

BCN.AU

Beacon Minerals Limited

A\$ 0.02

30 June 2010
 Gold
 Australia (WA)
 Advanced Exploration
 Exchanges: ASX:BCN

BCN is aggressively drilling major regional targets to increase resources at its Barlee Gold Project in WA (current 74koz resource). It has set a 0.5moz target, based on high-grade, shallow mineralisation. This could lead to a PFS for production commencing within 12 months.

Capital Profile

Share price (A\$)	0.02
52 week range (A\$/share)	0.01 to 0.04
Number of shares (m)	739.9
Options and warrants (m)	256.8
Convertible notes (m)	0.0
Fully diluted (m)	996.7
Market capitalisation (undiluted) (A\$m)	11.8
Debt (A\$m) - Jun 10F	0.0
Enterprise value (A\$m)	11.8
Major shareholders: Geocrystal Ltd (2.7%), Forty Traders Ltd.(2.0%), Ownit Brisbane Service Co pty Ltd (0.8%).	
Avg monthly volume (m)	64
Cash (A\$m) - Jun 10F	4.2
Price/Cash (x)	2.8
Price/Book (x)	1.7
Listed Company options:	BCNO, BCNOA

Production and Financial Forecasts

YEAR END: June	Mar-10a	Jun-10F	2009a	2010F	2011F
Exploration and evaluation (A\$m)	0.50	0.80	1.74	2.25	4.00
Corporate (A\$m)	0.27	0.30	1.22	1.06	1.20
Exploration/(Expl.+ Corporate) (%)	65	73	59	68	85
Funding duration at current burn (years)			0.3	1.3	0.3
Shares on issue (pr end) (m shares)	734.6	738.9	357.0	738.9	979.1
Drilling - RAB (m)	3,000	6,300	5,600	17,706	37,000
Drilling - Other/Diamond (m)	2,000	4,500	2,275	12,826	17,000
Land holding ('000 ha) *	30	30	30	30	30
Tenement costs (\$k per year)	-	-	-	-	-
Capital raisings (A\$m)	0.03	0.00	1.69	8.16	2.40
Funding from JV partners (A\$m)	0	0	0	0	0
Cash (A\$m)	5.3	4.2	1.0	4.2	1.7
Cash backing (Ac/share)	0.7	0.6	0.3	0.6	0.2
Net asset backing (Ac/share)	1.0	0.9	-0.1	0.9	0.9

*Gold prospective tenements, held and under application.

Investment Points

BCN's total focus is gold exploration in WA. Exploration budget accelerating to ~A\$4mpa (A\$1.7m FY09).

Barlee project (~300km²) - strategic positioning in under-explored greenstone belt N of Southern Cross.

BCN sees production potential from a number of satellite deposits to reach an initial 0.5moz resource target .

Other mines in this belt include Davyhurst, Copperhead and Youanmi.

Drilling to date indicates attractive characteristics - relatively shallow, high grade oxide ore.

Initial JORC Resource 74koz@6.0g/t Halley's E & Phil.

Updated JORC resource likely in 1Q11 with major new targets currently being drilled.

Mining Lease application opens door for fast-track early cashflow toll treatment option.

Company Comment

Overview: Beacon listed on the ASX in October 2006. During 2009, it divested various non-core assets. It is now effectively a single project company, totally focused on its Barlee gold prospect in WA.

Barlee Gold Project (80%/100%): This project is in the North Yilgarn greenstone belt, located in the Archean Southern Cross Province, 200km north of Southern Cross. BCN was attracted to this region for three reasons. Firstly, it is relatively un-explored, with only ~10km² of the total >300km² having had any drilling (including BCN's drilling). Secondly, the historical drilling was relatively shallow with only ~5% of all historical holes drilled to >100m. Thirdly, the Barlee prospect is strategically located in the greenstone belt north of Southern Cross surrounded by significant previous operations including Copperhead (1.2moz extracted), Davyhurst (0.8moz extracted) and Youanmi (0.4moz extracted). BCN holds interests in 3 contiguous exploration licences with a total area of ~300km². It holds 80% of the central EL(77/1297) where all BCN's drilling has been to date, and 100% of the other two EL's.

Exploration to Date: Aeromag has identified >20 priority structural targets associated with NE trending regional shear zones. Since 2007, BCN has completed ~58,000m of RC and RAB drilling covering a handful of the targets and a small percentage of the project area. This has yielded numerous high-grade intercepts and an indication of multiple open ended mineralised zones (see map on following page).

Initial Resource: In Dec '09 BCN confirmed its first JORC resource at the Halleys East and Phil - a modest tonnage (384kt) at a high grade of 6.0g/t for 74koz contained. Further drilling in Nov/Dec 2009 produced more high grade intercepts from known targets and confirmed new mineralised zones. Of note was an intercept of **14m @ 45.31g/t** from 86m at Halleys E, not included in the Dec JORC resource.

Drilling in 2010: BCN is aiming for a total of 50,000m of RC and RAB this year (plus extensive soil sampling), aimed at increasing the JORC resource and drilling new targets. The first program (8,339m RAB, 5,868m RC) ran from March to May. The RC drilling confirmed the W extension of Halleys E, confirmed Phil mineralisation extends down dip and indicated potential parallel mineralised zones at Phil East. The RAB drilling identified a number of newly discovered anomalies including a large anomaly at Halleys NE. A second 2010 program (10,000m RAB and 3,500m RC) commenced mid June, aiming to increase the JORC resource through RC drilling of identified regional targets - the major new Halleys NE target, as well as Halleys West, Phil SE and Crabman. RAB drilling is aimed at developing further regional RC targets. We then expect an updated JORC resource in 1Q11, a key event for BCN.

Mining Potential: Significantly, BCN has applied for a mining lease over Halleys East. If granted, it will give BCN the potential option of commencing early cashflow through toll treatment of Halleys ore.

Investment Comment: The current round of drilling - testing major regional targets - will be a key indicator of the potential to significantly expand the current modest resource. If the higher grades (>4g/t) are maintained, and if BCN shows it can establish mineable resources approaching a 0.5moz target from numerous satellite ore bodies, then shareholders are likely to reap major rewards.

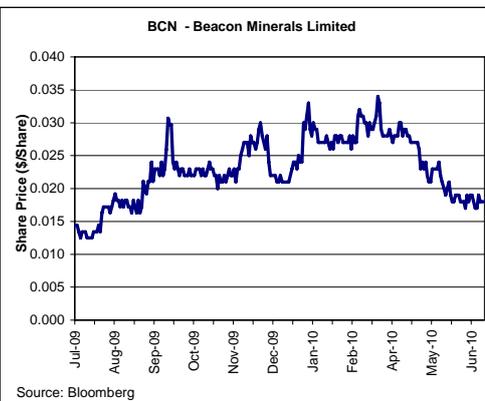
Reserves and Resources/Mineralised Material

Code for reporting mineral resources - Australian: (JORC)

Gold	Classification	Project	Ore	Au	Cut Off	Au	Au	Au Eq
		Equity	Mt	g/t	g/t	t	koz	koz
Reserves						0.0	0.0	0.0
Resources								
Barlee - Halleys East	Inferred	80%	0.299	6.70	0.50	2.0	64.0	51.2
Barlee - Phil	Inferred	80%	0.085	3.70	0.50	0.3	10.0	8.0
Total			0.384	6.00	0.50	2.3	74.0	59.2

Mineralised Material (est., non compliant with JORC)

0.0 0.0 0.0



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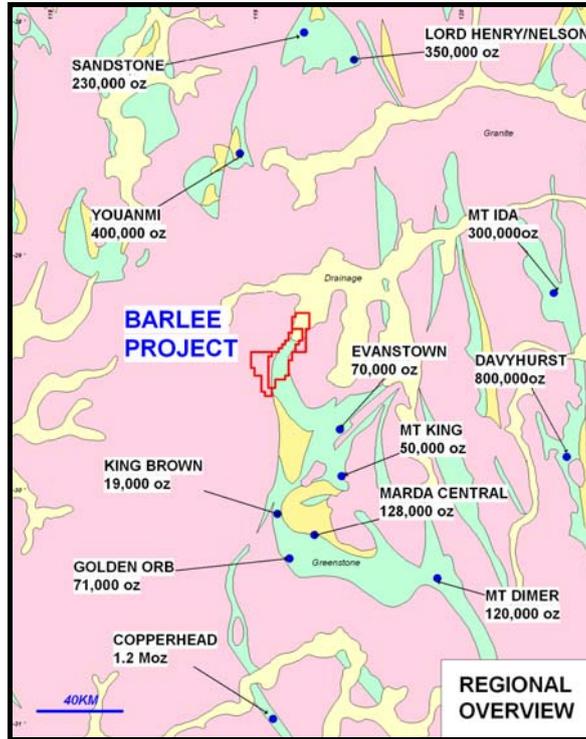
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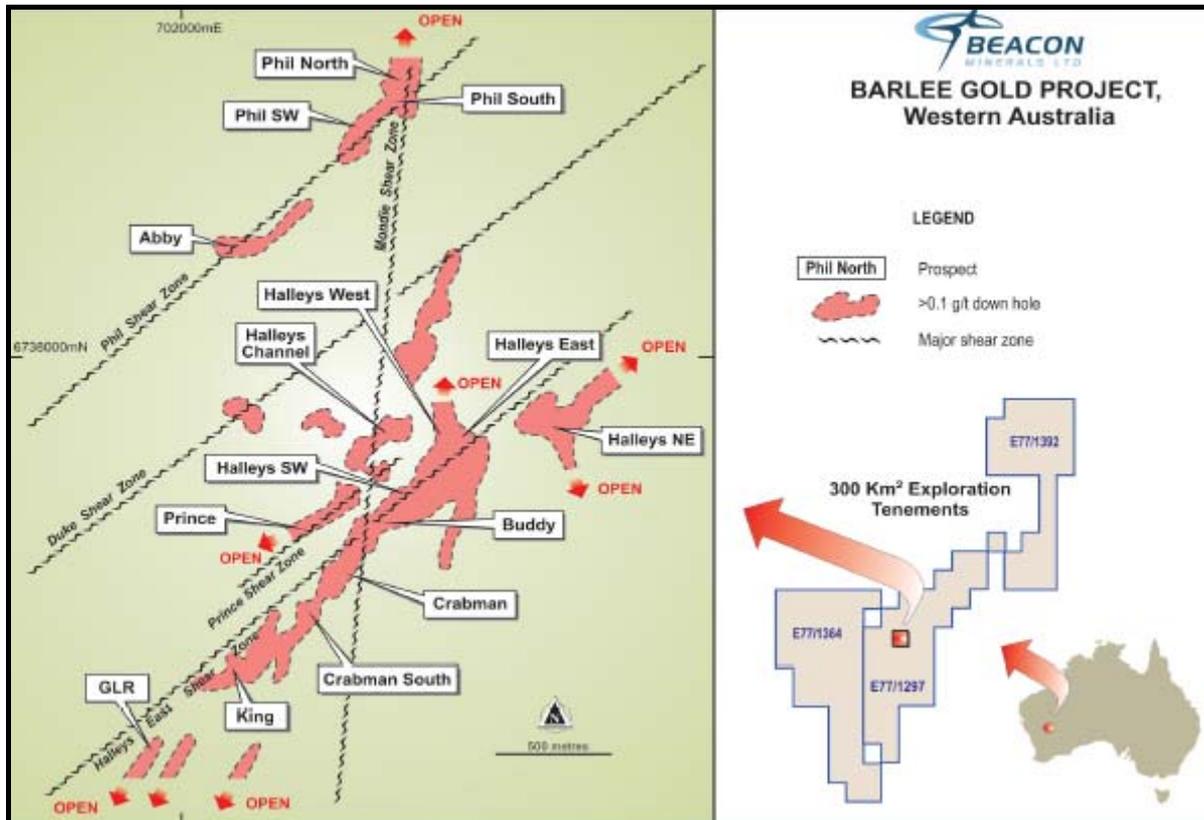
Key Projects

Project	Ownership/Option	Metal	JV Partner	Target Type	Process Route	Project Status	Location
Barlee Gold Project	100%/80%	Au	none	porphyry	na	Mid. Expl.	Aus (WA)
Greenvale	100%	Cu,Au,Ag	none	intrusives	na	Early Expl.	Aus (QLD)

The Barlee Gold Project is 200km N of Southern Cross (WA), in the North Yilgarn greenstone belt. Although this belt has produced a number of significant gold deposits (e.g. Copperhead - 1.2moz; Davyhurst - 0.8mz; and Yuoanmi - 0.4moz), BCN's ground is relatively under-explored.



BCN has identified multiple shallow, relatively high grade, mineralised zones on NE trending shears. The most recent drilling program identified a potential major new mineralised zone at Halleys NE, which is being drilled in the current program, along with a number of other regional targets.



Disclosure and Disclaimer

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