

Quarterly Report for Shareholders

Period Ending 30 September 2013



HIGHLIGHTS

OPERATIONS

- **Production** - Gold recovered of **55,094 ounces** for the quarter. Guidance for gold recovered remains unchanged at **120,000 – 130,000 ounces** for 1 July to 31 December 2013.
- **Costs** - C1 cash costs at **US\$452 per ounce** for the quarter. Guidance for half year C1 cash costs (which exclude the 2% royalty) remains unchanged at **US\$435 – US\$485 per ounce**. Iron ore credits are expected to further positively impact on this guidance during the upcoming quarter.
- **Gold Elution Circuit** - Works were 95% complete at the end of September with commissioning now underway. This upgrade will allow Tucano to produce gold bullion of up to 27,000 ounces per month. The upgraded elution circuit will now process the greatly increased “gold in circuit” during the quarter (4,443 ounces @ 30 June 2013 vs. 12,895 ounces @ 30 September 2013) and quickly bring the amount of gold in circuit back down to ~4,000 ounces.
- **Duckhead** - Mining of the High Grade Duckhead pit commenced in mid-August with reconciled gold ore mined from August and September totalling **93,290 tonnes @ 10.1 g/t gold for 30,173 ounces**.
- **Duckhead** - Strongly positive reconciliation from the first two months of mining and milling of the high grade Main lode has recovered **39%** more ounces than the reserve model.
- **Duckhead** - Infill drilling of the adjacent Hangingwall lode and colluvium above the Hangingwall lode has produced exceptional results, including GCRC8282, **22 m @ 14.8 g/t gold from surface**, GCRC8283, **24 m @ 11.0 g/t gold from surface**, GCRC8284, **10 m @ 21.0 g/t gold from surface**, GCPF18151, **10 m @ 26.7 g/t gold from surface** and GCPF18126, **1 m @ 124.8 g/t gold from 4 m**. Mining of this lode is now underway.

EXPLORATION

- **Duckhead** - A major RC drilling exploration program has commenced targeting extensions and repetitions of the Duckhead lodes with a new zone discovered 100 m north of the Duckhead pit. Early results from this North Limb are positive with **12 m @ 2.1g/t gold** including **1 m @ 12.9 g/t gold**.
- **Tartaruga** - A maiden JORC inferred resource for the Rio de Ouro prospect, 150km northeast of Tucano, totals 950,000 tonnes @ 1.82 g/t gold for 56,000 ounces, increasing total resources at Tartaruga to 6.45 million tonnes @ 1.63 g/t gold for 337,000 ounces. Metallurgical results indicate 90% of the gold is recoverable into a gravity concentrate.
- **Tucano Regional** - Exploration has commenced at the Mutum target following access and fly camp established 15 km north east of Tucano. First pass soil sampling and mapping is underway.

CORPORATE

- **Cash and Bullion** - Cash and Bullion as at 30 September 2013 totalled **~\$34.5 million**.
- **Debt and Capital Expenditure** - Payments of **\$21 million** (\$18.3 million principal, \$2.7 million interest) were made to pay down the Company's project finance facility along with **\$7.4 million** of once off capital items.

Peter Bowler
Managing Director
24 October 2013

OPERATIONS

TUCANO GOLD MINE (100%)

Production

Production Summary	Unit	July	August	September	September Quarter	June Quarter	Δ%
Total Waste Moved	(t)	526,895	444,148	532,267	1,503,310	1,401,716	+7.2
Gold Ore Mined	(t)	117,492	186,463	155,765	459,720	507,963	-9.5
Gold Ore Milled	(t)	302,556	348,608	314,431	965,595	883,877	+9.2
Head Grade	(g/t)	1.25	1.78	2.69	1.91	1.40	+36.4
Plant Recovery	(%)	90.8	92.4	94.3	93.0%	91.2%	+2.0
Total Gold Recovered	(oz)	11,031	18,419	25,643	55,094	36,179	+52.3
Cash cost* - excl Fe credit	(US\$/oz)				468	679	-31.1
Cash cost* - incl Fe credit	(US\$/oz)				452	679	-33.4

*Excluding 2% royalties which equal US\$21/oz for the Quarter

Gold production at the Tucano CIL gold plant in Brazil was very strong in the quarter reflecting the introduction of high grade ore from the Duckhead open pit. Gold recovered totalled 55,094 ounces.

During the quarter, the CIL plant throughput capacity was solid at 4.0 million tonnes per annum (~14% over nameplate capacity of 3.5 million tonnes per annum). A total of 965,595 tonnes of predominantly oxide ore was processed during the quarter. Process plant recovery for the period was 93.0%. Process plant total operational costs were below the budget for the quarter.

Continued throughput increases, approaching an annualised rate of 4.5 million tonnes per annum, are expected in the December Quarter. The \$1.7 million upgrade to the elution circuit is complete, which will now process the greatly increased “gold in circuit” (4,443 ounces @ 30 June 2013 vs. 12,895 ounces @ 30 September 2013) and quickly bring the amount of gold in circuit back down to ~4,000 ounces.

Gold Elution Circuit

The gold elution circuit at the Tucano Gold Mine has been upgraded with the capacity to produce gold bullion of up to 27,000 ounces per month. This additional capacity is required for the processing of the high grade Duckhead ore and to provide general contingency to maintain high mechanical availability of the plant (see Photo 1).

The Capex for this project was US\$1.7 million and was completed on time and on budget.



Photo 1. Part of the Gold Elution Circuit

Iron Ore

Iron concentrate stockpiles continue to build (see Photo 2) with first sales expected to occur in the December quarter, positively impacting on gold cash costs. Initial assay results show a premium product is being produced averaging 66.5% Fe with very low contaminant levels. A stockpile in excess of 20,000 tonnes has so far been accumulated. The low yield to date has been effected by the changed gold ore blend to the mill, with the bulk of the mill feed in the current quarter coming from higher grade oxide and spent ore stockpiles, to supplement the low

tonnage ultra high grade Duckhead ore. These stockpiles have low magnetite content and correspond to lower concentrate volumes. Plant yield will progressively increase over time as Duckhead is depleted and fresh rock ore is processed through the plant.

Iron ore feed stock from the gold open pits (see Photo 3) continues to be supplied to the Anglo Ferrous beneficiation plant. During the quarter, a total of ~420,000 tonnes were mined and invoiced. This has positively affected gold cash costs.



Photo 2. Iron Ore Magnetite Concentrate Stockpile (66.5% Fe)

Mining

Mining at the high grade Duckhead deposit commenced early in August and became the focus of activity due to the high grades being available from this deposit. Gold ore from this source during August and September totalled **93,290 tonnes @ 10.1 g/t gold for 30,173 ounces**. Duckhead ore mined during this period was from the Main Lode zone, pictured below in Photo 3.

Elsewhere, the establishment of the Tap C north deposit gave good grades and tonnes over wide and productive benches.

Total material movement of 3.4 million tonnes was below budget. This was due to the timing of accessing the Duckhead deposit and the mechanical failure of a 250t excavator, now rectified. Mined gold ore grade exceeded budget due to the contribution from Duckhead.

The advent of the dry season and access to Duckhead will now see mine productivities increase in line with budget.

During the period the mine received four new 40 tonne all terrain Volvo trucks, three new Scania ore haulage trucks and a large motor grader. This new equipment will increase production, reduce maintenance costs and improve overall fleet availability.

Gold ore for Mill feed in the December quarter will be sourced from Duckhead, Tap AB and Tap C Open Pits.

Gold ore stockpiles as at the end of September total 8.2 million tonnes @ 0.81 g/t gold for 212,000 ounces.

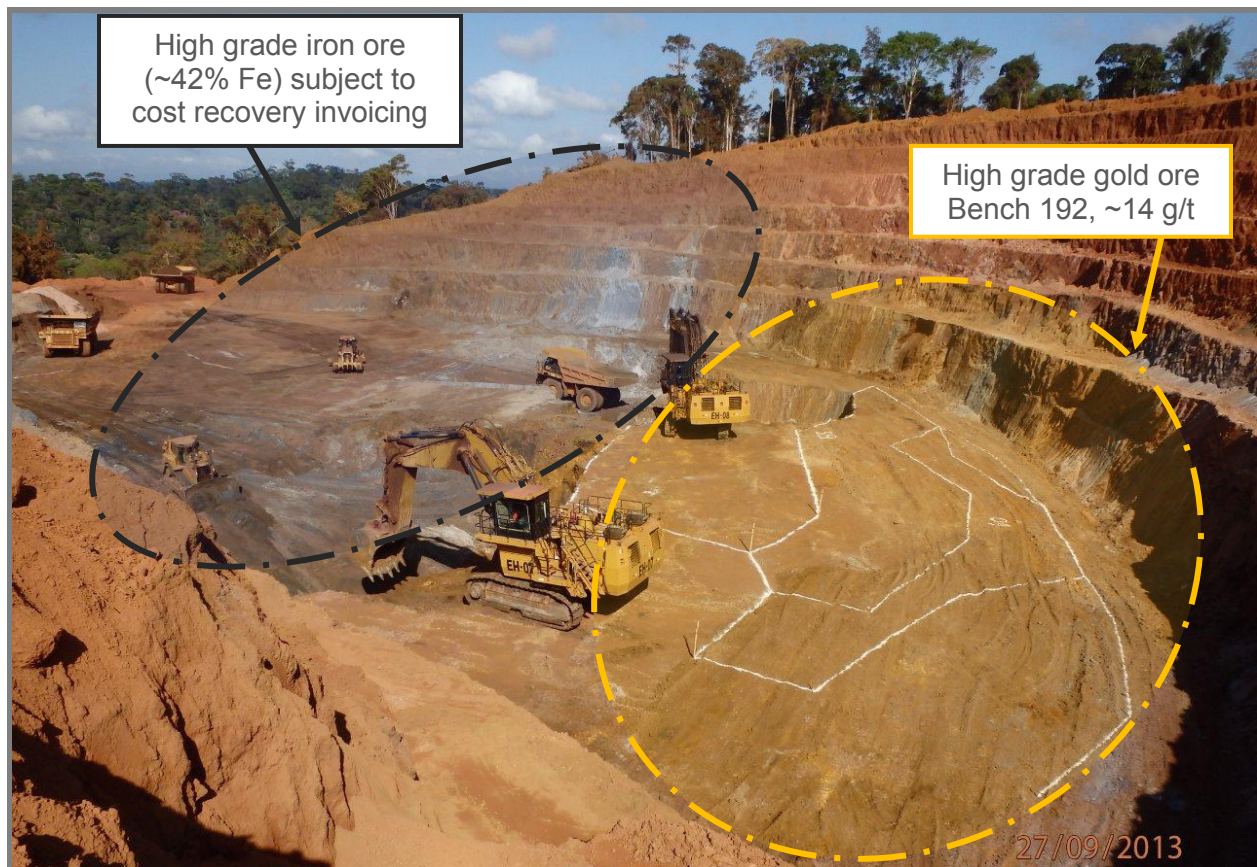


Photo 3. Duckhead Main Lode looking northwest

EXPLORATION

RESOURCE AND RESERVE DEVELOPMENT

During the September quarter, 15,291 m of RC drilling were completed comprising 9,331 m of Grade control RC drilling and 5,960 m of exploration RC drilling. The focus continues to be to drill out and expand the Duckhead resource and an accelerated program of RC drilling is underway. Exceptional drill results and strongly positive reconciliation continue to be received from the high grade Duckhead deposit.

Regional exploration of the highly prospective Tucano greenstone belt has commenced 15 km northeast of the mine site with access and a fly camp now established at the Mutum target. Initial field work will involve soil sampling and mapping with the object of defining new targets for first pass drill testing in calendar 2014.

Duckhead Project (100%)

Strongly positive reconciliation was achieved from the first two months of mining and milling of the Main Lode with **39%** more ounces recovered compared to the reserve model. This result was a reflection of the extremely high grade results received from infill grade control drilling completed after the original Main Lode reserve estimate.

A similar pattern is emerging at the adjacent **Hangingwall Lode** where grade control drilling of the colluvium and upper parts of the Hangingwall Lode on a 10 m x 5 m pattern in September has encountered exceptional high grade results (see Figure 1, Appendix 1), well in excess of any previous resource drill holes used to estimate the original Hangingwall Lode reserve.

Preliminary grade control model estimates including the new results show an additional **61%** more ounces over and above the original Hangingwall reserve from both the Hangingwall colluvium and upper levels of the Hangingwall Lode. The new results alone are estimated to have added in excess of **10,000 ounces** of

reserves from the top 20 metres of the Hangingwall Lode. The grade control drilling has shown that the colluvium above the Hangingwall Lode is exceptionally mineralised over an area of approximately 80 m long by 30 m wide at surface.

A majority of the new drill results are from surface to bottom of hole (BOH) and ending in high grade mineralisation. Significant results from the infill drilling are presented in Appendix 1 with better results including;

- **GCRC8282: 22 m @ 14.8 g/t gold from 0 m to 22 m (BOH), including 5 m @ 42.3 g/t gold**
- **GCRC8283: 24 m @ 11.0 g/t gold from 0 m to 24 m (BOH), including 3 m @ 43.2g/t gold**
- **GCRC8284: 10 m @ 21.0 g/t gold from 0 m to 10 m (BOH)**
- **GCPF18151: 10 m @ 26.7 g/t gold from 0 m to 10m (BOH)**
- **GCPF18126: 1 m @ 124.8 g/t gold from 4 m**

A major RC drilling program has just commenced targeting extensions and repetitions of Duckhead adjacent to the open pit with a total of 36,000 m of drilling planned. Excellent potential exists to both extend and delineate new high grade lodes within the immediate area surrounding the Duckhead pit and also along the highly underexplored main northwest trending BIF contact (Figures 1 & 2).

The northern limb and fold nose of the main BIF unit represent highly prospective targets that have only had very limited and mostly iron ore targeted wide spaced previous drilling. A new result from the northern limb target of **8 m @ 2.1 g/t gold** from 6 m including **1 m @ 12.9 g/t gold** from 12 m in FVM309 highlight the potential of this area. Further results are expected shortly.

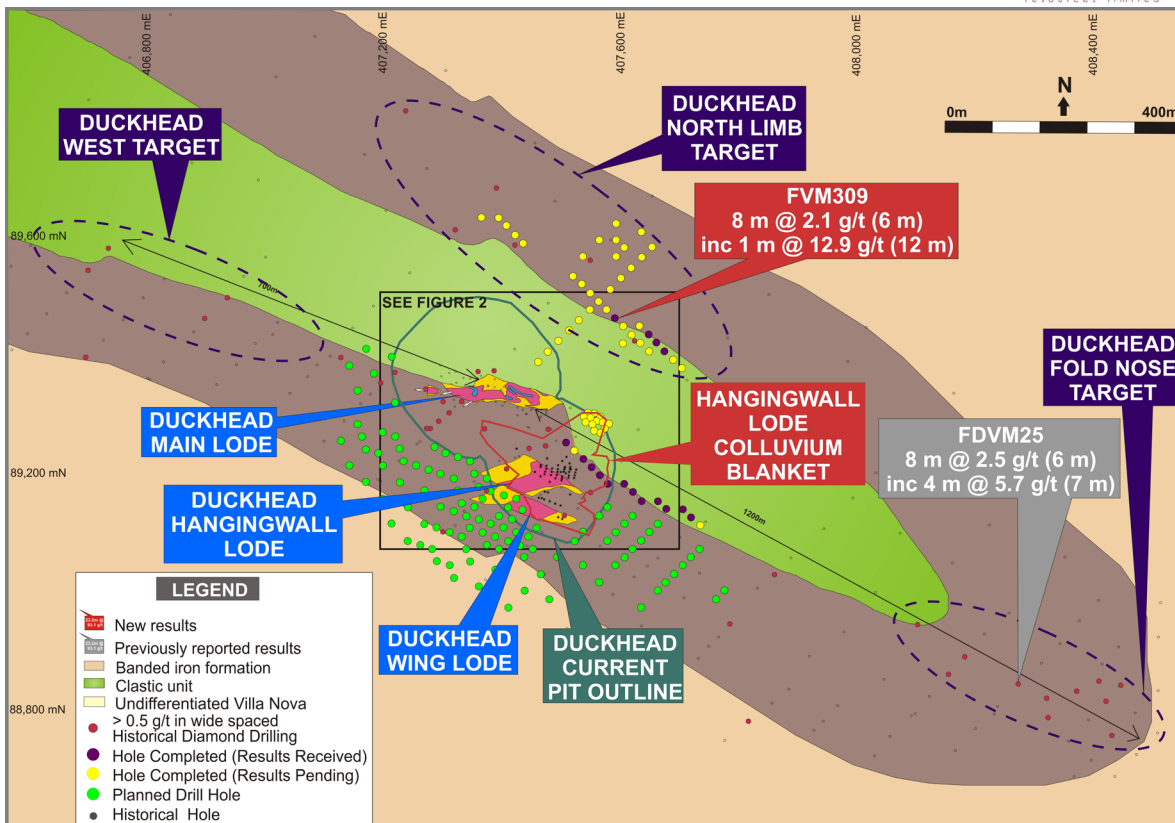


Figure 1. Duckhead plan showing near pit targets and planned drilling

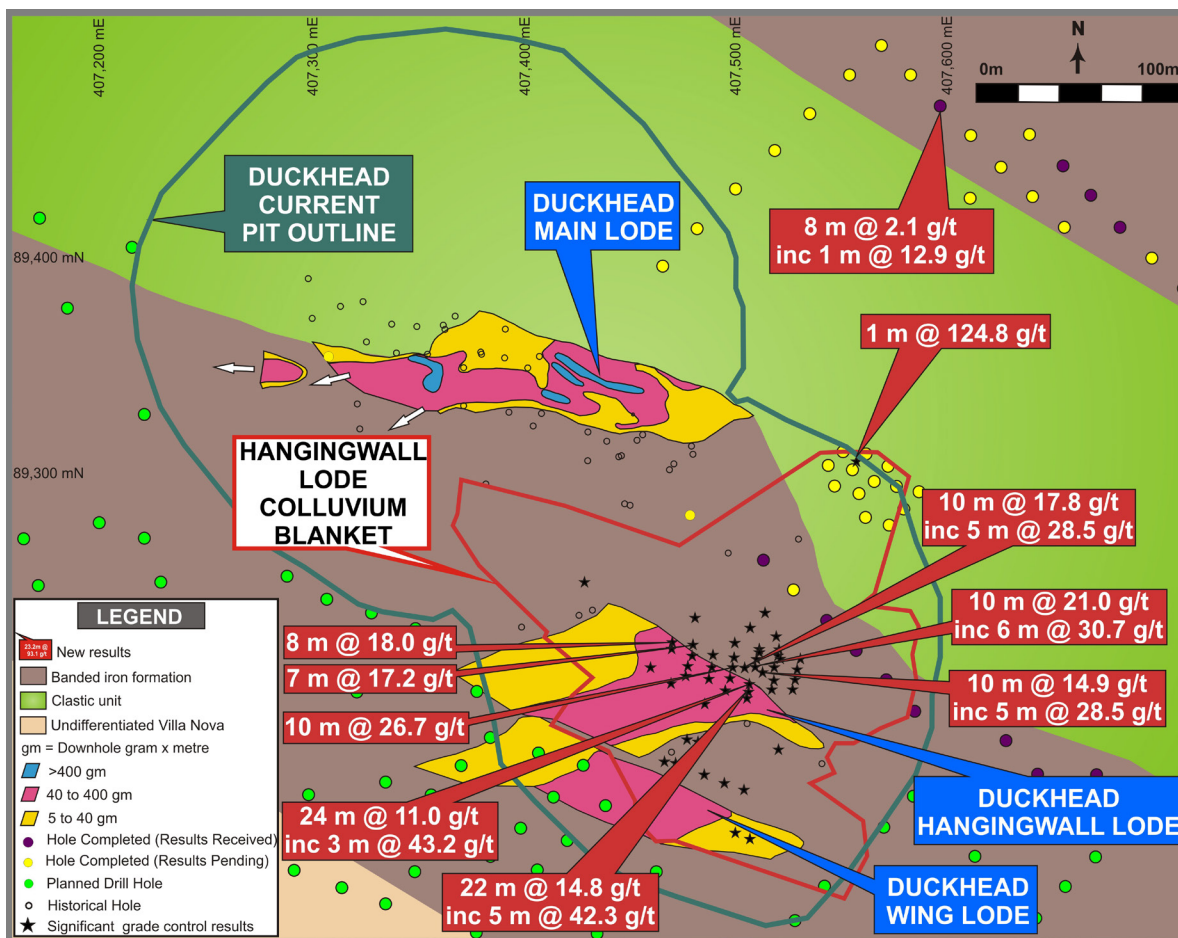


Figure 2. Duckhead plan showing location of significant grade control results

Tartaruga Project (100%)

A maiden JORC Inferred resource for the Rio de Ouro deposit, 150km northeast of Tucano, has been estimated at **950,000 tonnes @ 1.82 g/t gold for 56,000 ounces**. This brings the total Tartaruga JORC Inferred resources to **6,451,000 tonnes @ 1.63 g/t gold for 337,000 ounces**.

Details of the resource parameters used in the Rio de Ouro resource estimation are summarised in Appendix 2.

Excellent metallurgical test results show that the quartzite hosted gold ore at Tartaruga is highly leachable using conventional CIL with recoveries of **99.1% in oxide and 97.1% in fresh rock**. Gravity concentrate recovery of **86.6% in oxide and 92.4% in fresh rock** to produce a circa 75 g/t gold concentrate indicate the potential to extract the gold with a simple and low cost gravity circuit.

WESTERN AUSTRALIA

Tropicana East Project (100%)

A 14 hole RC drilling program was completed at Tropicana East targeting the Hercules gold prospect (7 holes for 1,162 m) and ground electromagnetic targets at Hercules and Atlantis (7 holes for 1,619 m). Results are listed in Appendix 1. At Hercules new drill results confirmed continuity of a single steeply east dipping lode structure over a 300 m strike (see Figure 3). Results included 2 m @ 4.1 g/t gold from 169 m in NLC170, 2 m @ 2.0 g/t gold from 85 m in NLC168 and 5 m @ 0.7 g/t gold from 80 m in NLC172. The RC holes targeting strong

conductive electromagnetic anomalies generally intersected a package of paragneiss and granite gneiss in contact with mafic / ultramafic rocks. Significant amounts of disseminated to massive sulphides dominated by pyrrhotite were present along this contact which is thought to explain the source of the electromagnetic anomalies. Anomalous copper (maximum 0.12%) and nickel (maximum 0.14%) are coincident with the sulphide zones and detailed petrological analysis is being completed to determine the significance of the results.

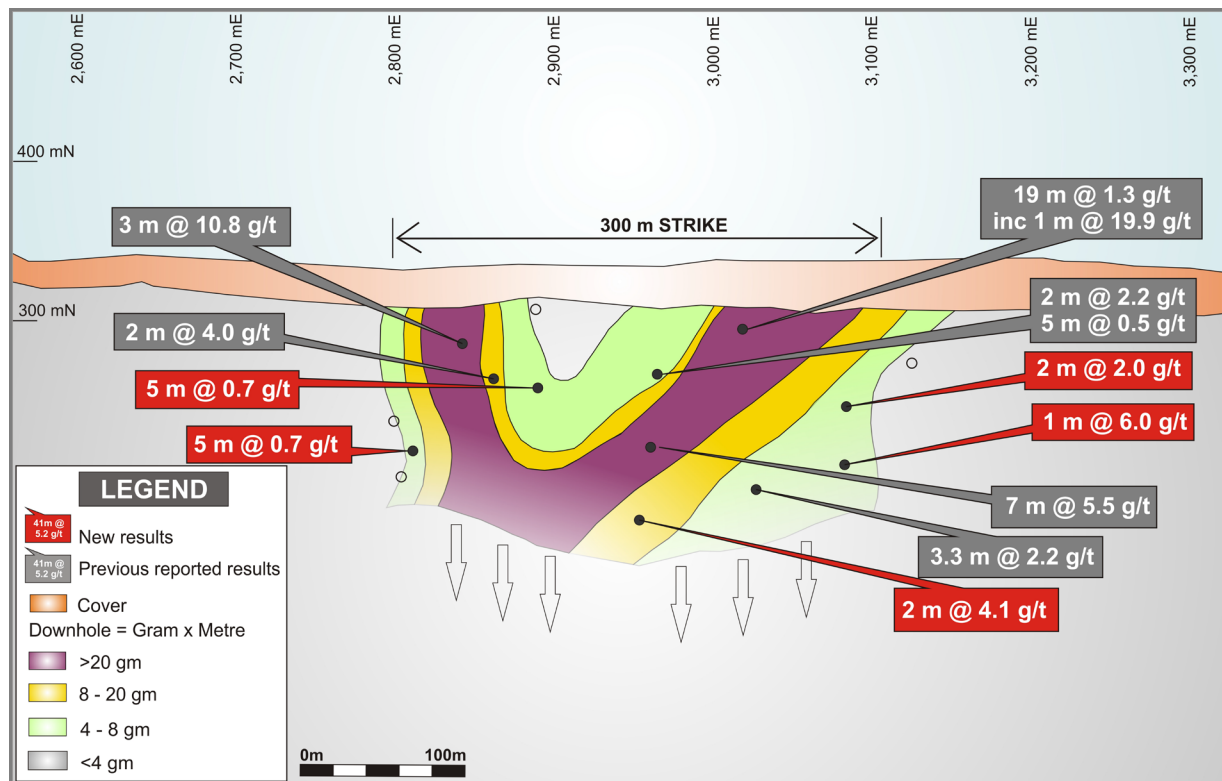


Figure 3. Tropicana East, Hercules Longsection

CORPORATE & FINANCE

Gold Sales

Gold recovered totalled 55,094 ounces with sales of 43,432 ounces in the September quarter. The abnormal “gold in circuit” increase of 8,452 ounces valued at **\$11.2 million** is now being converted into saleable bullion due to the commissioning of the gold elution circuit upgrade. The average cash price received was US\$1,331/oz.

Cash & Bullion

Cash and Bullion as at 30 September 2013 totalled **~\$34.5 million** (bullion valued at US\$0.93 and US\$1,328 per ounce).

Debt Repayment and Hedging

In line with the debt repayment schedule, US\$16 million in principle was repaid during the quarter. The next repayment of US\$32 million is due at the end of December 2013 and the remaining US\$62 million is scheduled for repayment in 2014.

The Company has 150,100 ounces of gold forward sold at US\$1,600/oz, FX forwards of US\$130 million at US\$1:R\$1.97, gold call options for 48,500 ounces at US\$1,700/oz expiring 31 December 2014 and gold call options for 20,200 ounces at US\$1,400/oz expiring 31 December 2013.

Capital Expenditure

Total capital expenditure for the quarter was \$9.2 million which included one off payments of \$7.4 million being \$3.4 million for Earthmoving fleet expansion for FY2014, \$1.7 million in final payments for the Magnetic Separation plant construction, \$1.3 million for the Gold Elution Circuit upgrade and \$1.0 million for tailings dam expansion.

Production and Cash Cost Guidance for six months from 1 July to 31 December 2013

Guidance for the half year gold production remains unchanged at **120,000 – 130,000 ounces** for the six months from 1 July 2013. C1 cash costs (which exclude the 2% royalty) are expected to be within the range of **US\$435 – \$485 per ounce** with no allowance for any iron ore credits. Iron ore credits are expected to positively impact cash costs during the upcoming quarter.

ASX Code: BDR

Directors:

Craig Readhead Non-Exec. Chairman
Mike Donaldson Non-Exec. Director
Ross Kestel Non-Exec. Director
Peter Bowler Managing Director
Robert Watkins Exec. Director Geology
Greg Barrett CFO/ Company Sec.

Corporate Details:

Issued capital:

788,277,280 ordinary shares
(as at 30 September 2013)

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Competent Person Statement

The information in this report relating to Exploration Results and Mineral Resources and Ore Reserves is based on information compiled by Mr Robert Watkins who is a member of the Australasian Institute of Mining and Metallurgy and has sufficient exploration experience which is relevant to the various styles of mineralisation under consideration to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Watkins is a full time employee of Beadell Resources Limited. Mr Watkins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX 1
Duckhead Hangingwall Lode Infill Drill Results

Duckhead Lode	Hole	From (m)	To (m)	Width (m)	Gold (g/t)
Colluvium	GCPF17772	0	8	8	5.6
Colluvium	GCPF17773	0	7	7	2.9
Colluvium	GCPF17775	0	6	6	3.5
Colluvium	GCPF17792	0	6	6	2
Colluvium	GCPF17856	0	4	4	5.1
Colluvium	GCPF17882	0	4	4	1.9
Colluvium	GCPF17883	0	4	4	2.2
Colluvium	GCPF17909	0	4	4	2.4
Colluvium	GCPF17911	1	4	3	2.4
Colluvium	GCPF17913	1	4	3	1.9
Colluvium	GCPF17915	1	4	3	2.6
Colluvium	GCPF17916	0	4	4	1.7
Colluvium	GCPF17917	0	4	4	1.3
Colluvium	GCPF18067	0	10	10	2.8
Colluvium	GCPF18068	0 Incl 3	10 10	10 7	14.9 20.7
Colluvium	GCPF18069	0	10	10	8.8
Colluvium	GCPF18079	0 Incl 1	10 6	10 5	17.8 28.5
Colluvium	GCPF18080	0	10	10	7.4
Colluvium	GCPF18081	0	10	10	6.7
Colluvium	GCPF18091	1	8	7	2.3
Colluvium	GCPF18092	0	7	7	2.1
Colluvium	GCPF18093	0	8	8	1.1
Colluvium	GCPF18126	4	5	1	124.8
Colluvium	GCPF18143	3	10	7	17.2
Colluvium	GCPF18144	2	10	8	5.2
Colluvium	GCPF18145	3	10	7	11
Colluvium	GCPF18146	2	6	4	2.5
Colluvium	GCPF18147	1	10	9	12.1
Colluvium	GCPF18148	0	10	10	8.1
Colluvium	GCPF18150	2	10	8	10.9
Colluvium	GCPF18151	0	10	10	26.7
Colluvium	GCPF18152	0	10	10	4.1
Colluvium	GCPF18153	0	10	10	2.3
Colluvium	GCPF18154	0	10	10	5.4

Colluvium	GCPF18155	0	7	7	4.3
Colluvium	GCPF18157	1	10	9	3.1
Colluvium	GCPF18158	2	10	8	2.7
Colluvium	GCPF18159	0	10	10	1.1
Colluvium	GCPF18160	0	4	4	2.1
Colluvium	GCRC8278	0	10	10	7.7
Colluvium	GCRC8279	4	13	9	5.5
Hangingwall Lode	GCRC8281	2	20	18	4.9
Hangingwall Lode	GCRC8282	0 Incl 12	22 17	22 5	14.8 42.3
Hangingwall Lode	GCRC8283	0 Incl 15	24 18	24 3	11 43.2
Colluvium	GCRC8284	0 Incl 4	10 10	10 6	21 30.7
Colluvium	GCRC8285	1	10	9	11.1
Colluvium	GCRC8286	0	10	10	7.5
Colluvium	GCRC8306	2	10	8	18
Wing Lode Colluvium	GCRC8360	3	6	3	4.1
Wing Lode Colluvium	GCRC8371	0	5	5	3.6
Colluvium	GCRC8376	0	8	8	4
Colluvium	GCRC8392	0	5	5	6.7
Colluvium	HW403	0	6	6	0.5
Colluvium	HW409	0	3	3	0.6
Colluvium	HW410	2	4	2	0.7
Colluvium	HW411	3	6	3	0.6
Colluvium	HW412	1 Incl 4	11 7	10 3	1.0 2.0
North Limb	FVM305	25	27	2	1.5
North Limb	FVM306	7	13	6	0.4
North Limb	FVM309	6 Incl 12	14 13	8 1	2.1 12.9

All results are reported as >0.5g/t with no greater than 2 m internal dilution, Holes prefix GCRC, HW and FVM are Reverse Circulation drill holes, Holes prefix GCPF are vertical open grade control holes drilled with a blast hole rig.

Tartaruga RC Drill Results

Duckhead Lode	Hole	From (m)	To (m)	Width (m)	Gold (g/t)
Rio de Ouro	BRC0001	20 Incl 20	27 23	7 3	2.3 3.9
Rio de Ouro	BRC0003	11	12	1	0.6
Rio de Ouro	BRC0004	7	8	1	1.9
Rio de Ouro	BRC0005	12 Incl 15	21 21	9 6	3.5 5.1
Rio de Ouro	BRC0006	12	13	1	4.3

Rio de Ouro	BRC0008	27	31	4	1.1
Rio de Ouro	BRC0009	34	38	4	2.4
Rio de Ouro	BRC0011	70 Incl 70	76 74	6 4	1.6 2.2
Rio de Ouro	BRC0012	55 Incl 55	58 56	3 1	29.2 86.0
Rio de Ouro	BRC0013	39 52	40 57	1 5	4.2 0.5
Rio de Ouro	BRC0014	56	57	1	3.8
Rio de Ouro	BRC0016	61 Incl 61	68 64	7 3	2.6 5.5
Rio de Ouro	BRC0017	65 72	69 75	4 3	0.6 2.7
Rio de Ouro	BRC0018	64 72	67 75	3 3	3.3 2.7
Rio de Ouro	BRC0019	75 117	76 118	1 1	1.3 0.5
Rio de Ouro	BRC0020	78	79	1	1.0
Rio de Ouro	BRC0022	44	45	1	1.3
Rio de Ouro	BRC0023	17	18	1	0.5
Rio de Ouro	BRC0024	66 70	67 73	1 3	1.5 0.6
Rio de Ouro	BRC0025	81	82	1	0.5
Rio de Ouro	BRC0034	32	33	1	1.1
Rio de Ouro	BRC0044	96	97	1	1.0
Rio de Ouro	BRC0046	102	103	1	0.5
Rio de Ouro	BRC0047	104 110	105 111	1 1	0.6 7.8
Rio de Ouro	BRC0048	111	114	3	0.5
Havaianas	BRC0057*	5	10	5	1.5
Havaianas	BRC0058	56	57	1	2.2

All results are reported as >0.5g/t with no greater than 2 m internal dilution. * Denotes 5 m composite result.

Tropicana East RC Drill Results

Prospect	Hole	From (m)	To (m)	Width (m)	Gold (g/t)	Copper (%)	Nickel (%)	Cobalt (%)	Silver (gt/)
Atlantis EM	NLC164	90	95	5	0.4*				
Atlantis EM	NLC165	176 184 207 246	182 185 208 247	5 1 1 1		0.05 0.07 0.05	0.10		
Hercules EM	NLC166	108	109	1		0.12	0.03		
Hercules EM	NLC167	231 254 264	233 255 265	2 1 1		0.06 0.05	0.03 0.14	0.01	1.6
Hercules	NLC168	85	87	2	2.0				
Hercules	NLC169	136	137	1	6.0				
Hercules	NLC170	169	171	2	4.1				
Hercules	NLC172	80	85	5	0.7				
Hercules	NLC173	125	130	5	0.7*				

All results are reported as >0.5g/t with no greater than 2 m internal dilution. * Denotes 5 m composite result.

APPENDIX 2

Resource Parameters for Rio de Ouro Deposit

- Gold mineralisation at Rio de Ouro is mainly hosted within continuous sheared and sericite-altered west-northwest trending quartzite units with metatonalite on the footwall and metavolcanic-sedimentary rocks of Vila Nova Group in the hangingwall. The quartzite units range in thickness up to approximately 20 m, dip 60° to the southwest and have a known strike extent in excess of 900 m. The gold mineralisation occurs within tabular zones of grey quartz stringer veining that range in thickness from 1 m to 9 m. These zones dip sub-parallel to the regional foliation. Overlying these quartzite units is a metavolcanic-sedimentary sequence comprising intermediate to acid volcanic rocks, metagreywacke, sericite-chlorite and graphite-chlorite schist.
- A summary of the drill holes at Rio de Ouro is tabulated below.

Deposit	RC Holes	RC Metres	Total Hole	Total Metres
Rio de Ouro	53	4327	53	4327

- Rio de Ouro resource is reported above a 0.5 g/t gold lower cut-off grade.
- RC Holes of 5 and quarter inch diameter were angled to the northeast at generally minus 60° and vertical. Entire samples are taken every metre, dried and split on site to 600g. 300g split of this sample is then pulverised to -100 um and a 100g pulp shipped for offsite analysis.
- All gold determinations were carried out by standard 50g fire assay at SGS laboratories in Belo Horizonte. Pulps are retained on the mine site for storage. Screen fire analysis was then completed on all mineralised intervals.
- The holes have been surveyed by camera multishot Globaltec 1 ¼”.
- Drillhole collar locations and elevation are surveyed by total station.
- The resources have been drilled up to 100 vertical metres below surface on a 50 x 50 m drill pattern on the centre part and 100 x 50 m along strike.
- Densities were based on lithological modelling (Mandiocal & Mineiro Seta data) and specific gravity in situ outcrops.
- For the RC drilling, a lab duplicate, field duplicate and certified standard are inserted every 20th sample. A blank is inserted at the start of every batch. Standard results are routinely checked to ensure values are within tolerance and the whole batch submitted for reanalysis if this is exceeded.
- The Rio de Ouro resource was modelled and estimated using conventional 3D wireframing and block modelling within MineSight and Surpac software respectively.
- The ore zone envelope was defined using a 0.3 g/t Au mineralisation boundary.
- Ordinary Kriging was used to estimate block grades into parent cells of 25m x 15m x 20m (x,y,z) within individual lode wireframes. Sub-blocks of 2.5m x 1.5m x 0.5m (x,y,z) were defined for volume resolution.
- A top cut grade of 12 g/t was applied.
- Oxidation and colluvium surfaces were modelled. Geological domains were wireframed. Drill hole samples have been composited to 1 m intervals for the resource estimation.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BEADELL RESOURCES LTD

ABN

50 125 222 291

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	64,106	148,294
1.2 Payments for (a) exploration & evaluation	(3,986)	(7,385)
(b) development *	(2,892)	(23,502)
(c) production	(32,898)	(82,173)
(d) administration	(2,687)	(9,641)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	137
1.5 Interest and other costs of finance paid	(2,734)	(5,923)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	18,925	19,807
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(6,331)	(9,201)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(6,331)	(9,201)
1.13 Total operating and investing cash flows (carried forward)	12,594	10,606

* Development includes cash flows associated with the construction of the Tucano CIL Plant, Magnetic Separation Plant and Gold Elution Circuit upgrade.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	12,594	10,606
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. (net of fees)	-	24,036
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	2,061
1.17	Repayment of borrowings	(18,258)	(19,927)
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	(18,258)	6,170
	Net increase (decrease) in cash held	(5,664)	16,776
1.20	Cash at beginning of quarter/year to date	27,936	5,384
1.21	Exchange rate adjustments to item 1.20	(285)	(173)
1.22	Cash at end of quarter*	21,987	21,987

* Not included in cash at the end of the quarter is gold on hand of 9,432oz at A\$1,328 per oz for \$12,525,696.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.2	Aggregate amount of payments to the parties included in item 1.2	309
1.2	Aggregate amount of loans to the parties included in item 1.10	-

1.2 Explanation necessary for an understanding of the transactions

Payments include executive remuneration, superannuation, directors' fees and consultancy fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not Applicable.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable.

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

	Amount available \$A'000	Amount used (drawn) \$A'000
3.1 Loan facilities (US\$94 million)	100,945	100,945
3.2 Credit stand by arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,500
4.2 Development	2,000
4.3 Production*	32,000
4.4 Administration	2,500
Total	39,000

* Does not include any receipts from operations

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	21,987	27,937
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total cash at end of quarter* (item 1.22)	21,987	27,937

* Not included in cash at the end of the quarter is gold on hand of 9,432oz at A\$1,328 per oz for \$12,525,696.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	E28/2326 E28/2325	- -	100% 100%

Issued and quoted securities at end of current quarter

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference + securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	788,277,280	788,277,280		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	<u>Options</u> 250,000 100,000 1,000,000 1,000,000 1,800,000 550,000 500,000 2,000,000 10,330,000 <u>Performance</u> <u>Rights</u> 449,136 449,136	- - - - - - - - - - - - -	<u>Exercise price</u> \$0.93 \$0.85 \$1.15 \$1.15 \$0.65 \$0.85 \$0.80 \$0.65 \$0.1875 -	<u>Expiry date</u> 20 Sep 2018 29 Apr 2015 10 Jun 2014 14 Jun 2015 30 Jun 2017 01 Jan 2015 01 Jan 2015 30 Jun 2014 30 Jun 2014 <u>Vesting Date</u> <u>(if awarded)</u> 31 Dec 2015 31 Dec 2016
7.8	Issued during quarter	250,000	-	\$0.93	20 September 2018
7.9	Exercised during quarter	-	-	-	-

+ See chapter 19 for defined terms.

7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 24 October 2013
(Company secretary)
Print name: Greg Barrett

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.