

ASX ANNOUNCEMENT

19 August 2019

**\$8.0 MILLION PLACEMENT TO ACCELERATE EXPLORATION PROGRAMMES
AND TO EVALUATE EXTERNAL PROJECTS**

HIGHLIGHTS

- **\$8.0 million Placement to accelerate exploration and resource definition programmes, including**
 - **Progressively evaluating and exploring the remaining 15km of the largely, untested, 100% owned Jaurdi Project paleochannel system including recently acquired Prospecting Licences P16/2925 and P16/2926 (refer to Figure 2)**
 - **Commence exploration activities at the recently optioned “Stockdale” tenement E31/1039 which lies nearby and along strike from the Saturn Metals Limited, Apollo Hill gold project (refer to Figure 3)**
 - **Further explore the Company’s 100% owned Black Cat mineral resource (refer to Figure 2)**
- **Evaluation of external resource and reserve opportunities**
- **Placement endorses the quality of the Jaurdi Gold Project and the potential for further company growth with the Company commencing gold production imminently**
- **Appointment of Alexander McCulloch as Executive Director –Development to significantly enhance Beacon’s exploration objectives**



Figure 1: Jaurdi Gold Processing Plant – Cyanide Facility and Leach Tanks

BEACON MINERALS LIMITED ACN 119 611 559

Kalgoorlie Office 144 Vivian Street, Boulder, WA 6432

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



Beacon is pleased to announce the acceleration of exploration and resource definition programmes at its Jaurdi Gold Project. Beacon will also accelerate exploration activities at its newly optioned "Stockdale" tenement (refer ASX release 19 July 2019) and the recently acquired Prospecting Licences P16/2925 and P16/2926 (refer ASX release dated 31 July 2019).

In addition, Beacon will continue to evaluate external opportunities that have the attributes to facilitate further Company growth with the aim of increasing the 5 year mine life at the Jaurdi Gold Project.

This acceleration of exploration and evaluation activities follows Beacon receiving firm commitments for a placement of its ordinary shares to raise \$8.0 million at an issue of \$0.042 per share ("**Placement**").

Strong investor support for the Placement highlights the quality and potential of Beacon's, low cost Jaurdi Gold Project (refer PFS announcement dated 29 August 2018) which is currently in the commissioning phase and nearing first gold production (ASX release 14 August 2019).

Commissioning is now well advanced with ore being fed consistently into the mill with tonnages to be increased over the coming weeks. Full production is on track which is expected to be reached in Q4 2019.

The Placement was undertaken utilising Beacon's existing placement capacity under ASX Listing Rule 7.1. All the shares issued under the Placement will rank pari passu with existing ordinary shares.

Patersons Securities Limited acted as Lead Manager to the Placement.

Appointment of Director – Mr Alexander (Alex) McCulloch

The Board is pleased to announce the appointment of Mr Alexander McCulloch as Executive Director – Development.

Alex is a mining engineer who graduated from the WA School of Mines in 1997. He has over 37 years' experience in the mining industry. Alex has previously worked at a number of open pit operations in Australia and overseas, including the start-up and ongoing production of an open pit copper/gold mine in NSW and more recently in the evaluation, planning and operation of mineral projects in the WA Goldfields.

Alex was appointed Project Manager of the Jaurdi Gold Project in January 2017. His appointment was to manage the Jaurdi Projects due diligence option period and assist with bringing the project into production.

Through Alex's contacts in the mining industry the Jaurdi Gold Project was brought to the attention of the Beacon Board. The appointment of Alex as the Director of Development will support Beacon's objective of company growth via exploration and/or acquisition opportunities as appropriate.

The key terms and conditions of Alex's appointment are set out in Annexure 1. Attached to this release is the initial directors interest notice.

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Managing Director Graham McGarry said:

“We thank all shareholders for their ongoing support and welcome our new investors as we continue to focus on achieving full gold production at our Jaurdi Gold Project whilst also ensuring we avail ourselves of value for money, organic growth opportunities as they arise.

“The discovery of the Lost Dog orebody and development of the Jaurdi Gold Project over the past 2.5 years has provided us with great excitement. Given that we have only explored 10% of the paleochannel system, we are eager to explore the full tenement area.

“The appointment of Alex to the Board as our development director will significantly enhance Beacon’s objective of extending the current 5 year mine life by identifying, evaluating and developing value for money, organic growth opportunities. Beacon is in a very unique situation with the commissioning of the Plant advanced and a large tenement area that has remained under explored.

“The Board is pleased with the outcome of the placement and excited about the future of the Company with a fast-tracked exploration programme.

“We thank Patersons Securities for their continued support of the Company”

About Beacon Minerals Limited (ASX:BCN)

Beacon Minerals Limited is an ASX Listed Company with its current focus being at the Company’s 100% owned Jaurdi Gold Project and transitioning to a gold producing Company.

The Company is in the process of commissioning its 500,000 tpa gold processing facility at the Jaurdi Gold Project.

The Jaurdi Gold Project Pre-Feasibility (PFS) results outline a forecast life of Mine (LOM) surplus operating cashflow of \$98.4 million at a gold price of \$1,650 per ounce versus today’s gold price in excess of AU\$2,200/oz (refer to PFS announcement dated 29 August 2018).

Beacon confirms that it is not aware of any new information of data that materially affects the information included in its PFS announcement dated 29 August 2018. All material assumptions and technical parameters underpinning the estimates used in the PFS announcement continue to apply and have not materially changed.

For more information contact:

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Beacon Minerals Ltd
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Graham McGarry
Managing Director
Beacon Minerals Ltd
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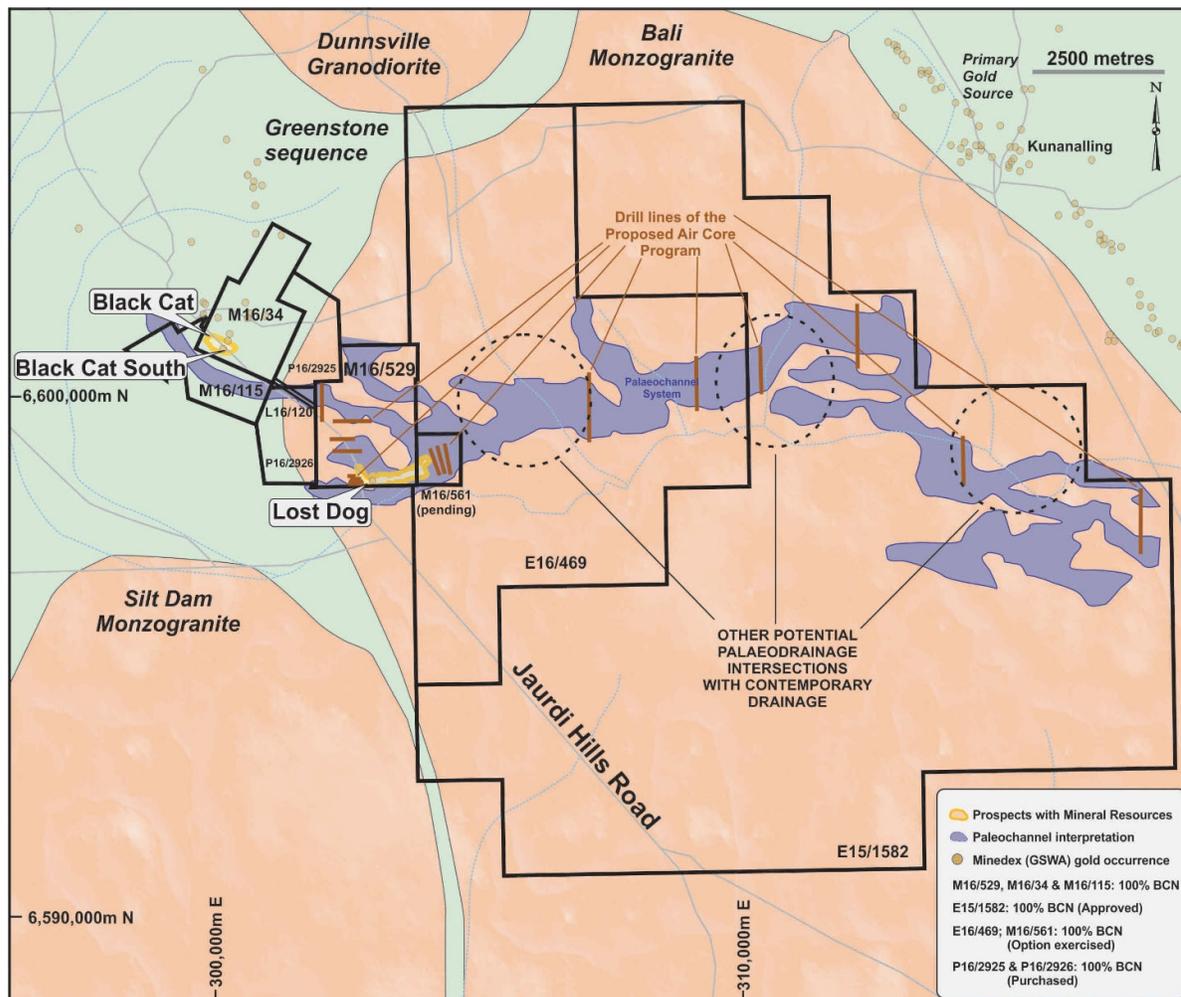


Figure 2: Jaurdi Tenement Position and Exploration Targets



Figure 3: Location of “Stockdale” Tenement – E31/1039

Competent Person Statement

The information in this report that relates to the Ore Reserves is based on information compiled by Mr Gary McCrae, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. The estimated ore reserves and/or mineral resources underpinning the production target have been prepared by Mr McCrae in accordance with the requirements in Appendix 5A (JORC Code). Mr McCrae is a full-time employee of Minecomp Pty Ltd. Mr McCrae has 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 McCrae consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This ASX announcement contains information extracted from the following reports which are available on the Company’s website at www.beaconminerals.com.au:

- 29 August 2018 Pre-Feasibility Study (PFS) Results for the Jaurdi Gold Project

The Company confirms that it is not aware of any new information or data that materially affects the production targets included in any original market announcements referred to in this report and that no

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material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

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.

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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Annexure 1 – Key Terms and Conditions of Employment

Commencement Date	19 August 2019
Term	The engagement is on an ongoing basis subject to termination by either party (see Termination and Notice below)
Remuneration	\$200,000 per annum plus statutory superannuation
Performance-based bonuses	The Company may at any time pay to the Director a performance-based bonus over and above remuneration set out above. In determining the extent of any performance-based bonus, the Company will take into consideration the key performance indicators of the Director and the Company, as the Company may set from time to time, and any other matter that it deems appropriate.
Termination and Notice	The Company or the Director may terminate the agreement by providing 3 months' notice. The Company may elect, at its discretion, to make payment in lieu of notice.

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity Beacon Minerals Limited
ABN 64 119 611 559

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Alexander McCulloch
Date of appointment	19 August 2019

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities Ordinary Fully Paid Shares – 105,102,138 Listed Options – 10,051,069
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+ See chapter 19 for defined terms.

Appendix 3X
Initial Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	Number & class of Securities
Note: Provide details of the circumstances giving rise to the relevant interest. N/A	

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
No. and class of securities to which interest relates	N/A

+ See chapter 19 for defined terms.