

ASX ANNOUNCEMENT

5 July 2019

COMMISSIONING ON TRACK FOR AUSTRALIA'S NEXT GOLD PRODUCER

HIGHLIGHTS

- Commissioning is progressing well and as planned at the Jaurdi Gold Project
- The 6MW power station has been commissioned and is now supplying base load power to the mill
- Plant compressor has been installed and testing commenced
- Raw water and process water dam and associated infrastructure installed and commissioned with 3 bores providing process water to the raw water dam
- Process slurry pump gland water circuit has been installed
- Tailings line to the Black Cat Tailings Storage Facility has been constructed and is being tested
- Commissioning and production ramp up phase expected to continue through until August/September 2019
- Full production expected to be reached in Q4 2019 for an initial target throughput of 500,000tpa and circa 25,000 ounces of gold recovered per annum
- PFS Results indicate forecast Life of Mine (LOM) revenue of \$208.5 million and surplus operating cash flow of \$98.4 million at a AUD\$1,650 gold price (versus current spot price of > AU\$2,000) with circa \$17 million of applicable Australian carried forward tax losses

Beacon Minerals Limited (ASX: BCN) is pleased to provide an update on the commissioning phase at the Company's 100% owned Jaurdi Gold Project, located circa 35kms northwest of Coolgardie.

As previously announced commissioning commenced on 20 June 2019 and will progressively ramp up towards full production expected in Q4 2019. Commissioning is progressing very well and according to plan and Beacon wishes to advise of the recent developments in the past two weeks.

Plant Commissioning:

- The 6MW power station comprising 8 generating sets has been commissioned and is supplying base load power to the milling area for the ongoing commissioning;
- Power has been reticulated to high and low voltage transformers and MCC cabinets;
- Plant compressor installed, air lines have been installed and testing has commenced;
- Engineers have commenced installation of the SCADA plant control system (Citect);
- Raw water and process water dam constructed, associated infrastructure is installed and commissioned;
- Process slurry pump gland water circuit installed;
- Tailings pipe line to the Black Cat Tailings Storage Facility has been constructed and pressure testing has commenced;
- Potable water and safety shower circuit installed; and
- 3 bores have been equipped and are providing raw water to the process dam.

Wet Commissioning of the Plant is expected to commence in the coming days and the Company will continue to keep the market informed of progress.

BEACON MINERALS LIMITED ACN 119 611 559

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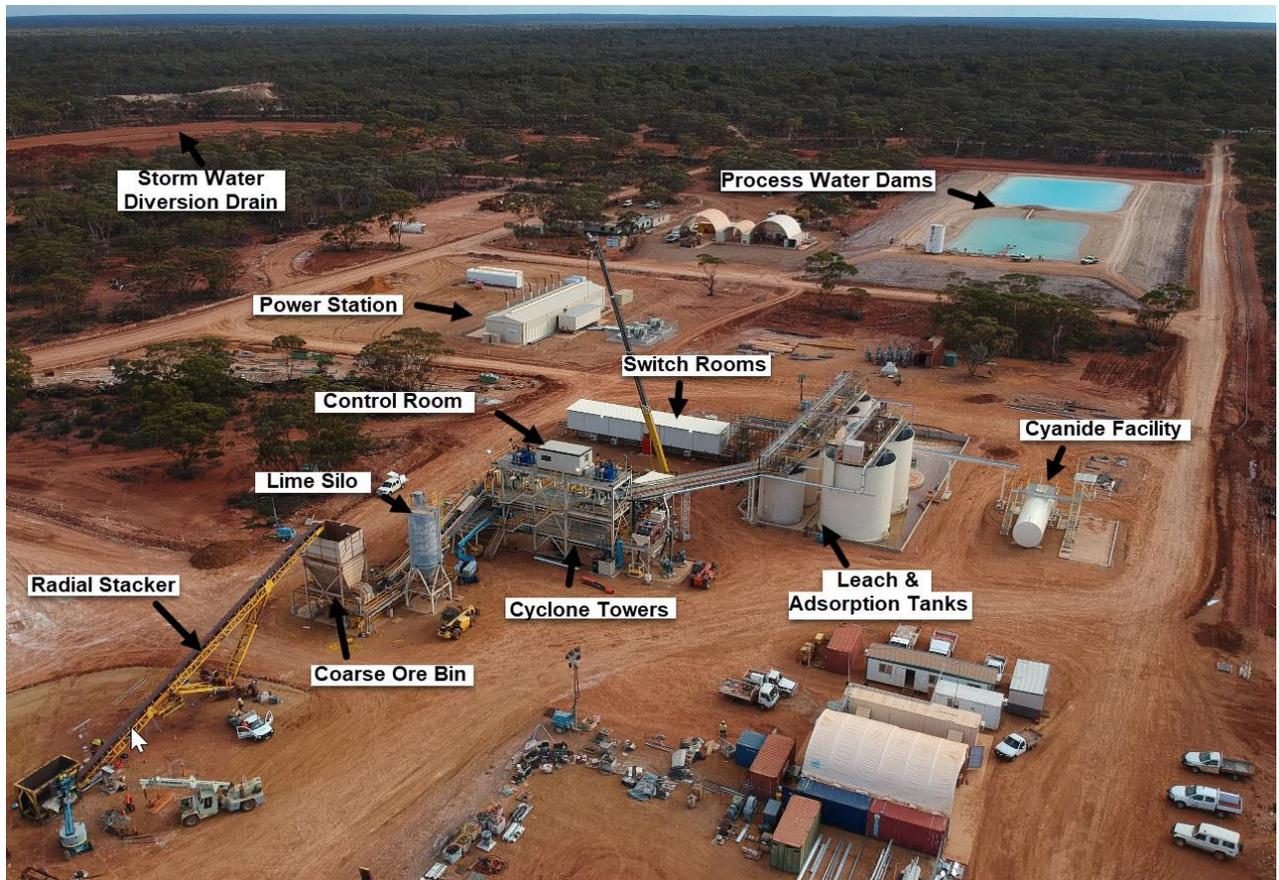


Figure 1: Jaurdi Gold Project – 4 July 2019

Managing Director Graham McGarry said:

“The on-going progress at Jaurdi is on track for full production which is expected in Q4 2019.

“The Australian dollar gold price is currently in excess of AU\$2,000 per ounce, when compared to the gold price of \$1,650 per ounce used for the PFS, is very positive for the Project and will only increase the Company’s success and Shareholder value.”

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\$2,000/oz (refer to PFS announcement dated 29 August 2018).

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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 exploration results included in any original market announcements referred to in this report 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 announcements.

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.

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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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