



ANNUAL REPORT 2021

CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Graham McGarry – Executive Chairman/MD
 Geoffrey Greenhill – Non-Executive Director
 Sarah Shipway – Non-Executive Director
 Jason Bontempo – Non-Executive Director

COMPANY SECRETARY

Sarah Shipway

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SECURITIES EXCHANGE CODES

BCN – Ordinary Shares
 BCNOB – Listed Options

SHARE REGISTRY

Automic Group
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 PERTH WA 6000

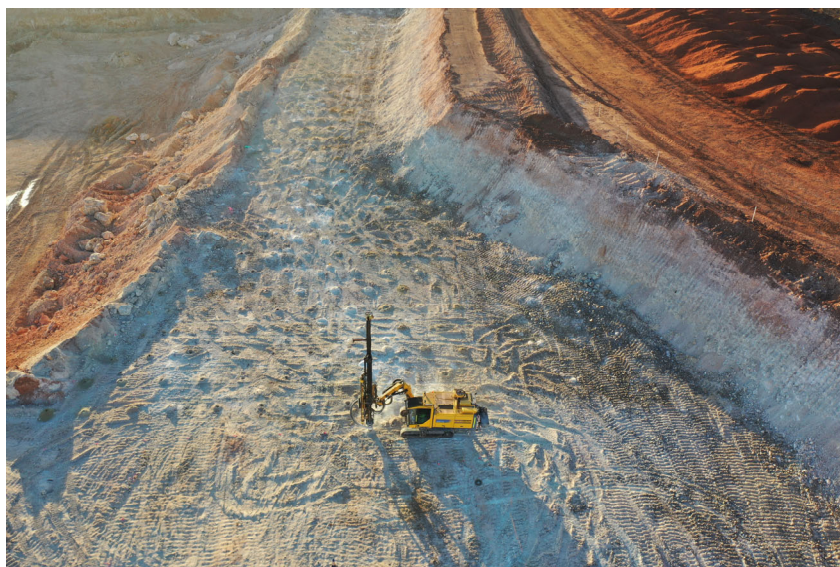
P: 1300 288 664

AUDITORS

William Buck Audit (WA) Pty Ltd

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Dear Fellow Shareholder

On behalf of the Board of Directors, I am pleased to present the Beacon Minerals Limited ("Beacon" or "the Company") Annual Report for the financial year ended 30 June 2021.

This year's Annual Report demonstrates the success Beacon has had over the last 12 months and is further highlighted with the payment of a \$0.007 per share dividend:

- *Interim dividend of \$0.002 per share*
- *Special dividend of \$0.005 per share*

The special dividend was made possible by achieving:

- *Gold price in excess of our original base case;*
- *Out performance of the Jaurdi mill in both throughput and gold recoveries; and*
- *Operating costs close to the PFS estimates*

Construction commenced in September 2018 and to date Beacon has recorded a no lost time incident safety performance, a credit to the team at the Jaurdi site. The site team have contributed significantly to the out performance of the mine.

The Company will continue to pursue exploration efforts in the coming year to increase the mine life at Jaurdi, the Company has post year end acquired the MacPhersons Reward Project with the objective of increasing mine life.

Beacon's proven track record of turning exploration projects into viable and profitable gold producing assets sets the Company apart and also positions it well for future growth. Beacon is in a very strong position with ongoing dedication from its Board, management and employees to continue to grow and provide benefits for all shareholders.

I would like to take this opportunity to thank all employees, contractors and consultants who have contributed to the Jaurdi Gold Project and production performance.

On behalf of my fellow Directors, we thank you, the shareholders, for your support and look forward to another exciting year ahead.



Graham McGarry
Executive Chairman/Managing Director

Beacon Minerals Limited (ASX:BCN) (Beacon or Company) is pleased to present its review of operations for the year ended 30 June 2021.

HIGHLIGHTS

PRODUCTION

- Gold production at Jaurdi for the year was 30,095 ounces
- Beacon had cash of \$22.04 million and 641 ozs of gold on hand at 30 June 2021
- Ore stockpiles at 30 June 2021 were 445,000 LCM, containing 22,600 ounces of gold

EXPLORATION

- 38,600 metres of exploration drilling completed during the year
- Successful target generation at Big Cat and Lynx greenfield targets
- Resource replacement of mined material,
 - Total mineral resource estimate of 156,000 ounces
- Airborne Magnetic survey completed over Jaurdi Hills area

CORPORATE

- Repayment of \$18.0m in debentures one year ahead of the due date. On repayment the Company was debt free
- \$18.0 million raised via the exercise of options
- Dividend payment totalling \$0.007 per share:
 - Interim dividend of \$0.002 per share
 - Special dividend of \$0.005 per share
- 9,000 ounce forward gold contracts entered into during the year
- Appointment of Jason Bontempo as Non-Executive Director

Jaurdi Gold Project

During the year the Jaurdi Gold Project produced 30,095 ozs of gold.

PRODUCTION SUMMARY**Mined Ore Stocks**

At 30 June 2021 ore stockpiles were surveyed at 445,000 LCM containing approximately 22,600 ounces of gold.

Mining activities occurred in Lost Dog Panel 2 (LDP2) and a cutback of the Panther pit during the year. Mining in LDP2 was from July to November and second period between March to June. The Panther cutback was mined from November through to early March.



Figure 1: Panther Pit on 2 March 2021



Figure 2 – Lost Dog Panel 1 and 2 on 31 July 2021

Below are the highlights for the four quarters of production at Jaurdi.

Operation	Unit	Sep-20 Qtr	Dec-20 Qtr	Mar-21 Qtr	Jun-21 Qtr
Ore Mined	BCM	219,000	109,000	78,000	127,000
Waste Mined	BCM	146,000	259,000	301,000	136,000
Total Mined	BCN	365,000	368,000	379,000	263,000
Ore milled	DMT	129,784	139,530	145,278	158,861
Head grade	gpt	2.00	1.95	1.94	1.57
Tails grade	gpt	0.22	0.20	0.24	0.23
Recovered grade	gpt	1.78	1.75	1.70	1.34
Gold Produced	oz	7,453	7,870	7,926	6,846

Beacon is continually reviewing operations and investing capital to maximise production and optimise operational costs. Major expenditure throughout the year were Mobile Crushing and Screening plant, Gravity Circuit components, Motor Vehicles and costs associated with Tailings Dam construction.

Tailings Dam Update

Beacon has completed the design phase and awaiting DMIRS approval for:

- a new circular above ground TSF facility 700 metres north of the Jaurdi Treatment Plant
- utilisation of the Panther Pit, Black Cat Pit and Lost Dog Panel 1 as TSF's is ongoing

Final future TSF will comprise:

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

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 2021

Month	Quantity oz	Price A\$/oz
July 2021	1,500	2,423
August 2021	1,500	2,419
September 2021	1,500	2,416
October 2021	1,500	2,414
November 2021	1,500	2,407
Total	7,500	2,416

The forward contracts provide a secure cash margin on a portion of Beacon's 2021 gold production.

EXPLORATION

Exploration activities and expenditure during FY21 increased from the previous financial year primarily due to the positive cashflow generated from mining operations. Exploration activities were focused on extending current resources as well as generating new greenfield targets at the Jaurdi Gold Project.

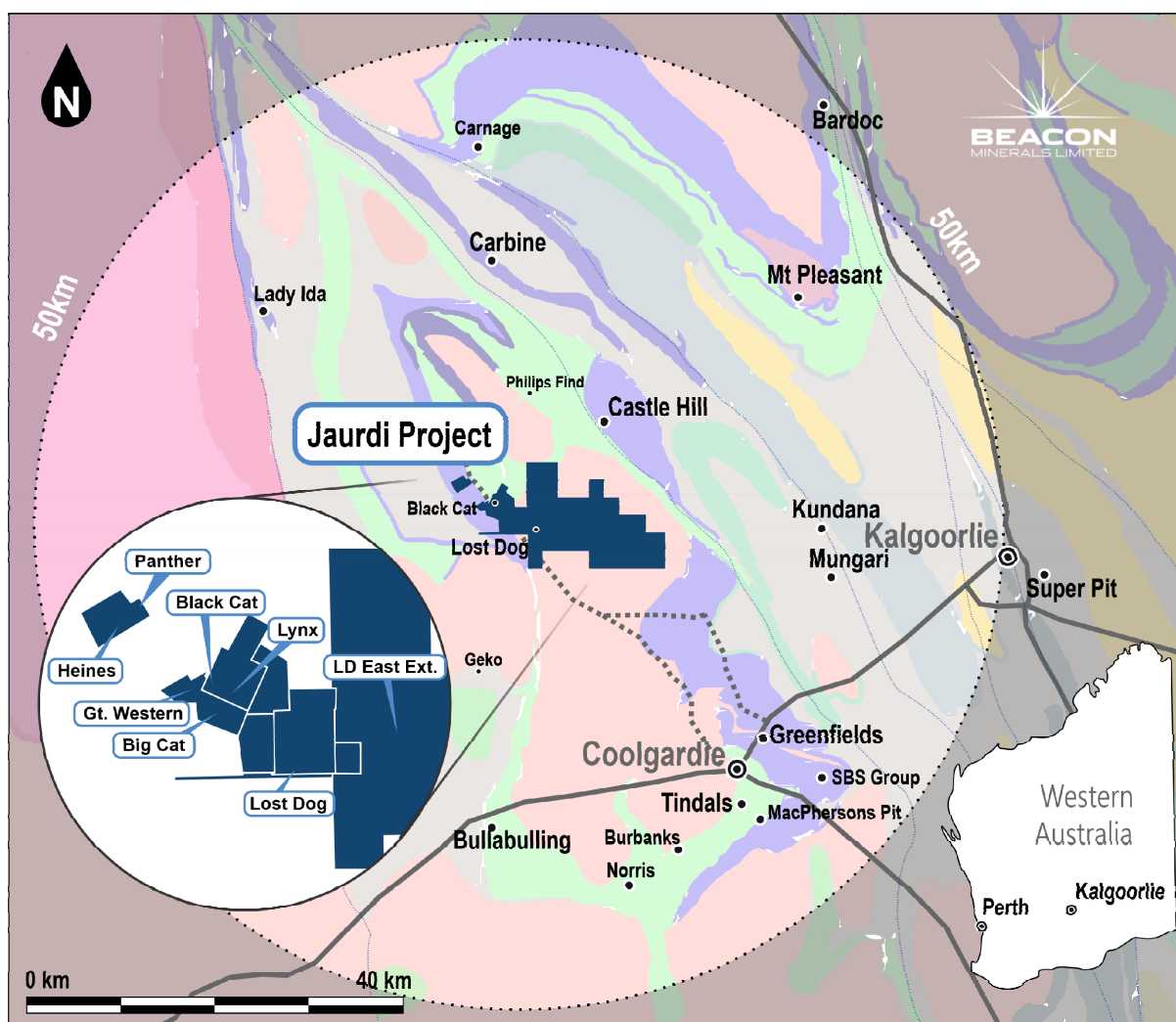


Figure 3 – Jaurdi Gold Project location map.

The immediate Lost Dog Pit area has now been sufficiently defined for mine design and exploration within the palaeochannel, mineralisation now extends further ‘up and down stream’.

Early exploration at Black Cat has been successful for target generation, defining several regolith anomalies including Big Cat, Lynx and Lynx South. These identified targets present a significant opportunity to realise further economic mineralisation in the area. Follow up aircore drilling and RC drilling commenced at the end of the financial year and these projects will be further advanced in FY22. Drilling at Black Cat South has aided the April 2021 resource update for Black Cat.

Other work has been completed outside of the two main project areas. At Panther, mining has assisted with the geological understanding of the ultramafic hosted ore loads. This understanding will now be applied to exploration at the adjacent Heine’s prospect and Panther North prospects. Drilling was completed at Min-Min Light and Trans-line external prospects, however drilling results did not support further work.

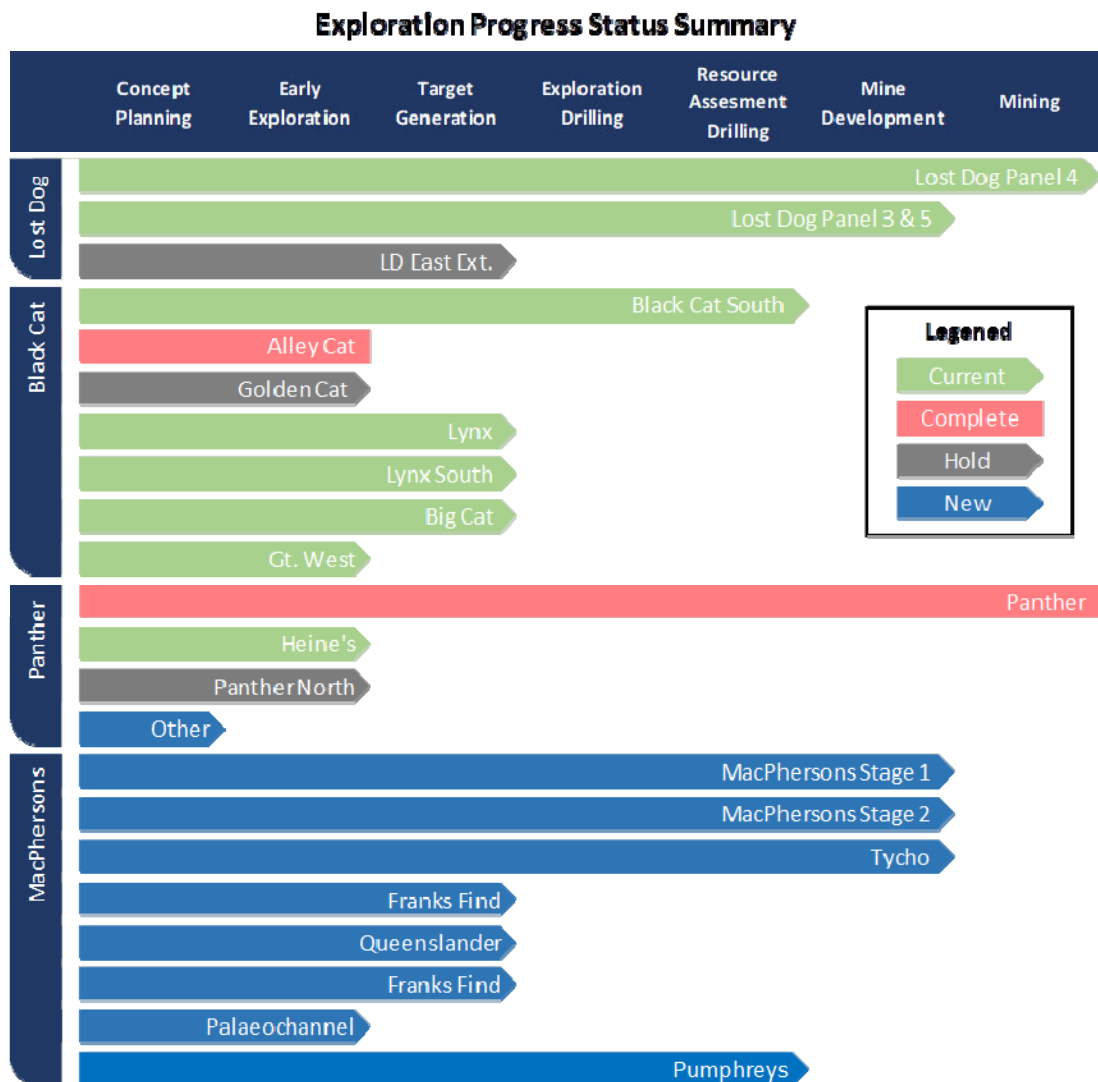


Figure 4 – Summary of exploration progress at the end of FY21.

Exploration drilling completed was mainly early-stage aircore to generate greenfield targets at Lost Dog and Black Cat. Early exploration aircore drilling made up 73% of the total drilling for the year. This methodology was successful in generating several exploration targets. Resource definition work continued at Black Cat and Lost Dog to meet resource and mining requirements.

Purpose	Type	Holes	Metre
EXP	AC	614	28,163
EXP	RC	40	2,893
RD	AC	117	4,063
RD	RC	58	3,485
Total	-	829	38,604

Table 2 – Exploration Drilling for FY21

A total of \$2.68m was spent on exploration during the financial year of which \$1.15m was expended on acquisition costs. The remaining \$1.53m was expended directly on exploration of which 80% was expended directly on drilling. Taking into consideration the metres drilled, exceptional value was achieved for the area covered and targets generated. There were many assays outstanding at the end of the year, of which costs have not yet been accounted for.

Exploration Costs FY21

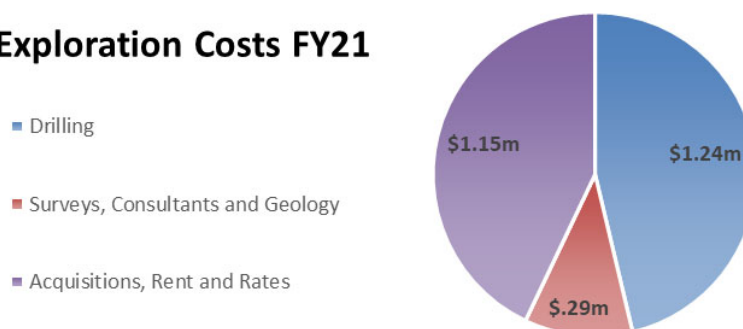


Figure 5 – Exploration expenditure FY21

At Big Cat, anomalous gold values in regolith have been identified over several hundred metres. Insitu grades include 6m @ 9.96 g/t from 58m in hole JD21B004. At Lynx South, 12m @ 1.66g/t was intercepted from 76m in hole LS21RC001. This was the first RC hole drilled into the Lynx South Target. Further details of recent exploration results can be located in Beacon's ASX release titled "*July Exploration Update*" from the 8 July 2021.

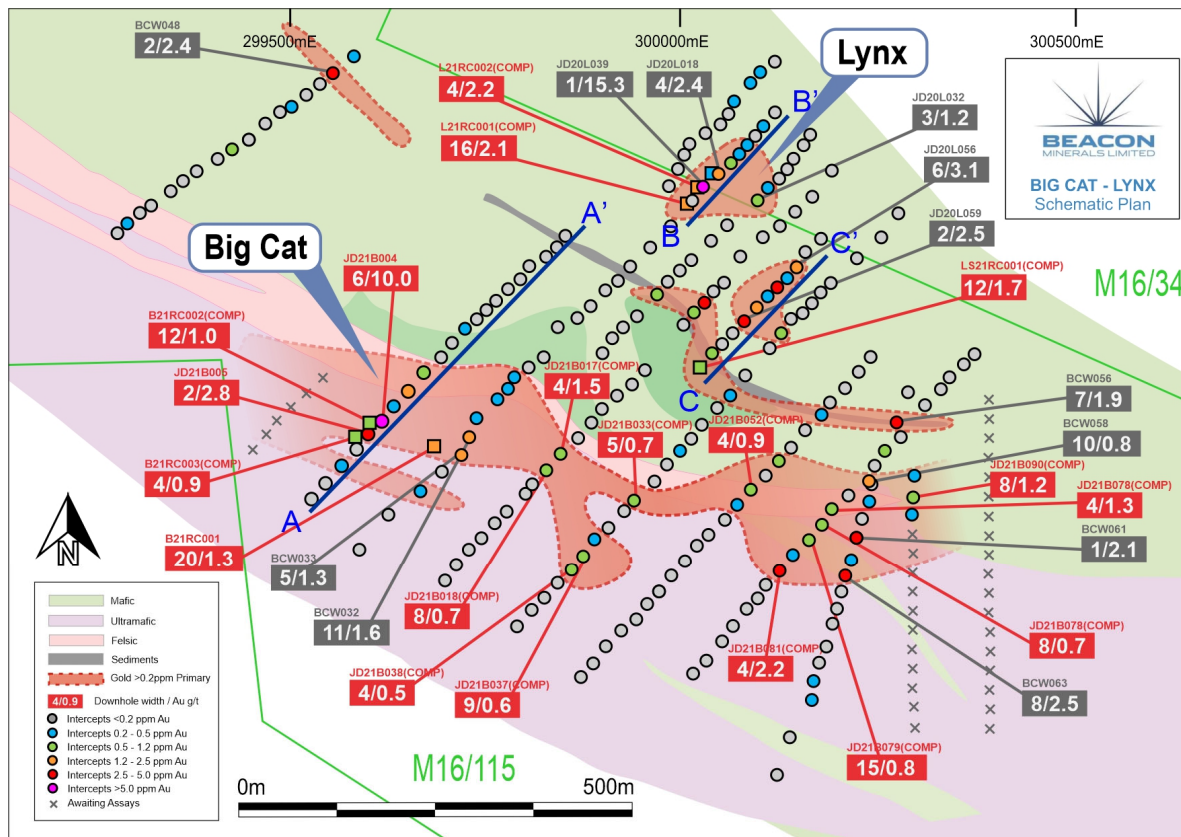


Figure 6 – Big Cat and Lynx exploration plan section

RESOURCES

Beacon updated its global resource estimations at the end of April 2021.

- The Lost Dog resource estimate was completed in April 2021. Overall, there was a reduction of 6k ounces from the previous year after an estimated 28k ounces was mined from the Open Pit.
- The Black Cat resource estimate was updated following resource definition drilling during the year. The total resource increased by 9k ounces to 31k ounces.
- The Panther resource was removed from calculations due to the remainder of the known resource being sterilised by the tails storage facility. This is a reduction of 7.5k ounces after the mining of an estimated 2.5k ounces.

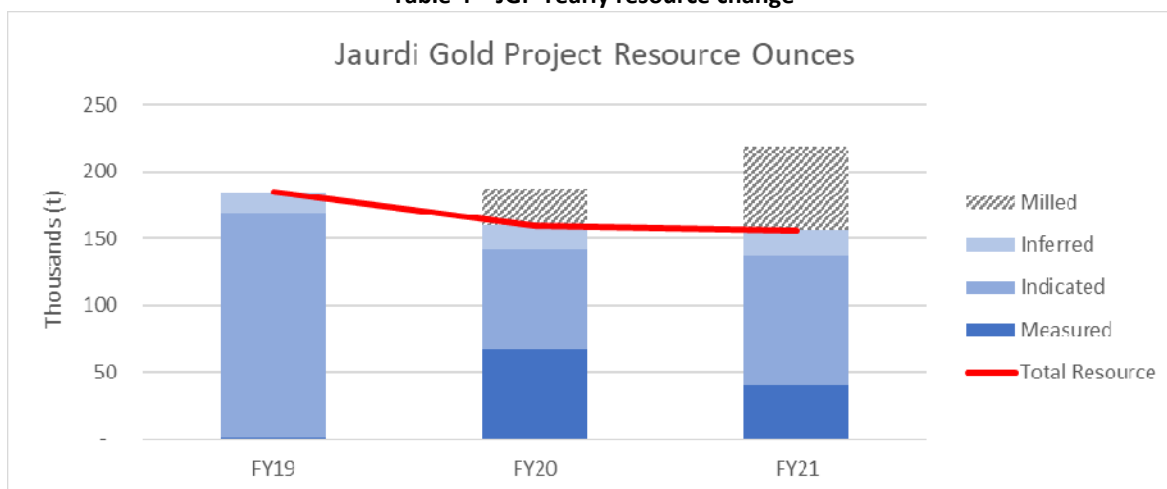
Table 3 – JGP Mineral Resource Estimate April 2021

BEACON MINERALS LIMITED												
Mineral Resource Estimate - Rounded for Reporting												
30/04/2021												
Project	Measured			Indicated			Inferred			Total		
	Tonnes ('000s)	Grade (g/t)	Ounces ('000s)	Tonnes ('000s)	Grade (g/t)	Ounces ('000s)	Tonnes ('000s)	Grade (g/t)	Ounces ('000s)	Tonnes ('000s)	Grade (g/t)	Ounces ('000s)
Lost Dog	249	1.69	14	1,723	1.40	78	275	0.86	8	2,247	1.37	99
Black Cat	-	-	-	418	1.52	20	292	1.12	10	711	1.35	31
Stockpiles	701	1.18	27	-	-	-	-	-	-	701	1.18	27
Total	950	1.31	40	2,141	1.42	98	567	0.99	18	3,658	1.33	156

For further information in relation to the resource estimates at Lost Dog, Panther, Black Cat and Stockpiles please see ASX release “June 2021 Quarterly Activities Report” dated 30 July 2021.

Total resource ounces have been maintained year on year despite the first full year of milling. Replacing and extending current resource inventory will be a priority for FY22.

Table 4 – JGP Yearly resource change



ACQUISITION OF TENEMENTS

On 31 March 2020 the Company executed an exclusive option to purchase Prospecting Licences P25/2555, P25/2556, P25/2557 and P25/2558 held by RM & MA Lindsay. An aircore drilling program conducted in January 2021 failed to delineate any significant mineralisation below the surface geochemical expression. It was decided that further work was not warranted, and the option agreement was subsequently forfeited.

On 15 March 2021, the Company executed an exclusive option to purchase Mining Leases M16/9 and M16/274 held by Robert Brown and Dylan Wildy. An RC drilling program in May 2021 failed to delineate any mineralisation that warranted further work, the option agreement was subsequently forfeited.

Subsequent to the year end the Company acquired all of the shares in MacPhersons Reward Pty Ltd, which holds the MacPhersons Reward Project. The Project is located 45km southeast of the Company’s Jaurdi Gold Project and 5km southeast of the Coolgardie township. The acquisition of MacPhersons Reward represents an important strategic opportunity for Beacon to optimise the value of its existing infrastructure and capture significant operational synergies.

The MacPhersons Reward Project consists of:

- Six granted mining leases.
- Two pending mining leases.
- Nine prospecting licences (One pending extension)
- Three miscellaneous licences.

The consideration for the acquisition is A\$14.0 million in cash. This was paid on 23 August 2021 on completion of the transaction. Execution of the share sale agreement and completion of the Acquisition occurred simultaneously with the consideration for the Acquisition being funded from the Company’s current cash reserves.

For further details please see ASX release 24 August 2021 “Beacon Acquires MacPhersons Reward Project”.

CORPORATE UPDATE

Repayment of Debentures

In October 2018 the Company issued \$18.0 million in debentures. Under the terms of the debentures the Company could at any time after 24 months from the date of issue repay some or all of the principal sum outstanding.

The Company was pleased to advise on 12 October 2020 that it had repaid the \$18.0m in debentures, one year ahead of the repayment due date.

After the repayment the Company had no debentures on issue and was debt free.

Beacon Dividend Payment

The Board of Beacon Minerals announced on 12 February 2021 that the Company would pay a dividend totalling \$0.007 per share:

- Interim dividend of \$0.002 per share
- Special dividend of \$0.005 per share

The special dividend was made possible by achieving:

- gold price per oz received in excess of our original base case;
- out performance of the Jaurdi mill throughput and gold recoveries; and
- operating costs close to the original PFS estimates.

Capital management and final dividend for the 2021 year will be addressed in the second half of the 2021 calendar year.

A total of \$26.71 million was paid in relation to the dividend payment.

Exercise of Options

During the year a total of \$18.0 million was raised via the exercise of the below options:

- 700,946,802 Listed Options exercisable at \$0.025 on or before 17 August 2022; and
- 20,000,000 Unlisted Options exercisable at \$0.025 on or before 1 August 2021.

Those option holders who exercised their options before 15 March 2021 were entitled to receive the Beacon \$0.007 per share dividend.

Board Update

On 10 November 2020 the Company announced the appointment of Jason Bontempo as a Non-Executive Director of the Company.

Mr Bontempo has 22 years' experience in public company management, corporate advisory, investment banking and public company accounting, since qualifying as a chartered accountant with Ernst & Young. Mr Bontempo has worked primarily serving on the board and the executive management of minerals and resources public companies focusing on advancing, financing and developing mineral resource assets and

business development. Mr Bontempo also provides corporate advice services for the financing of resource companies across multiple capital markets and resource asset acquisitions and divestments.

Beacon further advised that Mr Geoffrey Greenhill would remain on the Board of the Company as a Non-Executive Director.

The Company further advised that both Mr Alexander McCulloch and Mr Rodney Johns had resigned from the Board of Directors to focus on other commitments.

Competent Person Statement – Jaurdi Gold Project

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.

Competent Person Statement – Exploration Results and Targets

The information in this report that relates to the Jaurdi Gold Project has been compiled by Mr Zane Padman, a full-time employee of Beacon Minerals. Mr Padman is a Member of the Australian Institute of Mining and Metallurgy. Mr Padman 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 Padman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

- 13 July 2020 “Panther Mineral Resource Update”
- 30 July 2021 “June 2021 Quarterly Activities Report”

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 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 Report 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 Report.

This Report contains summary information about Beacon, its subsidiaries and their activities which is current as at the date of this Report. The information in this Report 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 Report 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 Report 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 Report are accurate, the information provided in this Report has not been independently verified.

The Directors of Beacon Minerals Limited ("Beacon" or "the Company") submit herewith the annual financial report of Beacon Minerals Limited and its subsidiaries ("the Group") for the period 1 July 2020 to 30 June 2021. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report is as follows:

DIRECTORS

The names and particulars of the directors of the Group during the financial year and as at the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Graham McGarry CPA, CD
Executive Chairman/Managing Director
Appointed 19 March 2012

Graham McGarry is an experienced and seasoned 'hands on' miner, with a track record in turning early-stage projects into viable and attractive investment propositions. Mr McGarry spent eight years with Amalg Resources NL as Managing Director and was responsible for the development of the Eloise Copper Mine in Queensland from 'bare paddock' to an underground mine producing 500,000 tpa of copper/gold ore. Mr McGarry has developed numerous successful mining projects across Australia.

During the past three years he has not served as a director of any other public company.

Geoffrey Greenhill AWASM, MAusIMM
Non-Executive Director
Appointed 19 March 2012

Geoffrey Greenhill graduated from the Western Australian School of Mines obtaining an Associateship in Metallurgy in 1973. Mr Greenhill has held various senior metallurgical roles and has designed and commissioned ore processing facilities across Australia. He is highly respected within the mining industry and has a strong track record in creating shareholder value. Mr Greenhill and Mr McGarry have been business partners for over 35 years and have had substantial success in developing mining projects in WA, SA, QLD and the NT.

Mr Greenhill stepped down as Executive Chairman on 10 November 2020, he remains on the Board as a Non-Executive Director.

During the past three years he has not served as a director of any other public company.

Sarah Shipway CA, B.Com
Non-Executive Director
Appointed 11 June 2015

Sarah Shipway was appointed Non-Executive Director on 11 June 2015 and was appointed Company Secretary on 19 March 2012. Ms Shipway has a Bachelor of Commerce from Murdoch University and is a member of the Chartered Accountants Australia and New Zealand.

Ms Shipway is the director in charge of corporate governance and statutory reporting activities and is also Company Secretary for Cardinal Resources Limited (previously ASX/TSX: CDV) and St George Mining Limited (ASX: SGQ).

During the past three years she has served as a director of the following public companies;

Company	Date of Appointment	Date of Resignation
St George Mining Limited	11 June 2015	Not Applicable

Jason Bontempo CA, B.Com
Non-Executive Director
Appointed 10 November 2020

Mr Bontempo has 22 years' experience in public company management, corporate advisory, investment banking and public company accounting, since qualifying as a chartered accountant with Ernst & Young. Mr Bontempo has worked primarily serving on the board and the executive management of minerals and resources public companies focusing on advancing, financing and developing mineral resource assets and business development.

Mr Bontempo also provides corporate advice services for the financing of resource companies across multiple capital markets and resource asset acquisitions and divestments.

During the past three years he has served as a director of the following public companies;

Company	Date of Appointment	Date of Resignation
Red Emperor Resources NL	January 2011	Not Applicable
Fin Resources Limited	July 2011	Not Applicable
Odin Metals Limited	February 2018	Not Applicable
First Cobalt Corporation	November 2015	December 2017

Alexander McCulloch
Executive Director
Appointed 19 August 2019
Retired 10 November 2020

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 Project's 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.

Rodney Johns
Non-Executive Director
Appointed 21 July 2020
Retired 10 November 2020

Mr Johns is a Senior Mining Industry Professional with a background in technical and 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.

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.

During the past three years he has served as a director of the following public companies;

Company	Date of Appointment	Date of Resignation
Focus Minerals Ltd	4 September 2020	Not Applicable

COMPANY SECRETARY

Sarah Shipway was appointed Company Secretary on 19 March 2012. For details relating to Sarah Shipway, please refer to the details on directors above.

DIRECTORS' INTERESTS

At the date of this report, the Directors held the following interests in Beacon Minerals.

Name	Ordinary Fully Paid Shares	Unlisted Options
Graham McGarry	355,391,026	40,000,000
Geoffrey Greenhill	238,365,346	40,000,000
Sarah Shipway	5,253,467	20,000,000
Jason Bontempo	-	20,000,000

SHARE OPTIONS

At the date of this report the Group had 207,590,118 listed options and 180,000,000 unlisted options on issue.

During the year ended 30 June 2021:

- 700,946,802 Listed Options were exercised; and
- 20,000,000 Unlisted Options were exercised.

PRINCIPAL ACTIVITIES

The principal activity of the Group is mineral exploration, development and production in Western Australia.

RESULTS AND REVIEW OF OPERATIONS

The result of the consolidated entity for the financial year ended 30 June 2021 is a profit after income tax of \$20,281,725 (2020: restated profit after income tax of \$19,021,954).

A review of operations of the Group during the year ended 30 June 2021 is provided in the "Review of Operations" immediately preceding this Directors' Report.

LIKELY DEVELOPMENTS

The Group's focus over the next financial year will be on its key project, the Jaurdi Gold Project. Further commentary on the Company's planned activities over the forthcoming year is provided in the Review of Operations.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have not been any significant changes in the state of affairs of the Group during the financial year, other than those noted in the "Review of Operations" immediately preceding this Directors' Report.

ENVIRONMENTAL ISSUES

The Company's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve.

Instances of environmental non-compliance are identified either by external compliance audits or inspections by relevant government authorities. There have been no known breaches of environmental laws and regulations by the Company during the financial year.

DIVIDENDS PAID OR RECOMMENDED

During the year ended 30 June 2021 the Directors paid a dividend totaling \$0.007 per share:

- Interim dividend of \$0.002 per share
- Special dividend of \$0.005 per share

DIRECTORS' MEETINGS

During the financial year, 8 meetings of Directors were held. Attendances by each director during the year were as follows:

Name	Eligible to attend	Attended
G McGarry	8	8
G Greenhill	8	8
S Shipway	8	8
J Bontempo	3	3
A McCulloch	4	4
R Johns	3	3

REMUNERATION REPORT – AUDITED

Remuneration policy

The remuneration policy of Beacon Minerals Limited has been designed to align directors' objectives with shareholder and business objectives by providing fixed remuneration which is assessed on an annual basis.

The Board of Beacon Minerals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

- All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation.
- Options and performance incentives may be issued particularly as the Company is now a producing entity and key performance indicators such as profit and production and reserves growth can be used as measurements for assessing executive performance.
- The Board policy is to remunerate non-executive directors for time, commitment and responsibilities. The Executive Directors, determine payments to the non-executives and review their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General

Meeting and is currently \$250,000 per annum. To align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

- During the year the Company issued performance-based remuneration to directors and executives of the Company. The measures are specifically tailored to align personal and shareholder interest.

Company Performance

The table below shows the performance of the Group as measured by the Group's revenue, profits/(loss), share price and EPS over the last five years. Remuneration of Key Management Personnel is not dependent on the performance of the Company.

	2017	2018	2019	2020 RESTATED	2021
	\$	\$	\$	\$	\$
Revenue	7,533,762	84,213	424,303	42,833,931	73,749,271
Other income	-	3,892	308,008	61,038	756,650
Net profit/(loss)	1,601,707	(4,161,027)	(8,860,121)	19,021,854	20,281,725
Share price 30 June	0.020	0.017	0.029	0.040	0.035
EPS (cents per share)	0.107	(0.214)	(0.411)	0.0044	0.0065

Remuneration Consultants

No remuneration consultant was engaged in the current financial year.

Details of directors and executives

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the entity.

Directors	Title	Date of Appointment	Date of Retirement
G McGarry	Executive Chairman/ Managing Director	19 March 2012*	Not Applicable
G Greenhill	Non-Executive Director	19 March 2012**	Not Applicable
S Shipway	Non-Executive Director	11 June 2015	Not Applicable
J Bontempo	Non-Executive Director	10 November 2020	Not Applicable
A McCulloch	Executive Director	19 August 2019	10 November 2020
R Johns	Non-Executive Director	21 July 2020	10 November 2020

*On 10 November 2020 Mr McGarry was appointed Executive Chairman and remained as the Managing Director.

**On 10 November 2020 Mr Greenhill retired as Executive Chairman, Mr Greenhill remained on the Board as a Non-Executive Director

The Group does not have any key management personnel that are not Directors.

Executive Directors' remuneration and other terms of employment are reviewed annually by the directors having regard to performance against goals set at the start of the year and relative to comparable information.

Except as detailed in the Remuneration Report, no director has received or become entitled to receive, during or since the financial year end, a benefit because of a contract made by the Group or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in the Remuneration Report, prepared in accordance with the *Corporations Regulations 2001*, or the fixed salary of a full time employee of the Group.

Executive Remuneration Tables

The actual remuneration earned by Executives in FY2021 is set out below. The information is considered relevant as it provides shareholders with a view of the remuneration actually paid to Executives for performance in FY2021. The value of remuneration includes equity grants where the Executive received control of the shares in FY2021 and different from the remuneration disclosures in the below table, which disclosures the value of grants which may or may not be exercised in future years.

Executive Actual Remuneration Earned in FY2021

	Salary and Fees ¹	Long Service Leave/Annual Leave	Short-Term Incentive	LTI Plan Rights	Total
Directors	\$	\$	\$	\$	\$
G McGarry	191,625	-	-	-	191,625
G Greenhill	91,978	46,757	-	-	138,735
S Shipway	82,782	-	-	-	82,782
J Bontempo⁽²⁾	25,560	-	-	-	25,560
A McCulloch⁽⁴⁾	83,973	51,471	-	-	135,444
R Johns⁽³⁾⁽⁴⁾	13,127	-	-	-	13,127

1. Salary and fees comprise base salary, superannuation and leave entitlements. It reflects the total of "salary and fees" and "superannuation" in the statutory remuneration table.
2. Appointed on 10 November 2020.
3. Appointed on 21 July 2020.
4. Retired on 10 November 2020.

Remuneration for the financial year ended 30 June.

	Short Term Benefits	Post-Employment Benefits	Long Term Benefits	Equity settled share-based payments	Total
Directors	Salary and Fees	Superannuation	Long Service Leave/Annual Leave	Shares/Options (i)	
	\$	\$	\$	\$	\$
G McGarry					
2021	175,000	16,625	-	322,998	514,623
2020	150,000	14,250	-	-	164,250
G Greehill					
2021	79,942	12,036	46,757	322,998	461,733
2020	150,000	14,250	-	-	164,250
S Shipway					
2021	82,782	-	-	161,499	244,281
2020	65,963	-	-	-	65,963
J Bontempo (iv)					
2021	25,560	-	-	161,499	187,059
2020	-	-	-	-	-
A McCulloch (v)					
2021	72,222	11,751	51,471	-	135,444
2020	183,333	17,417	-	-	200,750
R Johns (iii), (v)					
2021	11,988	1,139	-	-	13,127
2020	-	-	-	-	-
Total					
2021	447,494	41,551	98,228	968,994	1,556,267
2020	549,296	45,917	-	-	595,213

(i) During the year the unlisted options were issued to Directors.

(ii) No performance-based remuneration was paid during the current or previous year.

- (iii) Appointed on 21 July 2020.
- (iv) Appointed on 10 November 2020.
- (v) Resigned on 10 November 2020.

Employment contracts of directors

The Group has entered into an executive services agreement with Mr Graham McGarry, whereby Mr McGarry receives remuneration of \$200,000 per annum plus statutory superannuation. Prior to 1 January 2021 Mr McGarry was remunerated \$150,000 per annum plus statutory superannuation.

Mr McGarry's termination provisions are as follows:

	NOTICE PERIOD	PAYMENT IN LIEU OF NOTICE
Employer initiated termination:		
- without reason	3 months	6 months
- serious misconduct	0 months	0 months
Employee initiated termination:	3 months	Not specified

The Group has entered into an agreement with Mr Geoffrey Greenhill, whereby Mr Greenhill receives remuneration of \$40,000 per annum plus statutory superannuation. The Company will also pay a fee of \$1,500 per day (based on an 8-hour workday) for any services provided to the Company outside the role of Non-Executive Director.

Prior to 11 November 2020 the Company had entered into an executive services agreement with Mr Greenhill, whereby Mr Greenhill received remuneration of \$150,000 per annum plus statutory superannuation.

Mr Greenhill's termination provisions are as follows:

	NOTICE PERIOD	PAYMENT IN LIEU OF NOTICE
Employer initiated termination:		
- without reason	0 months	0 months
- serious misconduct	0 months	0 months
Employee initiated termination:	0 months	Not specified

The Group has entered into an executive service agreement with Ms Sarah Shipway, whereby Ms Shipway is paid a fee of \$150 per hour for services rendered to the Company, prior to 1 January 2021 Ms Shipway was paid a fee of \$125 per hour for services rendered to the Company. Ms Shipway's termination provisions are as follows:

	NOTICE PERIOD	PAYMENT IN LIEU OF NOTICE
Employer initiated termination:		
- without reason	3 months	3 months
- serious misconduct	0 months	0 months
Employee initiated termination:	3 months	3 months

The Group has entered into an agreement with Mr Jason Bontempo, whereby Mr Bontempo receives remuneration of \$40,000 per annum plus statutory superannuation. The Company will also pay a fee of \$1,500 per day (based on an 8-hour workday) for any services provided to the Company outside the role of Non-Executive Director.

Mr Bontempo' termination provisions are as follows:

	NOTICE PERIOD	PAYMENT IN LIEU OF NOTICE
Employer initiated termination:		
- without reason	0 months	0 months
- serious misconduct	0 months	0 months
Employee initiated termination:	0 months	Not specified

The Group had entered into an agreement with Mr Alexander McCulloch, whereby Mr McCulloch received remuneration of \$200,000 per annum plus statutory superannuation.

The Group had entered into an agreement with Mr Rodney Johns, whereby Mr Johns received remuneration of \$40,000 per annum plus statutory superannuation. The Company would also pay a fee of \$1,500 per day (based on an 8-hour workday) for any services provided to the Company outside the role of Non-Executive Director.

INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS AND AUDITORS

In accordance with the constitution, except as may be prohibited by *the Corporations Act 2001* every Officer or agent of the Group shall be indemnified out of the property of the entity against any liability incurred by him/her in his/her capacity as Officer or agent of the Group or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

No indemnity has been obtained for the auditor of the Group.

Ordinary shareholdings of key management personnel

Directors	Balance at 1 July 2020 (i)	Options exercised during the year	Net other change (iii)	Balance at 30 June 2021 (ii)
Graham McGarry	244,366,268	109,024,758	2,000,000	355,391,026
Geoffrey Greenhill	188,382,040	49,983,306	-	238,365,346
Sarah Shipway	4,067,200	1,186,267	-	5,253,467
Jason Bontempo	-	-	-	-
Alexander McCulloch	105,102,138	-	-	105,102,138
Rodney Johns	681,480	-	-	681,480
Total	542,599,126	160,194,331	2,000,000	704,793,457

Directors	Balance at 1 July 2019	Options exercised during the year	Net other change	Balance at 30 June 2020
Geoffrey Greenhill	148,382,040	40,000,000	-	188,382,040
Graham McGarry	204,366,268	40,000,000	-	244,366,268
Alexander McCulloch	105,102,138	-	-	105,102,138
Sarah Shipway	4,067,200	-	-	4,067,200
Total	461,917,646	80,000,000	-	541,917,646

- (i) Or at date of appointment Mr Rodney Johns was appointed on 21 July 2020 and Mr Jason Bontempo was appointed on 10 November 2020.
- (ii) Or at date of resignation Mr Alexander McCulloch and Mr Rodney Johns resigned on 10 November 2020.
- (iii) The securities were purchased on market at the current market price.

Listed Option holdings of key management personnel

Directors	Balance at 1 July 2020 (i)	Options exercised during the year	Net other change (iii)	Balance at 30 June 2021 (ii)
Graham McGarry	90,222,603	(109,024,758)	18,802,155	-
Geoffrey Greenhill	49,983,306	(49,983,306)	-	-
Sarah Shipway	1,186,267	(1,186,267)	-	-
Jason Bontempo	-	-	-	-
Alexander McCulloch	10,051,069	-	-	10,051,069
Rodney Johns	370,370	-	-	370,370
Total	151,813,615	(160,194,331)	18,802,155	10,421,439

Directors	Balance at 1 July 2019	Options exercised during the year	Net other change	Balance at 30 June 2020
Geoffrey Greenhill	89,983,306	(40,000,000)	-	49,983,306
Graham McGarry	130,222,603	(40,000,000)	-	90,222,603
Alexander McCulloch	10,051,069	-	-	10,051,069
Sarah Shipway	1,186,267	-	-	1,186,267
Total	231,443,245	(80,000,000)	-	151,443,245

- (i) Or at date of appointment Mr Rodney Johns was appointed on 21 July 2020 and Mr Jason Bontempo was appointed on 10 November 2020.
- (ii) Or at date of resignation Mr Alexander McCulloch and Mr Rodney Johns resigned on 10 November 2020.
- (iii) Purchase of Listed Options.

Unlisted option holdings of key management personnel

The terms and conditions of each grant of options over ordinary shares affecting the remuneration of directors and Executive KMP in this financial year or future reporting years is as follows:

Directors	Balance at 1 July 2020	Granted as remuneration (i) (ii)	Net other change	Balance at 30 June 2021	Unvested	Value of unvested rights (\$)
Graham McGarry	-	40,000,000	-	40,000,000	-	-
Geoffrey Greenhill	-	40,000,000	-	40,000,000	-	-
Sarah Shipway	-	20,000,000	-	20,000,000	-	-
Jason Bontempo	-	20,000,000	-	20,000,000	-	-
Total	-	120,000,000	-	120,000,000	-	-

- (i) Approved at shareholder meeting held on 15 February 2021.
- (ii) Unlisted Options are exercisable at \$0.053 on or before 3 August 2023 and vested upon issue.

Related Party Transactions

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 total \$2,865,252 (2020: \$2,221,515). At 30 June 2021 \$234,411 (2020: \$246,508) was payable to McVerde Minerals.

McVerde Minerals sold \$352,110 of equipment to Beacon Minerals, the equipment was sold at arm's length and market value.

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 total \$100,188 (2020: \$24,477). At 30 June 2021 \$0 (2020: \$720) was payable to Mangelsdorf Engineering.

Kinetiq Solutions Pty Ltd, a Company 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 total \$437,232 (2020: \$2,091,107). At 30 June 2021 \$49,603 (2020: \$0) was payable to Kinetiq Solutions.

In October 2018 Directors' Graham McGarry and Geoffrey Greenhill participated in the Company's \$18.0m debenture issue. In addition, related parties to Graham McGarry also participated in the debenture issue. Shareholder approval was sought and received on 4 October 2018.

Under the debenture issue Graham McGarry and Geoffrey Greenhill, through their nominated entities, were issued \$2,450,000 and \$950,000 debentures, respectively. Related parties to Graham McGarry were issued \$1,100,000 in debentures. The debenture holders were paid a 3% fee on the debentures issued.

On 12 October 2020 the debentures were repaid in full.

During the year \$213,739 (2020: \$653,113) of interest was paid on the debentures to Graham McGarry, his related parties and Geoffrey Greenhill.

END OF REMUNERATION REPORT

CORPORATE GOVERNANCE STATEMENT

Beacon Minerals Limited is committed to ensuring that its policies and practices reflect a high standard of corporate governance. The Board has adopted a comprehensive framework of Corporate Governance Guidelines.

The Group's Corporate Governance Statement can be viewed at <http://beaconminerals.com.au/corporate-governance>.

EVENTS SUBSEQUENT TO REPORTING DATE

On 24 August 2021 the Company announced that it had acquired the MacPhersons Reward Project. The MacPhersons Reward Project is located 45km southeast of the Company's Jaurdi Gold Project and 5km southeast of the Coolgardie township.

Beacon Minerals and Beacon Mining have entered into a share sale agreement with Primary Gold Pty Ltd pursuant to which Beacon Mining agreed to purchase, and Primary Gold had agreed to sell, all the shares in the capital of MacPhersons Reward.

The consideration for the acquisition is A\$14.0 million in cash, this was paid on 23 August 2021 on completion of the Transaction. In accordance with AASB 3 Business Combinations the acquisition is likely to be accounted for as an asset acquisition. A detailed assessment of this transaction from an accounting perspective is on-going.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the entity up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is evolving and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of the affairs of the consolidated entity in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2021 has been received, forms part of the directors' report and can be found on page 58 of the annual report.

NON-AUDIT SERVICES

The Company's auditor, William Buck Audit (WA) Pty Ltd, did not provide any non-audit services to the Group during the financial year ended 30 June 2021.

Signed in accordance with a resolution of the directors made pursuant to s 298(2) of the *Corporations Act 2001*.

On behalf of the directors.



GRAHAM MCGARRY

Executive Chairman/Managing Director

Dated this 23 September 2021

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

Australian Dollar (\$)	Note	30 JUNE 2021 \$	30 JUNE 2020 RESTATED \$
Gold sales		73,729,044	42,793,668
Interest Revenue		20,227	40,263
REVENUE		73,749,271	42,833,931
Cost of goods sold		(37,862,495)	(23,600,147)
GROSS PROFIT/(LOSS)		35,886,776	19,233,784
Other income	3	756,650	61,038
EXPENDITURE			
Administration expenses		(3,116,411)	(2,045,128)
Exploration and development expenditure written off		(2,686,865)	(376,731)
Finance expenses		(1,816,660)	(3,050,307)
PROFIT/(LOSS) BEFORE INCOME TAX		29,023,490	13,822,656
Income tax (expense)/benefit	4	(8,741,765)	5,199,298
PROFIT/(LOSS) AFTER INCOME TAX ATTRIBUTABLE TO MEMBERS OF THE COMPANY		20,281,725	19,021,954
OTHER COMPREHENSIVE INCOME			
Other comprehensive income		-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE GROUP		20,281,725	19,021,954
PROFIT/(LOSS) PER SHARE			
Basic profit/(loss) per share	19(a)	0.0065	0.0044
Diluted profit/(loss) per share	19(b)	0.0051	0.0033

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

Australian Dollar (\$)	Note	30 JUNE 2021 \$	30 JUNE 2020 RESTATED \$
CURRENT ASSETS			
Cash and cash equivalents	20(a)	22,041,849	15,367,426
Trade and other receivables	6	481,899	2,251,578
Other assets	7	1,871,039	2,155,192
Inventories	8	12,887,192	7,576,693
Other financial assets	9	671,998	-
TOTAL CURRENT ASSETS		37,953,977	27,350,889
NON CURRENT ASSETS			
Plant and equipment	10	6,714,825	4,900,100
Development expenditure	11	19,552,689	21,029,781
Deferred tax asset	4	531,410	5,199,298
TOTAL NON CURRENT ASSETS		26,798,924	31,129,179
TOTAL ASSETS		64,752,901	58,480,068
CURRENT LIABILITIES			
Trade and other payables	12	3,857,947	3,543,801
Income tax liability		4,073,876	-
Provisions	13	532,957	430,400
TOTAL CURRENT LIABILITIES		8,464,780	3,974,201
NON CURRENT LIABILITIES			
Debentures	15	-	18,000,000
Provisions	13	4,816,656	-
TOTAL NON CURRENT LIABILITIES		4,816,656	18,000,000
TOTAL LIABILITIES		13,281,436	21,974,201
NET ASSETS		51,471,465	36,505,867
EQUITY			
Issued Capital	16	67,597,464	49,573,794
Reserves	17	1,729,038	1,902,716
Accumulated losses	18	(17,855,037)	(14,970,643)
TOTAL EQUITY		51,471,465	36,505,867

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

Australian Dollar (\$)	ISSUED CAPITAL \$	SHARE OPTION RESERVE \$	ACCUMULATED LOSSES \$	TOTAL EQUITY \$
BALANCE AT 1 JULY 2020	49,573,794	1,902,716	(14,970,643)	36,505,867
Total comprehensive profit	-	-	20,281,725	20,281,725
Shares issued during the year	-	-	-	-
<i>Transactions with owners recorded directly in equity</i>				
Options issued during the year	-	1,699,038	-	1,699,038
Options exercised during the year	18,023,670	(1,872,716)	1,872,716	18,023,670
Dividends paid	-	-	(25,038,835)	(25,038,835)
Share issue expense	-	-	-	-
BALANCE AT 30 JUNE 2021	67,597,464	1,729,038	(17,855,037)	51,471,465
BALANCE AT 1 JULY 2019	38,070,878	2,337,227	(34,427,108)	5,980,997
Total comprehensive loss	-	-	10,908,843	10,908,843
<i>Transactions with owners recorded directly in equity</i>				
Shares issued during the year	8,000,000	-	-	8,000,000
Options issued during the year	-	-	-	-
Options exercised during the year	3,982,916	(434,511)	434,511	3,982,916
Share issue expense	(480,000)	-	-	(480,000)
Previous period adjustment (note 23)	-	-	8,113,111	8,113,111
BALANCE AT 30 JUNE 2020	49,573,794	1,902,716	(14,970,643)	36,505,867

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

Australian Dollar (\$)	Note	30 JUNE 2021 \$	30 JUNE 2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from sale of gold		75,509,556	41,013,157
Receipt from government grants/rebates		46,745	2,179,843
Expenditure on mining production		(31,888,808)	(35,241,197)
Payments to suppliers and employees		(1,360,481)	(977,594)
Interest received		22,462	43,528
Net cash inflows/(outflows) from operating activities	20(b)	42,329,474	7,017,737
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of plant and equipment		4,000	11,038
Purchase of plant and equipment		(1,831,581)	(2,996,439)
Payments for development and exploration expenditure		(7,713,075)	(1,074,216)
Payments for term deposits		-	(20,000)
Net cash outflows from investing activities		(9,540,656)	(4,079,617)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	8,000,000
Proceeds on exercise of options		18,023,670	3,983,188
Repayment of debentures		(18,000,000)	-
Payment of dividends		(25,038,835)	
Payments for issue of shares		-	(480,000)
Payments in relation to debentures		(1,099,230)	(3,330,067)
Net cash inflows/(outflows) from financing activities		(26,114,395)	8,173,121
Net increase/(decrease) in cash and cash equivalents		6,674,423	11,111,241
Cash and cash equivalents at the beginning of the financial year		15,367,426	4,256,185
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	20(a)	22,041,849	15,367,426

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

1 CORPORATE INFORMATION

The consolidated financial report of Beacon Minerals Limited (“Beacon” or “the Company”) and its consolidated entities (“consolidated entity” or “Group”) for the year 1 July 2020 to 30 June 2021 was authorised for issue in accordance with a circular resolution of the directors on 23 September 2021.

The Company is a for profit entity for financial reporting purposes under Australian Accounting Standards

Beacon is a Company limited by shares, incorporated in Australia. The Company’s shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activity of the consolidated entity are described in the Directors’ Report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of the Financial Report

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards issued by the Australian Accounting Standards Board and complies with other requirements of the law. The financial report has also been prepared on a historical cost basis.

Except for the adjustment to the allocation of stripping costs as described in note 23, the accounting policies are consistent with the prior financial year.

The financial report is presented in Australian dollars.

(b) Statement of compliance

Compliance with AASB ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (“IFRS”).

(c) Going Concern

The Directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The Group has recorded a profit after income tax of \$20,281,725 and a net operating cash inflow of \$42,329,464 for the year ended 30 June 2021.

As at 30 June 2021 the Company had a cash balance of \$22,041,849.

The Board is confident that the Group will have sufficient funds to finance its operations for the foreseeable future.

(d) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Beacon Minerals Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in note 29.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(e) Significant accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Significant accounting estimates and judgements include Development Expenditure in note 2(t), share based payments 2(aa) and useful life of plant and equipment 2(p).

(f) Revenue

Revenue from sale of gold is recognised when the gold is delivered and control has passed to the customer.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(g) Income Tax

Current income tax refunded/(expensed) charged to profit or loss is tax refundable/(payable). Those amounts recognised are expected to be recovered from/(paid to) the relevant taxation authority.

(h) Deferred Income Tax

Deferred tax balances are determined using the balance sheet method, which provides for temporary differences at the balance sheet date between accounting carrying amounts and the tax basis of assets and liabilities.

Deferred income tax liabilities are recognised for all taxable temporary differences, other than for the exemptions permitted under accounting standards. At 30 June 2021 there are no unrecognised temporary differences associated with the Group's investment in subsidiaries.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that future profits will be available to utilise these deductible temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are only offset if a legally enforceable rights

exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Recovery of deferred tax assets

Judgement is required in determining whether deferred tax assets are recognised on the balance sheet. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations of existing tax laws in Australia.

To the extent that future cashflows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in Australia could limit the ability of the Group to obtain tax deductions in future periods.

(i) Site Rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site rehabilitation is recognised for the first time in respect of the estimated cost of rehabilitation and restoration of the areas disturbed by mining activities up to the reporting date, but not yet rehabilitated. The Group's accounting policy is as follows.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of related mining assets. At each reporting date the site rehabilitation provision is re-measured to reflect any changes in discount rates and timing or amounts to be incurred. Additional disturbances or changes in rehabilitation costs are recognised as additions or changes to the corresponding asset and rehabilitation provision prospectively from the date of change. For closed sites, or where the carrying value of the related asset has been reduced to nil either through depreciation and amortisation or impairment, changes to estimated costs are recognised immediately in the statement of comprehensive income.

Unwinding of Discount on Provisions

The unwinding of discount on provisions represents the cost associated with the passage of time. Rehabilitation provisions are recognised at the discounted value of the present obligation to restore, dismantle and rehabilitate each mine site with the increase in the provision due to the passage of time being recognised as a finance cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprises of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Group's statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(k) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an expected credit loss provision. An estimate for the expected credit loss is made based on the historical risk of default and expected loss rates at the inception of the transaction. Inputs are selected for the impairment expected credit loss calculation based on the Company's past history, existing market conditions as well as forward looking estimates.

(l) Inventory

Gold bullion, gold in circuit and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Cost is determined by the weighted average method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortisation, incurred in converting ore into gold bullion. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs of selling the final product, including royalties.

(m) Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to the grant and that the grant will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which grants are intended to compensate. If the grant relates to expenses or losses already incurred by the entity, or to provide immediate financial support to the entity with no future related costs, the income is recognised in the period in which it becomes receivable.

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a net basis. The GST components of cash flows arising from investing and financial activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised. Borrowing costs are expensed as part of the finance costs in the period incurred. Borrowing costs consists of options issued in relation to the debentures.

(p) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

The cost of acquired assets also includes the initial estimate at the time of installation and during the period of use, when relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and changes in the measurement of existing liabilities recognised for these costs resulting from changes in the timing or outflow or resources required to settle the obligation or from changes in the discount rate.

Where parts of an item of plant and equipment have different lives, they are accounted for as separate items (major components) of plant and equipment.

Depreciation

Depreciation of an asset begins when the asset is available for use.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the assets as follows:

Plant and equipment – 2-7 years

Motor vehicles – 2-5 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income in the cost of sales line item.

Derecognition and disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss and other comprehensive income in the year the asset is derecognised.

(q) Impairment of the development expenditure asset

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value; less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets, and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systemic basis over its remaining useful life.

(r) Other financial assets

Financial instruments are measured at fair value through profit and loss are classified at 'fair value through profit or loss' when they are either held for trading purposes, short-term profit taking or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by KMP on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss if electing to choose 'fair value through profit or loss'.

The fair value is estimated using inputs other than quoted prices, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The Group's financial instruments are valued using valuation techniques that employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, and spot and forward rate curves of the underlying commodity. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for the commodity swaps designated in hedge relationships and the gold forward contracts recognised at fair value.

(s) Exploration and evaluation expenditure

Exploration and evaluation expenditure on areas of interest are expensed as incurred. Costs of acquisition will normally be expensed but will be assessed on a case by case basis and may be capitalised to areas of interest and carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

(t) Development expenditure

Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. Exploration and evaluation expenditure is reclassified to development expenditure once the technical feasibility and commercial viability of extracting the related mineral resource is demonstratable. Where commercial production in an area of interest has commenced, the associated costs together with any forecast future capital expenditure necessary to develop proved and probable reserves are amortised on a straight line basis.

Changes in factors, such as estimates of proved and probable reserves, that affect the unit-of-production calculations are dealt with on a prospective basis.

Development expenditure is reviewed at each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the development expenditure is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

(u) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(v) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(w) Debenture notes

Debenture notes are initially recognised at fair value. Debentures notes are subsequently measured at amortised costs. Any difference between the proceeds and the redemption amount is recognised in profits or loss over the period of the debenture notes using the effective interest method. Fees paid for the debenture notes are capitalised as a borrowing cost and amortised over the period of the facility to which it relates.

Debenture notes are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance cost.

The key terms of the debenture notes are included in note 15(c).

(x) Contributed equity

Ordinary shares are classified as contributed equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(y) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the period but not distributed at reporting date.

(z) Basic and diluted earnings per share

Basic earnings per share ("EPS") is calculated by dividing the net profit attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential of ordinary fully paid ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential of ordinary fully paid shares.

(aa) Share based payments

Equity-settled share-based payments can be provided to officers, employees, consultants and other advisors. These share-based payments are measured at the fair value of the equity instrument at the grant date. Fair value is determined using the Black Scholes option pricing model.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share-based payments reserve.

Equity-settled share-based payments may also be provided as consideration for the acquisition of assets. Where ordinary shares are issued, the transaction is recorded at fair value based on the quoted price of the ordinary shares at the date of issue. The acquisition is then recorded as an asset or expensed in accordance with accounting standards.

(bb) Employee benefits***Short-term employee benefits***

Provision is made for the Group's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Defined contribution superannuation benefits

All employees of the Group received defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution (in financial year ended 30 June 2021, 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of the employee's defined superannuation contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to the employees' defined superannuation contribution entitlements is limited to its obligation for an unpaid superannuation guarantee contribution at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

(cc) Adoption of new and revised standards

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

In the current financial year, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

There was no change to the financial statement.

(dd) Comparative information

Comparative information has been amended where necessary to ensure compliance with current year disclosures.

3 OTHER INCOME

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Gain on financial asset (i)	671,998	-
Other income	84,652	61,038
	756,650	61,038

- (i) The net gain on financial instruments at fair value through profit or loss relates to these gold forward contracts that do not qualify for the own use exemption. During the financial year the Group sold gold with a weighted average contracted price of \$2,448.74. Offsetting the gain during the current financial year is the fair value of open contracts at balance date

4 INCOME TAX

(a) Income Tax

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Current tax expense	4,073,876	-
Deferred tax expense	4,667,889	(5,199,298)
Income tax attributable to operating loss	8,741,765	(5,199,298)

(b) Current Tax

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Profit/(loss) before income tax	29,023,490	13,822,656
Income tax calculated at 30% (2020: 30%)	8,707,047	4,146,797
Tax effect of;		
- Non-deductible expenses	54,968	-
- Non-assessable income	(20,250)	(15,000)
- Timing difference previously not recognised now recognised	-	(9,331,095)
Income tax attributable to operating profit	8,741,765	(5,199,298)

(b) Deferred Income Tax

Deferred income tax as at 30 June relates to the following:

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Australian accumulated tax losses	-	5,423,564
Provisions	1,641,080	170,720
Accrued expenses	13,500	518,679
Accrued income	(286)	(535,108)
Prepayments	-	(170,399)
Capitalised development expenditure	(1,198,658)	(473,684)
Section 40-880 deduction	176,515	265,526
Other	(100,741)	-
Unrecognised deferred tax assets relating to the above temporary differences	-	-
Recognised deferred tax asset	531,410	5,199,298

The benefits will only be obtained if;

- (i) The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised.
- (ii) The Group continues to comply with the conditions in deductibility imposed by the Law; and
- (iii) No change in tax legislation adversely affect the Company in realising the benefits from the deductions or the losses.
- (iv) For further details in relation to the adjustment of the prior period refer to note 23.

5 AUDITORS REMUNERATION

Amounts received or due and receivable by the Company's Auditors;

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Auditing and review of the Company's financial statements	37,000	29,660
	37,000	29,660

6 RECEIVABLES AND OTHER ASSETS

Trade and Other Receivables

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Current		
Trade receivable	-	1,780,512
Fuel tax rebate	216,096	217,227
Accrued interest	952	3,182
GST refund	264,851	244,827
Other	-	5,830
	481,899	2,251,578

GST amounts are non-interest bearing and have repayment terms applicable under the relevant government authorities. The Group does not have any expected credit loss.

7 OTHER ASSETS

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Short term deposits	60,384	60,382
Prepayments (i)	982,104	567,996
Other current assets	828,551	325,232
Borrowing costs	-	1,201,582
	1,871,039	2,155,192

- (i) Includes \$400,000 pre-paid royalty to Mr Steven Argus and Zephyr Mining Pty Ltd, the holders of exploration licence E16/469 and \$205,000 pre-paid royalty to Corinthian Mining Pty Ltd in relation to mining licence M16/365.

8 INVENTORY

	30 JUNE 2021	30 JUNE 2020
	\$	RESTATED \$
At cost		
Crush ore stock, carbon and other stock	392,880	3,663,701
Gold in circuit	1,041,434	1,049,344
Ore stockpiles	11,452,878	2,854,648
	12,887,192	7,567,693

9 OTHER FINANCIAL ASSETS

As part of the risk management policy of the Group, the Group has entered into a gold forward contract to manage the gold price of a proportion of anticipated sales of gold, these assets are accounted for as financial assets at fair value through profit or loss. These assets are classified as Level 2, as they are valued using valuation techniques that employ the use of market observable inputs.

The amounts disclosed are the amounts that would need to be paid to the counter party when the transaction takes effect. Due to their short-term nature, the amounts have been estimated using the gold spot price applicable at reporting date.

The net gain on financial instruments at fair value through profit or loss relates to these gold forward contracts do not qualify for the own use exemption. Fair value of open contracts at balance date are recognised on the balances sheet as "financial assets".

Gold for physical delivery	Contracts gold sale price	Gold sale price at reporting date	Financial instruments at fair value through profit or loss
	\$	\$	\$
1,500	2,423.00	2,334.83	132,264
1,500	2,419.85	2,334.83	127,533
1,500	2,416.84	2,334.83	123,016
1,500	2,414.06	2,334.83	118,845
1,500	2,407.77	2,334.83	170,340
7,500	-	-	671,998

10 PLANT AND EQUIPMENT

	30 JUNE 2021 \$	30 JUNE 2020 \$
Plant and Equipment		
At cost	8,684,905	5,923,184
Less: accumulated depreciation	(2,410,661)	(1,264,547)
Total motor vehicle and plant and equipment	6,274,244	4,658,637
	30 JUNE 2021 \$	30 JUNE 2020 \$
Motor Vehicles		
At cost	632,957	357,996
Less: accumulated depreciation	(192,376)	(116,533)
Total motor vehicles	440,581	241,463
	30 JUNE 2021 \$	30 JUNE 2020 \$
Plant and equipment		
Carrying amount at the beginning of the year	4,658,637	2,555,231
Additions	2,840,824	2,802,974
Disposals	(74,641)	-
Depreciation expense	(1,150,576)	(699,568)
Total carrying amount at end of the year	6,274,244	4,658,637

	30 JUNE 2021 \$	30 JUNE 2021 \$
Motor Vehicles		
Carrying amount at the beginning of the year	241,462	76,731
Additions	264,171	193,465
Disposals	(16,133)	-
Depreciation expense	(48,919)	(28,733)
Total carrying amount at end of the year	440,581	241,463
Total motor vehicles and plant and equipment	6,714,825	4,900,100

11 DEVELOPMENT EXPENDITURE

	30 JUNE 2021 \$	30 JUNE 2020 \$
Jaurdi Gold Project		
Balance at the beginning of the year	21,029,781	16,424,945
Development expenses	7,713,074	8,004,984
Amortisation expense	(9,190,166)	(3,400,148)
Balance at reporting date	19,552,689	21,029,781

12 TRADE AND OTHER PAYABLES

	30 JUNE 2021 \$	30 JUNE 2020 \$
Trade and other payables	3,857,947	3,543,801
	3,857,947	3,543,801

Trade and other payables amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are yet to be paid. The amounts are unsecured and are usually paid within 30 days of recognition.

13 PROVISIONS

	30 JUNE 2021 \$	30 JUNE 2020 \$
Current		
Employee entitlements	532,957	430,400
	532,957	430,400
Non-Current		
Rehabilitation	4,816,656	-
	4,816,656	-
Provision for rehabilitation		
Balance at 1 July	-	-
Provision made during the period	4,863,401	-
Provision used during the period	-	-
Provisions re-measured during the year	-	-
Unwind of discount	(46,745)	-
Balance at 30 June	4,816,656	-

Site Rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site rehabilitation is recognised for the first time in respect of the estimated cost of rehabilitation and restoration of the areas disturbed by mining activities up to the reporting date, but not yet rehabilitated. The Group's accounting policy is as follows.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of related mining assets. At each reporting date the site rehabilitation provision is re-measured to reflect any changes in discount rates and timing or amounts to be incurred. Additional disturbances or changes in rehabilitation costs are recognised as additions or changes to the corresponding asset and rehabilitation provision prospectively from the date of change. For closed sites, or where the carrying value of the related asset has been reduced to nil either through depreciation and amortisation or impairment, changes to estimated costs are recognised immediately in the statement of comprehensive income.

Unwinding of Discount on Provisions

The unwinding of discount on provisions represents the cost associated with the passage of time. Rehabilitation provisions are recognised at the discounted value of the present obligation to restore, dismantle and rehabilitate each mine site with the increase in the provision due to the passage of time being recognised as a finance cost.

14 DIVIDENDS

	30 JUNE 2021 \$	30 JUNE 2020 \$
<i>Declared and paid during the year:</i>		
Dividends on ordinary shares		
Interim dividend for 2021: \$0.002 per share (2020: Nil)	7,153,953	-
Special dividend for 2021: \$0.005 per share (2020: Nil)	17,884,882	-
	25,038,835	-
<i>Dividend franking account</i>		
Amount of franking credits available to shareholders of Beacon Minerals for subsequent financial years	-	-
	-	-

15 DEBENTURES ISSUE

(a) Total non-current secured liabilities		30 JUNE 2021 \$	30 JUNE 2020 \$
Debentures			
Opening balance		18,000,000	18,000,000
Repayment of debentures		(18,000,000)	-
		-	18,000,000
(b) Maturity Dates	Interest Rate	30 JUNE 2021 \$	30 JUNE 2020 \$
9 October 2021	12%	-	9,650,000
11 October 2021	12%	-	8,350,000
		-	18,000,000

On 12 October 2020 the debentures were repaid in full.

(c) Terms and conditions of debentures

The key terms of the Debentures were as follows:

- (a) the Debenture Issue was subject to the Company receiving outstanding works and licence application approvals from the DWER, the Company received approvals on 11 September 2018;
- (b) the face value of each Debenture is \$1.00 and each Debenture Holder was required to subscribe for a minimum of 100,000 Debentures which would have a total face value of \$100,000 (Minimum Subscription);
- (c) for every one Debenture that was issued to a Debenture Holder, the Company issued 20 Listed Options;
- (d) the Debentures are not listed on the ASX;
- (e) the term of the Debentures is 36 months from the date of issue (Term), and the Company holds the right to exercise an early repayment option which may be exercised no less than 24 months from the date of issue (Early Repayment);
- (f) the interest rate payable on the Debentures is 12% per annum. Interest will be payable on the paid-up face value of the Debentures and calculated on a daily basis. Interest will be payable to the Debenture Holders 9 months after the date they are issued with Debentures and thereafter every 3 months until the end of the Term, or upon Early Repayment (together the Record Dates);
- (g) Interest will be paid no later than 30 days after the relevant Record Date;
- (h) the Debentures are secured by the Company granting:
 - (i) a Mortgage over Mining Leases 16/0529, 16/0034, 16/0115 and L16/120; and
 - (ii) the Security interest pursuant to the Combined Security Deed, in favour of a security trustee acting on behalf of all the Debenture Holders (Security Trustee);
- (i) the Debentures do not entitle a Debenture Holder to any voting rights in the Company;
- (j) the Company must repay the subscription price in full in relation to any Debenture Issue, including accrued but unpaid interest, on the earlier of the following:
 - (i) the end of the Term;
 - (ii) Early Repayment; or
 - (iii) within 30 days on the occurrence of an event of default that has not been remedied;
- (k) events of default (Event of Default) include (but are not limited to) the following:
 - (i) an external administrator being appointed over any of the assets of the Company and not being removed;
 - (ii) the Company being in liquidation or under administration;
 - (iii) a material change being made to the Constitution of the Company;
 - (iv) a failure to pay interest owed to a Debenture Holder occurring within 20 days of its due date; and
 - (v) other events of default typical of this type of transaction occurring;
- (l) the Company has 30 days to remedy any Event of Default which occurs pursuant to the Debenture issue.

16 ISSUED CAPITAL

Issued and paid up capital

	30 JUNE 2021	30 JUNE 2020
	\$	\$
At the beginning of reporting year	49,573,794	38,070,878
Shares issued during the year (b)(i)	-	8,000,000
Shares issued pursuant to exercise of options (a), (b)(ii)	18,023,670	3,982,916
Transaction costs	-	(480,000)
At reporting date 3,583,526,145 (30 June 2020: 2,862,579,343)		
fully paid ordinary shares	67,597,464	49,573,794

	30 JUNE 2021	30 JUNE 2020
Movement in Ordinary Shares	Number	Number
At the beginning of reporting year	2,862,579,343	2,512,786,543
Shares issued during the year	720,946,802	349,792,800
At reporting date	3,583,526,145	2,862,579,343

The Group does not have authorised capital or par value in respect of its issued capital.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote and upon a poll each share is entitled to one vote.

(a) The following shares were issued during the year ended 30 June 2021:

- (i) Upon exercise 700,946,802 listed options being exercised, refer to note 17; and
- (ii) Upon exercise of 20,000,000 unlisted options being exercised, refer to note 17.

(b) The following shares were issued during the year ended 30 June 2020:

- (i) On 23 August 2020, the Company completed a Placement to Sophisticated investors. Under the Placement 190,476,191 Shares were issued at \$0.042 per share, to raise \$8,000,000 before costs.
- (ii) Upon exercise of 159,316,609 listed options.

Capital Management

The Board's policy in relation to capital management is to regularly and consistently monitor future cash flows against expected expenditures for a rolling period of up to 12 months in advance. The Board determines the Group's needs for additional funding by way of either share issues or loan funds depending on market conditions at the time. The Board defines working capital in such circumstances as its excess liquid funds over liabilities, and defines capital as being the ordinary share capital of the Group and retained profits.

There were no changes in the Group's approach to capital management during the year.

17 RESERVES

(a) Option Reserves

Nature and Purpose of Reserves

The share option reserve is used to record the fair value of options.

	30 JUNE 2021	30 JUNE 2020
	\$	\$
At the beginning of reporting year	1,902,716	2,337,227
Expiry of options	-	-
Exercise of options	(1,872,716)	(434,511)
Transaction costs	-	-
Issued during the year	1,699,038	-
At reporting date	1,729,038	1,902,716

	2021 Number	2020 Number
Movement in \$0.025 17 August 2022 Listed Options (i)		
At the beginning of the reporting period	908,536,920	1,067,853,529
Exercised during the year	(700,946,802)	(159,316,609)
Issued during the year	-	-
At reporting date	207,590,118	908,536,920

- (i) Each option entitles the holder to subscribe to one share at an issue price of \$0.025 on or before 17 August 2022.

	Number	Number
Movement in \$0.025 1 August 2021 Unlisted Options (i)		
At the beginning of the reporting period	20,000,000	20,000,000
Exercised during the year	(20,000,000)	-
Issued during the year	-	-
At reporting date	-	20,000,000

- (i) Each option entitles the holder to subscribe to one share at an issue price of \$0.025 on or before 1 August 2021.

	2021 Number	2020 Number
Movement in \$0.053 3 August 2023 Unlisted Options		
At the beginning of the reporting period	-	-
Exercised during the year	-	-
Issued during the year	180,000,000	-
At reporting date	180,000,000	-

- (i) Each option entitles the holder to subscribe to one share at an issue price of \$0.053 on or before 3 August 2023. The options vested on issue.

18 ACCUMULATED LOSSES

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Accumulated losses at the beginning of the year	(14,970,643)	(34,427,108)
Previous period adjustment (note 23)	-	8,113,111
Profit/(Loss) for the year	20,281,725	10,908,843
Options exercised during the year	1,872,716	434,511
Options expired during the year	-	-
Dividend paid	(25,038,835)	-
	(17,855,037)	(14,970,643)

19 EARNINGS/(LOSS) PER SHARE

(a) Basic Earnings Per Share

The earnings and weighted average number of ordinary shares used in the calculation of the basic earnings per shares are as follows:

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Profit/(Loss) used in calculation of total basic earnings per share	20,281,725	19,021,954
Profit/(Loss) used in the calculation of earnings per share	20,281,725	19,021,954
	Number	Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	3,102,132,783	2,819,462,806
	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Basic earnings/(loss) per share after income tax attributable to members of the Company	0.0065	0.0044
Basic earnings/(loss) per share	0.0065	0.0044

(b) Basic and Diluted Loss Per Share

As at 30 June 2021 the Company had 207,591,118 (2020: 908,536,920) the effect of these options are dilutive on the earnings per share calculation.

The earnings used in the calculation of diluted earnings per share is as follows:

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Profit/(Loss) used in calculation of total basic earnings per share	20,281,725	19,021,954
Profit/(Loss) used in the calculation of earnings per share	20,281,725	19,021,954
	Number	Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	3,102,132,783	2,819,462,806
- Listed Options	207,590,118	908,536,920
Weighted average number of ordinary shares for diluted earnings per share	3,309,722,901	3,727,999,726

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Diluted earnings/(loss) per share after income tax attributable to members of the Company	0.0051	0.0033
Diluted earnings/(loss) per share	0.0051	0.0033

20 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Current - Cash at bank	22,041,849	15,367,426
	22,041,849	15,367,426

(b) Reconciliation of cash flows from operations with profit/(loss) after income tax

	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
Profit/(Loss) after income tax	20,281,724	19,021,954
Non cashflows from profit/(loss)		
Depreciation of plant and equipment	1,199,495	728,301
Options expense	1,699,038	-
Capitalised development costs	7,713,074	-
(Increase) /decrease in assets		
- Trade and other receivables	1,769,680	(2,235,998)
- Other assets	284,153	1,537,826
- Inventory	(5,310,499)	(7,576,693)
- Deferred tax asset	8,741,765	(5,199,298)
Increase / (decrease) in liabilities		
- Trade and other payables	1,031,831	362,343
- Provisions	4,919,213	379,302
Net cash inflows/(outflows) from operating activities	42,329,474	7,017,737

21 OPTIONS ISSUED

- (i) On 26 September 2018 the Company issued 20,000,000 Unlisted Options exercisable at \$0.025 on or before 1 August 2021 to an employee of the Company. The options vested upon issue.

During the year 20,000,000 unlisted options were exercised.

Using the Black & Scholes option model and based on the assumptions below, the Unlisted Options were ascribed the following value:

Class of Options	Number of Options	Valuation Date	Market Price of Shares	Exercise Price	Expiry Date	Risk Free Interest Rate	Volatility (discount)	Indicative Value per Option
Unlisted Options	20,000,000	01.08.18	\$0.02	\$0.025	01.08.21	2.21%	74.94%	\$0.0089

- (ii) On 3 August 2020 the Company agreed to issue 30,000,000 Unlisted Options exercisable at \$0.053 on or before 3 August 2023 to employees of the Company. The options vested upon issue.

Class of Options	Number of Options	Valuation Date	Market Price of Shares	Exercise Price	Expiry Date	Risk Free Interest Rate	Volatility (discount)	Indicative Value per Option
Unlisted Options	30,000,000	03.08.2020	\$0.041	\$0.053	03.08.23	0.27%	70.23%	\$0.0163

- (iii) On 4 January 2021 the Company agreed to issue 150,000,000 Unlisted Options exercisable at \$0.053 on or before 3 August 2023 to directors and employees of the Company. The options vested upon issue.

Class of Options	Number of Options	Valuation Date	Market Price of Shares	Exercise Price	Expiry Date	Risk Free Interest Rate	Volatility (discount)	Indicative Value per Option
Unlisted Options	150,000,000	04.01.21	\$0.033	\$0.053	03.08.23	0.10%	62.39%	\$0.0081

Of the above unlisted granted, the following were issued to key management personnel:

Key Management Personnel	Grant Date	Number of Performance Rights
G McGarry	04.01.21	40,000,000
G Greenhill	04.01.21	40,000,000
S Shipway	04.01.21	20,000,000
J Bontempo	04.01.21	20,000,000

22 KEY MANAGEMENT PERSONNEL

(a) Details of key management personnel

Directors and Executives

Graham McGarry – Executive Chairman/Managing Director

Geoffrey Greenhill – Non-Executive Director

Sarah Shipway – Non-Executive Director

Jason Bontempo – Non-Executive Director – Appointed 10 November 2020

Alexander McCulloch – Executive Director – Retired on 10 November 2020

Rodney Johns – Non-Executive Director – Appointed on 21 July 2020 and retired on 10 November 2020

(b) Compensation of key management personnel

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Salary, fees and leave	545,722	549,296
Superannuation	41,551	45,917
Equity based payments – Note 21	968,994	-
Total key management personnel compensation	1,556,267	595,213

(c) Other transactions and balances with Key Management Personnel

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 total \$2,865,252 (2020: \$2,221,515). At 30 June 2021 \$234,411 (2020: \$246,508) was payable to McVerde Minerals.

McVerde Minerals sold \$352,110 of equipment to Beacon Minerals, the equipment was sold at arm's length and market value.

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 total \$100,188 (2020: \$24,477). At 30 June 2021 \$0 (2020: \$720) was payable to Mangelsdorf Engineering.

Kinetiq Solutions Pty Ltd, a Company 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 total \$437,232 (2020: \$2,091,107). At 30 June 2021 \$49,603 (2020: \$0) was payable to Kinetiq Solutions.

In October 2018 Directors' Graham McGarry and Geoffrey Greenhill participated in the Company's \$18.0m debenture issue. In addition, related parties to Graham McGarry also participated in the debenture issue. Shareholder approval was sought and received on 4 October 2018.

Under the debenture issue Graham McGarry and Geoffrey Greenhill, through their nominated entities, were issued \$2,450,000 and \$950,000 debentures, respectively. Related parties to Graham McGarry were issued \$1,100,000 in debentures. The debenture holders were paid a 3% fee on the debentures issued.

On 12 October 2020 the debentures were repaid in full.

During the year \$213,739 (2020: \$653,113) of interest was paid on the debentures to Graham McGarry, his related parties and Geoffrey Greenhill.

23 ADJUSTMENT OF PRIOR PERIOD INFORMATION

The Directors have revisited their application of *Interpretation 20 – Stripping Costs in the Production Phase of a Surface Mine*. Previously, mining waste stripping costs incurred during production were expensed to the income statement in the period in which they were incurred. To align the Company's policy for stripping costs to wider industry practice, the Directors have revised this policy to include the mining waste stripping costs in inventory to the extent that the stripping costs do not improve access to a component of the ore body yet to be mined. As a result, an adjustment of \$3,246,546 has been made.

The Group has appointed an independent tax advisor to review its 30 June 2019 and 30 June 2020 consolidated income tax returns. As a result of this review, these returns will be amended due to incorrect tax treatment of mine development expenditure in the original consolidated income tax returns. As a result of these proposed amendments, it was noted that the deferred tax liabilities arising from capitalised exploration and mine development expenditure were materially overstated in the 30 June 2020 financial year. Accordingly, the Group considers it to be appropriate to restate the income tax expense and deferred tax balances for the 30 June 2020 year. As a result, an adjustment of \$4,866,565 has been made.

The comparative information has been adjusted to reflect the impact of the above changes. The changes do not have any impact on the consolidated statement of cash flows.

	As Previously Reported	Adjustment	Adjusted
	\$	\$	\$
30 June 2020			
Cost of sales	(26,846,693)	3,246,546	(23,600,147)
Profit/(Loss) before tax	10,576,110	3,246,546	13,822,656
Tax	332,733	4,866,565	5,199,298
Profit/(Loss) after tax	10,908,843	8,113,111	19,021,954
Earnings per share	0.0039	0.0005	0.0044
Inventory	4,330,147	3,246,546	7,576,693
Deferred tax asset	332,733	4,866,565	5,199,298
Total equity	28,392,756	8,113,111	36,505,867

24 COMMITMENTS AND CONTINGENCIES

(a) Commitments

Mineral exploration commitments

In order to maintain the current rights of tenure to exploration tenements, the Consolidated Entity is committed to the following rent and minimum expenditure:

	30 JUNE 2021	30 JUNE 2020
	\$	\$
Not later than one year	34,138	43,818
Later than one year but not later than five years	-	-
- Expenditure commitment (i)	-	33,720
Later than five years	-	-
	34,138	77,538

(i) For the year ended 30 June 2021 the Company had met its expenditure commitments.

Beacon Mining Pty Ltd entered an agreement to purchase Mining Lease M16/529 from Fenton and Martin Mining Developments Pty Ltd ("Fenton and Martin"). Under the agreement Beacon will pay an initial royalty of \$90 per refined ounce of gold for the first 10,000 ounces produced from the tenement and \$80 per refined ounce of gold produced thereafter. A pre-paid royalty of \$1,100,000 has been paid to Fenton and Martin and will satisfy the royalty payments up to this amount. At 30 June 2020 the pre-paid royalty had been exhausted.

Beacon Mining Pty Ltd entered into an agreement to purchase two mining leases, ML 16/34 and ML 16/115 from Flinders Exploration Limited and JH Mining Limited ("Flinders & JH Mining"). Under the agreement Beacon will pay a royalty of 6% for the first 25,000 ounces, 2% for 25,001 to 50,000 ounces and 1.5% for ounces over 50,001 for ML 16/34. For ML 16/115 Beacon will pay \$1.00 for every dry tonne ore mined to \$1,000,000.

Beacon Mining Pty Ltd has entered into an agreement to purchase exploration licence E16/469 from Mr Steven Argus and Zephyr Mining Pty Ltd ("Argus & Zephyr"). Under the agreement Beacon will pay a royalty of 4% of recovered gold. A prepaid royalty of \$400,000 has been paid to Argus & Zephyr and will satisfy the royalty payments up to this amount.

Beacon Mining Pty Ltd entered into an agreement to purchase mining lease M16/560 from Boulder Investments Group Pty Ltd. Under the agreement Beacon will pay a royalty of \$250 per ounce for all ounces recovered in the band of 3,001 ounces to 5,000 ounces (inclusive). For all ounces recovered above 5,000 ounces a royalty of 5% shall be paid.

Beacon Mining Pty Ltd entered into a royalty agreement with Corinthian Mining Pty Ltd in relation to mining lease M16/365. Under the agreement Beacon will pay a royalty of 4% of the recovered gold. During the year Company prepaid \$205,000 in royalties to Corinthian.

Beacon Mining has entered into an agreement with Australian Live-Stock Suppliers Pty Ltd ("Australian Live-Stock") to purchase prospecting licences P16/2925 and P16/2926. Under the agreement Beacon will pay a royalty of \$80 per ounce produced from these tenements.

25 EVENTS SUBSEQUENT TO BALANCE DATE

On 24 August 2021 the Company announced that it had acquired the MacPhersons Reward Project. The MacPhersons Reward Project is located 45km southeast of the Company's Jaurdi Gold Project and 5km southeast of the Coolgardie township.

Beacon Minerals and Beacon Mining have entered into a share sale agreement with Primary Gold Pty Ltd pursuant to which Beacon Mining agreed to purchase, and Primary Gold had agreed to sell, all the shares in the capital of MacPhersons Reward.

The consideration for the acquisition is A\$14.0 million in cash, this was paid on 23 August 2021 on completion of the Transaction. In accordance with AASB 3 Business Combinations the acquisition is likely to be accounted for as an asset acquisition. A detailed assessment of this transaction from an accounting perspective is on-going.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the entity up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of the affairs of the consolidated entity in future financial years.

26 FINANCIAL RISK MANAGEMENT

(a) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that the financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Based on the cash and cash equivalents balances at 30 June 2021 a 1% movement in interest rates would increase/decrease the profit/(loss) for the year before taxation by \$22,691 (2020: \$11,342).

The consolidated entity regularly analyses its interest rate exposure and considers the cost of equity as an alternative to debt.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments (e.g. borrowing repayments). The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Maturity analysis

	Carrying Amount \$	Contractual Cash Flows \$	<6 months \$	6-12 months \$	1-5 years \$	>5 years \$
Year ended 30 June 2021						
Trade and other payables	3,857,947	3,857,947	3,857,947	-	-	-
Debentures	-	-	-	-	-	-
	3,857,947	3,857,947	3,857,947	-	-	-
Year ended 30 June 2020						
Trade and other payables	3,543,801	3,543,801	3,543,801	-	-	-
Debentures	18,000,000	20,294,873	921,105	921,105	18,552,663	-
	21,543,801	23,838,674	4,464,906	921,105	18,552,663	-

(c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount of those assets, as disclosed in the statement of financial position and notes to the financial report.

When there are gold sales the Group has a material credit exposure to a single debtor and has adopted the policy of dealing with credit worthy counterparties as a means of mitigating the risk of financial loss from defaults.

(e) Financial risk management policies

The Group's financial instruments consist mainly of deposits with recognised banks, debentures, accounts receivable and accounts payable. Liquidity is managed, when sufficient funds are available, by holding sufficient funds in a current account to service current obligations and surplus funds invested as deposits with recognised banks. The Directors analyse interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The main risks the Group is exposed to through its financial instruments is the depository banking institution itself, holding the funds, and interest rates. The Group's credit risk is minimal as the Group has no significant financial assets other than cash and term deposits and the Group only sells to the Perth Mint which is wholly owned by the Government of Western Australia.

(f) Commodity price risk

Commodity price risk arises from fluctuations in market prices of gold. To manage commodity price risk the Group entered into Gold forward contracts refer to note 9. The Group monitors market expectations on future commodity prices and considers entering into longer term contracts or commodity swaps or put option positions if necessary, to manage the risk in a manner consistent with its risk management objectives.

(h) Foreign Currency Risk

The Group is not exposed to any foreign currency risk as at 30 June 2021

27 INTER COMPANY LOANS

The Company has two 100% owned subsidiaries disclosed in note 29. At 30 June 2021 the balance due from the subsidiaries were:

Australian Dollar (\$)	30 JUNE 2021	30 JUNE 2020
	\$	\$
Beacon Mining Pty Ltd	4,662,372	19,976,322
Beacon Mining Services Pty Ltd	(14,295,301)	4,556,769
	<u>(9,632,929)</u>	<u>24,533,091</u>

These amounts comprise of funds provided by the parent company for exploration and development activities.

Related party transactions between the Group and other related parties are disclosed in note 22(c).

28 SEGMENT REPORTING

For management purposes, the Group is organised into one main operating segment, which involves the exploration and development of minerals in Australia. All of the Group's activities are interrelated, and discrete financial information is reported to the Board as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

Major Customers

When there are gold sales, the Group sells to a single external customer who accounts for 100% of the external revenue.

29 SUBSIDIARIES

The parent entity, Beacon Minerals Limited, has a 100% interest in Beacon Mining Pty Ltd and Beacon Mining Services Pty Ltd. Beacon Minerals is required to make all the financial and operating policy decisions for these subsidiaries.

Subsidiaries of Beacon Minerals Limited	Country of Incorporation	Percentage owned %	
		2021	2020
Beacon Mining Pty Ltd	Australia	100%	100%
Beacon Mining Services Pty Ltd	Australia	100%	100%

30 PARENT COMPANY DISCLOSURE**(a) Financial Position as at 30 June**

Australian Dollar (\$)	30 JUNE 2021 \$	30 JUNE 2020 \$
Assets		
Current assets	23,230,938	41,205,196
Non-current assets	71,022	35,357
Total assets	23,301,960	41,240,553
Liabilities		
Current liabilities	3,911,549	1,092,807
Non-current liabilities	-	18,000,000
Total liabilities	3,911,549	19,092,807
Net Assets	19,390,411	22,147,746
Equity		
Issued Capital	67,597,403	49,573,734
Reserves	1,729,037	1,902,716
Accumulated losses	(49,936,029)	(29,328,704)
Total equity	19,390,411	22,147,746

(b) Financial Performance for the year ended 30 June

Australian Dollar (\$)	30 JUNE 2021 \$	30 JUNE 2020 \$
Profit (loss) for the year	(3,428,426)	(4,429,533)
Other comprehensive income	-	-
Total comprehensive income (loss)	(3,428,426)	(4,429,533)

(c) Guarantees entered into by the Parent Entity

The parent entity has not provided guarantees to third parties as at 30 June 2021.

31 NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the reporting period ended 30 June 2021. Those which may be relevant to the Company are set out in the table below, but these are not expected to have any significant impact on the Company's financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for Company
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022	1 July 2022
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	1 January 2023	1 July 2023
AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date	1 January 2023	1 July 2023

In the opinion of the Directors of Beacon Minerals Limited ("the Consolidated Entity")

- (a) The consolidated financial statements and the notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its performance for the year ended that date; and
 - (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*, and:
- (b) There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.
- (b) The financial statements and notes comply with International Financial Reporting Standards as disclosed in Note 2 (b).

This declaration has been made after receiving the declarations from the board of directors' required to be made in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2021.

Signed in accordance with a resolution of the Directors made pursuant to s295(5) of the *Corporations Act 2001*.

On behalf of the Board



Graham McGarry
Executive Chairman/Managing Director

Dated this 23 September 2021
Perth, Western Australia

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF BEACON MINERALS
LIMITED**

I declare that, to the best of my knowledge and belief during the year ended 30 June 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 23rd day of September 2021

ACCOUNTANTS & ADVISORS

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Beacon Minerals Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Beacon Minerals Limited (the Company and its subsidiaries (the Group)), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

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CARRYING VALUE OF INVENTORY

Area of focus

Refer also to notes 2(l) and 8

The Group have commenced gold production at the Jaurdi project, and Inventory is carried at the lower of cost and net realisable value.

Significant judgement is required to be exercised by management in assessing the carrying value of inventory.

The valuation required significant judgments and estimations by management, including the following:

- Estimated quantity of gold contained within ore stockpiles;
- Estimated quantity of gold contained within Gold In Circuit inventory; and
- Identification and allocation of costs to inventory.

How our audit addressed it

Our review procedures included:

- Evaluating the quantity of gold by agreeing estimated volume to third party evidence;
- We assessed the experience of the consultants who estimated the quantity of inventory. We examined the assumptions used in the model for the estimates;
- We reviewed management's determination and accounting policy for inventory;
- Evaluated management's calculations to determine the net realisable value of inventory and verified that it exceeded the value of inventory at cost;

ACCOUNTING FOR STRIPPING COSTS

Area of focus

Refer also to note 23

During the year the Directors revisited their application of Interpretation 20 – *Stripping Costs in the Production Phase of a Surface Mine*. In prior periods, stripping costs incurred during production were expensed to the income statement in the period in which they were incurred. To align the Company's policy for stripping costs to wider industry practice, the directors have revised this policy to include stripping costs in inventory costings to the extent that the stripping costs do not improve access to a component of the ore body yet to be mined.

The impact of this reassessment includes changes to the comparative information to reflect costs that should have been

How our audit addressed it

- We evaluated the revision in accounting policy for inventory including the nature of costs that are allocated to inventory; and
- We checked that the impact of the change in accounting policy was appropriately disclosed in the financial statements.

capitalised rather than expensed in prior periods.	
PROVISION FOR REHABILITATION	
Area of focus Refer also to notes 2(i) and 13	How our audit addressed it
<p>During the year the Group was able to estimate and recognise the rehabilitation provision. Significant judgement is required to be exercised by management in assessing the rehabilitation provision.</p> <p>The provision recognised is based on an assessment of estimated cost of closure and reclamation of the areas using internal information concerning environmental issues in the exploration and previously mined areas, together with input from various environmental consultants.</p> <p>The assessment required significant judgments and estimations by management, including the following:</p> <ul style="list-style-type: none"> - Future development and exploration activity; - Changes in the cost of goods; - Services required for restoration; and - Changes to the legal and regulatory framework. <p>The results of these assessments materially affect the disclosures.</p>	<p>Our review procedures included:</p> <ul style="list-style-type: none"> — Reviewing the assessment of the criteria for the rehabilitation provision; — Assessing the experience of the consultants who estimated the quantity of inventory. We examined the assumptions used in the model for the estimates; — Reviewing the discounted expected future cashflows and the unwinding of the discount; — Reviewing amortisation of the rehabilitation provision; and — Assessing the adequacy of the Group's disclosures in respect of the transactions.
DEFERRED TAX ASSET	
Area of focus Refer also to notes 2(h), 4, and 23	How our audit addressed it
<p>During the year the Group appointed an independent tax advisor to review its 30 June 2020 and 30 June 2021 consolidated income tax returns. As a result of this review, these returns will be amended due to incorrect tax treatment of mine development expenditure in the original consolidated income tax</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> — Reviewing the calculations of income tax expense and deferred tax balances; and — Assessing the experience of the independent tax advisors who assessed the tax expense and deferred tax. We

<p>returns. As a result of these proposed amendments, it was noted that the deferred tax arising from capitalised exploration and mine development expenditure were materially overstated. Accordingly, the company considered it to be appropriate to restate the income tax expense and deferred tax balances for the 30 June 2021 year.</p>	<p>examined the assumptions used in the estimate and discussed these with the tax advisors; and</p> <p>We checked that the impact of the changes in income tax expense and deferred tax balances were appropriately disclosed in the financial statements.</p>
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Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our independent auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 18 to 24 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Beacon Minerals Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



William Buck Audit (WA) Pty Ltd
ABN: 67 125 012 124



Amar Nathwani
Director
Dated this 23rd day of September 2021

The following table sets out Beacon Minerals Limited ore reserves as at 30 June 2021.

Project	Commodity Type	Category of Ore Reserve	30 June 2021	30 June 2020	Geographical Location
Jaurdi Gold Project	Gold	Proved	793,000 @ 1.46 g/t gold	1,380,000 @ 1.6 g/t gold	Australia
Jaurdi Gold Project	Gold	Probable ⁽¹⁾	1,558,000 @ 1.51 g/t gold	796,000 @ 1.9 g/t gold	Australia

(1) Probable Ore Reserve is inclusive of the Proved Ore Reserve.

(2) Rounding errors may occur.

Minecomp Pty Ltd (Minecomp) has been commissioned by the Company to produce an end of financial year 2021 Reserve Statement for Lost Dog which forms part of the Jaurdi Gold Project in Western Australia.

Minecomp is an independent mining engineering consulting practice located in Kalgoorlie Western Australia. Minecomp maintains best in class industry standard governance arrangements and internal controls with respect to the calculation of ore reserves.

Please see Appendix 1 for JORC table.

JORC 2012 Mineral Resources and Ore Reserve Statement - Competent Person Statement

The information in the Mineral Resources and Ore Reserves Statement is based on information compiled by Gary McCrae, Mining Engineer, a full-time employee of Minecomp Pty Ltd. The information in the Mineral Resources and Ore Reserve Statement is based on, and fairly represents, information and supporting documentation prepared by Mr McCrae. Mr McCrae is a corporate member of the Australasian Institute of Mining and Metallurgy. Mr McCrae has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 prepared by the Joint Ore Resources Committee, the Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Mineral Council of Australia." The Mineral Resources and Ore Reserves Statement as a whole is approved by Mr McCrae in the form in which it appears.

1. Distribution of holders at 23 September 2021

As at 23 September 2021 the distribution of shareholders was as follows:

Ordinary shares

Size of holding	Number of holders
1 – 1,001	83
1,001 – 5,000	28
5,001 – 10,000	44
10,001 – 100,000	1,744
100,001 and over	1,858
Total	3,757

2. Voting Rights

There are no restrictions to voting rights attached to the ordinary shares. On a show of hands every member present in person will have one vote and upon a poll, every member present or by proxy will have one vote for each share held.

3. Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with Section 671B of the Corporations Act 2001 are;

Shareholder	Shares held	Percentage of Interest %
Graham McGarry	355,391,026	9.92%
Oceanic Capital Pty Ltd	281,366,667	7.85%
Geoffrey Greenhill	238,365,346	6.65%

4. Top 20 Shareholders

The names of the 20 largest shareholders as at 23 September 2021 who hold 46.11% of the fully paid ordinary shares of the Company were as follows;

	Number
Oceanic Capital PI	281,366,667
Lamerton Pty Ltd <Mac's S/F A/C>	242,015,672
Mr Geoffrey Warren Greenhill & Mrs Gwenda Joy Greenhill <Greenhill Super Fund A/C>	219,076,456
Lamerton Pty Ltd	113,375,354
McGarry Helen Gayle	94,793,102
Barry & Diane Stewart Pty Ltd	82,250,000
Peters Investments Pty Ltd	71,428,572
Rubi Holdings Pty Ltd <John Rubino Super Fund A/C>	62,041,945
Greg Bond Pty Ltd <Greg Bond Family S/F A/C>	59,939,526
Aigle Royal Capital Pty Ltd <Aigle Royal Capital Dis A/C>	58,000,000
HSBC Custody Nominees (Australia) Limited	57,360,074
Barstow Mining Pty Ltd	50,612,309
Amalgamated Dairies Ltd	49,999,999
FGI Holdings Pty Ltd <RNH Investment A/C>	41,250,008
St Barnabas Investments Pty Ltd <The Melvista Family A/C>	31,733,333
Dixon Trust Pty Limited	30,000,000
Mr Owen Barry Merrett & Mrs Joanne Ross Merrett <Merrett Super Fund A/C>	30,000,000
Payzone Pty Ltd <St Barnabas Super A/C>	28,878,028
Propasco Investments Pty Ltd <Jotalk Family A/C>	25,893,793

Mr Christopher Robert Flesser	22,168,238
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5. Top 20 Option holders

The names of the 20 largest option holders as at 23 September 2021 who hold 59.51% of the listed options of the Company were as follows;

	Number
Mr Christopher Robert Flesser	15,242,780
HSBC Custody Nominees (Australia) Limited	14,089,797
Amalgamated Dairies Ltd	13,380,000
Mainlight Investments Pty Ltd <KP Superannuation A/C>	7,860,000
D & C Bowler Holdings Pty Ltd <D&C Bowler Family Super A/C>	7,700,894
Mr Robert John Norman	7,184,494
Mr Jarrod Lee Berryman	6,099,714
Mr Michael Cooper & Mr Richard Cooper & Mrs Valarie Cooper <Michael Cooper Family A/C>	6,000,000
KPRL Holdings Pty Ltd <KP Family A/C>	5,094,390
Mr Daniel Gerard Bowler	5,051,581
Mr Charles Robert Dirck Wittenoom	4,700,000
RB Future Directions Pty Ltd <Berryman SF A/C>	4,300,000
TD Lakes Investments Pty Ltd <Tracy & Deans S/F A/C>	3,700,000
Citicorp Nominees Pty Limited	3,664,203
Mr Adam Anthony Mioceovich	3,637,000
Toowong Pastures Pty Ltd	3,500,000
McCulloch Alexander John	3,342,107
Bowler Financial Services Pty Ltd <D & C Bowler Family A/C>	3,151,233
Expanz Agencies Limited	3,000,000
Televue Pty Limited <Black Shamrock Super A/C>	2,778,754

Beacon Minerals Limited mineral interests at 23 September 2021:

TENEMENT	PROJECT/LOCATION	INTEREST %
Jaurdi Gold Project		
M16/0529	Jaurdi, Coolgardie	100%
M16/0034	Jaurdi, Coolgardie	100%
M16/0115	Jaurdi, Coolgardie	100%
M16/0365	Jaurdi, Coolgardie	100%
M16/0560	Jaurdi, Coolgardie	100%
P16/2925	Jaurdi, Coolgardie	100%
P16/2926	Jaurdi, Coolgardie	100%
L16/0120	Jaurdi, Coolgardie	100%
L16/0122	Jaurdi, Coolgardie	100%
L16/0131	Jaurdi, Coolgardie	100%
E16/0469 ⁽¹⁾	Jaurdi, Coolgardie	100%
E15/1582	Jaurdi, Coolgardie	100%
L15/0312	MacPhersons Project	100%
L15/0352	MacPhersons Project	100%
L15/0375	MacPhersons Project	100%
M15/0040	MacPhersons Project	100%
M15/0128	MacPhersons Project	100%
M15/0133	MacPhersons Project	100%
M15/0147	MacPhersons Project	100%
M15/0148	MacPhersons Project	100%
M15/1808	MacPhersons Project	100%
P15/5719	MacPhersons Project	100%
P15/5722	MacPhersons Project	100%
P15/5892	MacPhersons Project	100%
P15/5901	MacPhersons Project	100%
P15/5902	MacPhersons Project	100%
P15/6071	MacPhersons Project	100%
P15/6085	MacPhersons Project	100%
P15/6086	MacPhersons Project	100%
P15/6087	MacPhersons Project	100%
P15/6088	MacPhersons Project	100%
P15/6089	MacPhersons Project	100%
P15/6090	MacPhersons Project	100%

- (1) Beacon has executed an Option to Purchase Agreement with Mr Steven Argus and Zephyr Mining Pty Ltd, the holders of licence E16/469.

JORC Section 4 - Estimation and Reporting of Ore Reserves – Lost Dog

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.	The Mineral Resource for the Lost Dog Prospect was estimated by BCN in May 2021 (lost_dog_res2105.mdl).
	Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	Where applicable the resource model has been depleted by material mined to 30 April 2021. 30 April 2021 ore stockpile surveys. The Mineral Resource is inclusive of the Ore Reserves.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	A site visit by the Competent Person was undertaken on 8 June 2021.
	If no site visits have been undertaken indicate why this is the case.	A site visit by the Competent Person was undertaken on 8 June 2021.
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.	The study is considered to be to a pre-feasibility level of confidence (+/- +10/-5%).
	The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	The Ore Reserve is a combination of updated resource modelling and mined ore stockpile surveys. Ore reserves are classified as Proved and Probable.
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	The cut-off grade is calculated as part of the mine optimisation analysis. For Ore Reserve calculations the cut-off grade was 0.5 g/t gold (diluted).
Mining factors or assumptions	The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).	The Mineral Resource model was factored to generate diluted Ore Reserve during the estimation process. A detailed mine design has also been completed.
	The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip,	Mining method is conventional open pit with drill and blast, excavate, load and haul. The ore zone geometry coupled with the low stripping ratio (<2.5 (waste) to 1 (ore) and maximum pit depth (<32.5m) indicate that Lost Dog is most

	access, etc.	suited to mining by conventional open pit mining methods.
	The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.	An external geotechnical report provided pit slopes and recommended inputs for optimisation and open pit mine design. Grade Control, where applicable has been RC drilled from surface on a 12.5x12.5m staggered grid.
	The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).	The Ore Reserve has been determined using the May 2021 resource estimate model (lost_dog_res2105.mdl) generated by BCN personnel. This resource estimate model was based upon a combination of grade control and exploration drilling.
	The mining dilution factors used.	Additional mining dilution of 2% was applied.
	The mining recovery factors used.	Mining recovery of 98% was applied.
	Any minimum mining widths used.	No minimum widths were utilised with resource lode interpretation being in excess 120m exclusive of mining dilution.
	The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.	Inferred Resources were not used or included in the mining study nor any subsequent Ore Reserve calculations.
	The infrastructure requirements of the selected mining methods.	The Project has no further infrastructure requirements.
Metallurgical factors or assumptions	The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.	Current on-site processing utilizes conventional CIP methods and have been proven to be a successful means of gold extraction.
	Whether the metallurgical process is well-tested technology or novel in nature.	Well-tested existing metallurgical technology.
	The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.	Beacon has mined and milled in excess of 886,000t of Lost Dog ore to date achieving an average gold recovery 88%. The ore milled to date was representative of the ore zones. Based upon these results a gold recovery of 88% has been utilised for this study.
	Any assumptions or allowances made for deleterious elements.	No deleterious elements are present.

	The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.	Bulk sample processing (i.e. the 4,300t parcel previously mined) has been carried out.
	For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	There are no minerals defined by a specification.
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	<p>All environmental permitting has been submitted to the Western Australian DMIRS and DWER. All approvals have subsequently been received.</p> <p>Waste rock is typically non-acid forming.</p> <p>Waste material will be stored in conventional above surface waste dumps.</p> <p>Tailings will be stored on site in excavated open pit workings.</p>
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	<p>Site access is via a public road (Jaurdi Hills Road) which passes along the western edge of the main tenement boundary.</p> <p>The tenements comprising the project area are granted mining leases with a combined area of approximately 1,000 hectares.</p> <p>Accommodation is a mixture of residential and on-site</p>
Costs	The derivation of, or assumptions made, regarding projected capital costs in the study.	Capital costs are based upon BCN in-house knowledge and experience in the establishment of this and similar mining operations. These costs estimates are estimated to be within (+/- 5%).
	The methodology used to estimate operating costs.	Operating costs are based upon current in-house knowledge and experience for the Lost Dog mining operation. These costs estimates are estimated to be within (+5%/-5%).
	Allowances made for the content of deleterious elements.	No deleterious elements present.
	The source of exchange rates used in the study.	Cost models use Australian dollars.
	Derivation of transportation charges.	There are no transport costs.
	The basis for forecasting or source of treatment and refining charges, penalties for failure to meet	Treatment costs are based on known current milling costs.

	specification, etc.	
	The allowances made for royalties payable, both Government and private.	State royalty of 2.5% and 3 rd Party Royalty of \$80/oz have been incorporated.
Revenue factors	The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.	Using a gold price of A\$2,200/oz.
	The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	Perth Mint end of financial year metal gold price \$2,334.83.
Market assessment	The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.	Gold doré will be sold at the Perth Mint as it is produced.
	A customer and competitor analysis along with the identification of likely market windows for the product.	Market window unlikely to change.
	Price and volume forecasts and the basis for these forecasts.	Price is likely to go up, down or remain same.
	For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	Not industrial mineral.
Economic	The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.	No NPV applied.
	NPV ranges and sensitivity to variations in the significant assumptions and inputs.	Sensitivity analyses have been completed.
Social	The status of agreements with key stakeholders and matters leading to social license to operate.	No Native Title Claimants on DIA over the granted mining tenements. M16/561 which is currently pending Government approval, is however subject to the establishment of a Native Title agreement.
Other	To the extent relevant, the impact of the following on the project and/or on the estimation and classification	

	of the Ore Reserves:	
	Any identified material naturally occurring risks.	A risk review has been completed. No material risks are identified.
	The status of material legal agreements and marketing arrangements.	There are no material on-going legal and marketing agreements.
	The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	<p>87% of Mining Reserves and 92% of gold ounces are contained within granted mining tenements.</p> <p>13% of Mining Reserves and 8% of gold ounces are contained within M16/561 which is currently awaiting approval from DMIRS. It is reasonably expected that the necessary Government approvals will be received.</p> <p>A Project Management Plan and Mining Proposal have been approved by the Western Australian DMIRS.</p> <p>Native Title agreement negotiations with regards to M16/561 are ongoing. It is reasonable to assume that an agreement will be struck within the required timeframe.</p>
Classification	The basis for the classification of the Ore Reserves into varying confidence categories.	Reserves are classified according to Resource classification.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	They reflect the Competent Person's view.
	The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	Approximately 12%
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates.	No audits carried out.
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion	<p>Confidence is in line with gold industry standards and the companies aim to provide effective prediction for current and future mining projects.</p> <p>No statistical quantification of confidence limits has been applied.</p>

	of the factors which could affect the relative accuracy and confidence of the estimate.	
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	Estimates are global.
	Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.	Reserve confidence is reflected by the Proved and Probable category applied, which in turn reflects the confidence of the Mineral Resource. The Reserve is most sensitive to; a) resource grade accuracy, b) gold price c) metallurgical recovery d) ore milling costs.
	It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	Current production data where available has been used.

JORC Section 4 - Estimation and Reporting of Ore Reserves – Black Cat South

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.	The Mineral Resource for Black Cat South was estimated by BMGS in November 2020 (blackcat_20_11_eng.mdl).
	Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	Where applicable the resource model has been depleted by material mined to 30 April 2021. The Mineral Resource is inclusive of the Ore Reserves.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	A site visit by the Competent Person was undertaken on 8 June 2021.
	If no site visits have been undertaken indicate why this is the case.	A site visit by the Competent Person was undertaken on 8 June 2021.
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore	The study is considered to be to a pre-feasibility level of confidence (+/- +10/-5%).

	Reserves.	
	The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	<p>The Ore Reserve is based upon the May 2021 pre-feasibility study.</p> <p>Ore reserves are classified as Proved and Probable.</p>
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	The cut-off grade is calculated as part of the mine optimisation analysis. For Ore Reserve calculations the cut-off grade was 0.5 g/t gold (diluted).
Mining factors or assumptions	The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).	The Mineral Resource model was factored to generate diluted Ore Reserve during the estimation process. A detailed mine design has also been completed.
	The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.	Mining method is conventional open pit with drill and blast, excavate, load and haul. The ore zone geometry coupled with the low stripping ratio (11.3 (waste) to 1 (ore) and maximum pit depth (70m) indicate that Black Cat South is most suited to mining by conventional open pit mining methods.
	The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.	An external geotechnical report provided pit slopes and recommended inputs for optimisation.
	The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).	The Ore Reserve has been determined using the November 2020 resource estimate (blackcat_20_11_eng.mdl).
	The mining dilution factors used.	Additional mining dilution of 10, 15 and 20% at 0.00g/t was applied to oxide, transitional and fresh ore respectively.
	The mining recovery factors used.	Mining recovery of 95% was applied.
	Any minimum mining widths used.	No minimum widths were utilised. Resource lode interpretation varies between 2.5 and 20m.
	The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.	Inferred Resources were not used or included in the mining study nor any subsequent Ore Reserve calculations.

	The infrastructure requirements of the selected mining methods.	The Project has no further infrastructure requirements.
Metallurgical factors or assumptions	The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.	Processing at the Jaurdi Gold Project utilizes conventional CIP methods. This is a tried and tested means of gold extraction from material of this nature.
	Whether the metallurgical process is well-tested technology or novel in nature.	Well-tested existing metallurgical technology.
	The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.	Preliminary metallurgical testwork on material considered to be representative of the Black Cat South ore zones resulted in metallurgical recoveries ranging between 95.9% and 99%. Based upon these results a gold recovery of 92% has been utilised for this study.
	Any assumptions or allowances made for deleterious elements.	No deleterious elements are present.
	The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.	No bulk sample or pilot scale test work has been undertaken.
	For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	There are no minerals defined by a specification.
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	Environmental permitting is still to be submitted to the Western Australian DMIRS and DWER. Given that Black Cat South is on a granted mining tenement adjacent to a historical open pit operation it is reasonable to assume that all approvals will be received. Waste rock is typically non-acid forming. Waste material will be stored in conventional above surface waste dumps. Tailings will be stored at the Jaurdi Gold Project processing plant site in excavated open pit workings.
Infrastructure	The existence of appropriate infrastructure: availability of land for	Site access is via a public road (Jaurdi Hills Road) to the Jaurdi Gold project processing plant then

	plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	<p>along the existing tails line and access track.</p> <p>The tenements encompassing the Black Cat South project area are granted mining leases with an area of approximately 340 hectares.</p> <p>Accommodation will be a mixture of residential and on-site at the Jaurdi Gold project.</p>
Costs	The derivation of, or assumptions made, regarding projected capital costs in the study.	Capital costs are based upon BCN in-house knowledge and experience in the establishment of similar mining operations. These costs estimates are considered to be within (+10%/-5%).
	The methodology used to estimate operating costs.	Operating costs are based upon contemporary in-house knowledge and experience for similar mining operations. These costs estimates are considered to be within (+10%/-5%).
	Allowances made for the content of deleterious elements.	No deleterious elements present.
	The source of exchange rates used in the study.	Cost models use Australian dollars.
	Derivation of transportation charges.	There are no transport costs.
	The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.	Treatment costs are based on known current milling costs.
	The allowances made for royalties payable, both Government and private.	State royalty of 2.5% and 3rd Party Royalty of 6% have been incorporated.
Revenue factors	The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.	Using a gold price of A\$2,200/oz.
	The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	Perth Mint end of financial year metal gold price \$2,334.83.
Market assessment	The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.	Gold doré will be sold at the Perth Mint as it is produced.

	A customer and competitor analysis along with the identification of likely market windows for the product.	Market window unlikely to change.
	Price and volume forecasts and the basis for these forecasts.	Price is likely to go up, down or remain same.
	For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	Not industrial mineral.
Economic	The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.	No NPV applied.
	NPV ranges and sensitivity to variations in the significant assumptions and inputs.	Sensitivity analyses have been completed.
Social	The status of agreements with key stakeholders and matters leading to social license to operate.	No Native Title Claimants on DIA over the mining leases.
Other	To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:	
	Any identified material naturally occurring risks.	A risk review has been completed. No material risks are identified.
	The status of material legal agreements and marketing arrangements.	There are no material on-going legal and marketing agreements.
	The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	<p>All Mining Reserves and gold ounces are contained within granted mining tenements.</p> <p>A Project Management Plan and Mining Proposal have yet to be submitted to Western Australian DMIRS. Given that Black Cat South is on a granted mining tenement adjacent to a historical open pit operation it is reasonable to assume that all approvals will be received within acceptable timeframes.</p>
Classification	The basis for the classification of the Ore Reserves into varying confidence	Reserves are classified according to Resource classification.

	categories.	
	Whether the result appropriately reflects the Competent Person's view of the deposit.	They reflect the Competent Person's view.
	The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	Nil
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates.	No audits carried out.
Discussion of relative accuracy/ confidence	Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.	Confidence is in line with gold industry standards and the companies aim to provide effective prediction for current and future mining projects. No statistical quantification of confidence limits has been applied.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	Estimates are global.
	Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.	Reserve confidence is reflected by the Proved and Probable category applied, which in turn reflects the confidence of the Mineral Resource. The Reserve is most sensitive to; a) resource grade accuracy, b) gold price c) metallurgical recovery d) ore milling costs.
	It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No current production data is available.

