

ASX ANNOUNCEMENT

5 September 2017

JAUARDI GOLD PROJECT – UPDATE

Highlights

- Completion of acquisition of M16/34 and M16/115
- Drill Programme at Lost Dog Update
- Drill Programme at Black Cat Update
- Beacon commission second ground gravity survey

Beacon Minerals Limited (**Beacon**” or the “**Company**”) is pleased to advise that the Company has completed the acquisition of two mining leases, M16/34 and M16/115, from Flinders Exploration Limited and JH Mining Limited (the **Vendors**).

The two mining leases are within 4kms of the Jaurdi Gold Project and enhance Beacon’s tenement portfolio and infrastructure requirements at the Company’s Jaurdi Gold Project.

M16/34 and M16/115 Acquisition Terms

Under the terms of the agreement Beacon has paid the following consideration to the Vendors for the acquisition of the tenements:

- \$200,000 cash;
- 20,000,000 fully paid ordinary shares in Beacon; and
- 5,000,000 unlisted options exercisable at \$0.025 on or before 26 April 2019.

For further information in relation to the previous mining and exploration at the two mining leases please see ASX announcement 5 May 2017 “*Tenements Acquired Adjacent to Jaurdi Gold Project*”.

The Company has attached a copy of the Appendix 3B notice to issue the shares and options to the Vendors for the acquisition of mining leases M16/34 and M16/115.

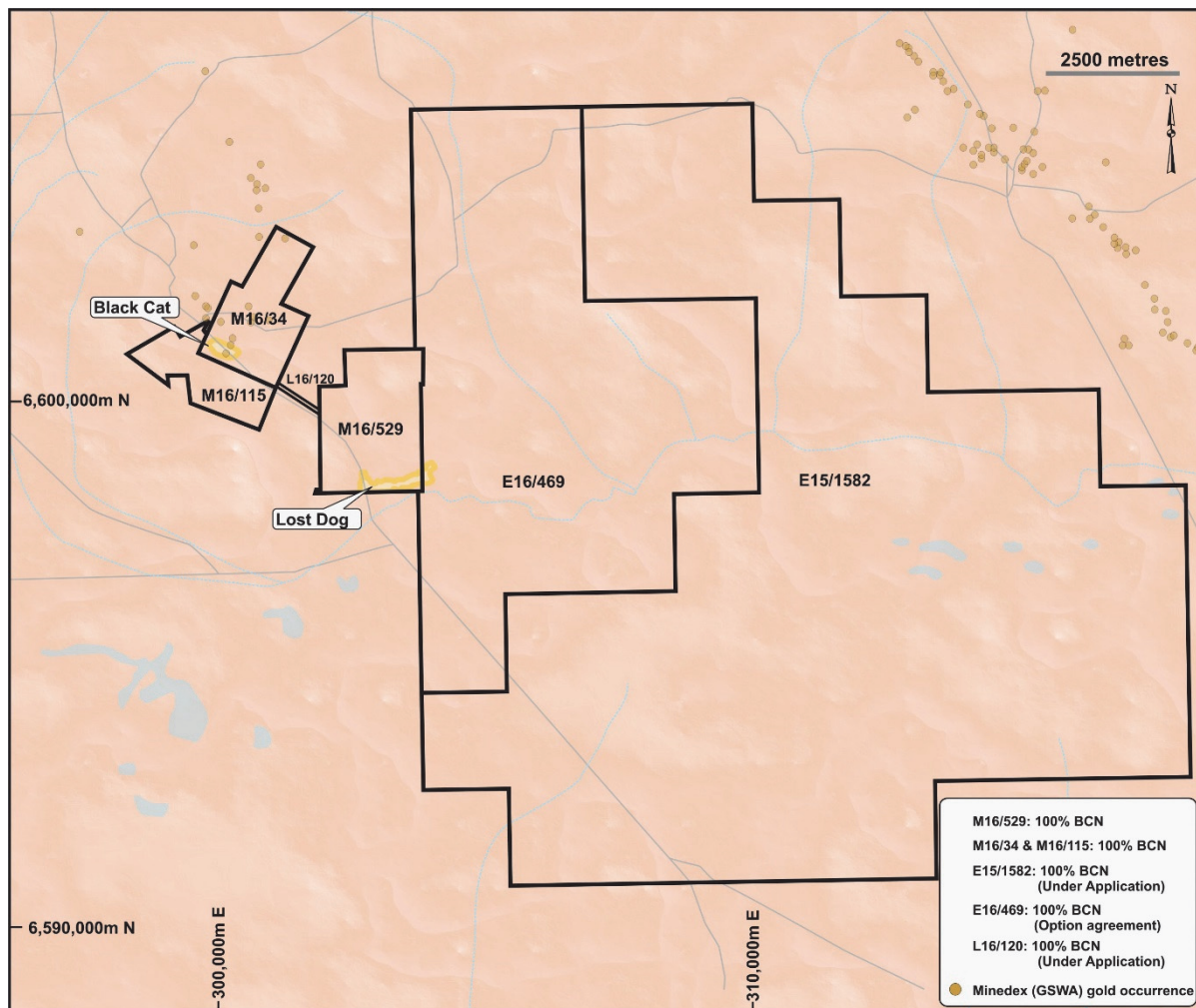


Figure 1: Locality diagram detailing Beacon Minerals tenement holding at Jaurdi

Lost Dog Drill Programme

Beacon is pleased to provide an update on the drill programme at Lost Dog. A total of 11 vertical drill holes have been completed for 605 metres with the objective of infilling sections of the Lost Dog mineralisation to improve the understanding of the Mineral Resource.

A further three angled RC drill holes for 171 metres and nineteen angled aircore holes for 1,161m have been completed at the Lost Dog to drill test a southern section of the auger-soil anomaly identified during the auger soil programme completed in July 2017.

For more information in relation to the results from the auger soil sampling programmes please see the 15 August 2017 ASX announcement “*Jaurdi Gold Project – Exploration Update*”.

Beacon is awaiting assays for this drilling campaign.

Black Cat RC Drill Programme

Further to the 15 August 2017 ASX announcement “*Jaurdi Gold Project – Exploration Update*”, the Company has completed the drill programme at Black Cat. Fifteen vertical and angled RC drill holes have been completed for 1,025 metres at the Black Cat deposit with the primary purpose being to test the veracity of the historical drilling. Assay results at the Black Cat have been received and results will be incorporated into a revised JORC 2012 Mineral Resource statement which is currently being prepared.

Gravity Programme

Beacon has analysed the preliminary airborne heli-VTEM survey results and identified numerous targets for the exploration of potential water drainage systems (Figure 2). Beacon has commissioned Southern Geoscience to design and implement a gravity survey to further target potential water sources for any future mining operations. This programme will commence immediately.

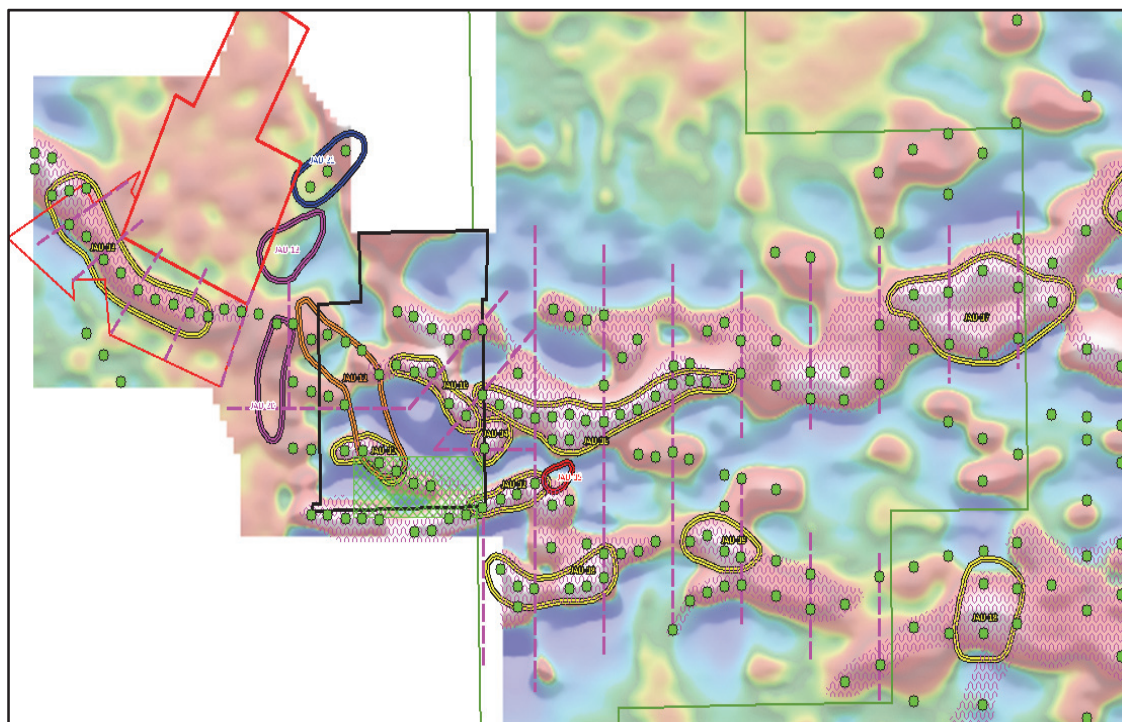


Figure 2: Gravity survey traverses (dashed pink lines) targeting potential water sources

Beacon is currently reviewing the final results of the heli-VTEM, the recommendations from Southern Geoscience and all the geological information collected to date by the Company at the Jaurdi Gold Project. Once this systematic review has taken place, Beacon will update shareholders on future exploration programmes at the Jaurdi Gold Project.

For further information please contact:

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JORC 2012

This ASX announcement contains information extracted from the following report, which is available on the Company's website at www.beaconminerals.com.au.

- 16 August 2017 Jaurdi Gold Project – Exploration Update

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in any original market announcements referred to in this report and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

This ASX announcement (Announcement) has been prepared by Beacon Minerals Limited ("Beacon" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Beacon, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Beacon.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Beacon's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Beacon and of a general nature which may affect the future operating and financial performance of Beacon and the value of an investment in Beacon including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

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

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;

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- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Beacon, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Beacon disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Beacon Minerals Limited

ABN

64 119 611 559

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | (a) Fully Paid Ordinary Shares
(b) Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 20,000,000
(b) 5,000,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Fully Paid Ordinary Shares
(b) Exercise price of \$0.025 per option on or before 5 May 2019 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	(a) Yes (b) No – new class of options. Shares issued on exercise of options will be on the same terms as fully paid ordinary shares on issue.
5 Issue price or consideration	Nil
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	As per the 5 May 2017 ASX announcement, issued as part consideration to acquire two mining leases (ML 16/34 and ML 16/115).
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b The date the security holder resolution under rule 7.1A was passed	24 November 2016
6c Number of +securities issued without security holder approval under rule 7.1	(a) 20,000,000 Fully Paid Ordinary Shares (b) 5,000,000 Unlisted Options exercisable at \$0.025 per options on or before 5 May 2019

+ See chapter 19 for defined terms.

6d	Number of *securities issued with security holder approval under rule 7.1A	Nil	
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of *securities issued under an exception in rule 7.2	Nil	
6g	If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If *securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	*Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	4 September 2017	
8	Number and *class of all *securities quoted on ASX (<i>including</i> the *securities in section 2 if applicable)	Number	*Class
		2,013,961,284	Fully Paid Ordinary Shares
		498,490,321	Listed Options ex. \$0.025 on or before 17 August 2022

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

9	Number and *class of all *securities not quoted on ASX (including the *securities in section 2 if applicable)	Number	*Class
		80,000,000	Unlisted Options ex. \$0.004 on or before 31 January 2022
		5,000,000	Unlisted Options ex. \$0.025 on or before 5 May 2019
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A	
12	Is the issue renounceable or non-renounceable?	N/A	
13	Ratio in which the *securities will be offered	N/A	
14	*Class of *securities to which the offer relates	N/A	
15	*Record date to determine entitlements	N/A	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A	
17	Policy for deciding entitlements in relation to fractions	N/A	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A	
19	Closing date for receipt of acceptances or renunciations	N/A	

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A

+ See chapter 19 for defined terms.

33 *Issue date

N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of *securities
(tick one)

(a) ☒ *Securities described in Part 1

(b) ☐ All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

36 ☐ If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional *securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A									
39	+Class of +securities for which quotation is sought	N/A									
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: - the date from which they do - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A									
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A									
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A
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+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Sarah Shipway
Non-Executive Director/Company Secretary)

Date: 5 September 2017

Print name: Sarah Shipway

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,495,470,963
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	18 August 2017 – 498,490,321 Non-Renounceable Entitlement Issue
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	N/A
“A”	1,993,961,284

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	299,094,192
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of *equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	31 January 2017 - 20,000,000 Unlisted Options Exercisable at \$0.004 on or before 31 January 2022. 12 April 2017 - 60,000,000 Unlisted Options Exercisable at \$0.004 on or before 31 January 2022. 4 September 2017 – 20,000,000 Fully Paid Ordinary Shares 4 September 2017 – 5,000,000 Unlisted Options Exercisable at \$0.025 on or before 5 May 2019
“C”	105,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	299,094,192
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	105,000,000
Total [“A” x 0.15] – “C”	194,094,192 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,993,961,284
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	199,396,128
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <i>This applies to equity securities – not just ordinary securities</i> <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	N/A
“E”	0

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	199,396,128
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	199,396,128 <i>Note: this is the remaining placement capacity under rule 7.1A</i>