

18 September 2024

Dear Shareholder

BEACON MINERALS LIMITED – PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

As announced on 18 September 2024, Beacon Minerals Limited (ACN 119 611 559) (**Company**) is undertaking a non-renounceable rights issue of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every eight (8) Shares held by eligible shareholders at an issue price of \$0.022 per Share to raise up to approximately \$10,331,112 (together with one (1) free attaching option (**New Option**) for every one (1) Share issued, exercisable at \$0.03 per New Option on or before the date that is five (5) years from the date of issue (the **Entitlement Offer**). In addition to the Entitlement Offer, the Company is proposing to make secondary offers as detailed in the Prospectus (as that term is defined below).

The Company lodged a prospectus for the Entitlement Offer (**Prospectus**) with ASIC and ASX on 18 September 2024.

Argonaut Securities Pty Ltd has been engaged as lead manager of the Entitlement Offer. The Entitlement Offer is fully underwritten by Argonaut PCF Limited (ACN 099 761 547) (**Argonaut**). Argonaut will receive a management fee of 2% on the gross proceeds raised and a 4% underwriting fee on the gross proceeds raised. The Company will also issue 50,000,000 New Options to Argonaut at a subscription price of \$0.0001 per New Option. The Company will also issue Argonaut an additional 14,194,229 New Options to be distributed amongst parties with which Argonaut enters into sub-underwriting agreements with. Of these Options, a total of 1,400,000 New Options are to be issued to Directors Graham McGarry and Geoffrey Greenhill which are subject to shareholder approval at the Company's upcoming annual general meeting to be held in November 2024. The balance of these New Options and will be issued out of the Company's current Listing Rule 7.1 placement capacity. The Company must also reimburse Argonaut for costs incidental to the Entitlement Offer.

The Company intends to apply the funds raised from the Entitlement Offer (less expenses) to mill optimisation, Geko dewatering, Eastern borefield extension, ongoing exploration at Timor Leste, Mt Dimer, Malarly Bore and Panel 3, expenses of the Entitlement Offer and general working capital. For further specifics of the use of funds please refer to section 3.1 of the Prospectus.

Following completion of the Entitlement Offer, assuming any shortfall is subsequently placed and the full subscription is raised, the Company will have issued approximately 469,596,021 Shares and 533,790,250 New Options resulting in total Shares on issue of 4,226,364,192 and total Options on issue of 533,790,250.

Ineligible shareholders

A Shareholder who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Entitlement Offer.

You are not eligible to participate in the Entitlement Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of Shares and New Options to which they would otherwise be entitled.

If you have any queries concerning the Entitlement Offer, please contact your financial adviser or Sarah Shipway, the Company Secretary, on +61 8 9093 2477.

Yours sincerely

Graham McGarry
Executive Chairman and Managing Director
Beacon Minerals Limited