



A – Suite 4, 17 Oglivie Road Mount Pleasant WA 6153 P – 08 93164532 F – 08 93642564 E – admin@beaconminerals.com

16 October 2006

Narissa Taylor
Australian Stock Exchange Limited
Level 8 Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Narissa

In reply to your letter dated 10 October 2006 I provide the following information:

- I confirm that the Straits Exploration Sale Agreement – Greenvale project dated 7 August 2006 has been completed.
- I confirm that the Duketon Option Sale Agreement – Barlee project dated 8 August 2006 has been completed.
- I confirm that the Pioneer Sale Agreement – Pioneer project dated 9 August 2006 has been completed.
- I confirm that the following securities are subject to compulsory escrow:
 - 8,390,500 ordinary shares and 6,000,000 options exercisable at \$0.20 each on or before 31 May 2011 are restricted for a period of 24 months from commencement of official quotation; and
 - 3,915,750 ordinary shares are restricted for a period of 12 months from the date of issue of the shares.
- There is no voluntary restriction placed on any shares and the total restricted shares are 12,306,250.
- I have attached a confirmation from Advanced Share Registry Services that the holding statements and refunds have been dispatched

Kind Regards,

A handwritten signature in black ink that reads "P Lloyd". The signature is written in a cursive, slightly slanted style.

Paul Lloyd
Director