

27 April 2012

BEACON MINERALS LTD

MARCH 2012 QUARTERLY ACTIVITIES AND CASHFLOW REPORT

Highlights

- **Barlee Sale Agreement with Ramelius executed**
- **Commencement of field work on the Barlee Gold Project**
- **Shareholders vote against the sale of Barlee to Ramelius**
- **Withdrawal from negotiations to acquire assets in the African Region**
- **Board Changes**

BARLEE GOLD PROJECT

Sale Agreement with Ramelius

Beacon Minerals Limited ("Beacon" or "Company") announced on the 2 February 2012 that it had signed a sale agreement with Ramelius Resources Limited (Ramelius) to sell its 80% interest in the Barlee Gold Project ML77/1254. The sale agreement was subject to approval by shareholders at a General Meeting to be held on 12 March 2012.

Consideration for the sale of the Barlee Gold Project ML77/1254 to Ramelius was;

- Payment of \$4 million cash representing reimbursement of exploration expenditure;
- Royalty of \$80 per ounce for gold produced from 1 to 40,000oz from ML77/1254; and
- Additional royalties payable for production above 40,000oz.

At the General Meeting on 12 March 2012, held to decide the outcome of the sale of the Barlee Gold Project ML77/1254 to Ramelius, shareholders voted against the sale. 284,780,610 shares voted against the sale and 192,789,931 for the sale.

Shareholder approval was required as a condition precedent under the terms of the sale agreement with Ramelius for the sale to be completed.

Review of Options for Progressing the Barlee Gold Project

The Beacon Board has had initial meetings with three prospective parties for the development of the Halleys East deposit and will continue to explore any further alternative options to bring the Barlee Gold Project into production.

Mining Proposal to Department of Mines and Petroleum (DMP)

The DMP have reviewed the Mining Proposal submitted by the Company and requested that further information be provided to them including a mine closure plan, further geotechnical studies and a proposal for the management of the mine water during mining. These outstanding issues are currently being attended to.

Commencement of Field Work

During the quarter fieldwork commenced on the Barlee Gold Project aimed at preliminary geochemical and access assessment for the proposed exploration program on targets defined by a previously completed independent geological review.

The focus of the field work was to evaluate the revised target areas identified in the independent geological review carried out late last year.

AFRICAN REGIONAL ASSETS

Withdrawal from Previously Announced Negotiations

The Board advised ASX on the 5 April 2012 that it had withdrawn from the previously announced negotiations to acquire assets in the "African region."

The Board of Directors reviewed the available information, and taking into consideration Beacon's renewed focus on the Barlee Gold Project, the Board determined not to proceed with this transaction.

Beacon confirms its intention to continue to pursue opportunities in the minerals sector in Australia and elsewhere, taking into account the geological and economic merits of any opportunities presented.

CORPORATE

Board Changes

During the quarter the Company received a Section 249D notice requesting that the Company convene a meeting of shareholders to remove Mr Paul Lloyd, Mr Darryl Harris and Mr Matthew Egan as Directors of the Company and appoint Mr Graham McGarry, Mr Geoffrey Greenhill and Mr Marcus Michael as Directors of the Company.

The Company announced on the 19 March 2012 that Paul Lloyd, Darryl Harris and Matthew Egan had resigned as Directors of the Company and that Paul Lloyd had also resigned as the Company Secretary.

Graham McGarry, Geoff Greenhill and Marcus Michael were appointed as the Directors of the Company and Sarah Shipway was appointed as Company Secretary.

The 249D notice was withdrawn on the 19 March 2012 following the appointment of the three nominee Directors eliminating the need for the shareholders meeting on 27 March 2012.

For further information please contact;

Marcus Michael
Executive Director
Beacon Minerals Limited
M: 0418 908 091

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Beacon Minerals Limited

ABN

64 119 611 559

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(150)	(399)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(264)	(768)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	6	42
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - GST	21	21
	Net Operating Cash Flows	(387)	(1,104)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(2)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	(2)
1.13	Total operating and investing cash flows (carried forward)	(387)	(1,106)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(387)	(1,106)
1.20	Cash at beginning of quarter/year to date	1,001	1,720
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	614	614

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	146
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	\$
Directors fees	146

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	-
4.3 Production	-
4.4 Administration	50
Total	200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	48	38
5.2 Deposits at call	566	963
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	614	1,001

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2	Interests in mining tenements acquired or increased	N/A			
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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	*Ordinary securities	995,073,426	995,073,426	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	*Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	150,000	-	<i>Exercise price</i> 0.27	<i>Expiry date</i> 1 August 2012
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-

+ See chapter 19 for defined terms.

7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Marcus Michael

Date: 27 April 2012

Print name: Marcus Michael

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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