

ASX ANNOUNCEMENT

14 September 2018

JAUARDI GOLD PROJECT UPDATE

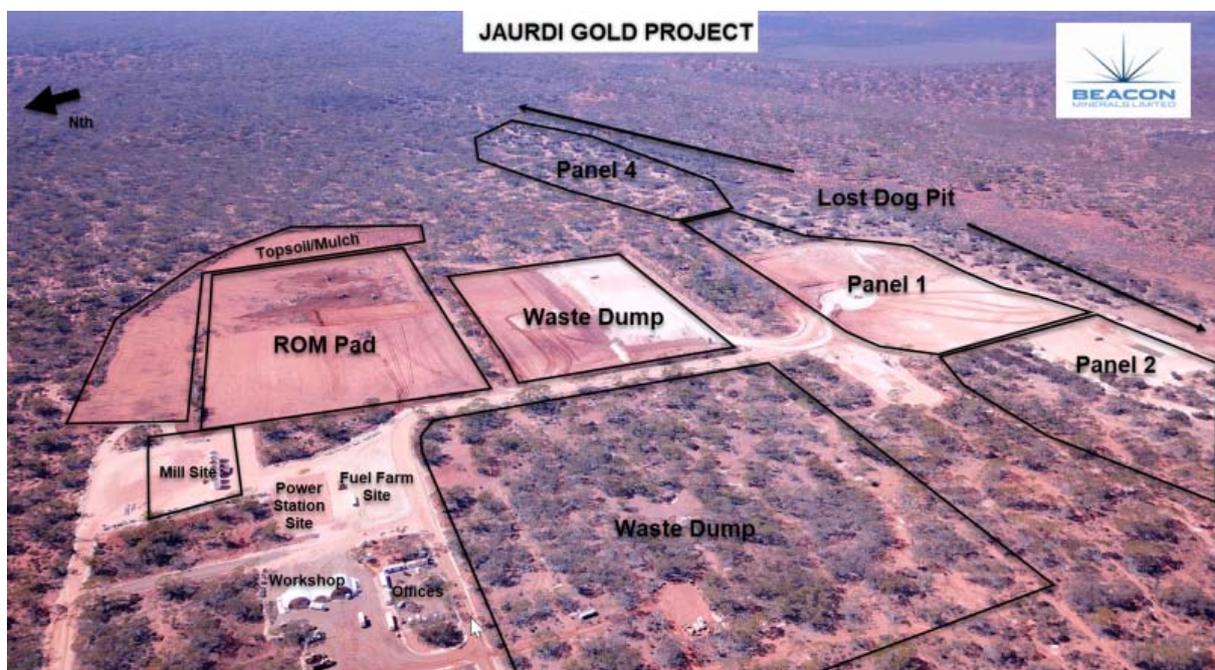
HIGHLIGHTS

- Mining commenced in August 2018.
- The Works Approval from the Department of Water and Environmental Regulation (DWER), the last approval document required, was received on 11 September 2018.
- Debenture Issue to raise \$18m to bring Jaurdi Gold Project into production was heavily oversubscribed.

Beacon Minerals Limited (“Beacon” or the “Company”) is pleased to provide an update on the operations at the Jaurdi Gold Project.

Beacon has commenced site works with the workshop, offices and a 32-man camp completed.

The power station and fuel farm pads have been constructed and the area for the processing facility has been cleared and sheeted.



Jaurdi Gold Project Site – August 2018

BEACON MINERALS LIMITED ACN 119 611 559

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Registered Office Level 1, 115 Cambridge Street, PO Box 1305, West Leederville, WA 6007

Website www.beaconminerals.com **Phone** 08 9322 6600 **Facsimile** 08 9322 6610

Pre-production Activities

Pre-production activities at Jaurdi have included the following;

- Identification and development of a process water borefield (completed);
- Mining fleet mobilisation (completed);
- Construction of offices, workshops/store and camp (completed);
- Clearing, grubbing and stockpiling of top-soil and wood mulch (partially completed);
- Relocation of Lawlers plant items purchased in February 2018 (completed);
- The construction of processing plant (on-going);
- Preparation of the ROM pad (partially completed); and
- Construction of the TSF tailings line and decant water line to the Black Cat open pit (on-going).

Works Approval

On 11 September 2018, Beacon received approval from the DWER to construct and commission the 500,000 tpa gold processing facility at Jaurdi. The Company has now received all the necessary approvals from the DWER and the Department of Mines, Industry Regulation and Safety.

Beacon will apply for the Licence to Operate once commissioning of the 500,000 tpa gold processing facility is nearing completion.

Mining

Following approvals received in June 2018, mining of Panel 1 commenced and 103,000 bcm of top soil and waste were mined in August 2018.

Debenture Issue

On the 3 September 2018 the Company announced that it had received firm commitments to raise \$18 million via a debenture issue to professional and sophisticated investors. The debenture issue was heavily oversubscribed. The Company will seek shareholder approval in accordance with section 195(4) of the Corporations Act 2001 Cth at a general meeting to be held on 4 October 2018.

For further information please contact:

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Competent Persons Statement

The information in this report that relates to the Jaurdi Gold Project and the Lost Dog Mineral Resource estimate is based on information compiled by Mr Richard Finch and Mr Darryl Mapleson, both full time employees of BM

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Geological Services. Mr. Finch is a Member of the Australian Institute of Mining and Metallurgy, while Mr Mapleson is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Finch and Mr Mapleson have been engaged as consultants by Beacon Minerals Limited. Mr Finch and Mr Mapleson have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Finch and Mr Mapleson consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Disclaimer

This ASX announcement (Announcement) has been prepared by Beacon Minerals Limited ("Beacon" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Beacon, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Beacon.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Beacon's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Beacon and of a general nature which may affect the future operating and financial performance of Beacon and the value of an investment in Beacon including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Beacon and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Beacon, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Beacon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

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No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

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