



FINAL BARLEE SALE AGREEMENT SIGNED

ASX RELEASE

2-Feb-12

Beacon Minerals Ltd is pleased to announce it has signed the legal sale agreement with Ramelius Resources Ltd to sell Mining Lease ML 77/1254 (BCN ownership 80%) at the Barlee Gold Project. This sale agreement is now subject to approval by shareholders at a General Meeting.

The sale of this asset will establish a strong financial base for the Company to grow, potentially through both the acquisition of new ground and further exploration of the remaining Barlee tenements. This recapitalisation will allow the Company to continue exploration of several prospective targets at Barlee as well as continue the current advanced negotiations on project opportunities which are located in geological regions where existing large scale gold resources occur. Further details of the Company's planned activities will be released to shareholders in the coming weeks.

The payment terms for sale of the Mining Lease are :

- Payment of \$4 million cash representing reimbursement of exploration expenditure.
- Royalty of \$ 80 per ounce for gold produced from 1 to 40,000 ounces from the ML.
- Royalty of \$160 per ounce for gold produced from 40,001 to 100,000 ounces from the ML.
- Royalty of 2.0% of the value of gold produced from the ML above 100,000 ounces.

The potential royalty income stream for Beacon is shown in Attachment 1.

At the completion of the transaction, which is subject to shareholder approval, BCN will have;

- Cash reserves of approximately \$5,000,000.
- Listed securities in Consolidated Tin Mines Ltd with an estimated value of \$900,000.
- Royalty income from the production of gold from the mining lease.
- 388 square kilometres of exploration ground at the Barlee Gold Project with prospective targets (Refer Attachment 2).

Should you have any questions in relation to the above matters, please contact the undersigned on telephone (08) 9476 9200.

For and on behalf of
BEACON MINERALS LIMITED

Darryl Harris
Managing Director

Attachment 1 – Potential Values of Royalty Income
Attachment 2 – Barlee Tenements

Stock Exchange

ASX: BCN

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Attachment 1 – Potential Values of Royalty Income

Gold Produced	Royalty Income
Ounces	Cumulative \$
20,000	1,600,000
30,000	2,400,000
40,000	3,200,000
50,000	4,800,000
60,000	6,400,000
70,000	8,000,000
80,000	9,600,000
90,000	11,200,000
100,000	12,800,000
110,000	13,100,000
120,000	13,400,000

Assumptions

- 1) After the first 100,000 ounces of production a gold price of AUD 1,500 per ounce has been utilised.
- 2) No discount rate has been calculated as the mining process is not expected to occur over a period of more than 2 years.

BEACON MINERALS LTD - BARLEE GOLD PROJECT
Targets for Early 2012 Drilling Program.

GDA94 Zone 50

12/01/2012

