



## SHAREHOLDER UPDATE

### ASX RELEASE

25-Jan-11

In response to recent shareholder queries Beacon Minerals Ltd ( BCN ) would like to outline its current strategy in both the planned programs for the further development of the Barlee Gold Project and its investment in ASX listed company Consolidated Tin Mines Ltd ( CSD ).

The company's investment in CSD has not taken away from it's primary focus which is the continuing development of the Barlee Gold Project. The company still has approximately \$ 3.6 Million at hand to fully fund the proposed exploration programs over the coming year.

During 2010 substantial regional exploration work was completed in order to identify additional targets similar to the initial JORC inferred resource at Halleys East. In addition to regional geochemical sampling and RAB-Aircore drilling a high resolution Aeromagnetic-Radiometric survey was commenced. Unfortunately mechanical difficulties with aircraft delayed this program which will be completed this week.

Following review and interpretation of the data, and subject to drill rig availability we anticipate commencing further site exploration and drilling of identified mineralised targets at Barlee in February.

On the 7<sup>th</sup> October 2010 the Board of BCN agreed to subscribe to a rights issue shortfall placement in CSD after completion of a detailed due diligence. It was agreed that investment in their Mt Garnet Tin Project provided substantial upside and BCN invested \$ 580,000 to purchase 14.5 Million fully paid shares at 4 cents.

Subsequent to this BCN acquired 1,200,000 additional shares to give an average buy price of 5.5 cents for a total holding of 15.7 Million. This equates to an approximate 13% holding in CSD.

At the current CSD share price 24th January 2011 of 26 cents this represents over a 500 % increase over 3 months in the BCN investment, which is now valued at \$ 4.1 Million. The company anticipates that this investment will continue to increase in value as CSD move to the feasibility stage of their project, and appropriate strategies are in place for the company to realise its investment and provide further funding for the exploration and development of the Barlee Gold Project.

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

**Darryl Harris**  
**Managing Director**

#### Stock Exchange

ASX: BCN

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*The information in this report, as it relates to Resource Estimates, is based on information compiled and/or reviewed by Mr. Byron Dumbleton who is a member of the AIG (Australian Institute of Geoscientists). Mr Dumbleton has the relevant experience with the mineralisation reported on to qualify as a Competent Person as defined in the 2004 Edition of the " Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ". Mr Dumbleton consents to the inclusion in the report of the matters based on the information in the form and context in which they appear.*