

Quarterly Report

to 31 December 2015

Highlights

Operations

- **Gold Production** – Gold production for the December quarter was 39,975 ounces. Annual production for CY2015 was 122,292 ounces.
- **Costs** – Cash costs for the December quarter were US\$664 per ounce. All-in Sustaining Costs (“AISC”)* for the December quarter were US\$899 per ounce.
- **Record Ore Mined** – Mining of gold ore for the December quarter was a record of 1.5 million tonnes, an increase of 69% and 10%, over the September 2015 quarter and the December 2014 quarter, respectively. Accordingly, ROM stockpiles continue to grow substantially to a record 429,000 tonnes at year end representing a 536% increase in ROM ore tonnes compared to the end of September 2014.

Corporate

- **Gold Sales** – Gold sales for the December quarter totalled 38,100 ounces at an average cash price received of US\$1,097 per ounce. Annual gold sales for CY2015 were 121,469 ounces, in line with revised guidance (see ASX announcement 2 September 2015).
- **Cash and Bullion** – Cash and bullion as at 31 December 2015 was \$23.2 million (30 September 2015 \$28 million) (bullion valued at AUD/USD = 0.73 and US\$1,061 per ounce).
- **Board and Management changes** – On 10 November 2015, the Company announced important changes to its Board of Directors and Management team, including the appointment of Mr Simon Jackson as the new Chief Executive Officer and Managing Director of Beadell Resources.
- **Guidance** – FY2016 production and cost guidance will be released once the ongoing comprehensive operational review and budget process is complete.

Exploration

- **Urucum Flat Lodes** – New style lode orientation at Urucum North leads to an additional source of near surface oxides outside of the existing Ore Reserve. Previously unreleased results include 29 metres @ 2.79 g/t (including 13 metres @ 5.2 g/t), 25 metres @ 1.92 g/t, 13 metres @ 3.89 g/t and 13 metres @ 3.1 g/t.
- **Urucum Underground** – Infill drilling confirms continuity of the high grade Central Lode 1 shoot with results up to 14.61 metres @ 5.92 g/t including 6.2 metres @ 11.85 g/t.
- **Neo Lode Discovery** – Significant new results southeast of the Tap AB1 open pit include a new lode horizon 80 metres east of the mine corridor banded iron formation (BIF) with up to 27 metres @ 2.53 g/t, 13 metres @ 3.59 g/t and 17 metres @ 3.51 g/t.
- **Gold Nose** – Shallow diamond drilling intersects up to 5 metres @ 5.67 g/t from 17 metres (including 2 metres @ 13.5 g/t) one kilometre southeast of Duckhead. Further drilling is planned in 2016.

*AISC has been calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP metrics released 27 June 2013.

Operations

Tucano Gold Mine (100%)

Production Summary	Unit	Dec 2015 Quarter	Sep 2015 Quarter	Dec 2014 Quarter	CY2015	CY2014
Total Waste Moved	tonnes	4,262,271	4,848,714	3,949,016	16,062,548	10,559,034
Marginal Ore Moved	tonnes	8,915	586	130,901	156,735	318,820
Gold Ore Mined	tonnes	1,485,564	878,444	1,347,286	3,363,254	2,355,755
Gold Ore Milled	tonnes	1,052,801	873,788	1,185,343	3,714,942	4,288,264
Head Grade	g/t	1.32	1.19	1.70	1.14	1.24
Plant Recovery	%	89.2%	89.5%	91.0%	89.3%	90.0%
Total Gold Recovered	ounces	39,975	29,920	59,180	122,292	153,691
Total Gold Sold	ounces	38,100	29,468	54,892	121,469	165,789

Cash Costs and All-In Sustaining Costs	Unit	Dec 2015 Quarter	Sep 2015 Quarter	Dec 2014 Quarter	CY2015	CY2014
On-Site Production Costs	US\$/ounce	637	838	571	780	730
On-Site G&A Costs	US\$/ounce	27	40	29	47	54
By-Product Credits*	US\$/ounce	0	0	-26	0	-20
Cash Costs	US\$/ounce	664	878	574	827	764
Royalties	US\$/ounce	23	21	19	25	21
On-Site Corporate Costs	US\$/ounce	11	13	20	15	24
Exploration Costs (Sustaining)	US\$/ounce	15	7	7	9	25
Capitalised Stripping Costs (Sustaining)	US\$/ounce	173	113	0	125	66
Capital Expenditure (Sustaining)	US\$/ounce	13	1	18	5	22
All-In Sustaining Costs**	US\$/ounce	899	1,033	638	1,006	922

* No credits for iron ore stockpiled during the quarter have been included in cash costs or AISC per ounce.

** AISC has been calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP metrics released 27 June 2013 and in accordance with this Guidance Note, gold ounces sold are used as the denominator in the cost per ounce calculations. Production costs are inclusive of the effects of ore stockpile and GIC inventory movements.

Production

Gold recovered in the December quarter totalled 39,975 ounces at the Tucano CIL gold plant in Brazil, an increase of 29% over the September quarter.

Production for the December quarter shows improvements in all of the primary activities; total material mined, improved feed grades and plant throughput.

Mining

For the December quarter, a record 1,485,564 tonnes of gold ore were mined, an improvement of 69% over the September quarter. Total waste moved and gold ore mined totalled 5,747,835 tonnes, in line with the September quarter. The December quarter was positively impacted by the commissioning of additional mining equipment by the mining contractor, including three new Cat 777 haulage trucks. The mining for the quarter has been predominantly from Urucum North and Tap AB3. The Tap AB1 cutback started in October and has progressed well with the cutback in Tap AB2 also started in December. The Duckhead stage 3 pit continued during the quarter. A number of haul road and pit ramp improvements have been undertaken during the quarter to prepare for the upcoming rainy season.

Processing

During the December quarter, the CIL plant throughput was 1,052,801 tonnes, the mill feed grade was 1.32 g/t gold and the process plant recovery for the period was 89.2%. The improved ounces were derived from a 20.5% improvement in plant throughput, concurrent with a 11.3% improvement in feed grade. Both the volumes and grade improvements are attributed to a new colluvium area at Urucum.

In October changes were made to adjust the feeder to increase capacity in this area, allowing storage of crushed ore, which now permits service maintenance in crushing without compromising the feed to the SAG mill.

Gold ore stockpiles at the end of December increased by 8% to 4.8 million tonnes @ 0.73 g/t gold for 113,000 ounces plus marginal stockpiles of 1.5 million tonnes @ 0.45 g/t gold for 21,000 ounces. Total stockpiles, including marginal stockpiles increased to 6.3 million tonnes @ 0.67 g/t gold for 135,000 ounces. Available ore on ROM and temporary stockpiles increased significantly during the quarter to 429,000 tonnes @ 0.82 g/t gold for 11,000 ounces representing a 536% increase in available mill feed ROM ore tonnes.

Corporate & Finance

Gold Sales

Gold sales totalled 38,100 ounces in the December quarter. The average cash price received was US\$1,097 per ounce.

Cash & Bullion

Cash and bullion as at 31 December 2015 totalled \$23.2 million (bullion valued at AUD/USD = 0.73 and US\$1,061 per ounce).

During the December quarter, the Company paid the US\$5 million quarterly instalment (outstanding facility balance at quarter end was US\$45 million) in accordance with the terms of the Company's Santander – Itaú Facility. The Company also paid \$2.4 million of the loan facility with MACA Ltd (outstanding loan balance at quarter end was \$13 million).

Capital and Exploration Expenditure

Non-sustaining capital expenditure for the December quarter was \$1.5 million which was largely associated with construction of the long term tailings dams.

Non-sustaining exploration expenditure for the December quarter was \$0.5 million.

Board and Management changes

On 10 November 2015, the Company announced important changes to its Board of Directors and Management team. Mr Simon Jackson was appointed as Chief Executive Officer and Managing Director while Mr Peter Bowler retired as Managing Director of the Company. Mr Mike Donaldson and Mr Ross Kestel retired from the Board of Directors. In addition, Mr Rob Watkins retired as a Director of the Company, but has remained in the senior management team as Head of Geology. Mr Brant Hinze (Non-Executive Director) and Dr Glen Masterman (Executive Director - Geology and Corporate Development) were appointed to the Board of Directors. Mr Peter Holmes was appointed as Chief Operating Officer.

On 9 December 2015, the Company announced the appointment of Mr Timo Jauristo as a Non-Executive Director of its Board of Directors.

Exploration

Brazil

In the December quarter, a total of 40,285 m (December 2014 Quarter 33,104 m) of drilling, comprising 32,787 m (December 2014 Quarter, 28,770 m) of grade control reverse circulation (RC) drilling and 5,798 m (December 2014 Quarter 3,169 m) of exploration / resource delineation RC drilling. A total of 1,709 m (December 2014 Quarter, 1,165 m) of diamond drilling was also completed.

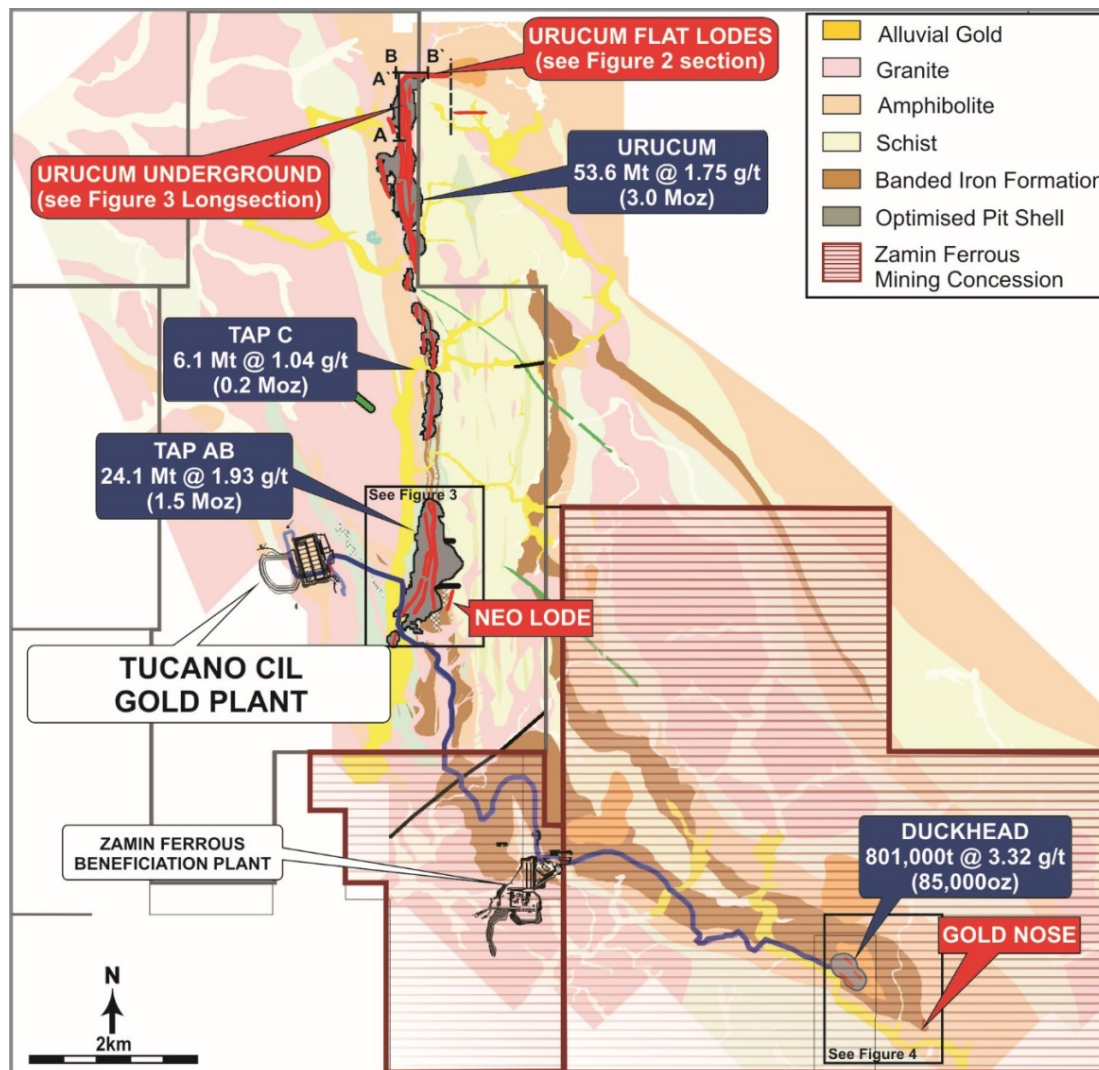


Figure 1. Tucano Near Mine plan showing open pit and drill target locations

Urucum Flat Lodes

Grade control drilling at Urucum North has delineated a new lode orientation at Urucum that is adding incremental non-reserve oxide ounces to the production profile (Figures 1 & 2). These lodes, known as the Urucum Flat Lodes, are interpreted to be controlled by a flat-lying over thrust of banded iron formation (BIF) emplaced over and across the underlying steep-dipping mine corridor lodes. Previously, this near surface mineralisation was thought to be exclusively colluvium deposited downslope of the main Urucum steep lodes. However, subsequent drilling and mining through these zones has confirmed shallow dipping, in-situ gold mineralisation hosted by BIF in addition to the overlying mineralised colluvium. The Flat Lodes are a new target style at Urucum which remains open in a number of directions (Figure 2). Further drilling will be completed in the coming months to delineate potential extensions of the Flat Lodes beyond the current Urucum open pit reserve.

Highlights from grade control drilling are summarised below from the Urucum North Flat Lodes. Grade control results are not customarily released to the market, however as the results fall outside the reserve pit and represent a new geological target style with potential untested extensions, they have been included. The reported grade control results are from a selection of holes that were drilled north of the Urucum open pit reserve. Results are listed in detail in Table 1.

- F01773 17 m @ 1.51 g/t from 15 m
- GCRC17466 13 m @ 3.1 g/t from surface
- GCRC17473 14 m @ 3.18 g/t from 38 m
- GCRC17476 23 m @ 1.31 g/t from 19 m
- GCRC17479 13 m @ 3.89 g/t from 29 m to bottom of hole
- GCRC17481 29 m @ 2.79 g/t from 22 m including 13 m @ 5.2 g/t
- GCRC17488 19 m @ 1.97 g/t from 20 m
- GCRC17916 25 m @ 1.92 g/t from 9 m

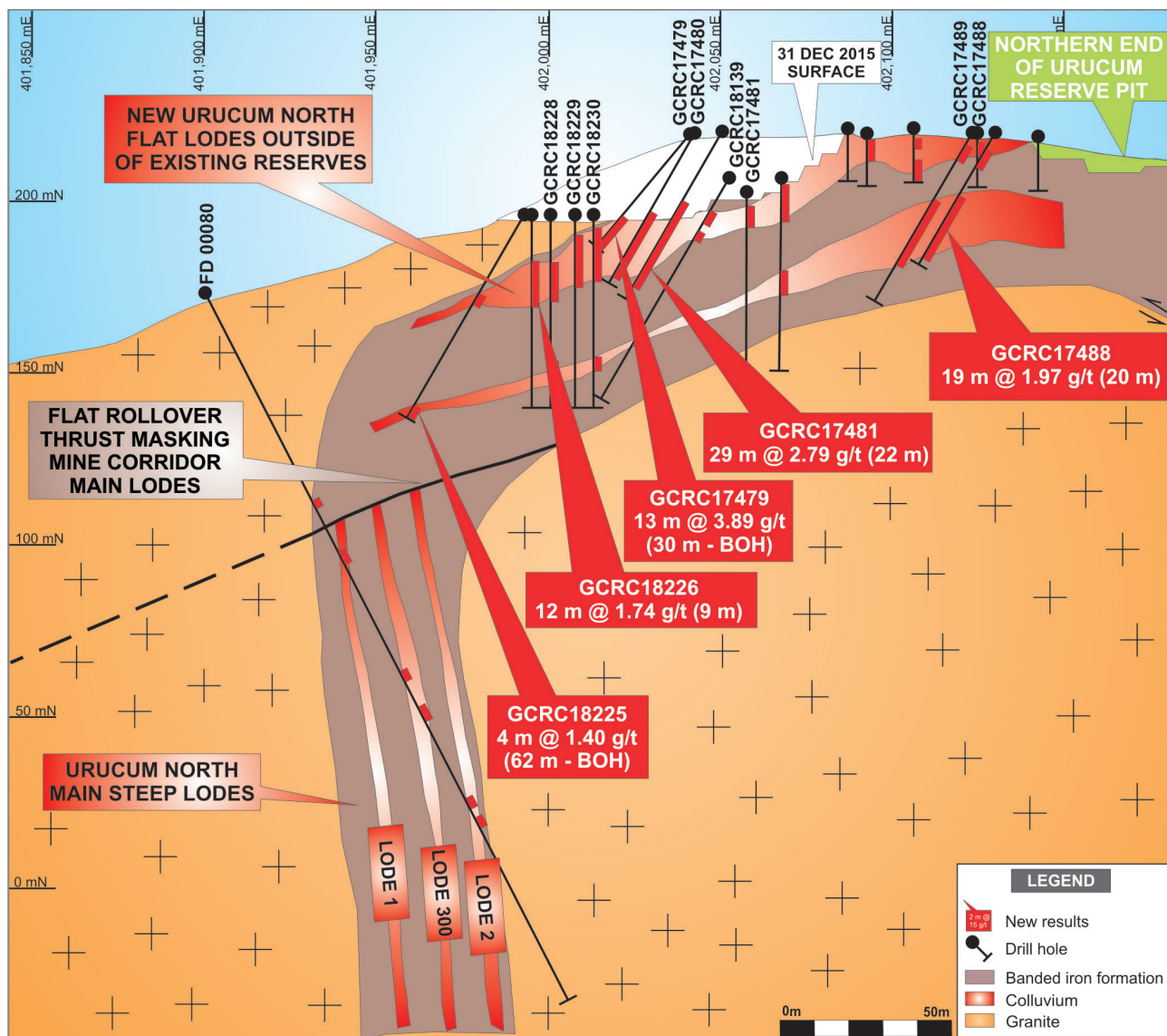


Figure 2. Urucum North section 100260N showing location of new Flat Lode drill results

Urucum Underground

During the quarter infill diamond drilling was continued at Urucum targeting the main high grade Central Lode 1 target. The results to date have confirmed continuity of Lode 1, validated the geologic models and closely correlate with grades predicted in the resource block model. A summary of significant results received in the December quarter are;

- FD1421 1.21 m @ 11.68 g/t from 212.79 m in Lode 2
4.41 m @ 7.31 g/t from 326.31 m in Lode 1
- FD1422 18.33 m @ 2.17 g/t from 232 m in Lode 2
14.61 m @ 5.92 g/t from 336.4 m including 6.2 m @ 11.85 g/t in Lode 1

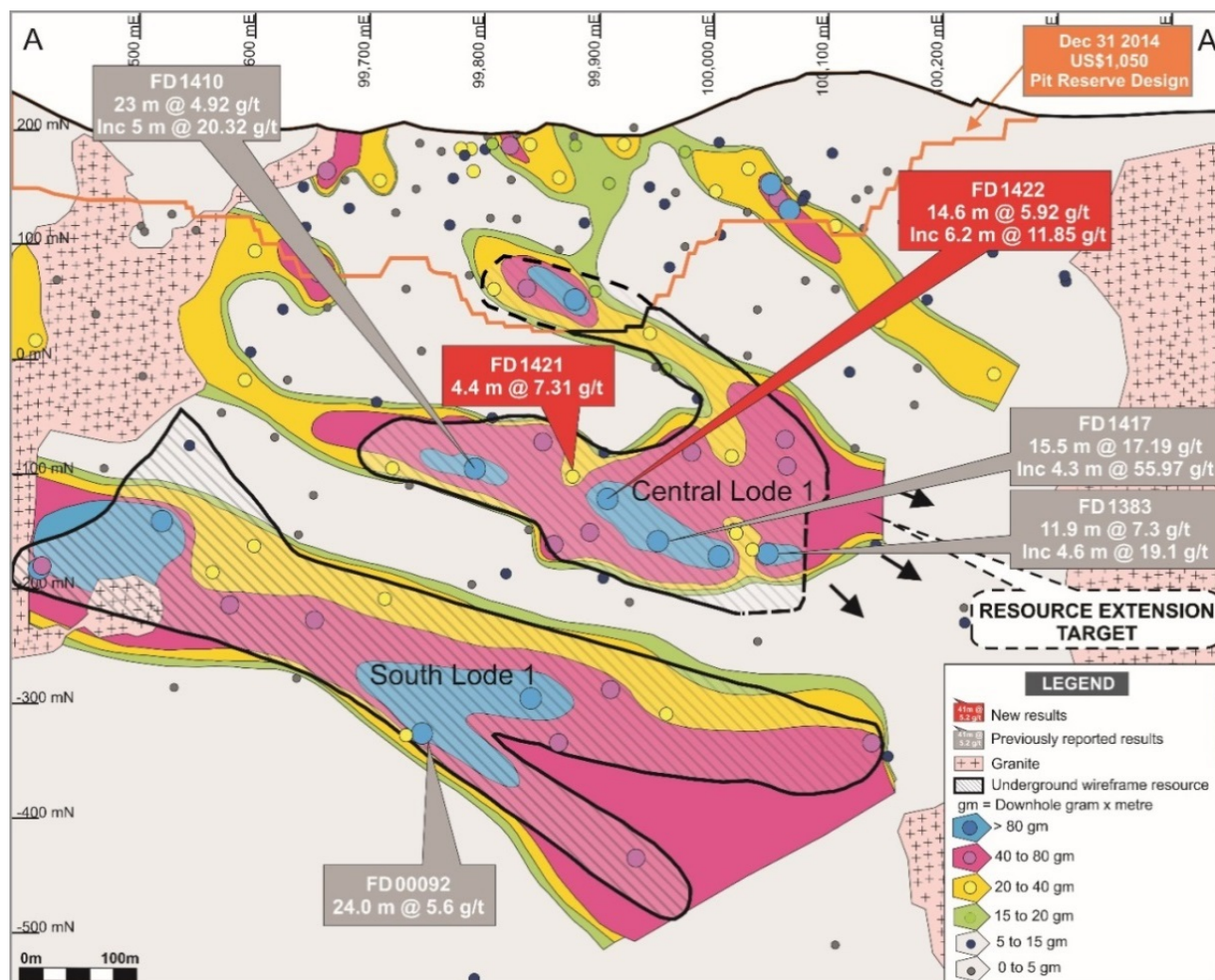


Figure 3. Urucum Lode 1 Longsection showing new diamond drill results

The Urucum Underground Pre-feasibility study commenced in the latter half of 2015 being undertaken by AMC Consultants in Melbourne.

The scope of the pre-feasibility study was expanded to include consideration of a number of additional potential development scenarios, including a comparison of both owner operator and mining contractor alternatives across a variety of development scales. The results of the prefeasibility study are expected to be reported in the March 2016 Quarterly Report.

Neo Lode

Further RC drilling was completed at the Neo Lode discovery adjacent to the Tap AB1 open pit (see ASX announcement 18 December 2015).

The Neo Lode is characterised by a steep dipping mineralised structure delineated over 170 strike metres, 80 metres east of the main ore-host BIF unit at Tap AB (Figure 4). The discovery of gold developed in a newly identified mineralized structure opens up a new target corridor which has not been explored.

The contact zone between the mine corridor BIF and the clastic unit at Tap AB1 adjacent to the Neo Lode was also targeted by additional drilling with significant results reported during the quarter and listed below.

The contact zone and the Neo Lode on the southeast edge of the Tap AB1 open pit represents an excellent potential source of oxide ore and further step out drilling targeting strike extensions of the Neo Lode will be completed in 2016. Highlights are summarized below;

- BIF CONTACT ZONE: F1614 3 m @ 1.48 g/t from 6 m and 8 m @ 4.20 g/t from 30 m
- BIF CONTACT ZONE: F1645 15 m @ 4.93 g/t from 81 m and 4 m @ 3.96 g/t from 96 m
- NEO LODGE: F1640 3 m @ 2.15 g/t from 52 m and 7 m @ 6.95 g/t from 59 m
- NEO LODGE: F1644 8 m @ 2.34 g/t from 106 m and 6 m @ 1.74 g/t from 122 m
- NEO LODGE: F1643 13 m @ 3.59 g/t from 74 m and 12 m @ 2.48 g/t from 90 m
- NEO LODGE: F1639 27 m @ 2.53 g/t from 87 to bottom of hole
- NEO LODGE: F1622 17 m @ 3.51 g/t from 23 m including 4 m @ 12.94 g/t
- NEO LODGE: F1667 3 m @ 8.09 g/t from 128 m
- NEO LODGE: F1656 7 m @ 3.54 g/t from 69 m

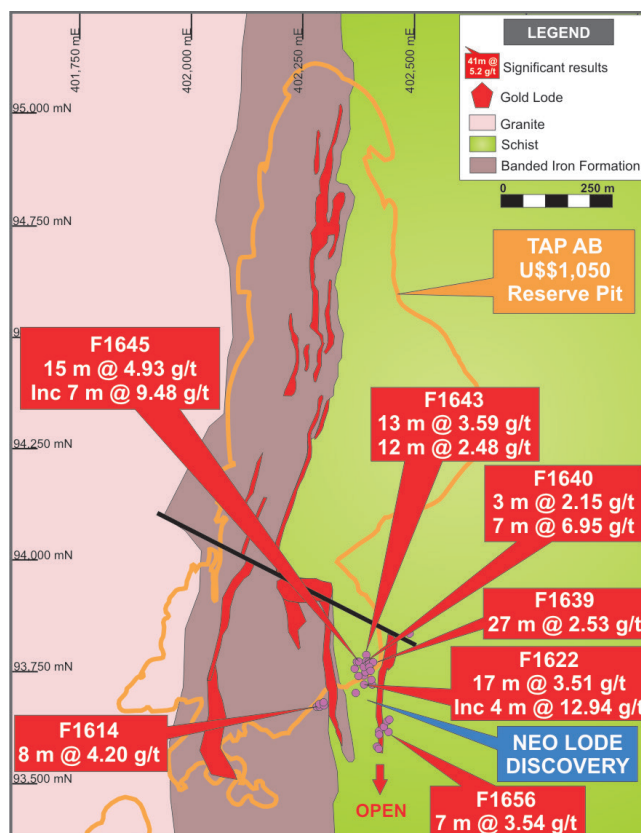


Figure 4. Tap AB plan showing location of new Neo Lode drill results

Gold Nose

Diamond drilling at Gold Nose, located 1 km southeast of the Duckhead open pit, has intersected shallow oxide gold mineralization controlled by a gently west dipping structure in a similar geological setting to Duckhead (Figure 5).

Four shallow diamond holes were completed in the quarter with significant results summarised below. Additional step out drilling has been planned in 2016.

- FVD74 8 m @ 1.70 g/t from 14 m
- FVD75 5 m @ 5.67 g/t from 17 m including 2 m @ 13.50 g/t
- FVD78 3 m @ 4.43 g/t from 36 m

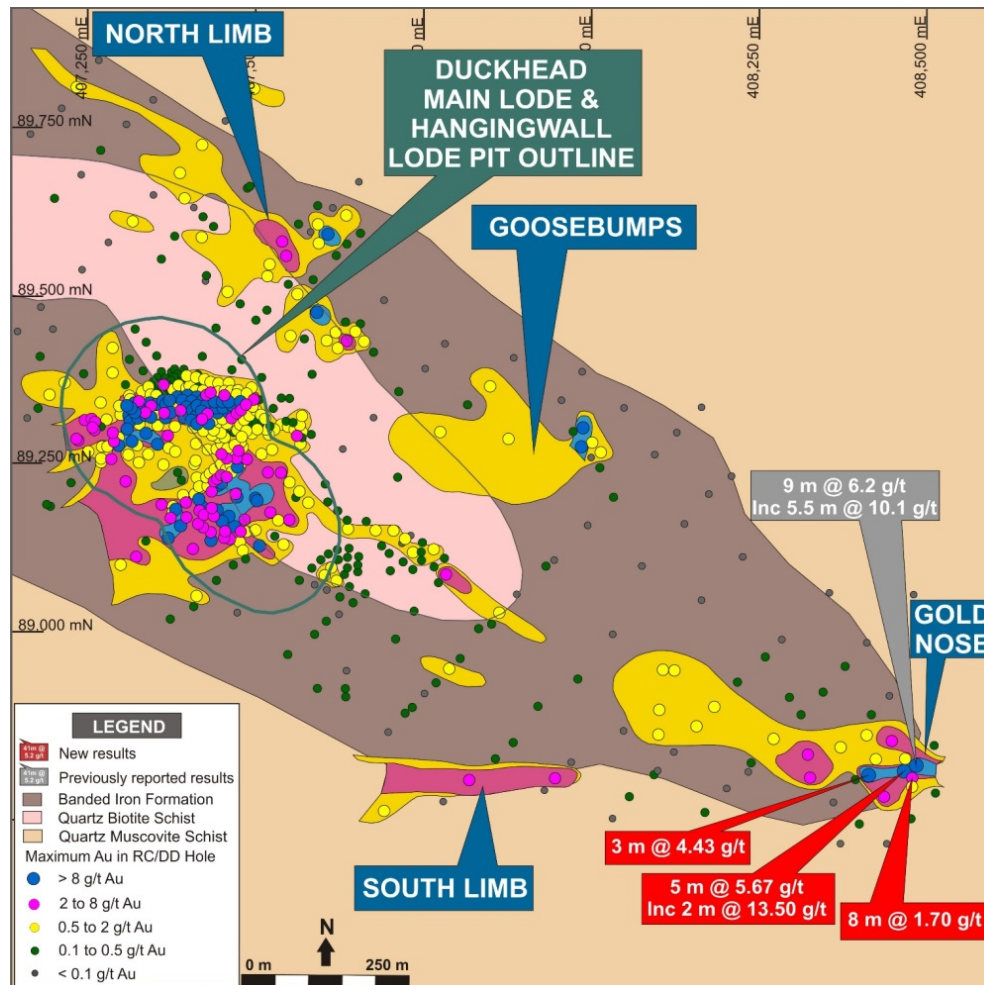


Figure 5. Gold Nose and Duckhead plan showing location of new drill results.

Greenfields Exploration

Brazil

Tucano Regional

An initial phase of auger and blast hole drilling commenced at Mutum, located 20 km east of Tucano. The target consists of an undrilled camp scale soil anomaly 3 km long by 500 m wide. Previous rock chip results have returned up to 7 g/t in the target area. An update will be reported in the March quarter.

Tartaruga Project (100%)

Exploration auger drilling commenced at the Rio de Ouro target in December. The auger campaign will continue into the new year with no results having been received to date.

ASX Code: BDR

Directors and Senior Management:

Craig Readhead Non-Exec. Chairman
 Brant E. Hinze Non-Exec. Director
 Timo Jauristo Non-Exec. Director
 Simon Jackson CEO & Managing Director
 Glen Masterman Exec. Director Geology & Corporate Development

Greg Barrett CFO / Company Secretary
 Peter Holmes Chief Operating Officer
 Luis Pablo Diaz General Manager - Brazil

Corporate Details:

Issued capital: 798,657,280 ordinary shares
 (as at 31 December 2015)

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Competent Persons Statement

The information in this report relating to Mineral Resource, Open Pit Ore Reserves and Exploration Results are based on information compiled by Mr Robert Watkins who is a member of the Australasian Institute of Mining and Metallurgy and who has sufficient experience which is relevant to the styles of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 the Head of Geology of Beadell Resources and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information is extracted from the report entitled "Continued Exploration Success at Tucano Mine" created on 18 December 2015 and is available to view on www.beadellresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Table 1 Urucum Flat Lodes Drilling Results

Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
F01773	100,255	401,994	190	-60	2	15	32	17	1.51
						37	39	2	0.85
						99	102	3	1.56
GCRC17466	100,234	402,141	222	-60	270	0	13	13	3.10
GCRC17468	100,272	402,063	217	-60	269	0	6	6	0.94
						22	45	23	1.05
GCRC17469	100,230	402,091	226	-60	270	70	79	9	0.97
						0	8	8	0.75
GCRC17470	100,240	402,045	221	-50	270	13	24 (BOH)	11	0.92
						4	9	5	0.78
GCRC17471	100,241	402,047	221	-60	270	14	25	11	1.24
						32	37	5	0.50
GCRC17471	100,241	402,047	221	-60	270	4	7	3	0.53
						14	29	15	0.69

Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC17472	100,241	402,058	221	-60	270	3	8	5	0.71
						20	22	2	1.48
						26	28	2	0.63
GCRC17473	100,284	402,033	217	-50	270	38	52	14	3.18
GCRC17474	100,283	402,037	217	-60	270	41	51	10	1.94
GCRC17475	100,283	402,048	217	-60	270	36	40	4	0.84
GCRC17476	100,250	402,041	218	-50	270	19	42	23	1.31
GCRC17477	100,250	402,043	218	-60	270	21	46	25	1.11
GCRC17478	100,250	402,052	219	-60	270	0	5	5	0.51
						14	26	12	1.00
						31	35	4	0.56
GCRC17479	100,260	402,040	218	-50	270	0	2	2	0.78
						29	42 (BOH)	13	3.89
GCRC17480	100,260	402,042	218	-60	270	0	3	3	1.60
						17	19	2	1.13
						24	46	22	0.69
GCRC17481	100,260	402,050	218	-60	270	22	51	29	2.79
						Incl 27	40	13	5.20
GCRC17482	100,270	402,038	217	-50	270	40	48 (BOH)	8	1.16
GCRC17483	100,271	402,041	217	-60	270	37	46 (BOH)	9	2.55
GCRC17484	100,240	402,134	222	-60	270	0	5	5	0.69
						14	30	16	0.60
GCRC17485	100,236	402,122	223	-60	270	2	6	4	0.93
						10	15	5	0.56
						29	32	3	2.00
GCRC17486	100,252	402,127	219	-60	270	1	4	3	0.85
						19	29	10	2.48
GCRC17487	100,253	402,140	219	-60	270	4	8	4	0.93
						15	27	12	0.77
GCRC17488	100,258	402,129	218	-60	270	0	5	5	0.67
						20	39	19	1.97
GCRC17489	100,261	402,122	218	-60	270	2	7	5	0.90
						21	25	4	0.69
						28	41	13	0.77
GCRC17707	100,270	402,088	217	-90	0	0	9	9	1.28
						35	38	3	1.73
GCRC17708	100,272	402,115	215	-90	0	0	3	3	0.85
						21	26	5	0.72
GCRC17709	100,271	402,136	215	-90	0	18	30	12	0.74
GCRC17710	100,280	402,124	214	-90	0	5	7	2	0.57
						27	31	4	0.60
GCRC17711	100,278	402,098	216	-90	0	1	3	2	1.11
						6	10	4	0.64
						26	29	3	0.83
GCRC17712	100,279	402,074	216	-90	0	11	17	6	1.49
						24	26	2	0.68
						35	37	2	1.21
GCRC17713	100,280	402,053	217	-90	0	21	25	4	1.41

Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC17714	100,281	402,030	217	-90	0	28	30	2	0.78
GCRC17715	100,290	402,064	217	-90	0	21 44	31 48 (BOH)	10 4	1.29 1.21
GCRC17716	100,290	402,088	214	-90	0	13 34	15 39	2 5	1.44 1.00
GCRC17717	100,289	402,112	213	-90	0	0 22 36	2 25 48 (BOH)	2 3 12	1.12 0.90 0.73
GCRC17718	100,290	402,137	212	-90	0	2	5	3	1.30
GCRC17720	100,297	402,123	212	-90	0	22 32	26 34	4 2	0.92 1.31
GCRC17721	100,298	402,100	213	-90	0	2 23	7 29	5 6	0.70 0.63
GCRC17723	100,300	402,052	216	-90	0	31	35	4	1.12
GCRC17758	100,229	402,063	222	-60	270	0 22	19 26	19 4	1.29 0.97
GCRC17759	100,240	402,070	209	-60	270	5 16	13 21	8 5	0.70 1.15
GCRC17760	100,250	402,057	209	-62	266	0 7 25	3 10 28	3 3 3	0.55 1.63 0.51
GCRC17767	100,230	402,034	213	-60	270	0 25	16 33	16 8	1.30 0.67
GCRC17916	100,240	402,020	209	-60	270	9	34	25	1.92
GCRC17917	100,250	402,022	209	-50	270	20	38	18	1.34
GCRC18118	100,230	401,995	202	-60	270	7	32	25	1.88
GCRC18119	100,230	402,003	202	-60	270	0 23	15 28	15 5	1.19 1.07
GCRC18123	100,250	402,010	202	-90	0	9	19	10	0.77
GCRC18131	100,240	402,070	205	-90	0	0	3	3	0.53
GCRC18133	100,250	402,058	205	-60	270	0 22	7 27	7 5	0.89 1.12
GCRC18134	100,250	402,060	205	-90	0	9	15	6	2.27
GCRC18135	100,250	402,078	205	-90	0	12 18 23	14 20 25	2 2 2	0.55 0.81 0.80
GCRC18137	100,260	402,068	205	-90	0	0 25	11 32	11 7	1.10 0.77
GCRC18138	100,260	402,058	205	-90	0	7	12	5	0.79
GCRC18139	100,260	402,052	205	-60	270	9	13	4	1.01
GCRC18209	100,230	401,978	193	-50	270	0 25 31	4 27 43	4 2 12	1.06 0.56 0.80
GCRC18210	100,231	401,983	194	-60	270	0 27 50	22 30 53	22 3 3	0.80 1.81 1.19
GCRC18217	100,240	402,000	194	-60	270	1	12	11	2.20
GCRC18218	100,250	401,995	194	-90	0	5	22	17	1.39

Hole	North	East	RL	Dip	Az	From (m)	To (m)	Width (m)	Gold (g/t)
GCRC18219	100,250	401,993	194	-60	270	14	18	4	2.00
						29	32	3	0.55
						42	46	4	0.60
GCRC18220	100,240	401,988	194	-60	270	5	14	9	1.20
GCRC18221	100,249	401,982	194	-60	270	32	35	3	0.87
						46	51	5	0.59
GCRC18222	100,241	401,981	194	-50	270	1	3	2	0.62
						34	42	8	1.31
GCRC18225	100,258	401,992	194	-60	270	25	27	2	0.76
						62	66 (BOH)	4	1.40
GCRC18226	100,258	401,995	194	-90	0	9	21	12	1.74
GCRC18228	100,260	402,001	194	-90	0	13	23	10	1.56
GCRC18229	100,265	402,008	194	-90	0	3	18	15	0.94
GCRC18230	100,260	402,013	194	-90	0	3	13	10	2.03
						16	18	2	1.36
						40	44	4	0.86

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	For RC drilling the entire 1m RC samples were obtained and split by an adjustable cone splitter attached to the base of the cyclone (1.5kg – 6.0kg) and were utilised for both lithology logging and assaying. For diamond core, half core is measured, logged and then cut, crushed and pulverised at the Tucano site sample preparation laboratory.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	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.
	<i>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</i>	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

	<i>coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	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.
<i>Drilling techniques</i>	<i>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.).</i>	A 5.5" diameter face sampling hammer was used for RC drilling. For diamond drilling NQ size core is produced.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC recovery was visually assessed, with recovery being excellent except in some wet intervals at the water table. The majority of mineralised intersection results received occurred above the water table. All core is orientated and measured for recovery
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC samples were visually checked for recovery, moisture and contamination. The drilling contractor utilised a cyclone and cone splitter to provide uniform sample size. The cone splitter was cleaned at the end of every rod and the cyclone cleaned at the completion of every hole.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential</i>	Sample recoveries for RC holes were high within the mineralised zones. No significant bias is expected.
<i>Logging</i>	<i>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.</i>	Lithology, alteration, veining, mineralisation and weathering were logged from the RC chips and stored in Datashed. Chips from selected holes were also placed in chip trays and stored in a designated building at site for future reference. All Urucum core was orientated and geotechnically logged and recorded.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	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.
	<i>The total length and percentage of the relevant intersections logged.</i>	All drill holes are logged in full.
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core holes are half core sampled from cut core.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	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.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The 1 kg sample is then pulverised to 1mm and quarter cut to between 200 and 400g. This sample is then pulverised to 95% passing 105µm and quarter cut to a 100-200g sample to send to SGS or to the mine chemical lab for analysis.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	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

		<p>every 20th sample to assess the repeatability and variability of the gold mineralisation. At Tucano field duplicates were taken for diamond core but not for RC. Laboratory duplicates (sample preparation split) were completed every 20th sample to assess the precision of the laboratory as well as the repeatability and variability of the gold mineralisation. Duplicate samples were also sent to a different lab (ACME Laboratories) for analysis.</p>
	<p><i>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.</i></p>	<p>Filed duplicate samples are collected every 20th samples.</p>
	<p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>Sample sizes (1kg to 6kg) are considered to be a sufficient size to accurately represent the gold mineralisation based on the mineralisation style, the width and continuity of the intersections, the sampling methodology.</p> <p>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.</p>
<p><i>Quality of assay data and laboratory tests</i></p>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p>	<p>All resource or exploration holes (prefix FD or F) gold assaying completed by external certified laboratories (SGS in Belo Horizonte and ACME laboratories) and using a 30g charge for fire assay analysis with an AAS finish. This technique is industry standard for gold and considered appropriate. All grade control hole (prefix GCRC) gold assaying completed at the non-certified Tucano mine site chemical laboratory using similar fire assay analysis. Selected Screen fire analysis was performed on selected intervals where coarse gold was observed.</p>
	<p><i>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.</i></p>	<p>Geophysical tools not used.</p>
	<p><i>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.</i></p>	<p>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.</p>

		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.
<i>Verification of sampling and assaying</i>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The intersections have been observed by several internal company geologists.
	<i>The use of twinned holes.</i>	Twin holes of the Tucano mine corridor mineralisation have been previously performed with no notable sampling bias noted.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	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.
	<i>Discuss any adjustment to assay data.</i>	Data below the detection limit is defined with a negative value, e.g. <0.01 = -0.01.
<i>Location of data points</i>	<i>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.</i>	Beadell drill hole collar locations were picked up by site-based authorized surveyors using Total Station Leica 407, calibrated to a base station (expected accuracy of 20mm). Downhole surveying was measured by the drilling contractors using a Reflex Gyro Downhole Survey Instrument for RC holes. Shallow RC holes were picked up at the collar and 2 points on the rod string using Total Station. Grade control RC holes less than ~50m depth are not down hole surveyed.
	<i>Specification of the grid system used.</i>	The grid system is SAD 69 Zone 22N.
	<i>Quality and adequacy of topographic control.</i>	Beadell Brasil Ltda Survey Staff generated a digital terrain model (DTM) from Total Station surface pickups of the Tucano deposit.
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i>	The nominal drill hole spacing for grade control is 12m (E) by 10m (N) for the Tucano RC holes to a nominal 50m x 50m spacing for diamond drilling at Urucum Underground.
	<i>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.</i>	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.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied in the field within the mineralised zones.
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The majority of drilling is orientated east-west at Tucano with a ~60 degree dip, which is roughly perpendicular to the strike of the mineralisation. The Urucum Flat Lodes are generally drilled with a vertical or 60 degree dip intersecting the mineralisation at a high angle of intersection. The orientation of the drilling is considered to achieve an unbiased result.

	<i>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.</i>	Sectional interpretation of 12m spaced holes on 10m spaced lines shows a reasonably 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	<i>The measures taken to ensure sample security.</i>	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	<i>The results of any audits or reviews of sampling techniques and data.</i>	A site visits was completed in 2012 (Cube Consulting) to review sampling procedures and grade control practices. This visit concluded the sampling to be at an industry standard, and of sufficient quality to carry out a Mineral Resource Estimation. A similar audit was completed in 2015 with independent consultants.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	The Tucano deposits reside in tenement 851.676/1992, centrally located within the northern state of Amapa, Brazil. The current registered holder of the tenements is Beadell Brasil Ltda. The Gold Nose results are located in original concession 852.730/93. Gold Nose is located in a third party controlled iron ore mining concession. Beadell owns 100% of the gold rights to this tenement which is governed by the Duckhead Gold Rights Agreement.
	<i>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.</i>	Existing mining concession owned 100% by Beadell Resources Ltd for the Tucano deposits. Gold Nose is located in a third party owned iron ore mining concession with access governed by third party approvals under the guise of the Duckhead Gold Rights Agreement.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Beadell Brasil Ltda acknowledges the previous operator MPBA for the initial discovery of gold at Tucano.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The Tucano deposits are structurally controlled orogenic lode type gold deposit hosted within a Banded Iron Formation unit in contact with a Clastic quartz biotite schist. The Lodes are characterised by shear parallel disseminated pyrite and pyrrhotite mineral assemblages and generally exhibit a strong oxidation profile in the regolith without any secondary dispersion other than colluvial deposits. The Neo Lode is a new style of gold mineralisation hosted solely in the clastic unit east of the main BIF sequence. The Gold Nose deposit is structurally controlled orogenic lode type gold deposit hosted adjacent to a Banded Iron Formation unit in contact with amphibolite.
Drill hole	<i>A summary of all information material</i>	See Table 1

<p><i>Information</i></p>	<p><i>to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> 	
	<p><i>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.</i></p>	
<p><i>Data aggregation methods</i></p>	<p><i>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.</i></p>	<p>In the reporting of exploration results, un-cut grades are reported. The lower cut-off limit is considered to be 0.5g/t for the reporting of drill hole intercepts with no more than 2 m downhole internal dilution. Intercepts are determined using a weighted average over the length of the intercept.</p>
	<p><i>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.</i></p>	<p>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.</p>
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>No metal equivalents are used at Tucano.</p>
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p>	<p>The drilling was designed to intersect the mineralisation at an angle that is roughly perpendicular to the overall strike. The mineralised intervals are generally much wider than the minimum sample interval of 1m. At Urucum steep lodes the true width is approximately 40% of the reported downhole interval although this varies between each hole. At Urucum flat lodes the true width varies between holes depending on the dip however in general represents approximately 80% of the reported downhole interval although this varies between each hole. At Neo Lode the true width is approximately 30% of the reported downhole interval although this varies between each hole. At Goosebumps the down hole interval approximates the true width interval.</p>
	<p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p>	
	<p><i>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’).</i></p>	<p>All drill intersections are stated as down hole lengths because either the 3D envelope modelling of the new drill intercepts has not yet been completed and is required to accurately record a true width for each drill hole intersection or the additional amount of work required to calculate the true width for each drill hole is not considered</p>

		warranted due to the non-materiality of the exercise.
<i>Diagrams</i>	<i>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.</i>	See diagrams in main body of the announcement.
<i>Balanced reporting</i>	<i>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.</i>	All the significant results greater than 0.5 g/t gold over at least 2m downhole have been reported in Table 1 and Table 2.
<i>Other substantive exploration data</i>	<i>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.</i>	The Tucano results are from an active mining area where open pit mining is in progress. Reconciliation has been verified by mill metallurgical balance based on models using the same drilling method for results.
<i>Further work</i>	<i>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.</i>	The Tucano lodes remain open at depth and along strike in most cases and contain numerous outlying intersections that will require follow up drilling. Several diagrams have been included to highlight this aspect.