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14 October 2010

Australian Securities Exchange
Level 45, South Tower
525 Collins Street
Melbourne VIC 3000

Attention: Dean Litis

BY EMAIL: dean.litis@asx.com.au

Dear Dean,

Request for reinstatement of official quotation

BCD Resources NL (ASX Code: BCD) (*Company*) requests that the suspension of its ordinary shares be lifted and that they be reinstated to official quotation on the basis of the attached announcement.

The Company confirms that it is in compliance with Listing Rule 3.1, and is not aware of any reason why its securities should not resume trading.

Yours sincerely,

Brian Coulter
Company Secretary





\$15 million funding facility with Minemakers

14 October 2010

ASX Announcement

- **Proposed merger with Bendigo Mining Limited not proceeding**
- **\$15 million loan facility signed with Minemakers Limited**
- **BCD shareholder approval will be sought to convert the Minemakers debt to equity**
- **Opportunity for creation of new Tasmanian mining house (gold, tin, tungsten)**

BCD Resources NL (ASX: BCD) advises that the Company signed an agreement with Minemakers Limited (ASX:MAK) ("Minemakers") on 13 October covering a \$15 million funding facility. Minemakers is an Australian company with substantial mineral assets and projects in Australia and Namibia.

Earlier on 22 July 2010, BCD had announced that it had entered into a Scheme Implementation Agreement to effect a merger with Bendigo Mining Limited ("Bendigo") subject to shareholder approval. BCD also entered into a Loan Agreement under which Bendigo agreed to provide to BCD a pre-completion loan of up to \$8 million to accelerate the development of BCD's Tasmania Mine and for working capital purposes. \$5 million was subsequently drawn down and a further \$3 million was scheduled to be drawn down during October and November.

At 5:30pm on 10 October, Bendigo informed BCD that the Notice of Potential Default under the Bendigo Loan Agreement that it served on BCD on 6 October would stand, and that Bendigo declined to discuss or negotiate further on alternative arrangements. Effectively, BCD was faced with the requirement to raise substantial funds within three days to avoid the prospect of receivership. Funds were required to pay back the \$5 million drawn down, replace the \$3 million balance of the Bendigo facility and to provide additional working capital. In the Company's opinion, receivership was likely to have resulted in complete destruction of shareholder value. The severe time frame, and the limited number of potential funding providers, made raising funds virtually impossible. Fortunately, it was possible to arrange the facility with Minemakers, albeit at a low price for debt:equity conversion, to ensure the corporate survival of BCD and the retention of considerable shareholder value. It also ensured operations at the Tasmania Mine would be able to continue as normal, whereas receivership may have resulted in closure of the mine and the sale of the asset at distressed prices.

The first drawdown of \$8 million under the new funding facility with Minemakers gave BCD the capacity to repay the Bendigo loan in full and a settlement deed was signed with Bendigo late on 13 October.

The proposed merger with Bendigo is not proceeding.

Under the agreement with Minemakers, BCD shareholders will be asked to approve the conversion of the Minemakers debt to equity in BCD at 2.0 cents per share. Following the conversion, Minemakers would own 64% of BCD and existing BCD shareholders would retain a 36% interest, with BCD's balance sheet improved by \$15 million. It is anticipated that a general meeting of BCD shareholders will be called to approve the debt to equity conversion within 30 days. If the conversion is not approved by BCD shareholders, the Minemakers debt would become repayable within 90 days of the meeting.

Minemakers has advised that after the debt to equity conversion, it is its general intent that Minemakers' Tasmanian tin and tungsten assets would be merged with BCD's gold assets to create a new Tasmanian mining house. Minemakers currently has four tin/tungsten deposits in Tasmania and is drill testing new targets near Rossarden.

Further draw-downs under the Minemakers loan facility will be necessary to meet working capital requirements before BCD is able to access richer ore in the newly discovered Western Zone early in calendar 2011. During the September quarter, the mine was restricted to lower grade areas of the orebody averaging 5.5 g/t gold whilst access was developed to the Western Zone. As a result, production for the quarter was limited to 10,954 ounces of gold at an estimated cash cost of A\$1,650 per ounce, which included some accelerated development expenditure.

BCD has invited Minemakers General Manager – Projects Development, Neville Bergin to join the Company's board of directors.

The BCD board considers that the new arrangements with Minemakers represent the best possible outcome for BCD shareholders under the circumstances. Importantly, it continues BCD shareholders' exposure to the substantial upside at the Tasmania Mine at a time of rising gold prices.

For further information contact:

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