

ASX ANNOUNCEMENT

19 April 2016

MARCH 2016 QUARTERLY ACTIVITIES AND CASH FLOW REPORT

Beacon Minerals Limited (ASX:BCN) (Beacon or Company) is pleased to present its Quarterly Activities Report for the period ended 31 March 2016.

Highlights

- **Halleys East rehabilitation and ore cartage is completed**
- **Beacon Executes Letter of Intent with Northern Star Resources**
- **High Grade Refractory Ore has been crushed, sampled and delivered to Kanowna Belle**

Progress at Halleys East project

Rehabilitation work at the Halleys East project is complete and the tenement position reduced to the minimum size while maintaining the monitoring commitment to the DMP.

All infrastructure and equipment has been removed from the Halleys East mining site.



Figure 1 – Halleys East Pit – June 2015

LETTER OF INTENT EXECUTED

On 4 February 2016 the Company announced that it had entered into a letter of intent (LoI) with Northern Star Resources Limited (**Northern Star**) to process the Company's high grade refractory ore under an ore purchase agreement.

Northern Star operates the Kanowna Belle processing facilities (**KB Facility**) in the Eastern Goldfields region of Western Australia approximately 18km north of Kalgoorlie. The KB Facility has a successful history and has the capability to treat both refractory and free milling ores.

The LoI includes typical specifications for the ore being supplied, details pertaining to the delivery of the ore and other standard purchase terms. The transaction is conditional upon, amongst other things, Northern Star completing confirmatory testwork for gold recovery on the delivered ore.

Crushing and sampling of this ore commenced on 3 February 2016 and was completed on 18 February 2016. 12,199 DMT was crushed and delivered to the KB Facility.



Figure 2 – Commencement of Crushing and Sampling - February 2016



SANDSTONE

Subsequent to the quarter end Exploration Licence 57/961 was purchased from Black Oak Minerals Limited. Previous exploration on this tenement by other parties will be reviewed during the June 2016 quarter.

CASH RESERVES

As at 31 March 2016 the Company had approximately \$0.465 million in cash reserves.

CAPITAL STRUCTURE

As at the date of this report the Company has the following capital structure:

Fully Paid Ordinary Shares (BCN)	1,495,470,963
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OTHER OPPORTUNITIES

The Company confirms its commitment to continue to pursue other opportunities in the minerals sector in Australia.

Should shareholders have any questions regarding Beacon, please feel free to contact Executive Chairman Geoff Greenhill or Managing Director Graham McGarry.

Geoff Greenhill
Executive Chairman
Beacon Minerals Ltd
M: 0419 991 713

Graham McGarry
Managing Director
Beacon Minerals Ltd
M: 0409 589 584

SCHEDULE OF MINERAL TENEMENT INTERESTS

Beacon Minerals Limited provides the following schedule of mineral tenement interests held by the Company for the quarter ended 31 March 2016 as required by ASX Listing Rule 5.3.

Beacon Minerals Limited Mineral Tenement interest as at 31 March 2016;

TENEMENT	PROJECT/LOCATION	INTEREST AT THE BEGINNING OF THE QUARTER	INTEREST AT THE END OF THE QUARTER
	Halleys East Project		
L30/0057	Evanston / Menzies	100%	100%
L77/0243	Lake Barlee	100%	100%
M77/1254	Halleys East Lake Barlee	100%	100%
E77/0273	Barlee	100%	100%
E77/2156	Halleys East Lake Barlee (1)	100%	100%
	Sandstone West Project		
E57/0921	Henning (2)	0%	0%

Summary of Terms:

- Option to acquire E77/2156 for \$1,000 on or before 31 December 2015.
- Initial option period expiring 27.1.2016 with further option period of 12 months for a payment of \$50,000 to 27.1.2017. \$1.5m to exercise option.

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Probable Ore Reserves

The estimate of Probable Ore Reserves relating to the Halleys East deposit were first announced to the market on 30 October 2013. The Company confirms it is not aware of any new information or data that materially affects the information included in those market announcements and that all material assumptions and technical parameters underpinning the estimates in those market announcements continue to apply and have not changed.

Disclaimer

This ASX announcement (Announcement) has been prepared by Beacon Minerals Limited ("Beacon" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Beacon, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Beacon.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Beacon's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Beacon and of a general nature which may affect the future operating and financial performance of Beacon and the value of an investment in

Beacon including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Beacon and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Beacon, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Beacon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Beacon Minerals Limited

ABN

64 119 611 559

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	2,947
1.2 Payments for		
(a) exploration & evaluation	(3)	(109)
(b) development	-	-
(c) production	(367)	(2,141)
(d) administration	(49)	(115)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	(7)	33
Net Operating Cash Flows	(423)	624
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(3)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	704
(c) other fixed assets	163	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	163	701

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(260)	1,325
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	10
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of debenture notes	-	(2,000)
1.18	Dividends paid	-	-
1.19	Other – Debenture Issue Expenses	-	(91)
	Net financing cash flows	-	(2,081)
	Net increase (decrease) in cash held	(260)	(756)
1.20	Cash at beginning of quarter/year to date	725	1,481
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	465	725

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	222
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	\$'000
Directors fees and remuneration	186
Accounting, corporate, bookkeeping and secretarial services	22
Hire of plant and equipment	14

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	40
4.2 Development	-
4.3 Production	220*
4.4 Administration	150
Total	440

*Does not include any receipts from milling and costs of milling

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	61	105
5.2 Deposits at call	404	620
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	465	725

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	-	-	-	-
Preference securities <i>(description)</i>				
7.2				
Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	1,495,470,963	1,495,470,963	-	-
*Ordinary securities				
7.4				
Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	-	-	-	-
*Convertible debt securities <i>(description)</i>				

+ See chapter 19 for defined terms.

7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Sarah Shipway
Director/Company Secretary

Date: 19 April 2016

Print name: Sarah Shipway

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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