



14 September 2012

NON-RENOUCEABLE ENTITLEMENT ISSUE

HIGHLIGHTS

- **2 for 5 non–renounceable entitlement issue of shares at an issue price of \$0.004 per share**
- **1 for 1 free option attaching to new shares acquired under the entitlement issue**
- **Total funds of \$1.592 million to be raised before costs**

Beacon Minerals Limited (“Beacon” or “the Company”) is pleased to announce that it intends to undertake a non-renounceable entitlement issue pursuant to which existing shareholders of the Company (“Shareholders”) who are resident in Australia and New Zealand will be offered:

- the opportunity to purchase two (2) new fully paid ordinary shares in the capital of the Company (“Shares”) for every 5 Shares held by them as at the record date of 28 September 2012 at an issue price of \$0.004 per Share to raise up to \$1.592 million; and,
- for every 1 Share purchased under the Entitlement Issue, 1 free option to acquire a Share (“Option”);

together the “Entitlement Issue”.

The key terms of the free Options are as follows:

- the exercise price of each Option shall be \$0.005 cents each;
- the Company will apply to have the Options quoted on the ASX;
- the expiry date of each Option shall be 30 September 2015 (“Expiry Date”); and,
- the Options may be exercised at any time prior to the Expiry Date.

The Entitlement Issue will be made pursuant to a prospectus to be lodged with ASIC shortly (the “Entitlement Prospectus”).

Upon full subscription of the Entitlement Issue of 398,029,370 Shares and 398,029,370 Options, the number of Shares issued by the Company shall increase from 995,073,426 to 1,393,029,370.

Beacon currently has no issued Options as part of its capital structure. Following the issue of the free Options under the Entitlement Issue, a total of 398,029,370 Options will be issued by the Company assuming full subscription under the Entitlement Issue.

PARTIAL UNDERWRITING OF ENTITLEMENT ISSUE

The Entitlement Issue has been partially underwritten up to the value of \$1,000,000 in total, being 250,000,000 Shares and 250,000,000 Options, by the following parties:

- \$600,000 by the directors of Beacon (“Directors”); and,
- \$400,000 by other parties;

together, the “Underwriters”.

The Company has entered into underwriting agreements with each of the Underwriters, which are on standard terms and conditions. An underwriting fee of 5% will be payable to each of the Underwriters in respect to the underwritten amounts.

BEACON MINERALS LIMITED ACN 119 611 559

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SHORTFALL

The Directors reserve the right to place any shortfall under the Entitlement Issue with Shareholders and prospective investors and to allocate any such shortfall in their absolute discretion.

USE OF FUNDS

The funds being raised under the Entitlement Issue (“Funds”) will be utilised as follows:

USE OF FUNDS	\$
Progress of the Barlee Gold Project	600,000
Working capital	901,756
Expenses of the Offer	90,361
TOTAL	1,592,117

Subject to intervening events and new circumstances that might arise, the Funds will be applied to progress the Barlee Gold Project, including but not limited to exploration and sterilisation drilling, water bore testing, heritage and site surveys, metallurgical test work, geotechnical evaluation, pit design, resource evaluation, contingent expenses and provide for additional working capital. In addition the Funds will be used to acquire certain capital items including a site motor vehicle.

TIMETABLE

The indicative timetable for the Entitlement Issue is set out below. The timetable will be confirmed upon lodgment of the Entitlement Prospectus with ASIC.

Indicative Timetable for Entitlement Issue:

Announcement of Entitlement Issue	14 September 2012
Lodgement of Entitlement Prospectus with ASIC	17 September 2012
Lodgement of Entitlement Prospectus and Appendix 3B ASX	17 September 2012
Notice sent to Shareholders	19 September 2012
Ex-Date for Entitlement Issue	24 September 2012
Record Date for determining Shareholder entitlements	28 September 2012
Entitlement Prospectus despatched to Shareholders and announcement that despatch has been completed	5 October 2012
Closing Date of Offer*	5:00pm (WST) on 19 October 2012
Securities quoted on a deferred settlement basis	22 October 2012
Notify ASX of under-subscriptions	24 October 2012
Dispatch of Holding Statements	29 October 2012

* The Directors may extend the Closing Date by giving at least 6 business days notice to ASX prior to the Closing Date. As such the date the Shares and Options are expected to commence trading on ASX may vary.

For further information, please contact:

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