

COMPANY UPDATE

Dear Shareholder,

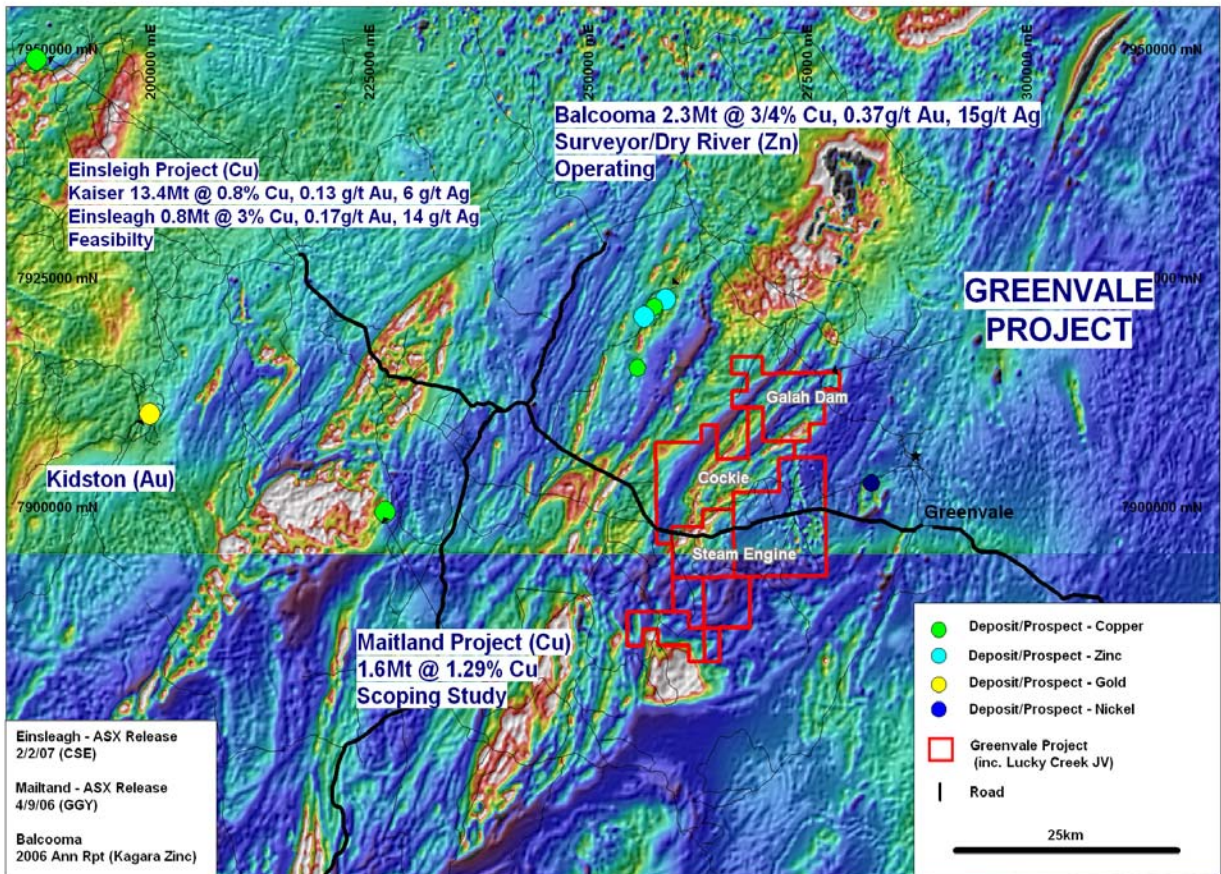
We feel that it is important to keep our shareholders updated with the companies recent activities, and as such have provided this Company Update. The full June quarterly report and ASX announcements can be viewed on the Company’s website at www.beaconminerals.com.

The company has been very active since listing less than 12 months ago, with significant exploration success at its Greenvale Project in Queensland and Barlee Project in Western Australia. With further focused, effective exploration, work at several prospects may lead to the delineation of shallow resources that could be brought into production quickly.

GREENVALE PROJECT (Qld)

KEY FACTS

- Over 400 sq km of tenure, either 100% or 80% (earning) with GGY (Lucky Creek JV)
- Close to existing mines and infrastructure
- Highly mineralised Province, minimal systematic exploration



Greenvale Project – Location Map overlain on regional magnetics

At Greenvale, the company is exploring for three major styles of mineralisation, targeting copper (Cu), molybdenum (Mo), zinc (Zn), gold (Au) and silver (Ag);

1. Porphyry-related Cu-Mo-Au-Ag (Cockie Prospect)

Since listing, the Company has completed several phases of exploration at Cockie and along the large Cockie Trend geochemical anomaly. Drilling has returned some significant intercepts at Cockie East and West including;

- **34m @ 1.0% Cu, 0.16 g/t Au, 1,4 g/t Ag and 150 ppm Mo from 8m**
- **21 m @ 0.7% Cu, 0.14g/t Au, 2.2 g/t Ag, 90 ppm Mo from 22m (inc. 8 m @ 1.0% Cu, 0.22 g/t Au, 3.7 g/t Ag from 35m)**

Future exploration will aim at locating further shallow mineralised zones along the Cockie Trend, which is interpreted to extend for over 22km within the project area. To date, only 1km of this trend has been drill tested.

2. Balcooma-type Au-Zn-Cu –Ag

The Project lies some 15-20km southeast of the Balcooma polymetallic mine, which is interpreted to exist in a similar geological setting to that seen within the Greenvale Project. Previous exploration has located a number of prospects that may be examples of Balcooma-type mineralisation. At Galah Dam, historical drilling intersected polymetallic mineralisation worthy of follow-up work. Better drill intercepts include;

- **16m @ 4.5% Zn, 1.1 g/t Au, 0.5% Cu, 13 g/t Ag (inc. 5m @ 8.5% Zn),**
- **8m @ 3.5% Zn, 0.2g/t Au (inc. 1m @ 6.9% Zn) ,**

To aid in regional targeting of this type of deposit, the company recently completed an airborne Electro-magnetic survey (VTEM) over 150 sq km of terrain. Processing an interpretation is currently underway with result expected in the coming weeks.

3. Shear-hosted Au

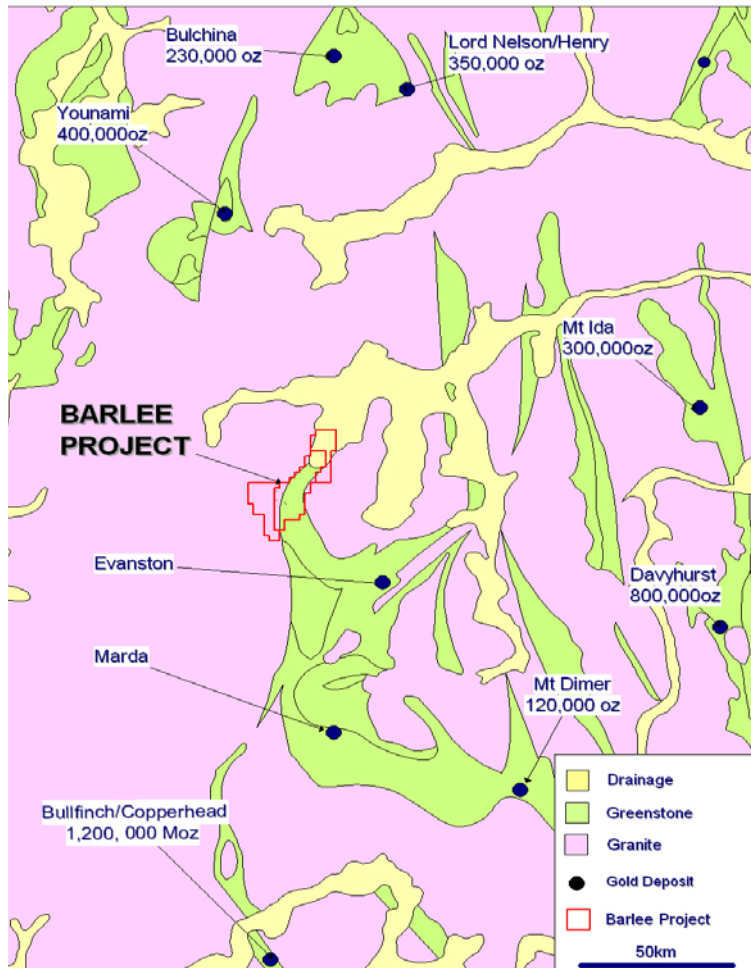
Located in the southern portion of the project are a series of old workings which exploited shallow gold mineralisation in the early 20th century. The prospect, known collectively as Steam Engine, has not been systematically explored since the late 1980's, when drilling and soil geochemistry defined several mineralised trends over some 5km. The company completed an RC drilling program in May 07 with significant results received from several areas, including;

- **6m @ 5.5 g/t , (inc 2m @ 15.6g/t) from 95m,**
- **12m @ 3.5 g/t (inc. 6m @ 5.8g/t) from 10m,**
- **5m @ 4.5g/t (inc. 1m @ 11.0g/t) from 19m,**
- **5m @ 4.3g/t (inc. 1m @ 14.2 g/t) from 24m,**

The company intends to continue exploration at Steam Engine, with the aim of defining shallow gold resources at known prospects as well as initially testing regional targets.

BARLEE PROJECT (WA) KEY FACTS

- Over 400 sq km of tenure
- Significant shallow drill results;
- **New structural model confirmed, multiple mineralised corridors identified over 3km.**
- Minimal systematic exploration, majority of area under thin cover



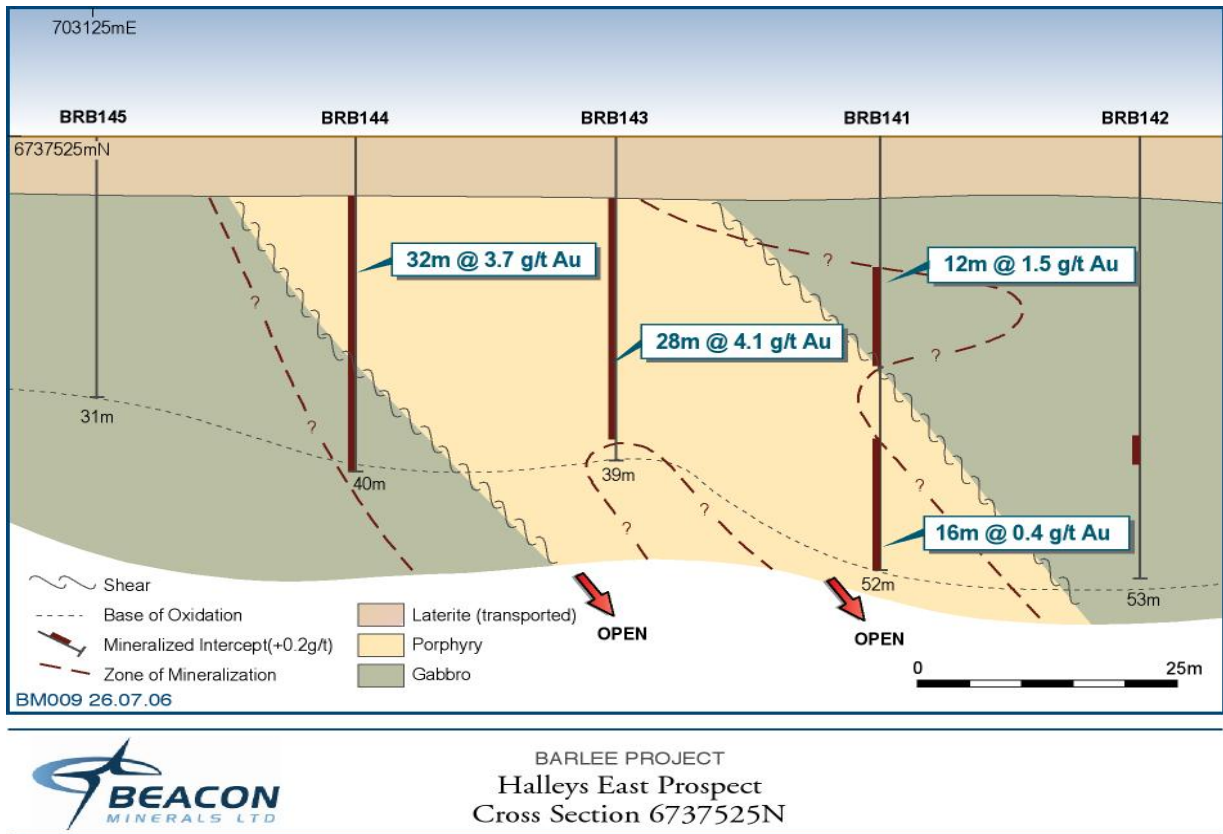
Barlee Project – Regional Location Map

The Company has enjoyed recent exploration success at the Barlee Project. Two campaigns of Aircore drilling has returned significant shallow gold results from a number of prospects over some 3km of strike, confirming the Company's new exploration model.

Significant shallow gold intercepts include;

- 28m @ 4.1 g/t (inc. 8m @ 10.6g/t) from 8m
- 32m @ 3.7 g/t (inc. 8m @ 7.8 g/t EOH) from 12m
- 24m @ 2.7 g/t (inc. 4m @ 12.4g/t) from 12m
- 10m @ 3.6 g/t (inc. 2m @ 10.5 g/t EOH) from 36m
- 12m @ 2.6 g/t from 8m, and 4m @ 13.3g/t from 24m
- 4m @ 9.3 g/t from 20m
- 12m @ 2.1 g/t from 28m
- 8m @ 2.7g/t (inc. 4m @ 5.0g/t) from 12m

At several prospects, including Halleys East, Faith, Phil and Crabman, gold mineralisation has been intersected within north easterly trending shear zones in altered porphyry and mafic to ultramafic rocks. To date, only a small portion of the Barlee project area has been systematically explored, with the majority of the project area lying under a thin veneer of cover that may have hindered previous exploration.



Due to the continuing exploration success at Barlee, the company intends to accelerate future work programmes, with the aim of defining areas for potential resource drilling. Regional exploration targeting north easterly trending shear zones that may contain other mineralised zones will also be a priority.

The Barlee Project is also prospective for calcrete-hosted uranium mineralisation as well as for nickel in ultramafic rocks. Both of these styles of mineralisation have received minimal exploration in the past.

Annual Reports

Legislation enacted this year has meant that companies are no longer obliged to mail out to all shareholders a printed copy of their annual report. The changes now place the onus on the shareholders to request a printed copy of any annual report.

Consequently, Beacon Minerals will be making the 2006-2007 Annual Report available on the Company's website as a PDF document. Reports will be available in a printed but not gloss version on request and these will be printed in-house as demand warrants. We have attached a formal notification to all shareholders outlining the steps they may wish to take in this regard.

E-mail addresses

Beacon is keen to increase communication with shareholders and we hope this Company Update will provide you with valuable information about your investment. The Company does inform interested parties of ASX announcements via email. If you would like to be included on the e-list please visit the Company's website at www.beaconminerals.com, or email admin@beaconminerals.com or telephone Gail on +61 (8) 9476 9200.