

BIG YEAR AHEAD

Compliments of the Season to all the shareholders of Beacon and we look forward to a prosperous year ahead, both on a corporate and personal level.

Last year was a challenging year for the company with respect to raising capital for funding further exploration drilling on the Barlee Gold Project. The strong support shown by existing shareholders and other institutional investors has allowed us to start the New Year in a strong position with cash in the bank, no debt in the Company and an extremely exciting gold province at Barlee.

December Drilling Results

The results from the 7,500 metre RC and RAB drilling program completed in December have now been received and have once again reinforced our belief that we are on the verge of proving an important gold producing province.

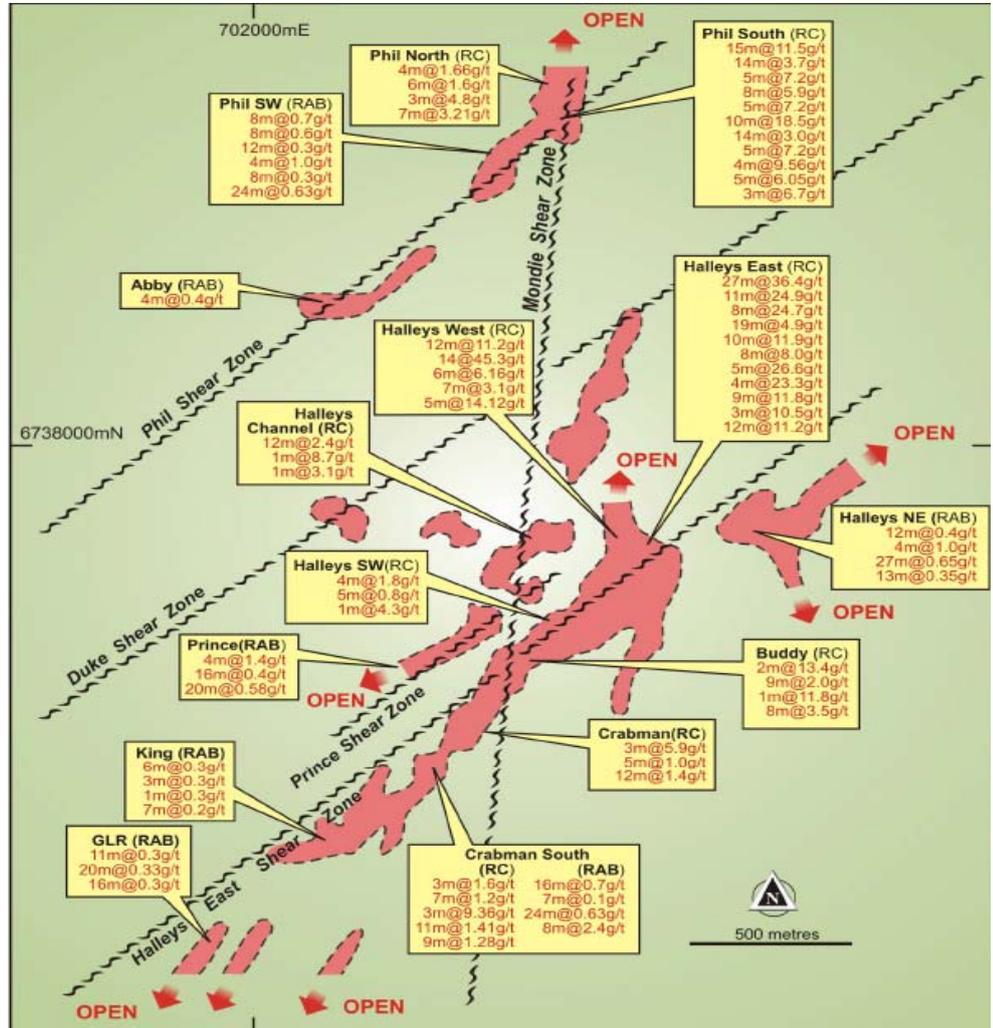
Extremely encouraging RC results were obtained from the New Halley's West area including:

- **14m @ 45.32g/t Au**
- **6m @ 6.16 g/t Au**
- **5m @ 14.12 g/t Au**

Also Phil (North and South) returned exciting results of :

- **4m @ 9.56 g/t Au**
- **5m @ 6.05 g/t Au**
- **3m @ 6.70 g/t Au**
- **7m @ 3.21 g/t Au.**

Regional RAB drilling has now identified over **800 metres of mineralisation**, open both along strike and at depth, at Halley's North East with further significant RAB results of **27m @ 0.65 g/t Au** obtained in the last program.



RAB results provide the mineralised signature on which deeper RC program are developed. Halley's North East RAB results are similar to those obtained initially from Halley's East, which then went on to produce outstanding RC gold grades, and a subsequent base resource.

The Company is extremely excited with these initial RAB results and further drilling is planned.

Upcoming February Drill Program

A further drilling program is currently being planned by the exploration team and is expected to commence in mid February. During this program it is anticipated to complete approximately:

- 2000 geochemical regional samples.
- 10,000 metres of RAB regional drilling.
- 5,000 metres of RC drilling focussed on defined target areas.

Chairman – Paul Lloyd.



We anticipate this will further expand the mineralised region at Barlee and define additional Halleys East type targets.

Upgrading our Gold Province

The goal still remains to become a producer within a short time frame, with a stand-alone operation at

Barlee based on our **current exploration target of plus 500,000 ounces of contained gold**. Our immediate aim through both the recently completed and the upcoming exploration programs, is to generate enough information to allow us to build on our initial JORC-compliant resource statement to support a processing facility.

The Company released an initial JORC Resource on the Halleys East and Phil deposits in December 09 with a figure of **384,000 tonnes at 6.0 g/t for 74,000 ozs**. This was within the Company's expectations and it must be clearly understood that **this is an initial base resource on which we can now build through aggressive exploration**. No results from the December program were included in this calculation and we believe the resource base can be substantially increased because :

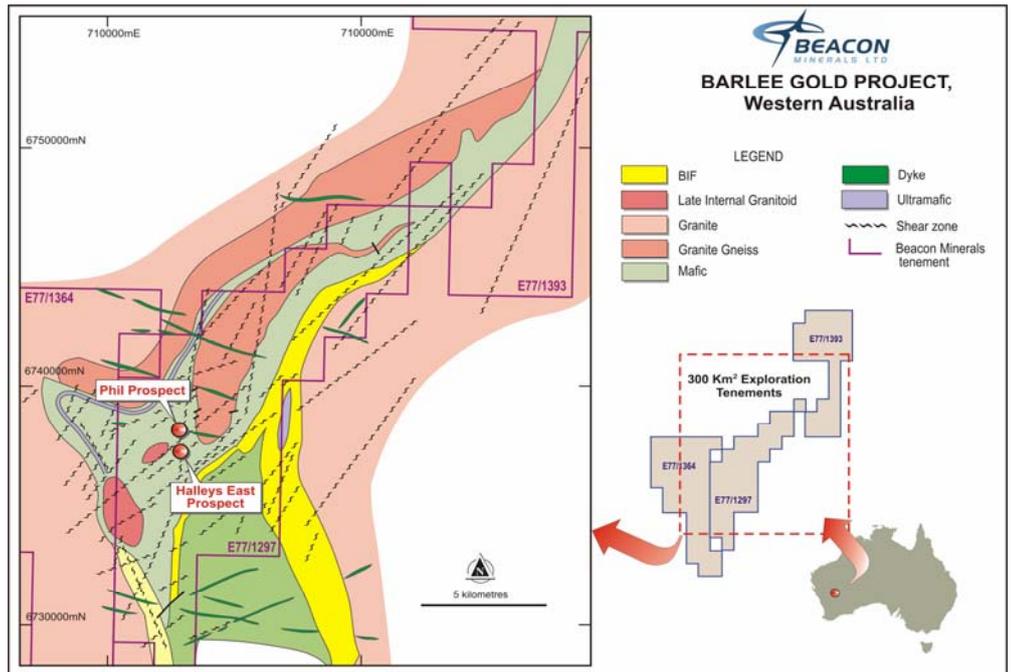
- The resource is only for the Halleys East and Phil deposits and doesn't include the highly prospective Halleys West and North East zones outlined in the last program.
- RC drilling has been conducted on less than 5% of the total tenement region.
- Recent RAB and aircore drilling has returned further highly mineralised regional targets.
- More than 20 priority targets, associated with regional shear zones have been defined from aeromagnetic work and require further drilling.

The ore block model for the resource at Halleys East shows a shallow flat laying orebody which will be simple and cheap to mine.

Most mineralisation in the small area drilled to date is high grade and is still open along strike and at depth. Regionally we also have numerous targets still to explore. With aggressive exploration we have the potential to become a highly-profitable producer in a comparatively short time frame.

It is interesting to note that Dominion Mining commenced operation of it's Challenger Gold Project based on an initial resource of 100,000 ozs @ 6 g/t. To date this mine has produced over 560,000 ozs and has been an economic success for the company. One can draw parallels with this development and Barlee Gold Project, which we hope to emulate.

Once again we thank our existing shareholders for your support and look forward to a busy and rewarding year where we will hopefully unlock the true value of the Barlee Gold Project.



Please email us at admin@beaconminerals.com if you have any questions or would like to receive all company announcements and updates electronically.

In accordance with Listing Rules 5.6 of the Australian Securities Exchange, the exploration results contained in this report has been compiled by Mr. Darryl Harris, a consultant to the company. Mr. Harris 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. Harris consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.