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19<sup>th</sup> May 2009

ASX Markets Supervision Pty Ltd  
Level 8 Exchange Plaza  
2 The Esplanade  
Perth WA 6000

**Attention : Mr Peter Tranter Senior Advisor – Issuers**  
**Fax : 92212020**

**Re : Price and Volume Query**

Dear Peter,

In response to your query on Monday 18<sup>th</sup> May:

- 1) The company believes the information relating to the combined RC results contained in the Announcement was material.

Part of RC information in this announcement was not received by the consultant geologist until after the Price Query on Friday 15<sup>th</sup> May. At the point on Sunday evening when the geologist reviewed and analysed u151510.csv and u151847.csv, and discussions were held with the Directors, it was deemed the total RC results received to date were then material.

However, the Directors considered the regional RAB results, which were the majority of the results received prior to the Price Query, and the minor amount of RC ( 2.5 holes out of 19 ) also received prior were not material as they were incomplete , full geological assessment could not be completed and RAB drilling is considered a wide spaced regional exploration tool which requires analysis of all results to make a considered geological interpretation.

- 2) Not Applicable
- 3) A) The drilling programs were completed at 11am Thursday 30<sup>th</sup> April for the RAB program and 3pm Tuesday 5<sup>th</sup> May for the RC program.



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B) The Ultratrace assay results were received as follows by the consultant geologist:

- RAB results u151300.csv – Thursday May 7<sup>th</sup> at 5.49 pm
- RAB results + 2.5 holes RC u151299.csv – Monday 11<sup>th</sup> May at 3.16 pm
- RAB results u151509.csv – Wednesday 13<sup>th</sup> at 1.27 pm
- RAB + 3x ½ hole RC u151847.csv – Friday 15<sup>th</sup> at 4.09 pm
- RC results u151510.csv – Sunday 17<sup>th</sup> May at 9.32 pm

RC results from u151847.csv and u151510.csv were not received by the geologist until after the initial Price Query from the ASX.

There was an administration shortfall in that the email containing results u151510.csv was :

- Sent by Ultratrace on Tuesday 12<sup>th</sup> May at 5.16 pm to our geologist's obsolete Beacon email address.
- The secretary found the email and sent it on to myself Wednesday 13<sup>th</sup> May at 10.09 am.
- Due to work commitments I never opened the email until Thursday 14<sup>th</sup> May at 5.51 pm and made the assumption that the geologist had also received a copy and was commencing a geological interpretation.
- Discussions with Directors and the geologist on the weekend identified this email had not been sent by the secretary to the geologist and this was passed immediately onto the geologist for review on Sunday 17<sup>th</sup> May.

Coupled with previously received RC results the combined results were considered material and therefore the Announcement was released on Monday 18<sup>th</sup> May.

4) We confirm that we are in compliance with listing rule 3.1.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'D Harris', written over a white background.

Darryl Harris  
Managing Director



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18 May 2009

Mr Paul Lloyd  
Company Secretary  
Beacon Minerals Limited  
Level 2  
46 Ord Street  
WEST PERTH WA 6005

*By email: [paul.lloyd@beaconminerals.com](mailto:paul.lloyd@beaconminerals.com)*

Dear Paul

**Beacon Minerals Limited (the "Company")**

ASX Limited ("ASX") refers to the following:-

1. The announcement made by the Company on 18 May 2009 at 09:41 (EST) entitled "Initial Drilling Results at Barlee Gold Prospect" in which the Company announced initial drilling results from its recently completed Reverse Circulation ("RC") and Rotary Air Blast ("RAB") drilling programmes at the Barlee Gold Project (the "Announcement");
2. The change in the price of the Company's securities from 1.9 cents on 14 May 2009 to an intraday high of 2.9 cents on 15 May 2009. We also note the increase on the volume of trading in the securities over this period;
3. The price query letter sent to the Company on 18 May 2009 ("ASX Price Query Letter"); and
4. The Company's response to the ASX Price Query Letter dated 18 May 2009 and released to the market on 18 May 2009 at 10:00 (EST).

Further we wish to draw your attention to listing rule 3.1 which requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

**Australian Securities Exchange**

Australian Stock Exchange  
Sydney Futures Exchange

Australian Clearing House  
SFE Clearing Corporation

ASX Settlement and Transfer Corporation  
Austraclear

Furthermore, paragraph 17 of Guidance Note 8 states:

*"Once a director or executive officer becomes aware of information, he or she must immediately consider whether that information should be given to ASX. An entity cannot delay giving information to ASX pending formal sign-off or adoption by the board, for example."*

Please note that for disclosure not to be required under listing rule 3.1, all of the exceptions under listing rule 3.1A must apply:

- "3.1A.1 A reasonable person would not expect the information to be disclosed.*
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential.*
- 3.1A.3 One or more of the following applies.*
- It would be a breach of a law to disclose the information.*
  - The information concerns an incomplete proposal or negotiation.*
  - The information comprises matters of supposition or is insufficiently definite to warrant disclosure.*
  - The information is generated for the internal management purposes of the entity.*
  - The information is a trade secret."*

Having regard to the above definition, listing rule 3.1 and Guidance Note 8 -continuous Disclosure, we ask that you answer the following questions in relation to the Announcement in a format suitable for release to the market in accordance with listing rule 18.7A.

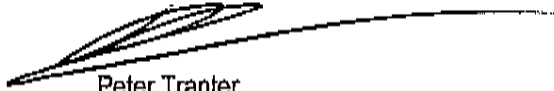
1. Does the Company believe that the information contained in the Announcement was material to the Company?
2. If the answer to question 1 is "no", please advise the basis on which the Company does not consider the Announcement to be material.
3. If the answer to question 1 is "yes", please answer (a) and (b) below:
  - a. the date and time at which *each* of the RC and the RAB drilling programmes were completed; and
  - b. the date and time at which results in respect of *each* of the RC and the RAB drilling programmes were provided to the Company.
4. If the Company became aware of the results of either or both of the RC and the RAB drilling programmes prior to the release of the Announcement, why was the information not released to the market at an earlier time? Please comment specifically on the application of listing rule 3.1 and the exceptions to the rule in listing rule 3.1A.
5. Please confirm that the Company is in compliance with listing rule 3.1.

Your response should be sent to me by email on [peter.tranter@asx.com.au](mailto:peter.tranter@asx.com.au) or by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, **not later than 15.00 WST on Tuesday 19 May 2009.**

If you have any queries regarding any of the above, please let me know.

Yours sincerely



Peter Tranter

**Senior Adviser, Issuers (Perth)**