



METALLURGICAL TESTWORK CLARIFICATION

ASX RELEASE

7-Oct-10

Beacon Minerals Ltd wishes to clarify the announcement made today titled "Halleys East Metallurgical Testwork" The table attached to the announcement included an estimate of the revenue to be obtained from mining the JORC inferred resource at Halleys East applying the current market price of an ounce of gold and the current exchange rate,

The Company now understands that as per Companies Update 03/08 the company was incorrect in reporting an in-situ value of an inferred resources due to the low level of confidence inherent in an inferred JORC resource calculation.

The Company wishes to confirm that the operating costs included in the table attached to today's announcement are based on preliminary scoping numbers ,Conceptual pit design, current industry rates for mining and haulage costs and administration. The processing costs and recovery rate is based on metallurgical testwork. The figures used for the estimated mining and processing costs are preliminary in nature and should not be construed as indications for a potentially economic mining scenario.

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

Stock Exchange

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The information in this report, as it relates to Resource Estimates, is based on information compiled and/or reviewed by Byron Dumpleton Member of the AIG (Australian Institute of Geoscientists) who are eligible to sign off on JORC resources and reserves. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Byron Dumpleton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

In accordance with Listing Rules 5.6 of the Australian Securities Exchange, the Processing Cost evaluations contained in this report have been compiled/reviewed by Mr. Darryl Harris. Mr. Harris is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has the relevant experience with the information reported on to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Harris consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.