

ASX ANNOUNCEMENT

24 October 2014

SEPTEMBER 2014 QUARTERLY ACTIVITIES AND CASH FLOW REPORT

Beacon Minerals Limited (ASX:BCN) (Beacon or Company) is pleased to present its Quarterly Activities Report for the period ended 30 September 2014.

Highlights

- **Steady progress at Halleys East open pit**
- **Second Ore Batch milled July 2014 with finalisation in August 2014**

Progress at Halleys East open pit continues

The focus of the mining during this quarter has been to further progress the main open pit at the Company's operations at Halleys East with waste to ore ratios improving significantly as mining progresses.



Halleys East open cut mine at 15 October 2014

BEACON MINERALS LIMITED ACN 119 611 559

Kalgoorlie Office 144 Vivian Street, Boulder, WA 6432

Registered Office Level 1, 115 Cambridge Street, PO Box 1305, West Leederville, WA 6007

Website www.beaconminerals.com **Phone** 08 9322 6600 **Facsimile** 08 9322 6610

Second Ore Batch milled July 2014 and finalised in August 2014

Beacon announced on 27 August 2014 that it had completed its second milling campaign at the FMR Greenfields processing facility.



Bullion from second milling campaign at FMR Investments Pty Ltd Mill in Coolgardie

Managing Director Graham McGarry said “The completion of the second milling campaign further highlights that the grade control measures currently in place at Halleys East are working well. The gold recovered for this second campaign, 3,313 ounces, brings the total recovered gold from Halleys East to 5,139 ounces.

“At the completion of the second milling campaign Beacon had mined 82% of the final pit design with the remaining 18% of the pit expected to produce the remaining 75% of the gold in the probable ore reserve.”

Ore Processing at Greenfields Mill, Coolgardie

The ore processing at the Greenfields Mill, Coolgardie resulted in 14,381 dry metric tonnes (dmt) being milled with an overall mill feed grade of 8.03 Au g/t.

This included the low grade flush ore processed at the completion of the higher grade ore that averaged 8.97 Au g/t, against a predicted grade of 9.5 Au g/t. The average mill recovery was 91.83%.

To date 19,159 tonnes of high grade ore and 4,531 tonnes of flushing ore have been milled.

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Greenfields Mill, Coolgardie Western Australia

Beacon continues to deliver ore to the mill as the Company progresses towards Milling Campaign 3 which is scheduled for early December 2014.

CAPITAL STRUCTURE

As at the date of this report the Company has the following capital structure:

Fully Paid Ordinary Shares (BCN)	1,493,429,242
Listed Options (BCNO) exercisable at \$0.005 on or before 30 September 2015	797,702,924

SCHEDULE OF MINERAL TENEMENT INTERESTS

Beacon Minerals Limited (ASX:BCN) (Beacon or Company) provides the following schedule of mineral tenement interests held by the Company for the quarter ended 30 June 2014 as required by ASX Listing Rule 5.3.

Beacon Minerals Limited mineral tenement interest as at 30 September 2014;

TENEMENT	PROJECT/LOCATION	INTEREST AT THE BEGINNING OF THE QUARTER	INTEREST AT THE END OF THE QUARTER
E57/0946	Youanmi	100%	100%
E77/1713	Lake Barlee	100%	100%
E77/2156	Halleys East	100%	100%
L29/0124	Menzies	100%	100%
L30/0057	Evanston / Menzies	100%	100%
L77/0243	Lake Barlee	100%	100%
M77/1254	Halleys East Lake Barlee	100%	100%

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CASH RESERVES

As at 20 October 2014 the Company had approximately \$2.1m of cash reserves.

OTHER OPPORTUNITIES

Several advanced mining projects have been submitted to the Company for review, however Beacon's focus continues to be on the Halleys East operations.

The Company confirms its commitment to continue to pursue other opportunities in the minerals sector both in Australia and offshore.

Should shareholders have any questions regarding Beacon, please feel free to contact Executive Chairman Geoff Greenhill, Managing Director Graham McGarry or Executive Director Marcus Michael.

Geoff Greenhill
Executive Chairman
Beacon Minerals Ltd
M: 0419 991 713

Graham McGarry
Managing Director
Beacon Minerals Ltd
M: 0409 589 584

Marcus Michael
Executive Director
Beacon Minerals Ltd
M: 0418 908 091

The estimate of Probable Mining Reserves relating to the Halleys East deposit were first announced to the market on 30 October 2013. The Company confirms it is not aware of any new information or data that materially affects the information included in those market announcements and that all material assumptions and technical parameters underpinning the estimates in those market announcements continue to apply and have not changed.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Beacon Minerals Limited

ABN

64 119 611 559

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	3,863	3,863
1.2 Payments for		
(a) exploration & evaluation	(22)	(22)
(b) development	-	-
(c) production	(2,754)	(2,754)
(d) administration	(62)	(62)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other		
- GST	115	115
- Fuel Tax Rebate	40	40
Net Operating Cash Flows	1,186	1,186
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (carried forward)	1,186	1,186
1.13	Total operating and investing cash flows (brought forward)	1,186	1,186
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Debenture Note Interest	(186)	(186)
	Net financing cash flows	(186)	(186)
	Net increase (decrease) in cash held	1,000	1,000
1.20	Cash at beginning of quarter/year to date	394	394
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,394	1,394

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	471
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	\$'000
Directors fees and remuneration	82
Accounting, corporate, bookkeeping and secretarial services	27
Hire of plant and equipment	255
Debenture Note Interests	107

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

N/A

+ See chapter 19 for defined terms.

- 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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production*	1,700
4.4 Administration	300
Total	2,000

*Does not include any receipts from production

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	83	374
5.2 Deposits at call	1,311	20
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,394	394

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	N/A	N/A
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A

Issued and quoted securities at end of current quarter

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	-	-	-	-
7.2	-	-	-	-
7.3	1,493,429,242	1,493,429,242	-	-
7.4	-	-	-	-
7.5	-	-	-	-

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options (description and conversion factor)	797,702,924	797,702,924	Exercise price \$0.005	Expiry date 30 September 2015
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

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 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Sarah Shipway
Company secretary

Date: 24 October 2014

Print name: Sarah Shipway

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.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.