Appendix 4D
Half Year Ended 30 June 2017

Results for Announcement to the Market

Current Reporting Period: 6 Months ended 30 June 2017
Previous Corresponding Reporting Period: 6 Months ended 30 June 2016

	30 Jun 2017 $'000	30 Jun 2016 $'000	Percentage Increase/(Decrease)
Sales Revenue	89,083	100,457	(11%)
(Loss)/Profit from continuing operations after tax attributable to members of the parent entity	(32,823)	6,941	(573%)
Net (loss)/profit attributable to members of the parent entity	(32,823)	6,941	(573%)

Dividends	30 Jun 2017	30 Jun 2016
Interim dividend per share	Nil	Nil
Franked amount per share	Nil	Nil
Record date for determining entitlement to dividend	N/A	N/A
Date dividend payable	N/A	N/A

The Directors have determined that there will be no interim dividend for the half-year ended 30 June 2017.

	30 Jun 2017 $	30 Jun 2016 $
Net tangible assets per share*	0.17	0.18

** Exploration and evaluation assets and deferred tax assets are treated as intangible assets.*

Review of Results
Please refer to the Directors' Report. This interim financial report should be read in conjunction with the most recent annual financial report.

BEADELL

ABN 50 125 222 291

ASX Appendix 4D and
Condensed Consolidated Interim Financial Report
For the half year ended 30 June 2017

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Corporate directory

Directors

Craig Readhead	Independent Non-Executive Director, Chairman
Nicole Adshead-Bell	Independent Non-Executive Director
Brant Hinze	Independent Non-Executive Director
Timo Jauristo	Independent Non-Executive Director
Glen Masterman	Non-Executive Director
Simon Jackson	Chief Executive Officer & Managing Director

Company Secretary

Greg Barrett

Corporate Details

Beadell Resources Ltd (ABN 50 125 222 291)

Issued capital 1,233,430,847 ordinary shares

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Share Registry

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Adelaide, SA 5000

Telephone: 1300 137 515

Telephone: +61 3 9415 4667

Stock Exchange Listing

ASX Ltd

ASX code: BDR

Auditor

KPMG

Directors' report

For the six months ended 30 June 2017

The directors present their report together with the financial report of the Beadell Resources Limited ("the Company" or "Beadell") Group, being the Company and its subsidiaries, for the six months ended 30 June 2017 ("the period") and the auditor's review report thereon.

Directors

The directors of the Company at any time during or since the end of the period are as set out below. Directors were in office for the entire period unless otherwise stated.

Mr Craig Readhead	Independent Non-Executive Chairman
Dr Nicole Adshead-Bell	Independent Non-Executive
Mr Brant E. Hinze	Independent Non-Executive
Mr Timo Jauristo	Independent Non-Executive
Dr Glen Masterman	Non-Executive
Mr Simon Jackson	Chief Executive Officer & Managing Director

Operating results

The loss after income tax for the six months ended 30 June 2017 was $32,823,000 (30 June 2016 profit: $6,941,000).

	Jun 2017	Jun 2016
Operating results		
Total Waste Moved (t)	6,226,544	9,562,157
Gold Ore Mined (t)	1,236,811	1,201,040
Total Material Moved (t)	7,463,355	10,763,197
Gold Ore Milled (t)	1,758,486	1,858,646
Head Grade (g/t)	1.04	1.07
Plant Recovery (%)	88.7%	88.1%
Total Gold Recovered (oz)	52,261	56,642
Total Gold Sold (oz)	54,693	60,302
Financial results	**($ millions)**	**($ millions)**
Revenue and costs of production		
Sales revenue	89.1	100.5
Costs of production	(92.2)	(72.2)
Write down of ore stockpiles to net realisable value	(6.9)	-
Depreciation and amortisation	(13.9)	(11.0)
	(23.9)	17.3
Other significant items		
Administrative expense	(9.5)	(9.9)
Impairment losses	(0.8)	(1.4)
Net finance income/(expense)	(2.5)	7.9
Income tax (expense)/benefit	6.8	(4.4)
Other items	(2.9)	(2.6)
Reported profit/(loss) after tax	**(32.8)**	**6.9**
Other financial information	**($ millions)**	**($ millions)**
Cash flow (used in)/from operating activities	(18.6)	0.1
Cash and cash equivalents	31.1	26.7
Net assets	231.1	208.9
Basic (loss)/earnings per share	(A$0.03)/share	A$0.01/share

Directors' report

Review of operations

Tucano Gold Mine

Tucano is 100% owned by the Group and is located in Amapá State, northern Brazil.

Gold Production

Gold production for the six months ended 30 June 2017 at Tucano was 52,261 ounces, a decrease of 8% over the half year 2016.

Mining

Total material moved was 7.5 million tonnes, a reduction of 31% over first half 2016, including 1.2 million tonnes of gold ore at a grade of 1.01 g/t gold.

Delays in construction of haul roads and lower than budgeted material movement impacted planned production at AB1 and AB2. Additionally, permitting delays experienced during the March quarter held up access to planned ore from AB1-F3 for the June quarter. These issues have resulted in lower than planned gold production for the period. The Company has mobilised a prominent Brazilian mining contractor to complement the existing contractor. The new contractor commenced on site in early July.

Processing

During the first half, 1,758,486 tonnes of gold ore were milled, a decrease of 5% over same period last year. The process plant recovery was 88.7%, representing an improvement of 1% over the first half of 2016. The mill feed grade was 1.04 g/t gold, a decrease of 3% compared to the first half of 2016.

The processing plant operated above plan for the period with a higher availability and processed approximately 40,000 tonnes more ore than planned. Improvements in maintenance practices have enabled a decrease in the frequency of plant shutdowns and improved availabilities.

During the June quarter, the Company successfully integrated its first 1.8 MW of hydro-electric grid power and have since increased to 3 MW as part of a transition to approximately 12 MW of hydro-electric grid power over the next 12 months. The transition to hydro-electric power will reduce the Company's reliance on significantly more expensive diesel generated power to immaterial levels.

Tucano Plant Upgrade

On 11 May 2017, the Company announced the results of a Feasibility Study (FS) completed on a plant upgrade project.

The FS demonstrates the viability of upgrading the Tucano process plant with an incremental estimated post-tax net present value (NPV) of US$127 million at a 5% discount rate and an estimated internal rate of return (IRR) of 138%. The pre-production capital cost is forecast to be US$27.6 million. Payback for the Project is 14 months.

Given the robust results of the FS, the Board of Directors approved the plant upgrade and the Project has already commenced. It is expected that the Project will be commissioned in mid-2018 and will be fully financed from treasury.

The completion of the Project is expected to deliver a number of benefits to Beadell including:

- Increased flexibility to process any mix of sulphide / oxide mill feed allowing the mine to be fully optimised;
- An ability to consistently process head grades in line with the reserve grade;
- An increase in forecast recoveries to 93% from the current budgeted recoveries of 88%; and
- Stabilized gold production profile and increased free cashflow.

Overall, the aim is to operate Tucano on a fully optimised basis that should result in the head grade being more in line with reserve grade quarter on quarter, resulting in more consistent gold production and cashflows.

Resource and Reserve Development

An annual Mineral Resource and Ore Reserve statement updated as at 31 December 2016 and produced in accordance with the 2012 Edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves ("JORC Code") was released on 11 April 2017.

Total Mineral Resources as at 31 December 2016 were 67.0 million tonnes @ 1.82 g/t gold for 3.92 million ounce representing a 11% increase in grade and ounces compared to 67.2 million tonnes @ 1.64 g/t gold for 3.54 million ounces as at 31 December 2015. This is an increase of 379,000 ounces (+11%) on the 2015 Mineral Resource and a 547,000 ounces (+16%) increase on the 2015 Mineral Resource depleted for 168,000 ounces in 2016.

Total Ore Reserves as at 31 December 2016 were 28.2 million tonnes @ 1.74 g/t gold for 1.58 million ounce representing a 7% increase in ounces compared to 28.9 million tonnes @ 1.59 g/t gold for 1.48 million ounces as at 31

December 2015. This is an increase of 99,000 ounces (+7%) on the 2015 Reserve and a 267,000 ounces (+18%) increase on the 2015 Reserve depleted for 168,000 ounces in 2016.

The Ore Reserves increase is predominantly as a result of successful near mine drilling programs at Tap AB in 2016, where Open Pit Ore Reserves at Tap AB increased substantially to 8.9 million tonnes @ 1.76 g/t gold for 503,000 ounces. This is an increase of 145,000 ounces (+41%) on the 2015 Tap AB Open Pit Ore Reserve and a 221,000 ounces (+78%) increase on the 2015 Tap AB Open Pit Reserve depleted for mining of 76,000 reserve ounces in 2016.

Open Pit Ore Reserves at Urucum remained materially unchanged at 10.54 million tonnes @ 1.68 g/t gold for 568,000 ounces. This is a decrease of 28,000 ounces (-5%) on the 2015 Urucum Open Pit Ore Reserve and a 23,000 ounces (+4%) increase on the 2015 Urucum Open Pit Reserve depleted for mining of 51,000 ounces in 2016.

Exploration

Brazil

During the period, a total of 25,590 m of drilling, comprising 14,926 m of grade control reverse circulation (RC) drilling and 9,116 m of exploration and/or resource delineation RC drilling, was completed. A total of 1,548 m of diamond drilling was also completed.

Tap AB1 Trough and Central Lodes

Deeper drilling on the Tap AB1 Trough Lode has extended the steep north plunge of the mineralisation further down dip intersecting multiple wide zones of oxide gold mineralisation.

New results released during the period included F02202, 64 m @ 4.29 g/t gold from 150 m and 6 m @ 1.14 g/t gold from 230 m to bottom of hole (BOH), F02294, 5 m @ 7.18 g/t gold from 26 m (Central Lode) and 10 m @ 3.91 g/t gold from 102 m and 40 m @ 4.10 g/t gold from 121 m (Tap AB1 Trough Lode) and F02292 of 18 m @ 1.75 g/t gold from 166 m, 12 m @ 4.02 g/t gold from 198 m and 7 m @ 1.78 g/t gold from 218 m to bottom of hole. These new results continue to delineate and extend the growing resource base at Tap AB.

Tap AB2 Trough Lode

During the first half of 2017, resource delineation and extension drilling continued to intersect strong mineralisation along the southern section of the Tap AB2 Trough Lode with results of 20 m @ 9.88 g/t gold from 50 m including 8 m @ 20.27 g/t gold from 50 m in RC hole F02211 and 17 m @ 11.79 g/t gold from 46 m including 2 m @ 84.15 g/t gold from 47 m in hole F02215.

Tap AB3 Trough Lode

New results were received from the northern extension of the Tap AB3 Trough Lode. A result of 16 m @ 5.23 g/t gold from 135 m in hole F02368 occurs in the same zone of deep weathering that hosts the very high grade Tap AB1 and Tap AB2 Trough Lodes, extending the strike of this zone. A deep weathering horizon previously intersected in drilling further supports this target's potential.

The Tap AB3 Trough Lode extension to the north remains under drilled below the reserve open pit and is a high priority area for follow up drill testing which is in progress.

Carbonate Lode

The Carbonate Lode forms a stratabound shear hosted gold lode located within an approximately 20 m wide carbonate unit internal to the wider BIF. The mineralisation within the Carbonate lode is traceable over a 2 km strike length and forms one of the main ore sources from the Tap AB deposit.

New results targeting a north plunge of the mineralisation recorded wide and high grade gold intercepts including 13 m @ 3.38 g/t gold from 107 m to BOH in F02182, 32 m @ 2.05 g/t gold from 70 m in F02183, 18 m @ 7.55 g/t gold from 56 m in FD01448 and 27 m @ 5.96 g/t gold from 80 m in FD01449. The Carbonate Lode is completely open at depth immediately below the reserve open pit. Extension drilling is in progress to define the plunge and extent of the lode at depth.

Torres

The Torres target is a 1 km segment of the highly prospective eastern contact of the BIF unit that hosts the high grade Tap AB1, AB2 and AB3 Trough Lodes. This same contact also hosts the very high grade Duckhead deposit to the south east. Recent drilling using limited existing access indicates the mineralised mine corridor continues along this contact for at least 1 km with new RC drill results extending the strike length of the gold mineralised corridor another 400 m to the south of earlier results. Hole F02168 drilled through a pegmatite unit and intersected BIF grading 5 m @ 4.91 g/t gold from 78 m.

New results received during the June quarter at the northern end of Torres included F02313, 24 m @ 3.00 g/t gold from 72 m.

Directors' report

A 4,000 m systematic RC drill out of the highly prospective Torres corridor on 80 m spaced traverses over a 1 km strike length has recently commenced.

Duckhead

RC drilling has confirmed the continuity of a discreet very high grade continuous and steeply dipping lode in fresh rock beneath the Duckhead Open Pit. Drill hole FVM00587 intersected a result of 10 m @ 12.19 g/t gold from 78 m including 2 m @ 34.17 g/t gold from 79 m. This intercept is located approximately 20 m down plunge of a previously announced result of 48 m @ 11.62 g/t gold in FVM00560, demonstrating good continuity of the high-grade gold lode. Other shallower results from the program include FVM00592, 6 m @ 14.62 g/t gold from 13 m and FVM00590, 4 m @ 6.82 g/t gold from 56 m.

Brazil Greenfields Exploration

Tucano Regional

Regional exploration programs completed in the first half of 2017 have further enhanced the potential in the wider greenstone belt and include first pass wide spaced reconnaissance soil sampling of several high priority targets at Mutum, T3, T4 and Arara.

Mutum (100%)

The Mutum soil anomaly has been extended along strike to the northwest by over 3 km at a greater than 10 ppb gold on 800 m x 40 m spaced soil sampling where a maximum result of 51 ppb gold was received. The Mutum anomaly is now over 8 km long and remains open along strike.

A first pass 5,000 m RC drilling program has been designed to follow up on the original shallow open hole blast hole drill results that recorded up to 7 m @ 5.13 g/t gold in BIF coincident with the soil anomaly.

T3 & T4 (100%)

The T3 and T4 targets are an aeromagnetic anomaly interpreted to represent an untested BIF occurrence east of the Urucum deposit.

First pass soil sampling was completed on 400 m and 800 m lines at 40 m between samples. The results show a coherent > 3 km long east-west gold in soil anomaly at T3 at plus 10 ppb (highest result to date 101 ppb gold) and at T4 a +500 m long northwest trending plus 10 ppb gold soil anomaly that remains open to the southeast. A maximum result of 73 ppb gold is located on the end of the line.

Further sampling and mapping will be completed at T3 and T4 prior to first pass drill testing.

Arara (100%)

Reconnaissance soil sampling west of Mutum on an 800 m x 40 m grid has delineated a 4 km long open ended, northwest trending and greater than 10 ppb gold soil anomaly that appears to be on a Mutum parallel trend approximately 4 km west of the Mutum anomaly. A highly anomalous maximum result of 2,440 ppb (2.44 g/t) gold was received from the soil results.

Arara was targeted for first pass soil sampling in an area of no previously recorded historical soils or exploration west of Mutum.

Corporate

Gold Sales

Gold sales for the half year 2017 totalled 54,693 ounces at an average cash price received of US$1,228 per ounce.

Cash and bullion

Cash and bullion as at 30 June 2017 was A$38.3 million (bullion valued at AUD/USD = 0.77 and US$1,242 per ounce).

Bank Finance

During the March quarter, the Company made total debt repayments of approximately A$14.2 million, comprising a scheduled quarterly bank debt repayment of US$5 million to Santander – Itaú, plus A$7.6 million debt repayment to MACA Limited.

During the June quarter, the Company amended its Santander – Itaú repayment schedule, reducing its debt repayment obligations while the Company carries out the Tucano Plant Upgrade.

Prior to the amendment, the Company had four scheduled quarterly repayments of US$5 million remaining, ending in January 2018. The repayment schedule is now as follows;

- US$2.5 million repayments due in July 2017, January 2018, July 2018 and October 2018, and
- US$5 million repayments due in January 2019 and April 2019.

Directors' report

In accordance with the amended repayment schedule, the Company made no Santander – Itaú debt repayments during the June quarter. Additionally, the Company received net proceeds of approximately US$1.9 million from short-term facilities during the June quarter.

Capital Raising

On 21 February 2017, the Company announced it had received commitments to raise approximately $46 million through the placement of approximately 159 million fully paid ordinary shares to domestic and international institutional and sophisticated investors (Placement). The Placement shares were issued on 28 February 2017.

In addition to the Placement, the Company offered eligible shareholders the opportunity to participate in a Share Purchase Plan (SPP) to raise up to a further $5 million at $0.29 per share, the same price as the Placement. The Company received proceeds of $4.5 million from the SPP and the SPP shares were issued on 6 April 2017.

Consolidation of the Tucano Land Package

On 6 April 2017, the Company announced it had entered into a binding arrangement with Mineração Vale dos Reis Ltda (MVR) to consolidate the Tucano land package. MVR is a Brazilian company that, at the time of the signing of the agreement, held 30% of the MVR Joint Venture (JV) and Beadell the remaining 70% of the JV.

During the June quarter, the Company finalised the acquisition of the former joint venture partners' 30% interest in 576km^2 of tenure surrounding the Tucano gold mine and made an initial payment of US$300,000. A further three payments of US$500,000 each will be made over the coming 12 months. Beadell now controls 100% of approximately 2,500km^2 of highly prospective and under explored greenstone.

Judicial Deposit

The Company is disputing a change by the State of Amapá to the calculation of a gold royalty and has made an application to the Federal Supreme Court of Brazil for the matter to be heard.

In connection with this application, the Company has made a Judicial Deposit with the State Supreme Court, for an amount of ~A$4.8 million to prevent the addition of any fines or penalties, pending the outcome of a Federal Supreme Court decision.

The Company and its Brazilian counsel are confident of a ruling in the Company's favour and expect that the Judicial Deposit will be returned in full at the conclusion of the case.

Subsequent events

There has not arisen in the interval between the end of the period and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future periods.

Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 24 and forms part of the directors' report for the six months ended 30 June 2017.

Rounding off

The Company is of a kind referred to in ASIC Instrument 2016/191 and in accordance with that Instrument, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made with a resolution of the directors:

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SIMON JACKSON

CEO & Managing Director

Dated at Perth, this 28th day of August 2017

Directors' report

Competent Persons Statement

The information in this report relating to Open Pit Ore Reserves is based on information compiled by Mr Nigel Arthur Spicer 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 Spicer is a consultant who is employed by Minesure Pty Ltd 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 in this report relating to Underground Ore Reserves is based on information compiled by Mr Frank Greblo 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 Greblo is a consultant and a full time employee of AMC Consultants Pty Ltd and consents to the inclusion in this announcement of the matters based on his information, in the form and context in which they appear.

The information in this report relating to Mineral Resources has been approved by Mr Paul Tan who is a member of the Australasian Institute of Mining and Metallurgy and has sufficient 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 Tan is a full time employee of the Beadell Resources Ltd 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 in this report relating to Urucum Underground, Tap AB Underground, Tap C open pit and Duckhead Open pit Mineral Resources is based on information compiled by Mr Marcelo Batelochi 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 Batelochi is a consultant 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 in this report relating to Urucum open pit and Tap AB open pit Mineral Resources is based on information compiled by Mr Brian Wolfe who is a member of the Australian Institute of Geoscientists and has sufficient 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 Wolfe is a consultant 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 reports entitled "Tap AB, Torres and Duckhead Drill Results Continue to Expand" created on 2 February 2017, "Ore Reserve and Mineral Resource Update" created on 11 April 2017 and "Beadell Extends Tucano Near Mine High Grade Gold Mineralisation Footprint" created on 26 June 2017 and are 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.

Condensed Consolidated Interim Financial Statements

Condensed consolidated interim statement of financial position

As at 30 June 2017

	Note	Jun 2017 $'000	Dec 2016 $'000
Assets			
Cash and cash equivalents		31,061	28,298
Restricted cash		217	283
Prepayments		2,064	1,351
Gold bullion awaiting settlement		6,925	5,360
Trade and other receivables	*7*	14,229	29,267
Inventories	*5*	34,373	55,464
Total current assets		**88,869**	**120,023**
Trade and other receivables	*7*	23,321	153
Inventories	*5*	46,012	53,049
Exploration and evaluation assets		459	498
Mineral properties		30,471	28,428
Property, plant and equipment	*6*	132,438	134,942
Deferred tax assets		23,614	18,553
Total non-current assets		**256,315**	**235,623**
Total assets		**345,184**	**355,646**
Liabilities			
Trade and other payables		45,412	44,230
Employee benefits		4,363	5,129
Borrowings	*8*	34,692	54,637
Provisions		2,724	4,527
Total current liabilities		**87,191**	**108,523**
Employee benefits		98	204
Borrowings	*8*	19,524	6,949
Provisions		7,237	7,845
Total non-current liabilities		**26,859**	**14,998**
Total liabilities		**114,050**	**123,521**
Net assets		**231,134**	**232,125**
Equity			
Share capital	*9*	303,512	254,435
Reserves		(22,208)	(4,963)
Accumulated losses		(50,170)	(17,347)
Total equity		**231,134**	**232,125**

The notes on pages 16 to 20 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Financial Statements

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the six months ended 30 June 2017

	Note	Jun 2017 $'000	Jun 2016 $'000
Revenue		89,083	100,457
Cost of sales	5	(114,726)	(85,067)
Gross (loss)/profit		**(25,643)**	**15,390**
Other income		170	70
Administrative expenses		(9,524)	(9,901)
Project exploration and evaluation expenses		(652)	(536)
Impairment losses		(817)	(1,405)
Other expenses		(708)	(125)
Results from operating activities		**(37,174)**	**3,493**
Finance income		247	10,174
Finance expense		(2,717)	(2,277)
Net finance (expense)/income		**(2,470)**	**7,897**
(Loss)/Profit for the period before income tax		**(39,644)**	**11,390**
Income tax benefit/(expense)		6,821	(4,449)
(Loss)/Profit for the period after income tax		**(32,823)**	**6,941**
Other comprehensive (loss)/profit			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations		(17,546)	30,957
Other comprehensive (loss)/profit for the period net of tax		**(17,546)**	**30,957**
Total comprehensive (loss)/profit for the year		**(50,369)**	**37,898**
Earning per share:			
Basic (loss)/earnings per share ($)		(0.03)	0.01
Diluted (loss)/earnings per share ($)		(0.03)	0.01

The notes on pages 16 to 20 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Financial Statements

Condensed consolidated interim statement of changes in equity

For the six months ended 30 June 2017

	Note	Share capital $'000	Translation reserve $'000	Share based payments reserve $'000	Option premium reserve $'000	Tax reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2017		254,435	(36,136)	15,953	3	15,217	(17,347)	232,125
Total comprehensive loss for the period								
Loss for the period		-	-	-	-	-	(32,823)	(32,823)
Other comprehensive loss								
Foreign currency translation differences		-	(17,546)	-	-	-	-	(17,546)
Total other comprehensive loss		**-**	**(17,546)**	**-**	**-**	**-**	**-**	**(17,546)**
Total comprehensive loss for the period		**-**	**(17,546)**	**-**	**-**	**-**	**(32,823)**	**(50,369)**
Transactions with owners recorded directly in equity								
Contributions by and distributions to owners								
Issue of ordinary shares	*9*	50,903	-	-	-	-	-	50,903
Equity transaction costs	*9*	(1,826)	-	-	-	-	-	(1,826)
Share based payments	*10*	-	-	301	-	-	-	301
Total contributions by and distributions to owners		**49,077**	**-**	**301**	**-**	**-**	**-**	**49,378**
Balance as at 30 June 2017		**303,512**	**(53,682)**	**16,254**	**3**	**15,217**	**(50,170)**	**231,134**

The notes on pages 16 to 20 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Financial Statements

Condensed consolidated interim statement of changes in equity

For the six months ended 30 June 2016

	Note	Share capital $'000	Translation reserve $'000	Share based payments reserve $'000	Option premium reserve $'000	Tax reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2016		206,585	(73,446)	14,024	3	10,354	(34,838)	122,682
Total comprehensive income for the period								
Profit for the period		-	-	-	-	-	6,941	6,941
Other comprehensive income								
Foreign currency translation differences		-	30,957	-	-	-	-	30,957
Total other comprehensive income		**-**	**30,957**	**-**	**-**	**-**	**-**	**30,957**
Total comprehensive income for the period		**-**	**30,957**	**-**	**-**	**-**	**6,941**	**37,898**
Transactions with owners recorded directly in equity								
Contributions by and distributions to owners								
Issue of ordinary shares		50,000	-	-	-	-	-	50,000
Equity transaction costs		(2,650)	-	-	-	-	-	(2,650)
Share based payments		-	-	1,010	-	-	-	1,010
Total contributions by and distributions to owners		**47,350**	**-**	**1,010**	**-**	**-**	**-**	**48,360**
Balance as at 30 June 2016		**253,935**	**(42,489)**	**15,034**	**3**	**10,354**	**(27,897)**	**208,940**

The notes on pages 16 to 20 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Financial Statements

Condensed consolidated interim statement of cash flows

For the six months ended 30 June 2017

	Jun 2017 $'000	Jun 2016 $'000
Cash flow from operating activities		
(Loss)/Profit for the year	(32,823)	6,941
Adjustments for:		
Depreciation	13,911	11,039
Net Impairment losses	817	1,405
Net loss on sale of plant and equipment	-	125
Net finance costs/(income)	2,470	(7,897)
Equity-settled share-based payment transactions	301	1,010
Income tax (benefit)/expense	(6,821)	4,449
	(22,145)	**17,072**
Changes in:		
Inventories	16,104	(28,489)
Gold bullion awaiting settlement	(1,566)	942
Trade and other receivables	(8,130)	(7,151)
Prepayments	(715)	(445)
Trade and other payables	1,183	15,433
Provisions and employee benefits	(3,283)	2,690
Net cash (used in)/from operating activities	**(18,552)**	**52**
Cashflow from investing activities		
Interest received	1,056	1,089
Payments for property, plant and equipment	(15,208)	(21,763)
Net cash used in investing activities	**(14,152)**	**(20,674)**
Cashflow from financing activities		
Transfers from restricted cash held for security	66	4,795
Proceeds from issue of share capital, net of transaction costs	49,077	47,350
Proceeds from loans and borrowings	12,358	10,064
Repayment of loans and borrowings	(24,190)	(25,516)
Interest paid on loans	(806)	(1,004)
Net cash from financing activities	**36,505**	**35,689**
Net increase/(decrease) in cash and cash equivalents	3,801	15,067
Cash and cash equivalents 1 January	28,298	9,721
Effect of exchange rate fluctuations on cash held	(1,038)	1,953
Cash and cash equivalents 31 December	**31,061**	**26,741**

The notes on pages 16 to 20 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Beadell Resources Limited (the "Company") is a for profit company limited by shares and incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The condensed consolidated interim financial statements of the Company as at and for the period from 1 January 2017 to 30 June 2017 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The nature of the operations and principal activities of the Group are as described in the Directors' Report.

2. Statement of compliance

The condensed consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The condensed consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual report of the Group as at and for the year ended 31 December 2016.

The condensed consolidated interim financial statements were approved by the Board of Directors on 28 August 2017.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial report as at and for the year ended 31 December 2016.

Going concern

The directors consider the going concern basis of preparation to be appropriate based on forecast cash flows. As at 30 June 2017, the Group has $34,692,000 of debt due for repayment in the next 12 months. The debt repayments will be funded from operating cash flows.

The Group held cash on hand and on deposit as at 30 June 2017 of $31,278,000. As at 30 June 2017 the Group has a net working capital surplus, inclusive of provisions, of $1,678,000. For the period ended 30 June 2017 the Group produced a loss after income tax of $32,823,000. Cash outflows from operations and investment activities were $32,704,000.

Historically, seasonal weather conditions have adversely impacted the Group's mining operation which has resulted in challenges in meeting sales and production budgets. The cash flow forecast takes these circumstances into consideration and also depends on successful mining operations and processing activities in accordance with management's schedule and forecast gold price and foreign exchange assumptions to enable cash flow forecasts to be achieved. Critical to achieving forecast cash flows is the Group's ability to achieve forecast gold production. Should operations not successfully achieve forecasts, forecast gold sales, or foreign exchange rates not be achieved, the Group may require additional funding in the form of debt or equity or a combination of the two.

Notes to the condensed consolidated interim financial statements

4. Operating segments

The Group has two reportable segments; 'Brazilian operations and exploration' and 'Australian exploration', which are the Group's strategic business units.

The strategic business units are managed separately because they are governed by different regulatory regimes. For each of the strategic business units, the Board reviews internal management reports on a monthly basis.

Information about reportable segment profit/(loss)	Brazil $'000	Australia $'000	Total $'000
6 months ended 30 June 2017			
External revenues	89,083	-	89,083
Project finance interest expenses	(1,689)	-	(1,689)
Unrealised foreign exhange loss	(630)	-	(630)
(Impairment of) segment assets	(817)	-	(817)
Depreciation and amortisation	(13,911)	-	(13,911)
Reportable segment (loss) before income tax	(30,024)	(19)	(30,043)
6 months ended 30 June 2016			
External revenues	100,457	-	100,457
Project finance interest expenses	(2,029)	-	(2,029)
Unrealised foreign exhange loss	9,781	-	9,781
(Impairment of) segment assets	(1,405)	-	(1,406)
Depreciation and amortisation	(11,039)	-	(11,039)
Reportable segment (loss) before income tax	21,263	(133)	21,130

Reconciliation of reportable segment profit/(loss)	Jun 2017 $'000	Jun 2016 $'000
Total (loss)/profit for reportable segments	(30,043)	21,130
Unallocated amounts		
- Corporate income	75	161
- Corporate expenses	(9,676)	(9,901)
Consolidated (loss)/profit before tax	(39,644)	11,390

Information about reportable segment assets, liabilities and capital expenditure	Brazil $'000	Australia $'000	Total $'000
June 2017			
Reportable segment assets	313,915	80	313,995
Reportable segment liabilities	103,314	0	103,314
Reportable segment capital expenditure	13,021	11	13,032
December 2016			
Reportable segment assets	327,096	94	327,190
Reportable segment liabilities	112,797	1	112,798
Reportable segment capital expenditure	34,185	26	34,211

Reconciliation of reportable segment assets and liabilities	Jun 2017 $'000	Dec 2016 $'000
Total assets for reportable segments	313,995	327,190
Unallocated amounts		
- Corporate assets	31,189	28,456
Consolidated assets	345,184	355,646
Total liabilities for reportable segments	103,314	112,798
Unallocated amounts		
- Corporate liabilities	10,736	10,723
Consolidated liabilities	114,050	123,521

Notes to the condensed consolidated interim financial statements

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of production. Segment assets are based on the geographical location of assets.

	Revenues Jun 2017 $'000	Non-current assets Jun 2017 $'000	Revenues Jun 2016 $'000	Non-current assets Dec 2016 $'000
Australia	-	80	-	94
Brazil	89,083	232,615	100,457	216,972
Unallocated amounts	-	23,620	-	18,557
Balance at the end of the period	89,083	256,315	100,457	235,623

5. Inventories

	Jun 2017 $'000	Dec 2016 $'000
Spare parts, raw materials and consumables	19,444	22,278
Ore stockpiles	57,647	80,087
Gold in circuit	2,717	4,607
Gold bullion	577	1,541
Balance at the end of the period	80,385	108,513
Current	34,373	55,464
Non current	46,012	53,049
Balance at the end of the period	80,385	108,513

Net realisable value

Ore stockpiles have been valued at net realisable value, as a result the Group has recognised a write down of $6.9 million in cost of goods sold during the period. All other inventories are held at cost at reporting date.

6. Property, plant and equipment

	Jun 2017 $'000	Dec 2016 $'000
Cost		
Opening balance	229,959	165,097
Additions	19,701	24,514
Disposals	(422)	(3,951)
Effect of movements in exchange rates	(19,966)	44,299
Balance at the end of the period	229,272	229,959
Depreciation		
Opening balance	(95,017)	(42,524)
Depreciation expensed	(12,331)	(37,130)
Disposals	234	3,435
Effect of movements in exchange rates	10,280	(18,798)
Balance at the end of the period	(96,834)	(95,017)
Carrying amount		
Opening balance	134,942	122,573
Balance at the end of the period	132,438	134,942

During the year a portion of ore stockpiles used in the construction of the ROM pad were transferred from inventory to property, plant and equipment, for an amount of $12 million. These stockpiles have been included in additions and will be amortised over the life of mine.

7. Trade and other receivables

	Jun 2017 $'000	Dec 2016 $'000
Other receivables	6,961	2,173
VAT taxes	30,589	27,247
Balance at the end of the period	37,550	29,420
Current	14,229	29,267
Non current	23,321	153
Balance at the end of the period	37,550	29,420

Other receivables

The Company is disputing a change by the State of Amapá to the calculation of a gold royalty and has made an application to the Federal Supreme Court of Brazil for the matter to be heard.

In connection with the application, the Company has made a Judicial Deposit with the State Supreme Court, for an amount of $4.8 million to prevent the addition of any fines or penalties, pending the outcome of a Federal Supreme Court decision.

The Company and its Brazilian counsel are confident of a ruling in the Company's favour and expect that the Judicial Deposit will be returned in full at the conclusion of the case.

VAT taxes

The Group's recoverable VAT taxes are represented by Pis-Cofins, which are a Brazilian federal VAT levied on some of the Groups purchases. Recoverability of Pis-Cofins assets is primarily dependent upon the Group generating a federal company tax liability, which may be offset against the Group's Pis-Cofins assets if the Group elects to do so.

At 30 June 2017, the Group has reclassified $23.2 million of Pis-Cofins to non-current as these are not expected to be recovered within the next 12 months.

Impairment losses

The Group incurred impairment losses during the period of $770,000 in respect of Brazilian state VAT ("ICMS") levied on the Group's purchases that, at balance date, are not considered recoverable.

Recoverability of ICMS is dependent on the Group generating domestic Brazilian sales which would accrue an ICMS liability which the Group can offset against ICMS assets. At balance date, significant Brazilian domestic sales are not considered probable.

8. Borrowings

	Jun 2017 $'000	Dec 2016 $'000
Unsecured loans	28,172	26,553
Secured loans	26,044	35,033
Balance at the end of the period	54,216	61,586
Current	34,692	54,637
Non current	19,524	6,949
Balance at the end of the period	54,216	61,586

Secured facilities

During the period, the Company amended its Santander – Itaú Facility repayment schedule, reducing its debt repayment obligations.

Prior to the amendment the Company had four scheduled quarterly repayments of US$5 million remaining, ending in January 2018. The repayment schedule has now been amended as follows:

- US$2.5 million repayments due in July 2017, January 2018, July 2018 and October 2018; and
- US$5 million repayments due in January 2019 and April 2019.

The balance of the Santander – Itaú Facility as at 30 June 2017 is US$20 million ($26 million).

Unsecured facilities

The Group's unsecured facilities comprise a non-interest bearing $9.675 million loan payable to MACA Limited and US$14 million ($18.2 million) in unsecured interest bearing bank facilities.

Notes to the condensed consolidated interim financial statements

9. Share capital

Movement in share capital for the half year ended 30 June 2017

Ordinary share capital	Number of Shares '000 shares	Share Capital $'000
On issue at the beginning of the period	1,057,567	254,435
Exercise of share options	1,500	338
Issued for cash	174,363	48,739
On issue at the end of the period (net of transaction costs)	1,233,430	303,512

Capital raising

In February 2017, the Company raised $46 million through the placement of 159 million fully paid ordinary shares to domestic and international institutional and sophisticated investors.

In April 2017, the Company raised $4.5 million through the placement of 15.5 million fully paid ordinary shares.

10. Share-based payments

Share Options

The Group has an established Employee Share Option Plan ("ESOP") under which Share Options can be offered to Key Management Personnel, employees and other parties. All Share Options issued under the ESOP are subject to the ESOP terms and conditions as disclosed in the Group's 31 December 2016 annual financial report.

Share Options granted during the period

No Share Options were granted during the period.

Forfeiture of unissued shares

During the period, 375,000 Share Options exercisable at $0.37 and 375,000 Share Options exercisable at $0.43 were forfeited as a result of failure to meet vesting conditions.

Expiration of unissued shares

During the period, 1,800,000 Share Options at an exercise price of $0.65 were not exercised and expired in accordance with their terms.

Performance Rights

The Group has an established Performance Rights Plan ("PRP") under which Performance Rights may be offered to Key Management Personnel and employees. All Performance Rights issued under the PRP are subject to the PRP terms and conditions as disclosed in the Group's 31 December 2016 annual financial report.

Performance Rights granted during the period

9,448,555 Performance Rights were granted to Key Management Personnel and employees on 18 May 2017. In order for any of the Performance Rights to vest, the Group's Total Shareholder Return ("TSR") must be positive and at or above the 50th percentile of a comparator group of companies TSR's over a performance period from 1 January 2017 to 31 December 2018. Following assessment of the Group's TSR against the comparator group on 31 December 2018 ("Test Date"), the awarded Performance Rights, if any, will vest on the Test Date. TSR measures the growth for a financial year in the price of shares plus cash distributions notionally reinvested in shares. The grant of Performance Rights during the period was measured using the Monte Carlo pricing model.

The following table illustrates the number of Performance Rights granted during the period:

	Rights
Directors	1,662,636
Key management personnel	1,821,362
Other employees	5,964,557
Performance Rights granted during the period	9,448,555

11. Subsequent events

There have been no other events subsequent to balance date which would have a material effect on the Group's condensed consolidated interim financial statements.

Directors' declaration

1. In the opinion of the directors of Beadell Resources Limited ("the Company"):

   (a) the condensed consolidated interim financial statements and notes 1 to 11 that are contained within are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the half year ended on that date; and

      (ii) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

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SIMON JACKSON
Managing Director

Dated at Perth, this 28th day of August 2017

Independent auditor’s review report

Independent Auditor’s Review Report

To the shareholders of Beadell Resources Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Beadell Resources Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim Financial Report of Beadell Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group’s*** financial position as at 30 June 2017 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Interim Financial Report*** comprises:

- Condensed consolidated interim statement of financial position as at 30 June 2017
- Condensed consolidated interim statement of profit or loss and other comprehensive income, Condensed consolidated interim statement of changes in equity and Condensed consolidated interim statement of cash flows for the half-year ended on that date
- Notes comprising a summary of significant accounting policies and other explanatory information
- The Directors’ Declaration.

The ***Group*** comprises Beadell Resources Limited (the Company) and the entities it controlled at the half year’s end or from time to time during the half year.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that is free from material misstatement, whether due to fraud or error.

Independent auditor's review report

KPMG

Auditor's responsibility for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Interim Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 June 2017 and its performance for the half-year ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Beadell Resources Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KPMG

KPMG

Brent Steedman
Partner

Perth

28 August 2017

Auditor’s independence declaration

Lead Auditor’s Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Beadell Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Beadell Resources Limited for the half-year ended 30 June 2017 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Brent Steedman
Partner

Perth

28 August 2017