

## ASX ANNOUNCEMENT

30 January 2015

### DECEMBER 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 31 December 2014.

#### Highlights

- **Steady progress at Halleys East open pit**
- **Third Ore Batch milled December 2014 with finalisation in January 2015**

#### Progress at Halleys East open pit continues

The focus of the mining during this quarter has been to progress the main open pit at the Company's operations at Halleys East.



**Figure 1: Halleys east Pit- 17 January 2015 RL 394**

**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

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### **Third Ore Batch milled December 2014 and finalised in January 2015**

Beacon announced on 13 January 2015 that it had completed its third milling campaign at the FMR Greenfields processing facility.

**Managing Director Graham McGarry said** “The completion of the third milling campaign provides further confidence that the grade control measures currently in place at Halleys East are working well. The gold recovered for this third campaign, 3,637 ounces, brings the total recovered gold from Halleys East to 8,779 ounces”.

### **Ore Processing at Greenfields Mill, Coolgardie**

The ore processing of the third milling campaign at the Greenfields Mill, Coolgardie resulted in 12,864 dry metric tonnes (dmt) being milled with an overall mill feed grade of 9.39 Au g/t.

This included the low grade flush ore processed at the completion of the 11,330 dmt higher grade ore that averaged 10.04 Au g/t, against a predicted grade of 10.0 Au g/t. The average mill recovery was 93.63%.

Beacon continues to deliver ore to the mill as the Company progresses towards Milling Campaign 4 which has been rescheduled for early March 2015.



**Figure 3: Greenfields Mill, Coolgardie Western Australia**

### **YOUANMI DEEP SOUTH TENEMENT 57/946 EXPLORATION DRILLING**

On 7 January 2015 Beacon announced that it had commenced a 2,200m aircore drilling program at its Youanmi Deep South Tenement. The target areas are located approximately 330 km's NNW of Kalgoorlie and 100km's to the north of the Company's Halleys East open pit mine.

The Youanmi Tenement E57/946 was pegged by Beacon in mid-2013.

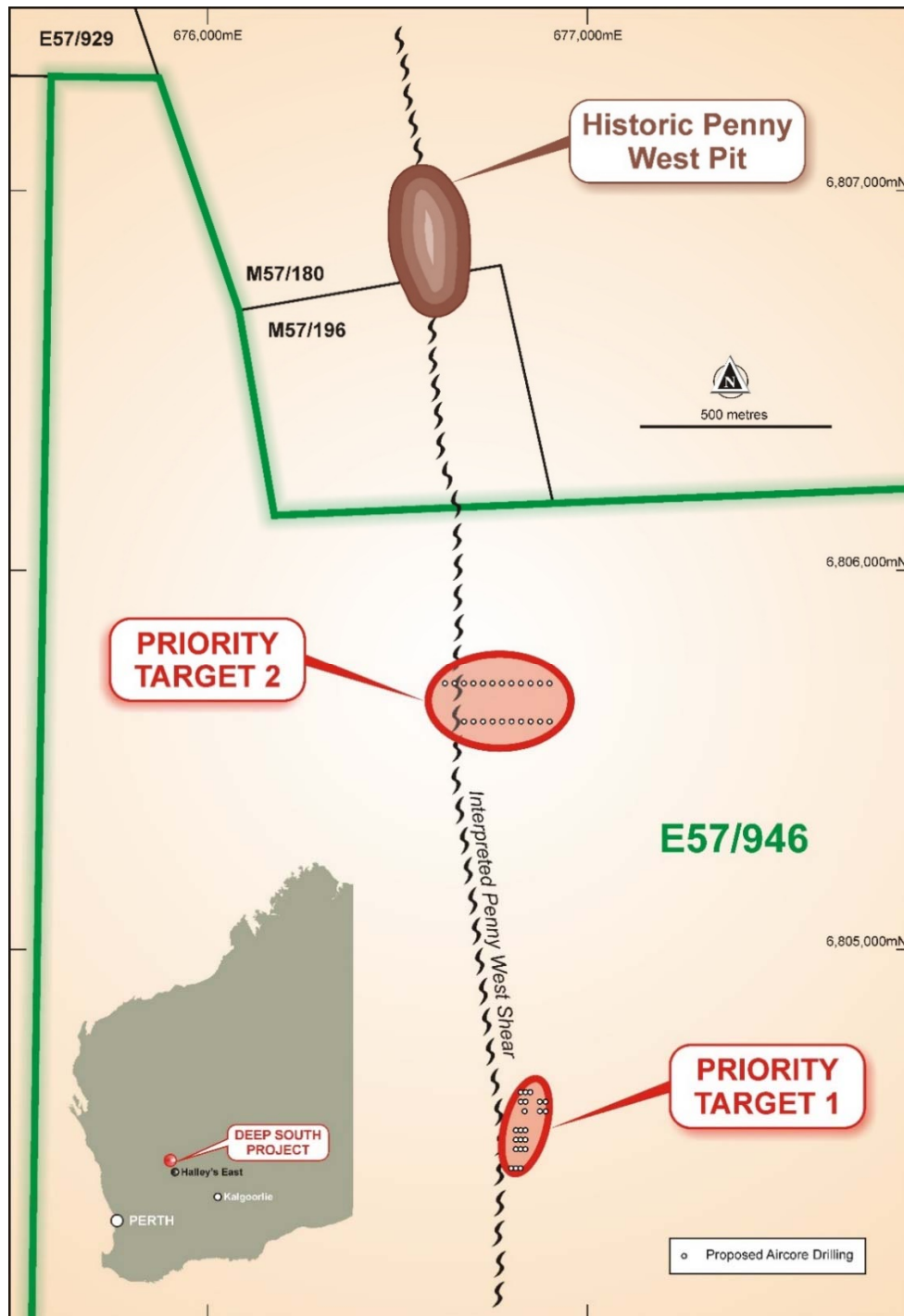
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Two high priority targets (see Figure 4) are located along the interpreted Penny West shear, which hosts the historic high grade Penny West gold deposit approximately 1km to the north. The two aircore drilling programmes to test the potential for smaller deposits in the 5,000 – 20,000oz Au range at both targets have been completed and the company is awaiting assays. As soon as these are to hand the results will be reported.



**Figure 4: Youanmi Deep South Tenement target areas**

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## CAPITAL STRUCTURE

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

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

## SCHEDULE OF MINERAL TENEMENT INTERESTS

Beacon Minerals Limited provides the following schedule of mineral tenement interests held by the Company for the quarter ended 31 December 2014 as required by ASX Listing Rule 5.3.

### Beacon Minerals Limited mineral tenement interest as at 31 December 2014;

TENEMENT	PROJECT/LOCATION	INTEREST AT THE BEGINNING OF THE QUARTER	INTEREST AT THE END OF THE QUARTER
E57/0946	Youanmi	100%	100%
E77/2156	Halleys East	100%	100%
L29/0124	Menzies	100%	100%
L30/0057	Evanston / Menzies	100%	100%
L77/0243	Lake Barlee	0%	100%
M77/1254	Halleys East Lake Barlee	100%	100%
E77/1713	Lake Barlee	100%	0%
E77/2156	Halleys East Lake Barlee (1)	-	-

1. Option to acquire E77/2156 for \$1,000 on or before 31 December 2015.

## CASH RESERVES

As at 28 January 2015 the Company had approximately \$4.357 million in 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.

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Executive Chairman  
**Beacon Minerals Ltd**  
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**Beacon Minerals Ltd**  
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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")

31 December 2014

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	3,848	7,711
1.2 Payments for (a) exploration & evaluation	(1)	(23)
(b) development	-	-
(c) production	(2,234)	(4,988)
(d) administration	(94)	(156)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – GST	(41)	74
Other – Fuel Tax Rebate	40	80
<b>Net Operating Cash Flows</b>	<b>1,527</b>	<b>2,713</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(36)	(36)
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)	-	-
<b>Net investing cash flows</b>	<b>(36)</b>	<b>(36)</b>
1.13 Total operating and investing cash flows (carried forward)	1,491	2,677

+ 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 (brought forward)	1,491	2,677
	<b>Cash flows related to financing activities</b>		
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 Issue Expenses	(188)	(374)
	<b>Net financing cash flows</b>	<b>(188)</b>	<b>(374)</b>
	<b>Net increase (decrease) in cash held</b>	<b>1,303</b>	<b>2,303</b>
1.20	Cash at beginning of quarter/year to date	1,394	394
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>2,697</b>	<b>2,697</b>

**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	301
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	29
Hire of plant and equipment	190

**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
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+ 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	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	
4.3 Production	2,200
4.4 Administration	300
<b>Total</b>	<b>2,600</b>

### 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	1,390	83
5.2 Deposits at call	1,307	1,311
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,697</b>	<b>1,394</b>

+ 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	E77/1713 (WA)	Exploration Licence	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	L77/0273 (WA)	Miscellaneous Tenement Licence	0%	100%

#### 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	<b>Options</b> <i>(description and conversion factor)</i>	797,702,924	797,702,924	<i>Exercise price</i> \$0.005	<i>Expiry date</i> 30 September 2015
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> <i>(totals only)</i>	-	-		
7.12	<b>Unsecured notes</b> <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 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: 30 January 2015

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.

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+ See chapter 19 for defined terms.

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

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- 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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