ASX ANNOUNCEMENT

31 January 2017

SUCCESSFUL STAGE 1 DRILLING PROGRAMME COMPLETED AT JAURDI

Highlights

- **Assay Results received from RC drilling at Jaurdi include**
  - **JD17C10: 11 metres at 10.17 g/t Au from 9 metres**
  - **JD17C67: 16 metres at 3.81 g/t Au from 8 metres**
  - **JD17C19: 14 metres at 3.33 g/t Au from 7 metres**
  - **JD17C15: 14 metres at 2.91 g/t Au from 7 metres**
  - **JD17C11: 12 metres at 2.83 g/t Au from 12 metres**
  - **JD17C48: 10 metres at 2.45 g/t Au from 9 metres**
  - **JD17C49: 12 metres at 2.42 g/t Au from 9 metres**
  - **JD17C52: 13 metres at 2.35 g/t Au from 8 metres**
  - **JD17C14: 11 metres at 2.35 g/t Au from 9 metres**

- **The mineralised palaeochannel is open to the East and to the North West**
  - **400 metres of strike identified in Eastern Arm of palaeochannel as a result of Stage 1 drilling programme**
  - **Average width of mineralisation in the Eastern Arm is 180 metres**
  - **Average thickness of the Eastern Arm mineralisation is 10 metres**
  - **Average depth from surface to the upper horizon of the gold bearing palaeochannel is 8 metres**

Beacon Minerals Limited ("**Beacon**" or the "**Company**") is pleased to announce that the Stage 1 drilling programme has been successfully completed at the Jaurdi Gold Project, located 35 Km north west of Coolgardie in Western Australia. As announced on 3 January 2017 Beacon executed an exclusive option to purchase the Jaurdi Gold Project (Figure 1) comprising Mining Lease M16/529 (**ML**) from Fenton and Martin Mining Developments Pty Ltd (**Fenton and Martin**).

Beacon has completed 78 holes for 2,330 metres as part of their Stage 1 drilling programme which was designed to test the Eastern Arm of the Jaurdi gold system. The programme was highly successful with 52 of the 78 holes intersecting significant intervals of gold mineralisation at an average depth of 8 metres below surface. The Stage 1 drilling results extend the known position of mineralisation within the Eastern Arm of the Jaurdi gold system to both the North and the East. The system remains open to both the East and West - North West.

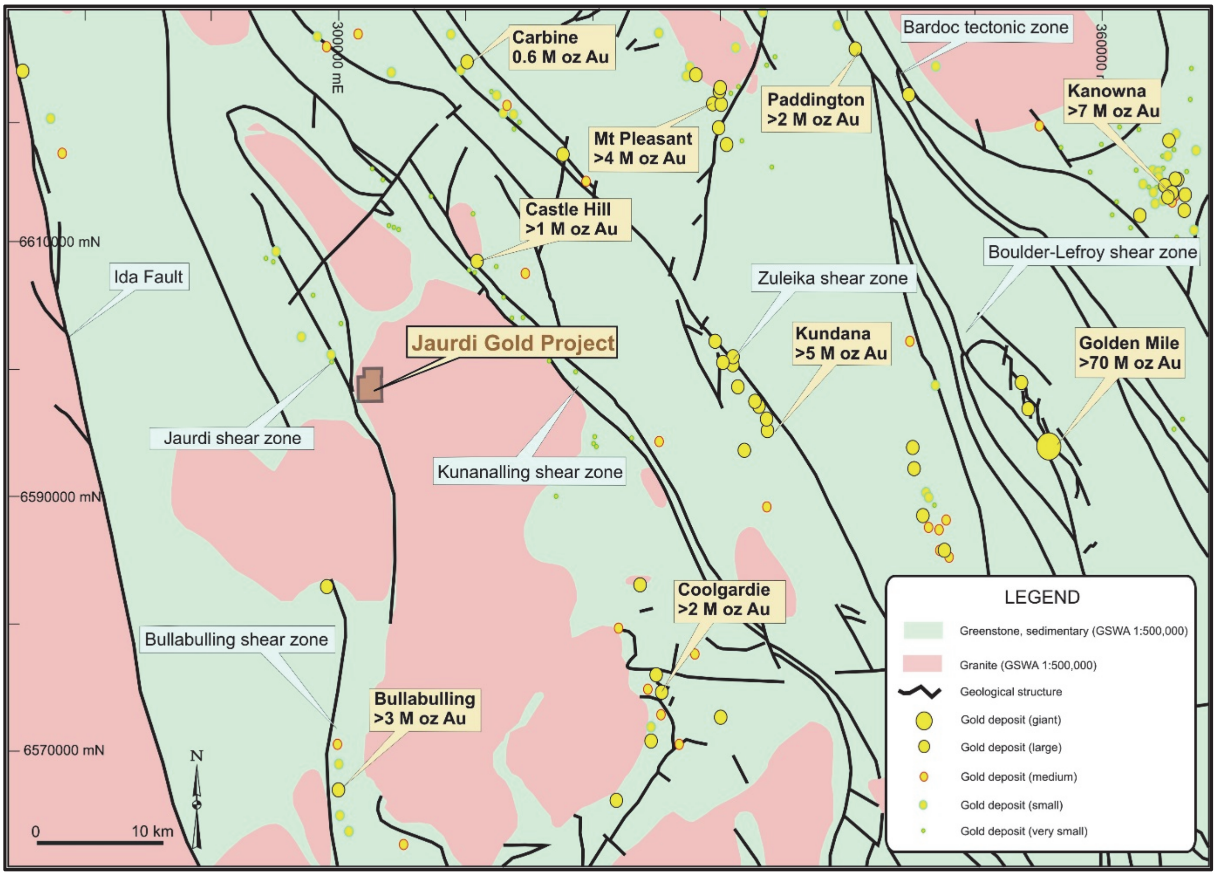

Figure 1: Locality of Jaurdi Gold Project relative to major gold deposits in the Kalgoorlie-Coolgardie district

Drilling was completed using a combination of Aircore (44 holes for 1,313 metres) and Reverse Circulation (34 holes for 1,017 metres) drilling techniques, the latter being employed to effectively drill through a silicified siltstone. A 25m x 50m pattern was drilled with all holes being vertical. Holes were drilled between 21 and 35 metres in depth (Figures 2 to 4). All hole collars have been surveyed using a DGPS and down hole surveying was undertaken using an open hole north seeking gyroscope.

The gold mineralisation is hosted in either a bleached, siliceous siltstone or an interbedded clay and siltstone unit. The average thickness of the mineralised system in the Eastern Arm of the Jaurdi palaeochannel is 10 metres, the average width is 180 metres and the identified strike length is 400 metres, being open to both the East and West of this arm. It appears the course of the palaeochannel system mimics the contemporary drainage system.

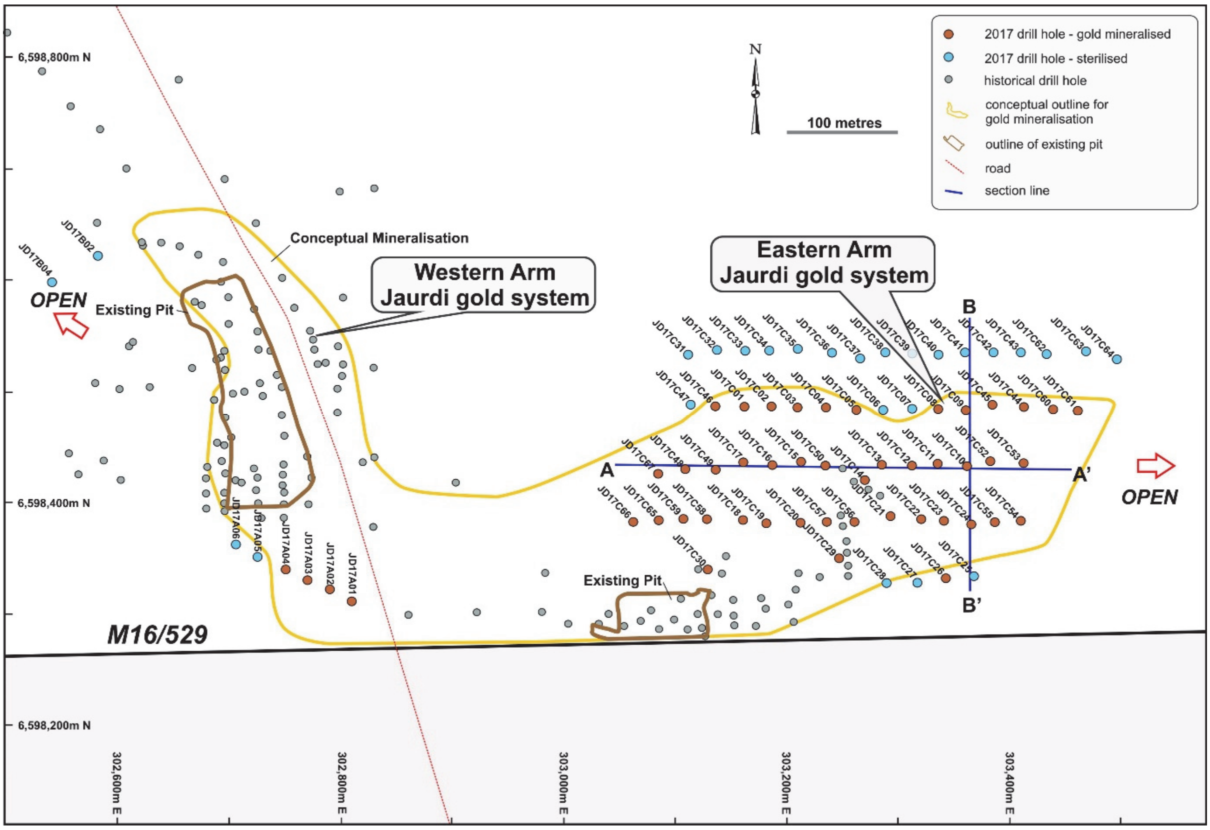

Figure 2: Location plan showing the collar position of the 2017 Stage 1 drill holes

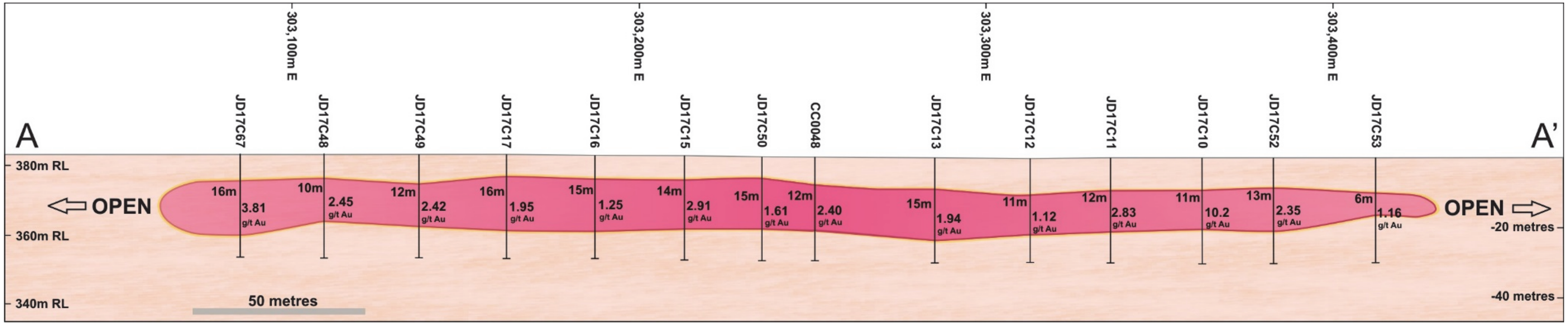

Figure 3: Long section A – A' through Eastern Arm of the Jaurdi gold system showing depth of palaeochannel mineralisation

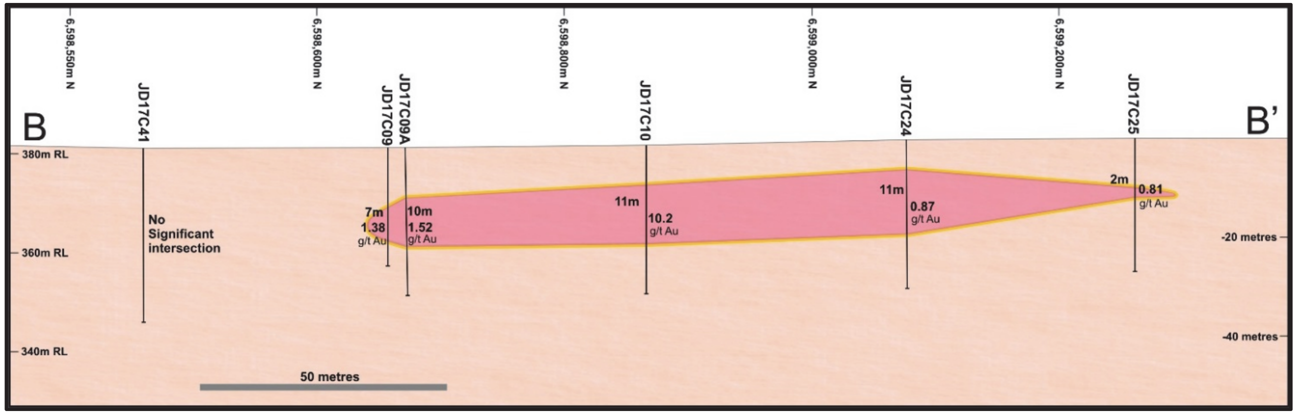

Figure 4: Cross section B – B' through Eastern Arm of the Jaurdi gold system showing depth of palaeochannel mineralisation

A second stage of drilling, of approximately 2,000 metres, has been designed by Beacon and will commence on 1 February 2017 using the Kalgoorlie based contractor Ausdrill. The aim of this programme is to extend the known occurrence of the Eastern Arm mineralisation both to the East and North West, by joining up with the historically understood Western Arm orebody and to further extend the Eastern Arm mineralisation to the East.

Table 1 shows the results of the Beacon January 2017 Stage 1 drilling programme and Table 2 shows a suite of significant intersections from a number of historical drill holes which were completed in three phases of drilling between 2007 and 2015.

Table 1: Table of drill intercepts from the January 2017 Jaurdi drilling programme

Hole_id	Hole_Type	MGA_Grid_ID	MGA_East	MGA_North	MGA_RL	From (m)	To (m)	Interval (m)	Au g/t Au	Depth (m)
JD17C01	RC	MGA94_51	303162.059	6598486.348	382.597	8	13	5	1.05	
						18	20	2	3.32	30
JD17C01A	AC	MGA94_51	303162.364	6598489.108	382.484	12	15	3	0.95	
						17	19	2	1.03	30
JD17C02	RC	MGA94_51	303185.464	6598487.161	382.322				NSI	23
JD17C02A	AC	MGA94_51	303186.455	6598486.932	382.303	8	15	7	0.81	
						21	22	1	1.37	30
JD17C03	AC	MGA94_51	303210.192	6598486.079	382.001	12	13	1	2.57	
						18	22	4	7.45	30
JD17C04	AC	MGA94_51	303235.492	6598485.309	381.992	17	21	4	1.43	30
JD17C05	AC	MGA94_51	303262.683	6598484.219	381.692	16	20	4	0.73	30
JD17C06	AC	MGA94_51	303286.377	6598483.342	381.619				NSI	30
JD17C07	AC	MGA94_51	303312.77	6598485.182	381.508				NSI	30
JD17C08	AC	MGA94_51	303335.92	6598486.055	381.42	14	18	4	1.15	21
JD17C08A	AC	MGA94_51	303335.877	6598482.384	381.373	11	18	7	1.39	30
JD17C09	AC	MGA94_51	303360.435	6598485.779	381.306	12	19	7	1.38	24
JD17C09A	AC	MGA94_51	303361.677	6598482.177	381.271	10	20	10	1.52	30
JD17C10	AC	MGA94_51	303362.346	6598433.467	381.748	9	20	11	10.17	30
JD17C11	AC	MGA94_51	303335.975	6598435.512	381.906	9	21	12	2.83	30
JD17C12	AC	MGA94_51	303312.713	6598433.83	382.041	10	18	8	1.37	30
JD17C13	AC	MGA94_51	303285.288	6598434.244	382.045	9	24	15	1.95	30
JD17C14	AC	MGA94_51	303271.169	6598420.054	382.269	9	20	11	2.35	30
JD17C15	AC	MGA94_51	303212.983	6598436.849	382.797	7	21	14	2.91	30
JD17C16	AC	MGA94_51	303187.171	6598434.317	383.079	7	18	11	1.44	30
JD17C17	AC	MGA94_51	303161.603	6598436.609	383.173	6	22	16	1.95	30
JD17C18	RC	MGA94_51	303161.447	6598384.969	383.456	9	13	4	1.95	30
JD17C19	RC	MGA94_51	303181.756	6598381.91	383.506	7	21	14	3.33	30
JD17C20	RC	MGA94_51	303213.225	6598382.091	383.202	7	15	8	1.16	30
JD17C21	RC	MGA94_51	303293.71	6598388.246	382.679	6	19	13	2.48	30
JD17C22	RC	MGA94_51	303321.221	6598385.57	382.701	8	17	9	1.20	30

JD17C23	RC	MGA94_51	303341.027	6598384.061	382.55	6	16	10	1.53	30
JD17C24	RC	MGA94_51	303366.109	6598380.858	382.796	7	9	2	2.24	
						15	17	2	1.05	30
JD17C25	RC	MGA94_51	303368.732	6598334.607	383.199	10	12	2	0.81	30
JD17C26	RC	MGA94_51	303343.038	6598332.337	383.059	13	14	1	1.03	30
JD17C27	RC	MGA94_51	303317.677	6598328.544	383.193				NSI	27
JD17C28	RC	MGA94_51	303290.252	6598328.099	383.2				NSI	30
JD17C29	RC	MGA94_51	303247.294	6598350.06	383.107	11	16	5	2.66	30
JD17C30	RC	MGA94_51	303129.323	6598340.158	384.675	8	13	5	0.94	30
JD17C31	RC	MGA94_51	303111.558	6598533.672	382.381				NSI	30
JD17C32	AC	MGA94_51	303137.835	6598537.45	382.299				NSI	30
JD17C33	AC	MGA94_51	303162.482	6598537.147	382.173				NSI	30
JD17C34	AC	MGA94_51	303184.562	6598537.459	381.996				NSI	30
JD17C35	AC	MGA94_51	303209.792	6598539.044	381.89				NSI	30
JD17C36	AC	MGA94_51	303240.671	6598535.386	381.82				NSI	30
JD17C37	AC	MGA94_51	303266.38	6598530.439	381.73				NSI	35
JD17C38	AC	MGA94_51	303288.337	6598535.472	381.554				NSI	30
JD17C39	AC	MGA94_51	303312.844	6598535.114	381.315				NSI	35
JD17C40	AC	MGA94_51	303336.797	6598534.3	381.217				NSI	30
JD17C41	AC	MGA94_51	303360.57	6598535.169	380.97				NSI	35
JD17C42	AC	MGA94_51	303385.938	6598535.559	380.878				NSI	30
JD17C43	AC	MGA94_51	303410.249	6598535.687	380.664				NSI	30
JD17C44	AC	MGA94_51	303412.639	6598487.469	380.961	10	20	10	2.80	30
JD17C45	AC	MGA94_51	303384.99	6598488.488	381.035	11	20	9	1.45	30
JD17C46	AC	MGA94_51	303136.324	6598487.83	382.687	17	20	3	5.97	30
JD17C47	AC	MGA94_51	303114.266	6598488.283	382.658				NSI	30
JD17C48	AC	MGA94_51	303109.092	6598430.265	383.505	9	19	10	2.45	30
JD17C49	AC	MGA94_51	303136.364	6598429.414	383.373	9	21	12	2.42	30
JD17C50	AC	MGA94_51	303235.318	6598433.842	382.648	6	21	15	1.61	30
JD17C52	AC	MGA94_51	303383.132	6598437.149	381.883	8	21	13	2.35	30
JD17C53	AC	MGA94_51	303412.56	6598435.484	381.997	10	15	5	1.77	30
JD17C54	AC	MGA94_51	303410.089	6598384.278	382.951	6	21	15	1.28	30
JD17C55	AC	MGA94_51	303386.93	6598382.453	382.829	15	17	2	1.59	30
JD17C56	RC	MGA94_51	303260.794	6598382.631	382.703	11	21	10	2.01	30
JD17C57	RC	MGA94_51	303236.344	6598383.244	382.91	9	18	9	1.98	30
JD17C58	RC	MGA94_51	303128.982	6598385.376	384.309	7	16	9	1.35	30
JD17C59	RC	MGA94_51	303108.282	6598384.764	384.292	9	18	9	1.4	30
JD17C60	AC	MGA94_51	303439.123	6598484.137	380.888	14	16	2	0.76	30
JD17C61	AC	MGA94_51	303461.133	6598483.299	380.805				NSI	30
JD17C62	RC	MGA94_51	303433.75	6598533.923	380.617				NSI	30
JD17C63	RC	MGA94_51	303468.642	6598536.959	380.455				NSI	30
JD17C64	RC	MGA94_51	303496.172	6598529.278	380.353				NSI	30
JD17C65	RC	MGA94_51	303085.435	6598384.936	384.292	11	21	10	1.62	30
JD17C66	RC	MGA94_51	303062.636	6598383.796	384.243	9	21	12	1.83	30
JD17C67	RC	MGA94_51	303084.875	6598426.846	383.644	8	24	16	3.81	30

JD17A01	RC	MGA94_51	302809.895	6598311.119	383.463	7	11	4	1.66	30
JD17A02	RC	MGA94_51	302790.957	6598322.085	383.428	7	9	2	1.96	30
JD17A03	RC	MGA94_51	302770.44	6598331.061	383.45	9	10	1	1.01	30
JD17A04	RC	MGA94_51	302750.354	6598339.975	383.575	8	12	4	0.88	30
JD17A05	RC	MGA94_51	302726.243	6598351.663	383.475				NSI	30
JD17A06	RC	MGA94_51	302706.1	6598362.701	383.621				NSI	30
JD17B02	RC	MGA94_51	302582.283	6598622.718	384.974	21	22	1	1.74	30
JD17B04	RC	MGA94_51	302541.984	6598598.524	385.301				NSI	30

Table 2: Table of selected historical drill intercepts from the Jaurdi Gold Project

Hole_id	Hole_Type	MGA_Grid_ID	MGA_East	MGA_North	MGA_RL	From (m)	To (m)	Interval (m)	Au g/t Au	Depth (m)
JD09-021	AC	MGA94_51	302702	6598499	383	12	17	5	5.44	30
JD09-029	RC	MGA94_51	302724	6598411	383	12	16	4	5.18	28
JD09-030	AC	MGA94_51	302725	6598423	383	16	21	5	3.12	30
JD09-031	RC	MGA94_51	302722	6598432	383	11	20	9	4.73	30
JD09-040	AC	MGA94_51	302747	6598415	383	15	22	7	3.67	30
JD09-044	AC	MGA94_51	302747	6598479	383	19	21	2	24.4	30
CC0009	AC	MGA94_51	303031	6598290	383	13	21	8	2.68	30
CC0028	AC	MGA94_51	303120	6598300	383	13	24	11	2.6	30
CC0042	AC	MGA94_51	303250	6598379	383	6	20	14	2.26	30
CC0048	AC	MGA94_51	303251	6598431	383	9	21	12	2.4	30

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Competent Persons Statement

The information in this report that relates to exploration results was authorised by Mr Darryl Mapleson, a Principal Geologist and a full time employee of BM Geological Services, who are engaged as consultant geologists to Beacon Minerals Limited.

Mr Mapleson is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Mapleson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to act 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 Mapleson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Certain statements contained in this announcement, including information as to the future financial or operating performance of Beacon and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Beacon, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
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No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

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