



7 February 2017

ASX Limited  
Level 40 Central Park  
152-158 St Georges Terrace  
**PERTH WA 6000**

Attention: Sandra Wutete

**Beacon Minerals Limited (Company)**

I refer to your aware letter dated 2 February 2017 and provide the following responses.

- 1. Please advise when the entity first became aware of the information disclosed in the Announcement. Please include details of the relevant time and circumstances of the Entity becoming aware of the Drill Results.**

Beacon first became aware of the Drill Results on receipt of the last assay data from the independent laboratory on Sunday 29 January 2017. The analysis and collation of the results from the exploration activity was then undertaken by an independent consultant.

- 2. Does the Entity consider the information disclosed in the Announcement to be information that a reasonable person would expect to have a material effect on the price of value of its securities?**

Yes.

- 3. If the answer to question 2 is "no", please advise the basis for that review.**

N/A.

- 4. If the answer to question 2 is "yes" and the Entity first become aware of the information disclosed in the Announcement prior to the release of the Announcement to ASX or the Further Price Increase, did the Entity make any announcement prior to the release of the Response to ASX or the Further Price Increase which disclosed the Drill Results. If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Entity was obliged to release the information under Listing Rule 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.**

As noted in (1) above, Beacon first became aware of the Drill Results on receipt of the last assay data from the independent laboratory on Sunday 29 January 2017. The Announcement was issued on Tuesday 31 January 2017 prior to the commencement of trading on ASX that morning.

The Company did not make any announcement preceding the Announcement in connection with the Drill Results. The Company notes that on 24 January 2017 the Company advised that Stage 1 drilling at the Jaurdi Gold Project had been completed and that the Company was waiting on the receipt of all the results from the drilling campaign.

Having received the Drill Results on Sunday 29 January 2017, the Company's team commenced analysing and collating that information.

**BEACON MINERALS LIMITED ACN 119 611 559**

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Analysing and collating raw data from the assay laboratory and ensuring appropriate QAQC takes time. Thereafter the preparation and review, at appropriate levels, of an announcement suitable for market release including the various disclosures for JORC 2012 purposes takes further time. Beacon acted with the utmost urgency to complete the Announcement after receipt of the raw data on Sunday 29 January 2017.

Prior to finalisation of the announcement and pursuant to Listing Rule 3.1A the information was incomplete, preliminary and insufficiently definite to warrant disclosure and, in our opinion, a reasonable person would not expect the information to be released until it had been analysed, interpreted and in a format which could be understood by the Market.

In addition, the Managing Director confirmed that until the draft ASX announcement was circulated to Management on Sunday 29 January no party other than the laboratory, consulting geologist and management were privy to the assay data.

**5. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

The Company confirms that it is in compliance with ASX Listing Rules and, in particular, Listing Rule 3.1 (when read in conjunction with Listing Rule 3.1A).

Yours sincerely,

Sarah Shipway  
Non-Executive Director/Company Secretary  
**Beacon Minerals Limited**

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2 February 2017

Ms Sarah Shipway  
Company Secretary  
Beacon Minerals Limited

*By email*

Dear Ms Shipway

**Beacon Minerals Limited (the "Entity"): ASX aware query**

ASX Limited ("ASX") refers to the following:

1. The recent change in the price of the Company's securities from a closing price of \$0.004 on Wednesday, 18 January 2017 to a close of \$0.009 on Tuesday, 24 January 2017 and a substantial increase in the volume traded over this period.
2. The price query letter from ASX dated 24 January 2017 in which ASX queried the recent increased price and volume movement in the Entity's securities.
3. The Entity's response to the price query letter dated 24 January 2017 ("Response to ASX") in which the Entity stated that it was not aware of any information concerning it that had not been announced to the market which, if known, may reasonably be regarded as an explanation for the recent trading in its securities.
4. The change in the price of the Company's securities from a closing price of \$0.008 on Friday, 27 January 2017 to a closing price of \$0.012 on Monday, 30 January 2017 ("Further Price Increase"), and continued price increase to an intra-day high at the time of writing of \$0.022 today, Thursday 2 February 2017. There has also been a substantial increase in the volume traded over this period.
5. The Entity's announcement entitled "Successful Stage 1 Drilling Programme Completed at Jaurdi" lodged with ASX Market Announcements Platform and released at 9:24 am (AEDT) on Tuesday, 31 January 2017 (the "Announcement"), advising in part that the Entity has completed the Stage 1 drilling programme, which was highly successful with 52 of the 78 holes drilled intersecting significant intervals of gold mineralisation at an average depth of 8 metres below surface ("Drill Results").
6. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
7. The definition of "aware" in Chapter 19 of the Listing Rules. This definition states that:

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*“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”*

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.

8. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*“3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

*3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

*3.1A.3 A reasonable person would not expect the information to be disclosed.”*

5. ASX’s policy position on the concept of “confidentiality” which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “Listing Rule 3.1A.2 – the requirement for information to be confidential”*. In particular, the Guidance Note states that:

*“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:



1. Please advise when the Entity first became aware of the information disclosed in the Announcement. Please include details of the relevant time and circumstances of the Entity becoming aware of the Drill Results.
2. Does the Entity consider the information disclosed in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
3. If the answer to question 2 is “no”, please advise the basis for that view.
4. If the answer to question 2 is “yes” and the Entity first became aware of the information disclosed in the Announcement prior to the release of the Announcement to ASX or the Further Price Increase, did the Entity make any announcement prior to the release of the Response to ASX or the Further Price Increase which disclosed the Drill Results? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.
5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

#### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **2:30 p.m. WST on Tuesday, 7 February 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [Sandra.Wutete@asx.com.au](mailto:Sandra.Wutete@asx.com.au) copying in [TradingHaltsPerth@asx.com.au](mailto:TradingHaltsPerth@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.



### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Sandra Wutete

**Senior Adviser, Listings Compliance (Perth)**

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