

ASX ANNOUNCEMENT

13 May 2015

SANDSTONE WEST PROJECT DRILLING COMMENCES

Highlights

- Previously announced High Grade blast hole results to be followed up with 2,300m aircore program
- High Grade Blast Hole results from surface include;
 - 1m @ 7.42 g/t Au
 - 6m @ 20.00 g/t Au
 - 4m @ 8.29 g/t Au
 - 4m @ 3.41 g/t Au
- \$5.283 million in cash reserves at 31 March 2015

Managing Director Graham McGarry said “Recent prospecting at Sandstone West has been very encouraging with a large amount of eluvial gold and specimen gold being recovered from near surface. This follow up program to the recent high grade blast hole results will provide a more detailed analysis of the potential at Sandstone West.”

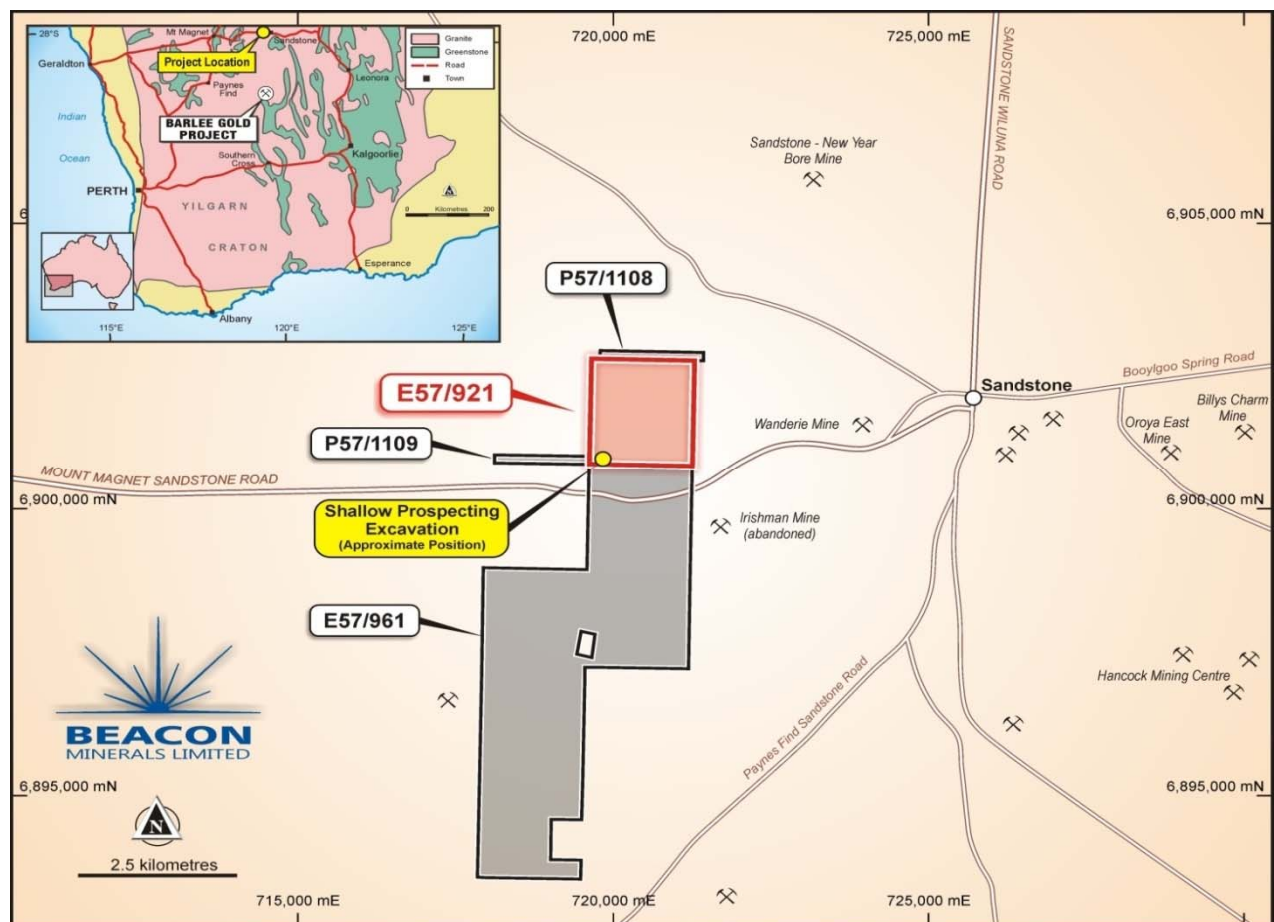


Figure 1 - Sandstone regional location map



Beacon Minerals Limited (**Beacon** or the **Company**) is pleased to advise that it has commenced a 2,300m air core drilling program at the Sandstone West Project.

The aircore program will test the entire regolith profile and the hypogene (fresh rock) below the identified Golden Raven Prospect area at Sandstone West.

Historical Exploration

E57/921 has previously been the focus of intense prospecting activities by modern day prospectors with metal detectors and has also included some small scale low impact mining activities. The main prospect within E57/921 is the **Golden Raven prospect**. Whilst the exact amount of recovered gold is not known a large amount of eluvial gold and specimen gold has been recovered from the near surface at the Golden Raven Prospect.

March 2015 Blast Hole Drilling Results

In March 2015 Beacon completed a shallow drilling program to test the top 6m of the regolith profile for economic accumulations of gold at the Golden Raven prospect within the Sandstone West Project.

64 shallow vertical holes were completed for a total of 385 metres.

The results as announced to the ASX on 3 March 2015 include;

- **1m @ 7.42 g/t Au**
- **6m @ 20.00 g/t Au**
- **4m @ 8.29 g/t Au**
- **4m @ 3.41 g/t Au**

These results are significant and clearly indicate the presence of a gold-mineralised system within the upper parts of the in situ portion of the regolith profile.

The Transaction

On 16 February 2015 Beacon announced that it had secured an exclusive option ("**Option**") and Farm-in ("**Farm-in**") arrangement to explore an area approximately 74 km² ("**Project**") located 4km west of the Sandstone township in Western Australia.

Beacon has entered into a farm in and joint venture with Black Oak Minerals Limited ("**Black Oak Minerals**") on E57/961, P57/1108 and P57/1109 located approximately 4km west of Sandstone, Western Australia ("**Project**"). For further details of the transaction option and farm in terms see the ASX announcement of 16 February 2015.

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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Exploration

This announcement contains information extracted from the following announcements which are available for viewing on the Company's website www.beaconminerals.com:

- 16 February 2015 Beacon to acquire and farm in to highly prospective gold ground
- 3 March 2015 Sandstone West Golden Raven high grade drilling results

The Company confirmed it is not aware of any new information or data that materially affects the information included in this announcement relating to exploration activities carried out at the Sandstone West Project Golden Raven Prospect and all material assumptions and technical parameters underpinning the exploration activities in those market announcements continue to apply and have not been changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

This ASX announcement (Announcement) has been prepared by Beacon Minerals Limited ("Beacon" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Beacon, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Beacon.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Beacon's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Beacon and of a general nature which may affect the future operating and financial performance of Beacon and the value of an investment in Beacon including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Beacon and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Beacon, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Beacon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.