

ASX ANNOUNCEMENT

30 July 2020

JUNE 2020 QUARTERLY ACTIVITIES AND CASH FLOW REPORT

HIGHLIGHTS

PRODUCTION

- Gold production at Jaurdi in the June Quarter was 6,711 ounces
- Gold sales for the quarter of 6,730 ounces at an average sale price of \$2,510/oz for sale receipts of \$16.86 million (3,000 ozs delivered into the hedge book at an average price of \$2,325/oz), cash cost (excluding royalties) of A\$998/oz
- Beacon had cash of \$15.36 million and 1,501 ozs of gold on hand as at 30 June 2020
- Ore stockpiles at 30 June 2020 were 373,000 LCM, containing 24,000 ounces of gold
- Production from Jaurdi expected to be 6,400 to 6,800 ozs for the September 2020 quarter

FINANCIAL AND CORPORATE

- Bullion on hand and in transit of 1,501 ounces as at 30 June 2020
- Capital expenditure for the quarter totalled A\$1.5 million in relation to Panther evaluation, capital works, plant and equipment and TSF construction and planning
- Cash at the end of the Quarter was A\$15.36 million (A\$16.9 million on hand and 669 ozs of gold on hand and in transit as at 29 July 2020)

EXPLORATION

- Panther Mineral Resource Update
 - Total Mineral Resource 224,436 @ 1.36g/t for 9,814 Ounces including:
 - Indicated Mineral Resource 41,121 @ 1.94g/t for 2,565 Ounces
 - Inferred Mineral Resource 183,315 @ 1.23g/t for 7,249 Ounces

Beacon Minerals Limited (ASX:BCN) (Beacon or the Company) is pleased to present its Quarterly Activities Report for the period ended 30 June 2020.

OUTLOOK

- Beacon's cash production costs reduced this quarter and further reductions may be possible with lower reagent consumption and improved plant availability. Beacon continues to deliver as a low-cost gold producer.
- Beacon's exploration for the September 2020 quarter will include resource development drilling of Panel 4 and completion of sterilization drilling for a proposed Integrated Waste Landform (IWL) tailings storage facility (TSF).

BEACON MINERALS LIMITED ACN 119 611 559

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Jaurdi Gold Project

During the quarter the Jaurdi Gold Project produced 6,711 ozs* of gold. Production was lower in June 2020, with 1,894 ozs* of gold produced during the month, due to high moisture content in the clay ores and a partial mill reline.

The Company expects production from Jaurdi to be 6,400 to 6,800 ozs for the September 2020 quarter.

Production Update

Beacon is pleased to provide the production numbers for three full quarters of production at Jaurdi.

Quarter Ended	Gold Production Ounces (oz)
30 June 2020	6,711*
31 March 2020	6,905
31 December 2019	4,649

*Restated from the 16 July 2020 June Production. Previously reported 6,642 ozs for the gold produced for the quarter and 1,825 ozs for the month of June 2020.

Since its maiden gold pour in September 2019 the Company has generated \$41.0 million in cash receipts from the sale of 17,509 ounces at an average realised sale price of \$2,356/oz.

Quarter Ended	BCM's
30 June 2020	417,766
31 March 2020	405,617
31 December 2019 ⁽¹⁾	356,592

1. Mining ceased on 20 December 2019 for the Christmas break

Mining activities in Panel 1 were completed and the TSF commissioned. Mining continued in Panel 2 with one mining fleet. Panel 2 is now well advanced with 418k BCM of waste and 34kt ore tonnes mined.

There have been no COVID-19 related issues.

Mined Ore Stocks

At 30 June 2020 ore stockpiles were surveyed at 373,000 LCM containing approximately 24,000 ounces of gold.

Below are the highlights for the June 2020 quarter operations at Jaurdi.

Operation	Unit	December 2020 Qtr	March 2020 Qtr	June 2020 Qtr
Ore Mined	BCM	238,305	274,148	31,046
Waste Mined	BCM	118,287	131,469	386,655
Ore milled	DMT	119,009	124,685	138,192
Head grade	gpt	1.47	1.97	1.72
Tails grade	gpt	0.26	0.25	0.21
Recovered grade	gpt	1.21	1.72	1.51
Gold Produced	oz	4,649	6,905	6,711
Cost Summary				
Cash cost	\$/oz	1,139	1,080	998
Royalties	\$/oz	131	141	134
Total cash cost	\$/oz	1,270	1,221	1,132

Sales	Unit	December 2019 Qtr	March 2020 Qtr	June 2020 Qtr	Total December to June Quarters
Gold Sold	oz	4,594	5,033	6,730	16,357
Average Gold Sales Price	A\$/oz	\$2,176	\$2,346	\$2,486	\$2,365

Capital Expenditure for June 2020 Quarter	A\$'000
Panther evaluation	147
Lime silo and hopper/feeder	238
Capital works	252
Plant and Equipment	412
TSF Facility	506
Total	1,555

Beacon is continually reviewing operations and investing capital to maximise production and optimise operational costs. An additional lime silo was installed to provide redundancy during the local wet season. During the quarter Beacon completed capital upgrades on the feed end of the plant with a new feed hopper and belt feeder installed and commissioned.



Figure 1: Jaurdi Gold Project - Feed Hopper and Belt Feeder

Tailings Dam Update

Beacon advises that waste from Panel 1 and from Panel 2 has been used to form the embankment wall between Panel 2 and Panel 1. The establishment of the new in pit tailings dam was completed on 14 May 2020 and the Panel 1 mined area has been commissioned as a TSF (Figure 1).

The TSF wall has enabled mining to continue in Panel 2 whilst TSF Panel 1 is utilised as a tailings dam.

During the quarter Beacon commenced the design and approval process for:

- a new circular IWL facility 700 metres north of the Jaurdi Treatment Plant
- utilisation of the Panther pit when open pit mining is complete

Final future TSF facilities will comprise:

- New IWL circular tailings dam 700 metres north west of the treatment plant
- Lost Dog In-Pit TSF Panels 2 and 4 when mining is complete
- Panther In-Pit TSF when mining is complete

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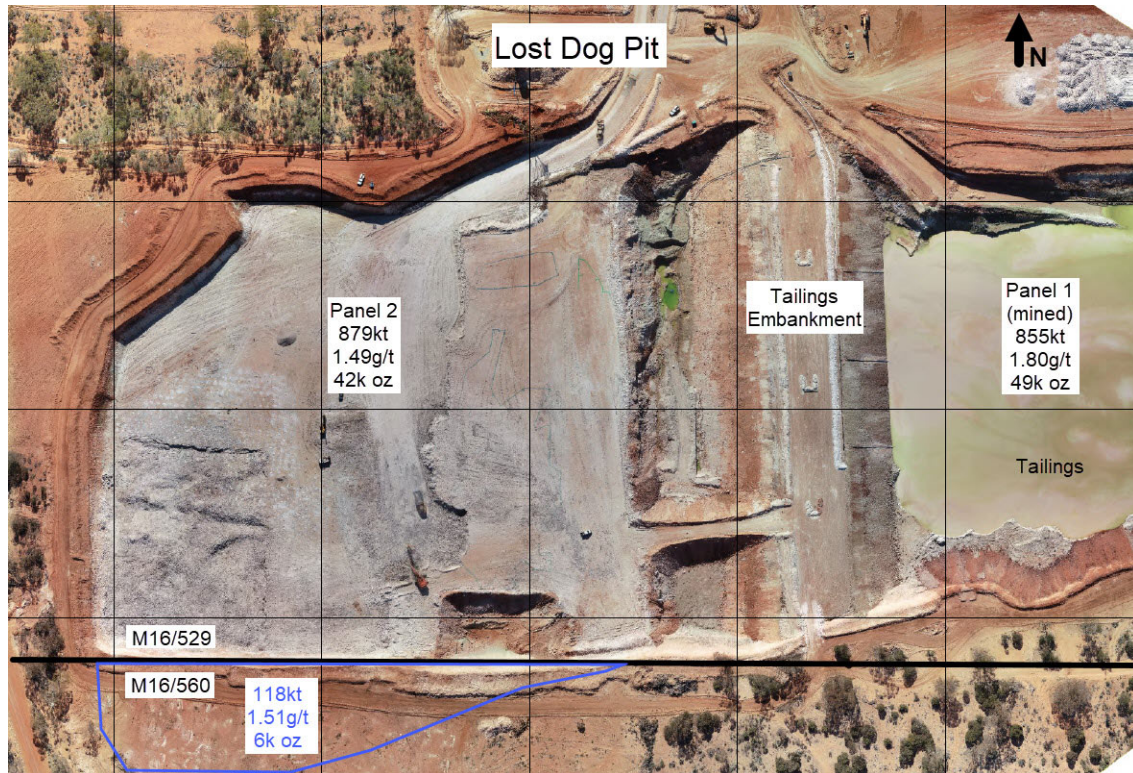


Figure 2 – Lost Dog Panel 1 and 2 from 1 July 2020

Forward Contracts

Beacon advises that gold will continue to be delivered into the hedge book as per the hedge schedule in Table 1:

Table 1: Hedging as at 30 June 2020

Month	Quantity oz	Price A\$/oz
July 2020	1,000	2,475
August 2020	1,000	2,475
September 2020	1,000	2,531
October 2020	1,000	2,528
November 2020	1,000	2,525
Total	5,000	2,507

The forward contracts provide a secure cash margin on a portion of Beacon’s 2020 gold production.



**Figure 3: Jaurdi Gold Project –
Additional Lime Silo**

EXPLORATION UPDATE

Planned Drilling 2020/2021

Drilling programs on 8 prospects located on Beacon owned tenements and the Transline optioned tenements (4 Prospecting Licenses) have been planned

The drilling programs comprise

- 11,000 metres of air core; and
- 3,000 metres of reverse circulation.

The exploration programs and resource definition (Black Cat South and the extension of the Lost Dog Orebody) will be conducted in a sequential manner funded from mine operating cash flow.

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Panther Mineral Resource Update

Subsequent to the quarter end the Company provided an updated Mineral Resource Estimate for the Panther Deposit.

- **Total Mineral Resource 224,436 @ 1.36g/t for 9,814 Ounces including:**
 - **Indicated Mineral Resource 41,121 @ 1.94g/t for 2,565 Ounces**
 - **Inferred Mineral Resource 183,315 @ 1.23g/t for 7,249 Ounces**

Beacon has completed an extensive 125-hole 3 phase RC drilling program at the Panther Deposit. A total of 7,700 meters was drilled to improve the geological and mineralogical understanding of the Panther Deposit.

The new Mineral Resource Estimate (MRE) for Panther includes

- Additional 125 RC drill holes for 7,700 metres from recent Beacon drilling; and
- Improved geological understanding from RC drilling and historical Pit mapping.

The updated MRE for Panther using lower cut grade of 0.6g/t gold for reporting is detailed in Table 2 below:

Classification	Tonnes	Au Cut	Ounces
Indicated	41,121	1.94	2,565
Inferred	183,315	1.23	7,249
Total	224,436	1.36	9,814

Table 2: July 2020 Mineral Resource Estimate

The classification for the Panther deposit has been defined by the increased geological understanding from recent RC drilling and the confidence in the continuity of mineralising features.

For further information in relation to the updated mineral resource estimate at Panther, please see ASX dated 13 July 2020 *"Panther Mineral Resource Update"*.

Panther Metallurgy

Metallurgical work done by ALS Metallurgy indicates recoveries of +95% can be expected from the Panther deposit.

Reagent consumptions are as expected for this ore type.

The Company will process the ore from the Panther deposit at the Jaurdi processing plant.

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The Company is now lodging the required documentation for the mining approvals from the Department of Mines and Petroleum to mine at Panther. Ultimately the Panther pit will be utilised as a tailings dam once mining has been completed.

CORPORATE UPDATE

Ordinary Shares on issue	2,864,279,343
Listed Options on issue	906,836,920
Unlisted Options on issue	20,000,000
Market capitalisation	\$108.8 million (0.038 share price)
Cash on hand (30 June)	\$15.36 million
Bullion on hand (30 June)	1,501 ozs
Debt (30 June)	\$18.0 million

Debentures

In October 2018 the Company issued \$18.0 million in debentures. The debentures on issue can be repaid from October 2020 which will be one year earlier than the due date.

Beacon is reviewing all options in relation to full or partial repayment of the debentures as it continues to review various development scenarios.

Board Update

Subsequent to quarter end the Company advised that Executive Chairman Mr Geoffrey Greenhill will not be seeking re-election at the 2020 Annual General Meeting⁽¹⁾. Mr Greenhill's retirement will be effective at the beginning of the Shareholder Meeting.

Mr Greenhill joined the Board in March 2012 and has been integral in the Company's success at the Halley's East Project and more recently the Jaurdi Gold Project.

Mr Greenhill has made a major contribution to Beacon during his time with Beacon as the Company has been transformed from an exploration company to a producer. Both the Halley's East Project and the Jaurdi Gold Project have added significant value for shareholders.

Following Mr Greenhill's retirement Mr Graham McGarry will be appointed Executive Chairman and Mr Alexander McCulloch will be appointed Managing Director of Beacon.

The Company was also pleased to announce the appointment of Mr Rodney Johns as a Non-Executive Director of Beacon.

Mr Johns is a Senior Mining Industry Professional with a background in technical expertise, operations management and company development. Mr Johns' graduated from the Western Australian School of Mines specialising in metallurgy in 1988. He is currently contracted as an operational and management consultant with Rand Mining and Tribune Resources, overseeing their Australian operations, projects in Ghana and the Philippines.

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Prior to this Mr Johns was COO for Echo Resources from November 2016 to July 2018 and previously General Manager/Director of La Mancha Resources Australia from 2009 to 2015.

(1) The date of Beacon’s 2020 Annual General Meeting is to be advised.

CAPITAL STRUCTURE

As at the date of this report the Company has the following capital structure:

Fully Paid Ordinary Shares (BCN)	2,864,279,343
Listed Options ex. \$0.025 on or before 1 August 2022	906,836,920
Unlisted Options ex. \$0.025 on or before 1 August 2021	20,000,000

Authorised for release by the Board of Beacon Minerals Limited.

For more information contact:

Geoff Greenhill
Executive Chairman
Beacon Minerals Ltd
M: 0419 991 713

Graham McGarry
Managing Director
Beacon Minerals Ltd
M: 0409 589 584

Alex McCulloch
Executive Director
Beacon Minerals Ltd

Competent Person Statement – Exploration Results

The information in this report that relates to the Panther Mineral Resource Estimate has been compiled by Mr Andrew Bewsher, a full-time employee of BM Geological Services. Mr Bewsher is a Member of the Australian Institute of Geoscientists. Mr Bewsher has been engaged as a consultant by Beacon Minerals Limited. Mr Bewsher 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 Bewsher 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 report which are available on the Company’s website at www.beaconminerals.com.au:

- 13 July 2020 Panther Mineral Resource Update

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the original market announcement and that no 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 announcement.

SCHEDULE OF MINERAL TENEMENT INTERESTS

Beacon Minerals Limited provides the following schedule of mineral tenement interests held by the Company for the quarter ended 30 June 2020 as required by ASX Listing Rule 5.3.

Beacon Minerals Limited Mineral Tenement interest as at 30 June 2020;

TENEMENT	PROJECT/LOCATION	INTEREST AT THE BEGINNING OF THE QUARTER	INTEREST AT THE END OF THE QUARTER
	Jaurdi Gold Project		
M16/0529	Jaurdi, Coolgardie	100%	100%
M16/0034	Jaurdi, Coolgardie	100%	100%
M16/0115	Jaurdi, Coolgardie	100%	100%
M16/0365	Jaurdi, Coolgardie	100%	100%
M16/0560	Jaurdi, Coolgardie	0%	100%
P16/2925	Jaurdi, Coolgardie	100%	100%
P16/2926	Jaurdi, Coolgardie	100%	100%
L16/0120	Jaurdi, Coolgardie	100%	100%
L16/0122	Jaurdi, Coolgardie	100%	100%
E16/0469 ⁽¹⁾	Jaurdi, Coolgardie	100%	100%
E15/1582	Jaurdi, Coolgardie	100%	100%
E31/1039 ⁽²⁾	Yerilla, North Coolgardie	0%	0%
P25/2555 ⁽³⁾	Transline	100%	100%
P25/2556 ⁽³⁾	Transline	100%	100%
P25/2557 ⁽³⁾	Transline	100%	100%
P25/2558 ⁽³⁾	Transline	100%	100%

1. Beacon has executed an Option to Purchase Agreement with Mr Steven Argus and Zephyr Mining Pty Ltd, the holder of licence E16/469.
2. Beacon has executed an Option to Purchase Agreement with Diana and Lindsay Stockdale the holders of the Kookynie Exploration Licence E31/0139. The option in relation to this agreement has not been exercised.
3. Beacon has executed an Option to Purchase Agreement with Roger and Michael Lindsay, the holders of the 4 Prospecting Licences.

APPENDIX 5B

Beacon Minerals Limited provides the following information in relation to payments to related parties and their associates, as required by 6.1 and 6.2 of the 30 June 2020 quarterly activity report.

McVerde Minerals Pty Ltd, of which Graham McGarry and Geoffrey Greenhill are directors, provided equipment hire to the Company on ordinary commercial terms. Amounts that have been paid or payable for the quarter ended 30 June 2020 total \$851,715.

Mangelsdorf Engineering Pty Ltd, of which Graham McGarry and Geoffrey Greenhill are directors, provided manufacturing and repairs to equipment and general engineering maintenance to the Company on ordinary commercial terms. Amounts that have been paid or payable for the quarter ended 30 June 2020 total \$17,403.

Kinetiq Solutions Pty Ltd, a Company of which Geoffrey Greenhill's son has an interest in, provided electrical services to the Company on ordinary commercial terms. Amounts that have been paid or payable for the quarter ended 30 June 2020 total \$101,971.

In October 2018 Directors' Graham McGarry and Geoffrey Greenhill participated in the Company's \$18.0 million debenture issue. Shareholder approval was sought and received on 4 October 2018.

During the quarter ended 30 June 2020 interest was paid on the debentures, a total of \$105,090 was paid to Mr McGarry and Mr Greenhill.

During the quarter ended 30 June 2020 a total of \$136,874 was paid to the Directors of the Company as remuneration.

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

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- 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.