



A - Level 2, 48 Ord Street West Perth WA 6005 P - 08 9476 9200 F - 08 9476 9099 E - admin@beaconminerals.com

21st October 2010

ASX Compliance Pty Ltd
Level 8 Exchange Plaza
2 The Esplanade
Perth WA 6000

Attention : Mr Cameron Bill Advisor - Issuers
Fax : 92212020

Re : Price and Volume Query

Dear Cameron,

In response to your query on Thursday 21st October 2010:

- 1) The company is not aware of any additional information which has not been released to the market. However the company is aware of an article written by The Speculator which was released late Wednesday 20th October (A copy of the article is available on the Beacon website - <http://www.beaconminerals.com/>).

All information in this article has been previously released to the market. The only variation is the predicted cash holding for the September Quarter 2010 which was reported to be \$4.12 Million in The Speculator article whereas our recently released September Quarterly shows cash holdings of \$4.43 Million after purchase of the Consolidated Tin shares.

- 2) Announcement regarding the September Quarterly cash flow and activities has been released.
- 3) The Company has no additional information as to what has caused the increase in the price or volume of shares traded.
- 4) We confirm that we are in compliance with listing rule 3.1.

Yours Sincerely

A handwritten signature in black ink, appearing to read "D Harris", written over a white background.

Darryl Harris
Managing Director

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ASX Compliance Pty Limited
ABN 26 087 780 489
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9221 2020
www.asx.com.au

21 October 2010

Mr Paul Lloyd
Company Secretary
Beacon Minerals Ltd
Level 2, 46 Ord Street
WEST PERTH WA 6005

By Email: Paul.lloyd@beaconminerals.com

Dear Paul,

Beacon Minerals Limited (the "Company")

PRICE AND VOLUME QUERY

We have noted a substantial increase in the volume of trading in the Company's securities today. We have also noted a change in the price of the Company's securities from 1.6 cents yesterday to an intra-day high of 2 cents today.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

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Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 10:15 am (W.S.T) today.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me on (08) 9224 0054.

Yours sincerely,



Cameron Bill
Adviser, Issuers (Perth)

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