

ASX ANNOUNCEMENT

30 October 2012

SEPTEMBER 2012 QUARTERLY ACTIVITIES AND CASHFLOW REPORT

Beacon Minerals Limited (ASX:BCN) (“Beacon” or “Company”) presents its Quarterly Activities Report for the period ended 30 September 2012.

HALLEYS EAST MINING PROPOSAL

The Company’s continued focus has been on progressing the status of the Halleys East Mining Proposal submitted to the Department of Mines and Petroleum (“DMP”) in November 2011.

As previously announced an assessment of the Mining Proposal by the DMP revealed a number of deficiencies that are required to be rectified prior to the resubmission of the Mining Proposal to the DMP.

Botanica Consulting, an independent Goldfields based consulting group, have been engaged to assist in the preparation of the revised Halleys East Mining Proposal and Mine Closure Plan. This will include the work undertaken by the Company since the appointment of the new Board of Directors in March 2012.

The percussion and diamond drill campaign completed in July 2012 has now had the chips and core geologically logged. Geotechnical evaluation of the two diamond drill holes has been completed and incorporated into the open pit design.

Goldfields Mining Services has reviewed all geological data and this data is being used by Minecomp to generate a revised mineral resource statement.

Ammtec has commenced the metallurgical test work on various ore types identified from the logging.

Approval for the use of the Menzies / Lake Barley road has been received from the Shire of Menzies. A review of the conditions of use will be completed after the trial haulage of the first 20,000 tonnes is completed.

Water bore testing of three bores has been completed.

Desert Management Pty Ltd has been appointed to conduct a heritage survey on the mining tenement at Halleys East and this report will complete the information required to submit the amended Halleys East Mining Proposal.

Discussions have been advanced with two parties in regard to ore processing. Ore processing negotiations will be completed in the December 2012 quarter when the Ammtec metallurgical report on the various ore types is completed.

OTHER OPPORTUNITIES

Several advanced mining projects were submitted to the Company for review.

Beacon's focus is on getting the mining approval in place so that mining at Halleys East can commence.

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

CORPORATE ACTIVITIES

During the quarter the Company undertook a non-renounceable entitlement issue of 2 Shares for every 5 Shares held at an issue price of \$0.004 per Share to raise a total of \$1,592,117 together with 1 free attaching option exercisable at \$0.005 on or before 30 September 2015.

At the date of this report 181,185,596 shares and 181,185,596 options exercisable at \$0.005 on or before 30 September 2015 have been issued for a total of \$724,742.

The Board is currently finalising the Shortfall and will be allotting and dispatching the Shortfall over the coming days.

CAPITAL STRUCTURE

At 30 October 2012 the Company has the following capital structure:

Fully Paid Ordinary Shares (BCN)	1,176,259,022
Listed Options (BCNO)	181,185,596

CASH POSITION

At 30 October 2012 Beacon had cash reserves of approximately \$813,000.

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
0419 991 713

Graham McGarry
Managing Director
0409 589 584

Marcus Michael
Executive Director
0418 908 091

Appendix 5B

Mining 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

Name of entity

Beacon Minerals Limited

ABN

64 119 611 559

Quarter ended ("current quarter")

30 September 2012

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	-	-
1.2 Payments for (a) exploration & evaluation	(269)	(269)
(b) development	-	-
(c) production	-	-
(d) administration	(198)	(198)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid)/refunded	-	-
1.7 Other - GST	19	19
- R&D Tax Incentive	314	314
Net Operating Cash Flows	(127)	(127)
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	-	-
1.13 Total operating and investing cash flows (carried forward)	(127)	(127)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(127)	(127)
	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 (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(127)	(127)
1.20	Cash at beginning of quarter/year to date	438	438
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	311	311

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
1.23	Aggregate amount of payments to the parties included in item 1.2	145
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	63

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

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

+ See chapter 19 for defined terms.

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	200
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	300

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	311	438
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	311	438

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	N/A			
6.2 Interests in mining tenements acquired or increased	N/A			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 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	995,073,426	995,073,426	-	-
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>	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	150,000	-	0.27	1 August 2012
7.11 Debentures <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

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 give a true and fair view of the matters disclosed.

Sign here: Sarah Shipway

Date: 30 October 2012

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.
- 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 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.

== == == == ==

+ See chapter 19 for defined terms.