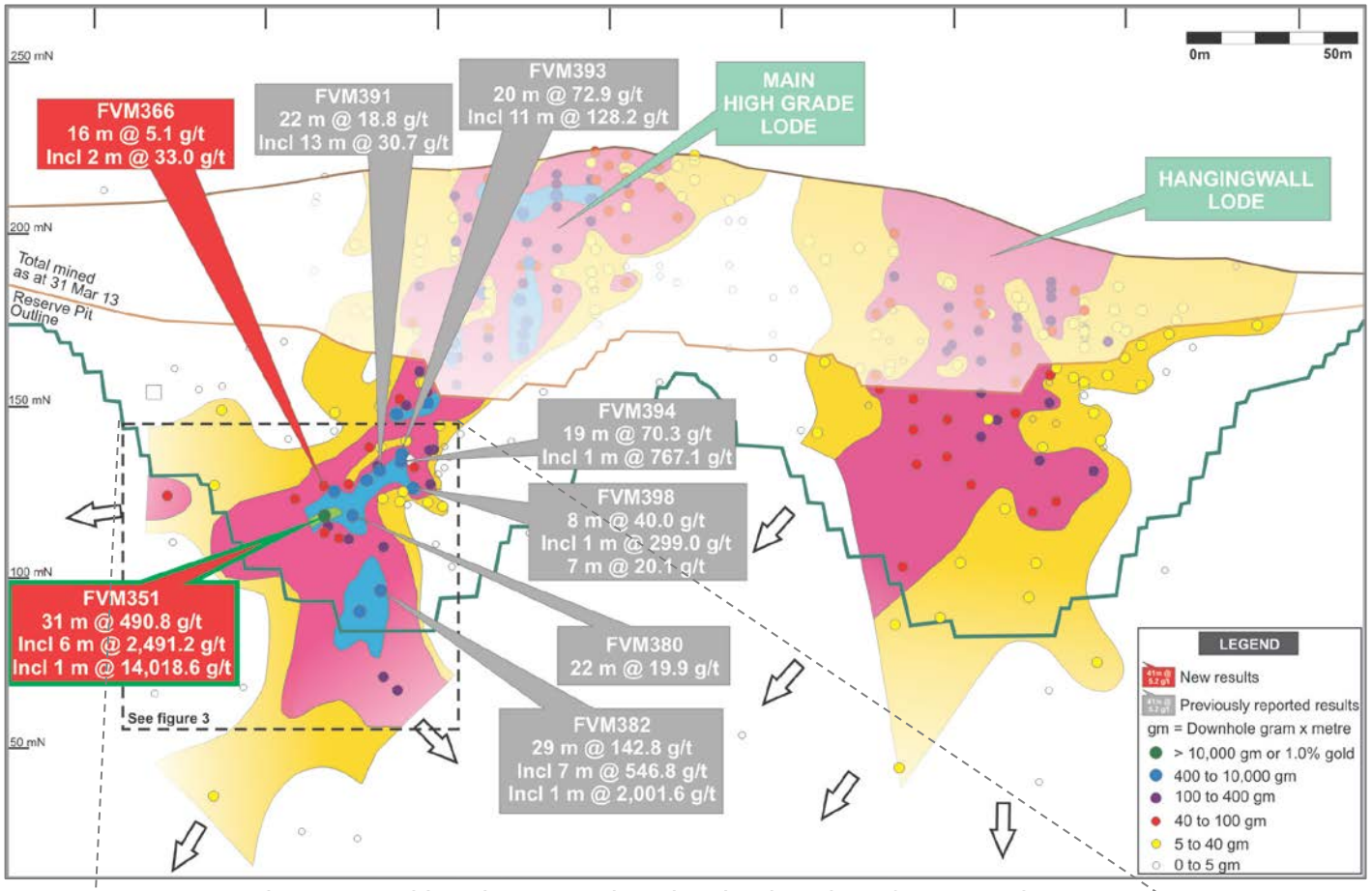

Figure 2 Duckhead Longsection showing location of new results.

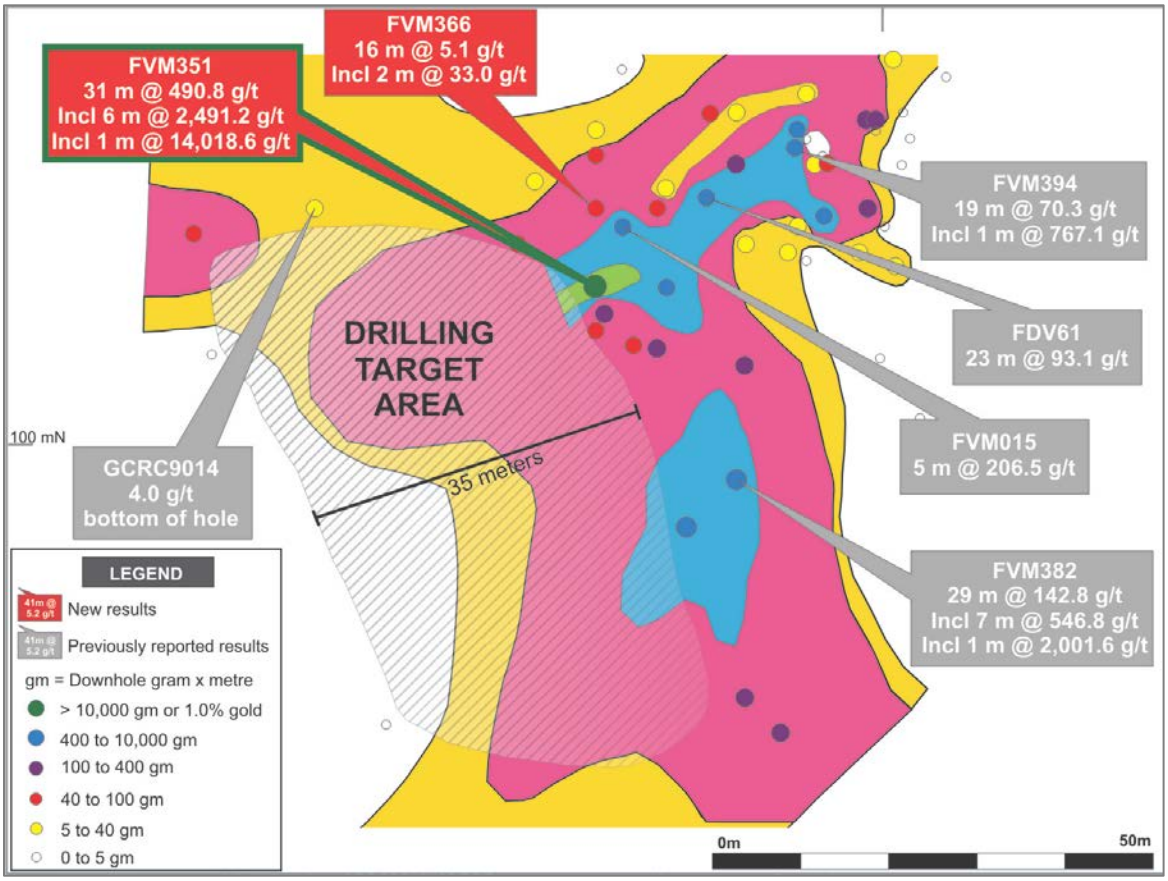

Figure 3. Duckhead Main Lode Longsection showing location of new drill results and drill target area.

Table 1

Duckhead Main Lode Infill Drill Results

Target	Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
Main Lode	FVM351	89335	407328	169	-65	45	54 Incl 55 Incl 55 Incl 55	85 67 51 56	**31** **12** **6** **1**	**490.8** **1,261.5** **2,491.2** **14,018.6**
Main Lode	FVM362	89327	407328	169	-52	34	47	52	5	1.6
Main Lode	FVM412	89324	407364	171	-50	70	29	35	6	1.5
Main Lode	FVM381	89335	407338	169	-62	48	4	6	2	3.0
Main Lode	FVM367	89340	407333	169	-58	45	44 54 66	51 63 68	7 9 2	2.4 2.5 0.6
Main Lode	FVM366	89339	407332	169	-62	45	44 Incl 46 66	60 48 71	**16** **2** 5	**5.1** **33.0** 1.0
Main Lode	FVM400	89322	407352	170	-53	42	42	47	5	0.8
Main Lode	FVM420	89343	407365	170	-55	49	0 19 30	2 27 35	2 **8** 5	1.1 **4.8** 1.1

All results are reported uncut at >0.5 g/t gold with no greater than 2 m internal dilution.

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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**.**

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.*	The Duckhead deposit was sampled using Reverse Circulation (RC). RC drilling was completed on a nominal 5m x 10m grid spacing for the Main Lode and 10m x10m for the Hangingwall Lode. RC 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.	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.
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.
	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 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	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.
	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 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.*	N/A
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	The RC drilling utilised a cyclone and cone splitter to produce samples in the 1kg to 6kg range. Once collected the sample is dried, crushed to -2mm and split at the site sample preparation lab down to approximately 1kg prior to pulverisation.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The 1 kg sample is then pulverised to 1mm and quarter cut to between 200 and 400g. This sample is then pulverised to 95% passing 105µm and quarter cut to a 100-200g sample to send to SGS.
	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 Duckhead 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	The results of the field duplicates show an acceptable level of repeatability. Two diamond holes were drilled to twin RC holes and supported the location of the mineralised zone, with the

	duplicate/second-half sampling.	average gold grade being higher for diamond in one case, and higher for RC in the other, further demonstrating the nugget effect consistent with Archaean gold mineralisation.
	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 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 FVM or HW) gold assaying completed by external certified laboratories (SGS in Belo Horizonte and ACME laboratories) and using a 30g charge for fire assay analysis with an AAS finish. This technique is industry standard for gold and considered appropriate. All grade control hole (prefix GCRC) gold assaying completed at the non-certified Tucano mine site chemical laboratory using similar fire assay analysis.
	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 at Duckhead have been observed by various visiting geological consultants (e.g. Cube consulting). Very high grade intersections occur in highly weathered saprolite and no visible gold present.
	The use of twinned holes.	Two diamond holes were drilled to twin RC holes and supported the location (width) of the mineralised zone, with the average gold grade being higher for diamond in one case, and higher for RC in the other, further demonstrating the nugget effect consistent with Archaean 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 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 Refelx 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 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.	No sample compositing has been applied in the field within the mineralised zones.
Orientation of data in relation to	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to*	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

geological structure	*which this is known, considering the deposit type.*	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.	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 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.

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 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, however Beadell Brasil Ltda has mineral rights to extract gold resources under a Joint Operators Agreement with the Anglo Ferrous. Beadell Brasil Ltda is already operating a nearby gold and iron ore producing mine site (“Tucano Gold”) on its neighbouring mining lease.
	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 lease, owned by Anglo Ferrous. Beadell owns 100% of the gold rights and Duckhead Mining Agreements governs the access.
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 the deposit.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Duckhead deposit is a structurally controlled orogenic lode type gold deposit hosted within a Banded Iron Formation unit in contact with a Clastic quartz biotite schsit. The Wing Lode and Hangingwall Lodes are characterised by shear parallel disseminated pyrite and pyrrhotite mineral assemblages. The Main Lode is characterised by extremely deep weathering on the BIF and clastic contact.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a*	See Table 1

	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.	
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. At Duckhead 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 Duckhead.
Relationship between mineralisation widths and intercept lengths	*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. The mineralised intervals are generally much wider than the minimum sample interval of 1m.
	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.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any*	See diagrams in main body of the announcement.

	significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
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. All new results received at Duckhead above a reportable intersection of > 2m @ 0.5 g/t gold have been reported in Appendix 1
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.*	
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 Duckhead lodes remain open at depth and contain numerous outlying intersections that will require follow up drilling including further drilling towards the anomalous eastern fold hinge zone and North Limb targets.