
BEACON MINERALS LIMITED

ACN 119 611 559

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00pm (WST)

DATE: 29 November 2012

PLACE: Hannans Club
The Long Room
44 Brookman Street
Kalgoorlie WA 6430

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9322 6600.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 2:00pm (WST) on 29 November 2012 at:

Hannans Club
The Long Room
44 Brookman Street
Kalgoorlie WA 6430

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 2:00pm (WST) on 27 November 2012.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
 - the proxy need not be a member of the Company; and
 - a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.
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New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS – AGENDA ITEM

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2012 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2012. "

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. OPTIONAL RESOLUTION 2 – SPILL RESOLUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Section 250V(1) of the Corporations Act and for all other purposes, approval is given for:

- (a) the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**); and

- (b) *all Vacating Directors to cease to hold office immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated pursuant to (b) to be put to vote at the Spill Meeting."*

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) *a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or*
- (b) *a Closely Related Party of such a member.*

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) *the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or*
- (d) *the voter is the Chair and the appointment of the Chair as proxy:*
 - (iii) *does not specify the way the proxy is to vote on this Resolution; and*
 - (iv) *expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MARCUS MICHAEL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Marcus Michael, a Director who was appointed on 19 March 2012, retires, and being eligible, is re-elected as a Director."

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – GEOFFREY GREENHILL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Geoffrey Greenhill, a Director who was appointed on 19 March 2012, retires, and being eligible, is re-elected as a Director."

6. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – GRAHAM MCGARRY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 11.12 of the Constitution and for all other purposes, Graham McGarry, a Director who was appointed on 19 March 2012, retires, and being eligible, is re-elected as a Director."

7. RESOLUTION 6 – AMENDMENT TO CONSTITUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purpose of Section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend the Constitution with immediate effect as set out in the Explanatory Statement.”

8. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital on issue at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Ordinary Securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 19 OCTOBER 2012

BY ORDER OF THE BOARD

**SARAH SHIPWAY
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS – AGENDA ITEM

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2012 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.beaconminerals.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Remuneration Report sets out the company's remuneration arrangements for the directors and senior management of the company. The Remuneration Report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a Remuneration Report resolution are voted against adoption of the Remuneration Report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year was approved, other than the managing director of the company), will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were more than 25%. Accordingly, the Spill Resolution will be relevant for this Annual General Meeting if at least 25% of the votes cast on the Remuneration Report resolution are voted against adoption of the Remuneration Report. Refer to Resolution 2 for further information.

It is noted that in March 2012 the entire board of Directors in place at the Company's previous Annual General Meeting was removed and replaced by the current Directors.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member)

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

If you appoint any other person as your proxy

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

3. OPTIONAL RESOLUTION 2 – SPILL RESOLUTION

If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 2.

3.1 General

The Corporations Act requirements for this Resolution to be put to vote are set out in Section 2.2.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**) and the Vacating Directors will cease to hold office immediately before the end of the Spill Meeting. The business of the Spill Meeting will be to

put to vote resolutions to appoint persons to offices vacated by the Vacating Directors.

In the event a Spill Meeting is required a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

3.2 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the voting restrictions set out in Section 2.4 apply in the same manner to this Resolution.

4. RESOLUTIONS 3 TO 5 – RE-ELECTION OF DIRECTORS

Clause 11.12 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Marcus Michael, Graham McGarry and Geoffrey Greenhill will retire in accordance with clause 11.12 of the Constitution and being eligible seek re-election.

5. RESOLUTION 6 – AMENDMENT TO CONSTITUTION

5.1 Background

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 6 is a special resolution which will enable the Company to amend its Constitution as described in Section 5.2 below.

A summary of the proposed changes is set out in Section 5.2 below.

The proposed amended Constitution is available for review during normal hours at the Company's registered office. A copy of the proposed amended Constitution will also be sent to shareholders upon request to the Company Secretary ((+61 8) 9322 6600).

5.2 Proposed amendments to the Constitution

The Company has a large number of shareholders on its register that hold less than \$500 worth of shares (an **Unmarketable Parcel**). These Unmarketable Parcels represent significant registry costs for the Company.

The proposed amendments to the Constitution, which include inserting a new Part 4, will be made in order to efficiently manage these costs. The amendments to the Constitution, together with ASX Listing Rule 15.13, will allow the Company to sell the Unmarketable Parcels, subject to the satisfaction of certain conditions.

The proposed amendments are in line with the requirements for dealing with Unmarketable Parcels outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect

to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Refer to Schedule 1 for the new Part 4 that will be inserted into the Constitution, subject to Shareholder approval of this Resolution 6.

In addition to inserting a new Part 4, the following minor amendments have also been made to Part 1 of the Constitution:

- (a) the definition of "ASX" has been deleted and replaced with the following definition:

"ASX" means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires."

- (b) a second, duplicate definition of "ASX" has been deleted;

- (c) the following definition of "Share" has been inserted:

"Share" means a share in the capital of the Company."

The amendments to the Company's Constitution will take effect from the date the special resolution is passed.

6. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 7, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 6.2 below).

The effect of Resolution 7 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 7 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 7 for it to be passed.

6.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$5,970,441.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 1 class of Equity Securities on issue, being Shares (ASX Code: BCN).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

6.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 7:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 6.3(a)(i) the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 7 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable "A" in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable "A" in ASX Listing Rule 7.1A.2)	Dilution			
	Issue Price (Per Share)	\$0.003 50% decrease in Issue Price	\$0.006 Issue Price	\$0.012 100% increase in Issue Price
995,073,426 (Current Variable "A")	Shares issued – 10% voting dilution	99,507,343	99,507,343	99,507,343
	Funds raised	\$298,552.03	\$597,044.06	\$1,194,088.11
1,492,610,139 (50% increase in Variable "A")	Shares issued – 10% voting dilution	149,261,014	149,261,014	149,261,014
	Funds raised	\$447,783.04	\$895,566.08	\$1,791,132.17
1,990,146,852 (100% increase in Variable "A")	Shares issued – 10% voting dilution	199,014,685	199,014,685	199,014,685
	Funds raised	\$597,044.06	\$1,194,088.11	\$2,388,176.22

*The number of Shares on issue (Variable "A" in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 995,073,426 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 18 October 2012.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration and development expenditure on the Company's Barlee Gold Project and/or the Company's other projects (together the **Company's projects**), feasibility studies, ongoing project administration and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resource assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Facility will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval under ASX Listing Rule 7.1A.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

6.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 7.

GLOSSARY

10% Placement Capacity has the meaning given in section 6.1 of this Notice.

\$ means Australian dollars.

Annual General Meeting means the meeting convened by the Notice.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company means Beacon Minerals Limited (ACN 119 611 559).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having

authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Managing Director means the managing director of the Company who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report to be included in the Company's annual financial report of the Company for the financial year ended 30 June 2012.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Vacating Directors means the Directors who were directors of the Company when the resolution to make the directors' report considered at the last annual general meeting of the Company was passed, other than the Managing Director at that time.

Variable A means "A" as set out in the calculation in Section 6.2 of this Notice.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – AMENDMENT TO CONSTITUTION

Capitalised terms in this Schedule 1 have the meaning given to them in the Constitution. A copy of the Company's Constitution is available on request.

The below Part 4 will be inserted into the Constitution:

"PART 4 MINIMUM SHAREHOLDING"

Effect of this Clause

4.1 The provisions of this Clause have effect notwithstanding any other provision of this Constitution, except Clause 25.

Definitions

4.2 In this Clause:

- (a) **"Authorised Price"** means the price per share of the Listed Securities equal to the simple average of the last sale prices of the Listed Securities quoted on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 4.5.
- (b) **"Date of Adoption"** means the date upon which this Clause is inserted in this Constitution by special resolution of the members of the Company.
- (c) **"Date of Effect"** has the meaning given in Clause 4.13.
- (d) **"Minimum Shareholding"** means a number of shares equal to a "marketable parcel" of Listed Securities within the meaning of the Listing Rules.
- (e) **"Minority Member"** means a member holding less than the Minimum Shareholding on or at any time after the Date of Adoption.
- (f) **"New Minority Member"** means a member who is the holder or a joint holder of a New Minimum Shareholding.
- (g) **"New Minimum Shareholding"** means a holding of shares in the same class created after the Date of Adoption by the transfer of a parcel of shares the aggregate market price of which, at the time at which a transfer of those Listed Securities was initiated or a paper based transfer of those Listed Securities was lodged with the Company, was less than a marketable parcel.¹
- (h) **"Purchaser"** means the person or persons (including one or more members) whose offer or offers to purchase Listed Securities is or are accepted by the Company.

Minimum Shareholding

4.3 Subject to Clauses 4.13 and 4.14, on and from the Date of Effect, the shareholding of a member which is less than the Minimum Shareholding may be sold by the Company pursuant to the provisions of this Clause 4.3.

¹ This definition follows the wording of Listing Rule 15.13A.1.

Sale of Listed Securities of Minority Member

- 4.4 Subject to Clauses 4.13 and 4.14, on and from the Date of Effect, each Minority Member shall be deemed to have irrevocably appointed the Company as his agent:
- (a) to sell all the Listed Securities held by him at a price not less than the Authorised Price and without any cost being incurred by the Minority Member;
 - (b) to deal with the proceeds of the sale of those Listed Securities in accordance with this Clause; and
 - (c) where the Listed Securities are CHES approved securities held in uncertificated form, to initiate a Holding Adjustment (as defined in the ASX Settlement Operating Rules) to move the securities from the CHES Holding (as defined in the ASX Settlement Operating Rules) of the Minority Member to an Issuer Sponsored or Certificated Holding (as defined in the ASX Settlement Operating Rules) for the sale of the Listed Securities.

Acceptance of Offer

- 4.5 Where the Company receives an offer for the purchase of all the Listed Securities of a Minority Member to whom this Clause applies at the date of the offer at a price not less than the Authorised Price, the Company may accept the offer on behalf of that Minority Member.

Appointment of Attorney

- 4.6 The Company shall, by instrument in writing, appoint a person or persons to act as attorney or attorneys of each Minority Member to whom this Clause applies, to execute an instrument or instruments of transfer of their Listed Securities to the Purchaser.

Transfer

- 4.7 Where:
- (a) all the Listed Securities of each Minority Member to whom this Clause applies at any time are sold to one Purchaser; or
 - (b) all the Listed Securities of two or more Minority Members to whom this Clause applies at any time are sold to one Purchaser,
- the transfer may be effected by one instrument of transfer.

Proceeds of Sale

- 4.8 The Company shall receive the aggregate proceeds of the sale of all of the Listed Securities of each Minority Member to whom this Clause applies at any time and shall:

- (a) *immediately cause the name of the Purchaser to be entered in the Register as the holder of the Listed Securities sold; and*
- (b) *within fourteen days of receipt of the relevant share certificate² or otherwise as soon as is practicable, cause the pro rata proportions of the proceeds attributable to each Minority Member to be sent to each Minority Member by electronic transfer or cheque mailed to his address in the Register (or in the case of joint holders, to the address of the holder whose name is shown first in the Register), this cheque or electronic transfer to be made payable to the Minority Member (or, in the case of joint holders, to them jointly). In the case where a Minority Member's whereabouts are unknown or where a Minority Member fails to return the share certificate or certificates (where required) relating to the Listed Securities sold, the proceeds of sale shall be applied in accordance with the applicable laws dealing with unclaimed moneys.³*

Receipt of Proceeds

- 4.9 *The receipt by the Company of the proceeds of sale of Listed Securities of a Minority Member shall be a good discharge to the Purchaser of all liability in respect of the purchase of the Listed Securities.*

Registration of Purchaser

- 4.10 *Upon entry of the name of the Purchaser in the Register as the holder of the Listed Securities of a Minority Member to whom this Clause applies:*
- (a) *the Purchaser shall not be bound to see to the regularity of the actions and proceedings of the Company pursuant to this Constitution or to the application of the proceeds of sale; and*
 - (b) *the validity of the sale shall not be impeached by any person.*

Remedies Limited

- 4.11 *The remedy of any Minority Member to whom this Clause applies in respect of the sale of his or her Listed Securities is expressly limited to a right of action in damages against the Company to the exclusion of any other right, remedy or relief against any other person.*

Cost of Sale of Listed Securities

- 4.12 *The Company shall bear all the costs of the sale of the Listed Securities.⁴*

Exemption from Clause 4

- 4.13 *The Company must give written notice to a Minority Member and, where the Shares are CHES approved securities, to the Controlling Participant (as defined in the ASX Settlement Operating Rules) for the holding of the Minority Member, advising of the Company's intention to sell his or her shareholding pursuant to this Clause 4.*
- 4.14 *Unless the Minority Member, within 6 weeks from the date the notice was sent from the Company in accordance with this Clause 4, gives written notice to the*

² Listing Rule 15.13.7 requires receipt of the share certificate before proceeds will be sent to the Minority Member.

³ Required by Listing Rule 15.13A.2.

⁴ Listing Rule 15.13.6.

Company that it desires its shareholding to be exempted from Clause 4, then the Company will be free to sell the Shares held by the relevant Minority Member immediately following expiry of the 6 week period in accordance with this Clause 4 (**Date of Effect**).

- 4.15 Where Shares are CHES approved securities, a written notice by the Company in terms of this Clause shall comply with the ASX Settlement Operating Rules.

Notice to Exempt

- 4.16 Where a Minority Member has given written notice to the Company that it desires its shareholding to be exempted from Clause 4 it may, at any time prior to the sale of the Listed Securities under Clause 4.8, revoke or withdraw that notice. In that event the provisions of Clause 4 shall apply to the Minority Member.

Takeover Offer or Announcement

- 4.17 The Company shall not commence to sell Listed Securities comprising less than a Minimum Shareholding following the announcement of a takeover offer or takeover announcement for the Company. If a takeover bid is announced after a notice is given but before an agreement is entered into for the sale of the Listed Securities, this Clause 4 ceases to operate for those Listed Securities. However, despite Clause 4.16, a new notice under Clause 4.13 may be given after the offer period if the takeover bid closes.

Use by Company of Clause 4

- 4.18 Subject to Clause 4.15, this Clause 4 may be invoked only once in any twelve month period after its adoption or re-adoption.

Notice to New Minority Members

- 4.19 If the Directors determine that a member is a New Minority Member, the Company may give the member notice in writing stating that the member is a New Minority Member, specifying the number of shares making up the New Minimum Shareholding, the market price of those Listed Securities and the date on which the market price was determined and stating that the Company intends to sell the Listed Securities specified in the notice in accordance with the provisions of its Constitution. Unless the Directors determine otherwise, if the Company gives such a notice, all rights of the member to vote and to receive dividends in respect of the shares specified in the notice are suspended until the Listed Securities are sold or that member ceases to be a New Minority Member and any dividends that would, but for this Clause 4.19, have been paid to that member must be held by the Company and paid to that member within 30 days after the earlier of:
- (a) the date the Listed Securities specified in the notice are transferred; and
 - (b) the date that the Company ceases to be entitled to sell those Listed Securities under the sale notice."

COMPLETING 'APPOINTMENT OF PROXY' FORM

Instructions

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Beacon Minerals Limited C/- Advanced Share Registry Services, PO Box 1156, Nedlands WA 6909; or
 - (b) facsimile to the registry on facsimile number +61 8 9389 7871; or
 - (c) email to the registry at admin@advancedshare.com.au.so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.