



PROJECT UPDATE – BARLEE GOLD PROJECT

ASX RELEASE

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Stock Exchange

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Dear Sir/Madam

PROJECT UPDATE – BARLEE GOLD PROJECT

Following the recent successful capital raising the company is pleased to announce plans to carry out further drilling and geochemical programs at its Barlee Gold Project. It is anticipated the work will commence in the third quarter and is as follow up to the successful program completed in May 2009 (see attached summaries).

The recent drilling program has shown gold mineralization over a significant length of the Halleys East Shear Zone. This provides the company with exploration opportunities to discover new areas of mineralisation along this and several other prospective shear zones.

Significant outcomes from the recent drilling program at Barlee include :

- Obtaining further high grade gold intersections from infill and extension RC drilling at the Halleys East and Phil prospects.
- Intersection of anomalous gold grades and similar mineralisation styles to Halleys East both in the RC drilling at Halleys SW and in regional RAB drilling 1 Km to the South West along the Halleys Shear Zone at the King prospect

The aim of the upcoming work program is to provide :

- Further definition of existing anomalies/prospects and extension along the highly prospective Halleys East Shear Zone
- Diamond drilling to obtain geological information of the mineralisation at Halleys East, Phil and other prospects. It is anticipated this information will aid in targeting extensions of the mineralisation
- Testing of additional regional priority targets



PROJECT UPDATE – BARLEE GOLD PROJECT (cont)

Darryl Harris stated “ The Barlee tenements represent an under explored greenstone belt with the potential to host significant gold mineralization and warrants further exploration to tap this potential. The company plans to continue it aggressive exploration program in order to achieve this goal ”

Should you have any questions in relation to the above matters, please contact the undersigned on telephone (08) 9476 9200.

For and on behalf of
BEACON MINERALS LIMITED

A handwritten signature in blue ink, appearing to read 'D Harris'.

Darryl Harris
Managing Director

In accordance with Listing Rules 5.6 of the Australian Securities Exchange, the technical information contained in this report has been compiled by Mr. Lyle Thorne, a consultant to the company. Mr. Thorne is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has the relevant experience with the mineralisation reported on to qualify as a Competent Person as defined by the Australasian Code for Reporting of Mineral Resources and Reserves. Mr. Thorne consents to the inclusion in the report of the matters based on the information in the form and context in which it appears

Attachment 1 – April / May 2009 Drill Program Summary

A total of 120 holes for 2275m of RAB and 19 holes for 1853m of RC drilling were completed at various prospects.

The RC programme was successful in intersecting the Halley's East and Phil mineralised zones as well as intersecting encouraging geology and anomalous gold at Halley's SW, Prince and King. (Refer Figure 1)

Further high grade intercepts were recorded from infill and extensional drilling at Halley's East including :

- **8m @ 24.6 g/t Au**
- **10m @ 11.9 g/t Au**
- **8m @ 8.0 g/t Au**
- **3m @ 6.9 g/t Au**
- **2m @ 9.2 g/t Au**
- **2m @ 21.3 g/t Au.**

Drilling at Phil intersected the distinctive mineralised zone at the interpreted down dip and plunge position with **5m @ 7.2 g/t Au** and **1m @ 4.3 g/t Au** recorded.

Encouraging results were received from the two RC holes completed at Halley's SW including

- **4m @ 1.8 g/t Au**
- **5m @ 0.8 g/t Au**
- **1m @ 4.3 g/t Au**

The alteration and mineralisation shows similar characteristics to that seen at Halley's East, located proximal to sheared porphyry-mafic contacts.

At the Prince Prospect, similar encouraging geology to Halley's East was encountered although assay results were inconclusive with a best result of **1m @ 1.9g/t Au** being recorded at a sheared porphyry contact.

Wide spaced RAB drilling aimed at locating the south westerly extension of the Halley's Shear Zone was successful in intersecting several anomalous gold intercepts along a NE-SW trend that is associated with sheared mafic rocks and porphyries at the King Prospect. Better RAB results including

- **11m @ 0.3 g/t Au EOH**
- **6m @ 0.3 g/t Au EOH**

were returned from the southern area whilst

- **12m @ 0.4 g/t Au**

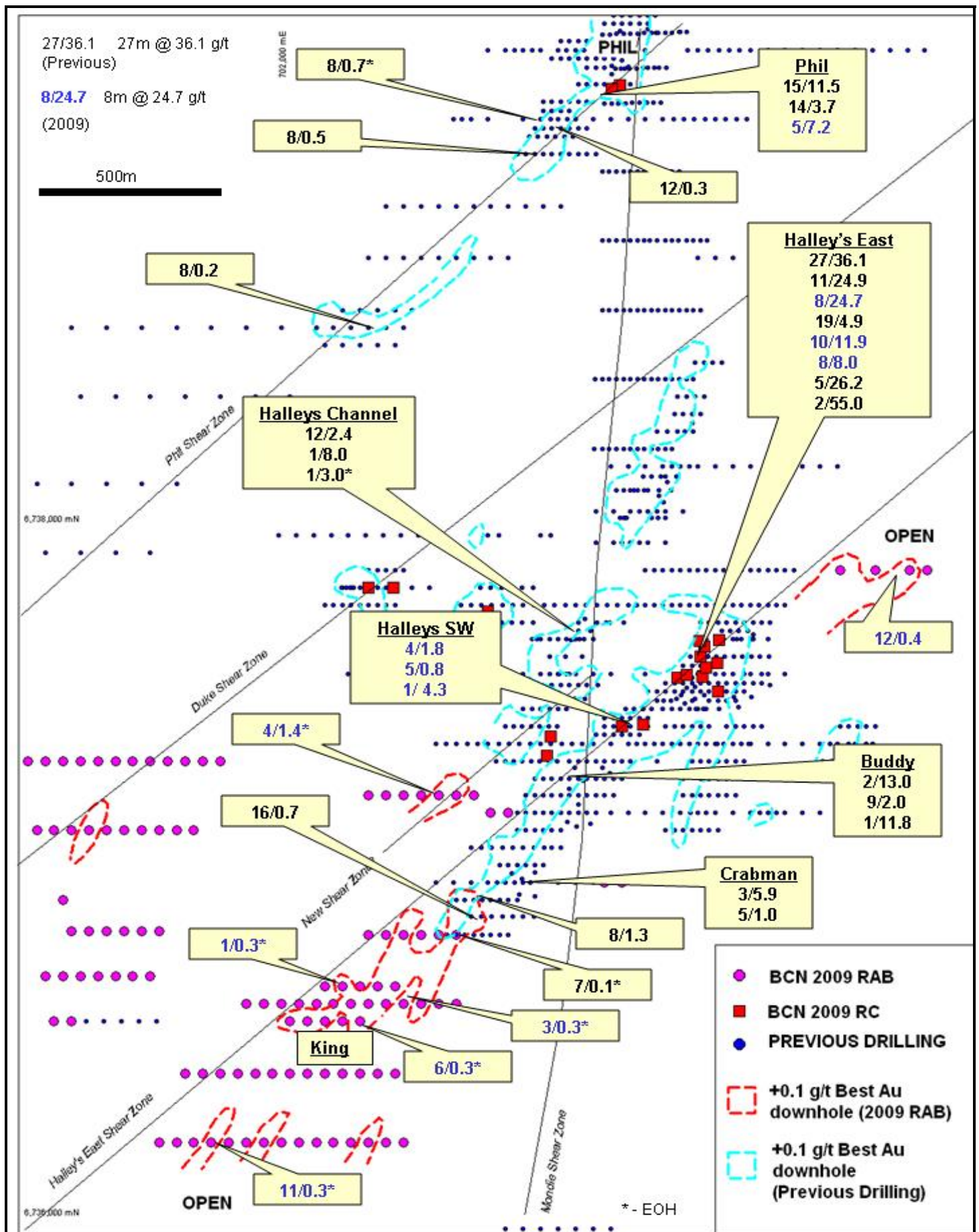
was intersected from drilling aimed at locating the northern extent of the shear zone.

These results have enhanced the prospectivity of the Halley's East Shear Zone and support the company's exploration model that suggests the north east trending structures are important controls to gold mineralisation at Barlee. An intercept of **4m @ 1.4 g/t Au EOH** was recorded in a single RAB drill line to the west of the Halley's East Shear Zone which is interpreted to be the southwestern extension of a potential new mineralised shear zone that also transects the Prince Prospect.

Drilling at Duke intersected altered mafic rocks with quartz veining and minor porphyry whilst at Earl mafic rocks with quartz veining was observed.

Drilling at Snow Leopard and in the northern portion of the Duke Shear Zone was hampered by outcropping basalt which the RAB rig could not penetrate. As such, RAB drilling was not an effective exploration tool in these areas

Figure 1 – Previous Drilling Results and Hole Locations



Attachment 2 – July 2009 Proposed Drill Program

Following the successful drilling campaign that was completed in April-May 2009, further work is proposed at the Barlee Gold Project.

The recent drilling program has shown gold mineralization over a significant length of the Halleys East Shear Zone. This provides the company with exploration opportunities to discover new areas of mineralisation along this and several other prospective shear zones within the lightly explored Barlee Gold Project.

It is therefore planned to complete regional exploration programs aimed at locating new zones, as well as drilling into advanced prospects exhibiting similar mineralization, to aid in ongoing resource and geological work. The planned exploration work will therefore target existing prospects as well as testing new regional targets.

The following programs are proposed;

- Initial Diamond Core Drilling at various prospects, (inc. Halleys East, Phil, Halleys SW, Crabman)
- RC Drilling at Halleys East, Phil, Halleys SW, and Crabman South,
- Infill RAB drilling along the Halleys East Shear Zone
- Extensional RAB drilling along the Halleys Shear Zone
- RAB drilling of regional targets (Gimlet and Lost Bolt)
- Regional Soil Sampling.

Final planned drilling meters, targets to be selected for drilling and timing of the various programmes are still being finalized.

Halleys East Prospect

At Halleys East, four diamond holes/tails are planned. These holes are aimed at providing accurate geological information about the geometries of the two interpreted mineralised zones and will also provide sample material for metallurgical and resource (bulk density) work.

Further RC drilling is also planned. This drilling is aimed at extending the strike length to the grid north of the second zone as well as targeting extensions at depth to the primary mineralisation.

Phil Prospect

At Phil, a program of RC and diamond drilling is planned. The drilling aims to extend the Phil South laminated quartz zone down plunge to the southwest, .

Drilling is also planned at another mineralised zone approximately 100 m to the north east of Phil South. A single RC hole completed in early 2008 (BRC043) returned

- **6m @ 1.6 g/t Au from 36m and**
- **3m @ 4.8g/t from 57m**

from mineralised zones similar to that seen at Phil South.

Halley's SW

Additional drilling is proposed at Halley's SW following the encouraging geology and assay results observed in BRC102 and BRC103. A total of eight holes are proposed, four as extensional drilling around BRC102 and 103 and another four deeper holes located 60m north (approximately half way between Halley's SW and Halley's

East). These four deeper holes are aimed at providing geological information at depth to help clarify the relationship of the Halley's East and SW zones.

Halley's Channel

Previous drilling has targeted the mineralised paleochannel; however, re-interpretation of the RC drilling suggests a potential NE trend to the mineralisation in fresh rock in the northern part of the prospect. It is therefore planned to test the new interpretation with RC drilling.

Crabman South

The Crabman South Prospect is approximately 100m south west from the Crabman Prospect. Two strong RAB-AC intersections have been returned from previous drilling on two sections 50m apart :

- **16m @ 0.7 g/t from 44m to EOH**
- **8m @ 1.3 g/t Au from 12m**

No RC drilling has been completed at Crabman South and it is proposed to complete drilling to test the mineralisation.

RAB Drilling

RAB drilling has been planned as both infill and extension along the Halley's East Shear Zone. A number of 200m spaced lines have been planned both to the north east and southwest of existing drilling.

At the King Prospect, drilling will aim to define anomalous gold intercepts associated with sheared mafic-porphyry contacts intersected in April 2009. Notable RAB intercepts included 11m @ 0.3 g/t Au EOH and 6m @ 0.3 g/t Au EOH.

In the northeast, the drilling aims to locate the Halley's East Shear Zone within the interpreted granite-gneiss "body" and through into the greenstone sequences to the east (see Gimlet Prospect). A single line completed in April returned 12m @ 0.4 g/t in granitic material. Drilling is planned to cover some 1.5 km of strike along the shear zone.

The Gimlet Prospect is located along the Halley's East Shear Zone on the eastern side of the granite-gneiss body (approx 2.0 km from Halley's East). It is interpreted that at Gimlet, the Halley's East Shear Zone transects mafic rocks, close to the contact between the granitic body (and west of the BIFs). The Gimlet Prospect is considered a priority regional exploration target.

The second target, the Lost Bolt prospect is 3km south of Halley's East and occurs in a different geological setting, within Diemal's Formation sediments. Several traverses of angled RAB drilling completed in the 1990's intersected highly weathered sediments with anomalous gold mineralisation recorded in several holes at the base of oxidation. Also, soil sampling identified a 500m long +10ppb Au soil anomaly to the north which requires testing. The RAB drilling plans to test the soil anomaly and north west trending shear seen on aeromagnetic images that transects the Lost Bolt prospect .

Soil Sampling

Soil Sampling is planned for in E77/1364. The sampling will be completed on 200m x 50m centres within a portion of greenstone that has had minimal previous exploration..

Figure 2 – Proposed Hole Locations Drill Program July 09

