

Beacon Minerals Limited

BCN

Monday, 31 March 2008

**Immediate success with RC drilling at Barlee gold project**

**Recommendation Speculative Buy**

**Overview**

BCN has had immediate success with RC drilling at the Halleys East (80%) prospect within its Barlee gold project that is located 200 km north of Southern Cross in Western Australia. Assay results for the first seven holes have been received and all holes contain mineralised intercepts. Results include 19 metres averaging 4.9 g/t gold from 13 metres downhole in BRC003, 5 metres averaging 4.6 g/t gold from 15 metres downhole in BRC002, 3 metres averaging 6.5 g/t gold from 49 metres downhole in BRC004, 8 metres averaging 6.6 g/t gold from 15 metres downhole and 11 metres averaging 24.9 g/t gold from 32 metres downhole in BRC005 and 2 metres averaging 55.1 g/t gold from 55 metres downhole and 5 metres averaging 4.9 g/t gold from 69 metres downhole in BRC006.

The drill holes are the first of a program of 5,000 metres of RC drilling that is following on from a program of over 15,000 metres of aircore drilling that the company completed in 2007. That program tested for shallow gold mineralisation over 3 km of strike and verified a new exploration model that proposed that gold mineralisation is preferentially hosted in north easterly trending structures. This model differs from assumptions made by previous explorers and suggests that historical drilling was oblique to this trend.

Interpretation of the aircore drilling led to the identification of two prospective north east trending structures, the Phil and Halleys East Shear Zones. Mineralisation was traced for over 1.2 km along the Halleys East Shear Zone, which is open in several directions. Individual prospects within this shear zone that returned mineralised aircore intercepts include Halleys East, Faith, Halleys Channel and Buddy. Similarly, mineralisation within the Phil Shear Zone has been located in a number of discrete zones over 1.3 km of strike.

The limited RC drilling to date has outlined thick near surface mineralisation within the oxide zone. A drill section incorporating drill holes BRC005 and BRC006 shows oxide mineralisation up to 30 metres thick in the vicinity of BRC005. Mineralisation within fresh rock below this oxide zone appears to consist of a number of high grade mineralised zones that are open at depth. The mineralisation occurs as a series of high grade quartz-sulphide zones within sheared porphyry which appear to dip at 45 to 50 degrees to the south east. Further deeper drilling is required to determine the plunge orientation and potential of these deeper mineralised zones and will be a high priority for the company.

The Barlee gold project consists of three contiguous tenements covering 400 sq km of prospective greenstone terrain. BCN purchased an 80% interest in the rights for all commodities other than iron ore in the central tenement, EL77/1297, which is the subject of the current drilling program. The vendor, Duketon Consolidated Ltd, has the option to contribute on a percentage basis or dilute to a free carried interest should a positive bankable feasibility study be completed. BCN holds a 100% interest in the rights for all commodities in the adjoining tenements, ELA77/1343 and 1392.

In the Greenvale area of Queensland the company has interests in over 400 sq km of tenure. It is targeting copper-gold-molybdenum and silver mineralisation within porphyries at the Cockie Prospect and volcanogenic massive sulphide gold-zinc-copper mineralisation at the Galah Dam, Sugarbag and One Mile prospects. Shear hosted gold mineralisation is also targeted at the Steam Engine, Eastern Ridge and Paddy's prospects. Currently the company has 19 targets that have been generated by VTEM surveys and a further 37 targets that have been generated by magnetic surveys.

**Impact**

BCN has had immediate success with RC drilling at its Barlee gold project in Western Australia. Not only has the drilling confirmed thick shallow intersections within the oxide zone it has delineated multiple high grade zones within fresh rock that require follow up.

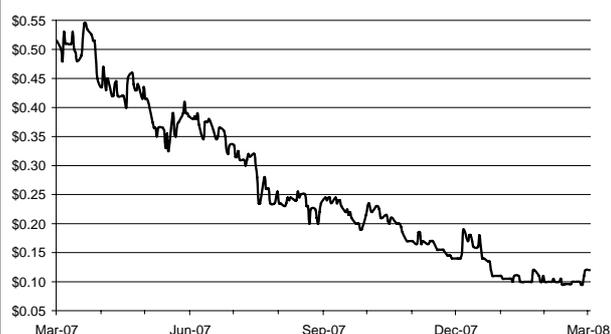
**Snapshot**

Last Price	\$0.12
Market Cap (m)	\$4.8
52 Week High	\$0.58
52 Week Low	\$0.095
Sector	Materials: Metals & Mining

**Investment Fundamentals**

Cash reserves	\$2.0 million
Shares on issue	34.2 million
Options on issue	16.6 million listed 20 cent 6.0 million unlisted
Directors	Matthew Egan (Chairman) Paul Lloyd (MD) Lyle Thorne (Exec)
Major shareholders	P.G. & S.M. Lloyd 8.86%

**Price Chart**



**Business Description**

BCN is conducting mineral exploration within Queensland and Western Australia focused on base and precious metals.

Analyst: Paul Goody

---

**Important Information**

---

**Confidential**

*This document is for the confidential use of the recipients only and is not to be reproduced without the authority of Intersuisse Limited.*

**Disclaimer**

*The persons involved in or responsible for the preparation and publication of this report believe that the information herein has been obtained from reliable sources and that any estimates, opinions, conclusions or recommendations are reasonably held at the time of compilation. No warranty is made as to the accuracy of the information in this document and, to the maximum extent permitted by law, Intersuisse Limited and its related entities, their respective directors and officers ("Intersuisse") disclaim all liability for any loss or damage which may be suffered by any recipient through relying on anything contained or omitted from this document.*

**General Advice**

*The content is of a general nature and is based on a consideration of the securities alone, and as such is conditional and must not be relied upon without advice from a securities adviser as to the appropriateness to you given your individual investment objectives, financial situation and particular needs. Whilst this document is based on information and assessments that are current at the date of publication, Intersuisse has no obligation to provide revised assessments in the event of changed circumstances.*

**Disclosure**

*Intersuisse, its directors and associates disclose a relevant interest in securities mentioned in this document. Intersuisse receives commission from dealing in securities.*

**Analyst Certification**

*The analyst responsible for this research report certifies that all of the views expressed reflect his personal views about the securities or the issuer; and that no part of his remuneration was, is, or will be, related to the recommendations or views expressed by him in the report.*

*Prepared by Paul Gooday*

---

INTERSUISSE LIMITED ABN 14 002 918 247, AFSL 246827

Market Participant: Australian Security Exchange Ltd

Melbourne Office:  
Level 37, 530 Collins Street,  
Melbourne, Vic, Australia 3000  
Telephone: (+613) 9629 8288  
Facsimile: (+613) 9629 8882  
Email: [suisse@intersuisse.com.au](mailto:suisse@intersuisse.com.au)

Sydney Office:  
Level 7, 5 Elizabeth Street,  
Sydney, NSW, Australia 2000  
Telephone: (+612) 9233 2100  
Facsimile: (+612) 9233 2117  
Email: [sydney@intersuisse.com.au](mailto:sydney@intersuisse.com.au)

Internet: <http://www.intersuisse.com.au>