

BEACON

MINERALS LIMITED

AN ASX LISTED COMPANY (ASX:BCN)

HALLEYS EAST GOLD PROJECT
\$4.0m DEBENTURE NOTE ISSUE
TO SOPHISTICATED OR PROFESSIONAL INVESTORS ONLY
NOVEMBER 2013

SOPHISTICATED OR PROFESSIONAL INVESTORS

Debenture Holders will be sophisticated or professional investors and as such the Beacon Minerals Limited (**Beacon Minerals** or the **Company**) will not be preparing a disclosure document or appointing a security trustee in accordance with Part 2L.1 of the Corporations Act in relation to the Debenture Issue. The Debentures will not be quoted on ASX.

FORECASTS AND FORWARD LOOKING STATEMENTS

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

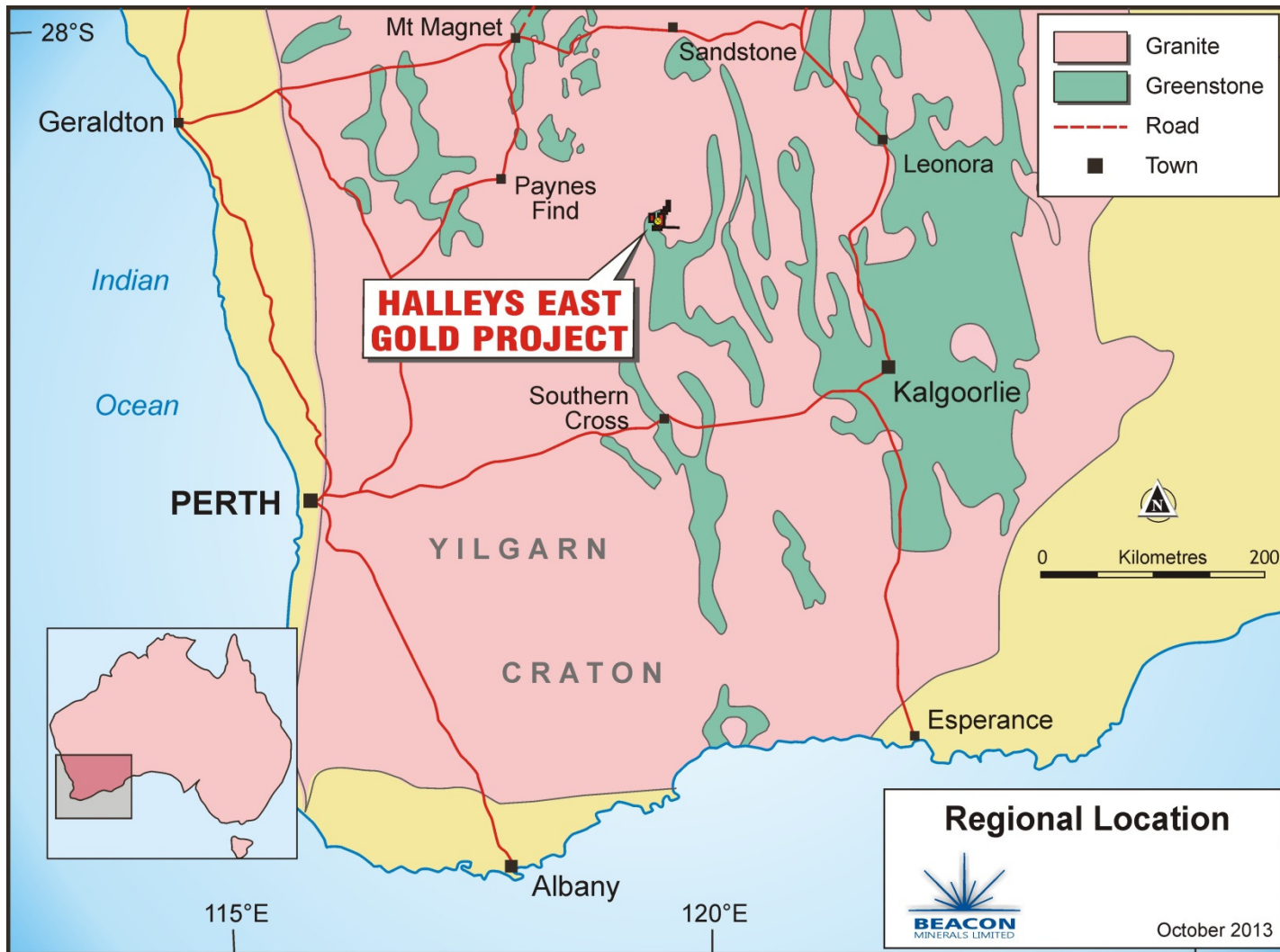
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Beacon Minerals, are inherently subject to significant technical, market, business, economic, competitive, political and social uncertainties and contingencies;
- may include, among other things, statements 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; 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 and forecasts and forward-looking statements.

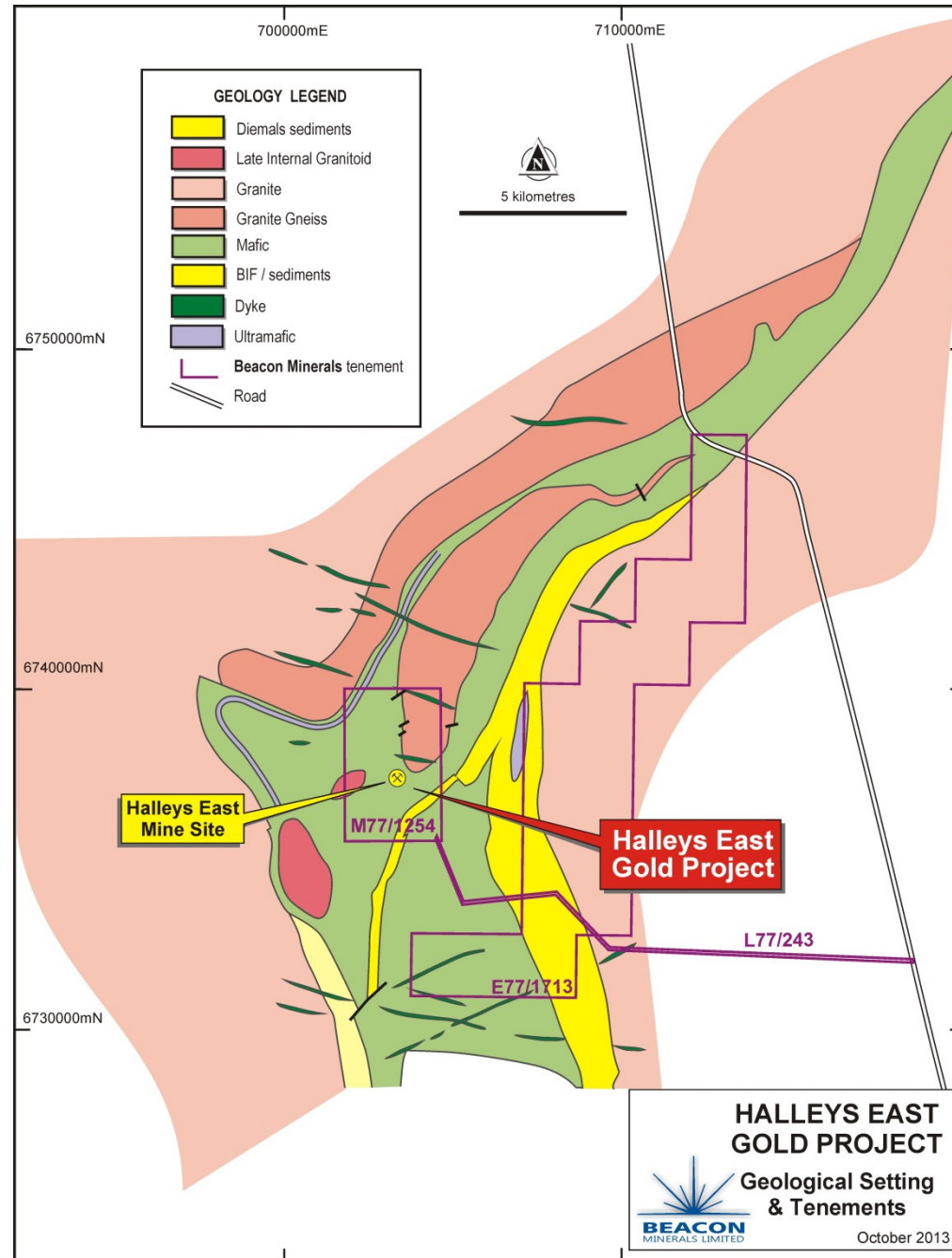
All forecasts and forward looking statements are qualified by the foregoing cautionary statements. Investors are cautioned that forecasts and forward-looking statements are not guarantees of future performance due to the inherent uncertainty therein.

COMPETENT PERSONS STATEMENTS FOR HALLEYS EAST GOLD PROJECT

The information in this report that relates to Mineral Reserves is based on information compiled by Gary McCrae, Mining Engineer and full time employee of Minecomp Pty Ltd. 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.” Gary McCrae consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

LOCATION OF HALLEYS EAST GOLD PROJECT





HALLEYS EAST GOLD PROJECT - KEY POINTS

Beacon Minerals owns 100% of the Mining Tenement M77/1254.

Pre-feasibility study resulted in a Probable Mining Reserve of 58,500t @ 10.6g/t containing 20,000 Au/oz, with recovery of 18,430oz of gold at a cash operating cost per ounce of \$721/oz. See further ASX announcement 30 October 2013 "Beacon set to generate cashflow from Halleys East" which contains all material assumptions of the Probable Mining Reserve.

Duketon Consolidated Limited ("Duketon") has a \$36 per ounce royalty on recovered ounces. An advance payment of \$250,000 against total royalties payable was paid in July 2013.

Mobilisation completed, project ready - 18 month total project period remaining.

Low risk starter pit approach, followed by a cut back and mining of main pit.

Approval to mine received from the Department of Mines and Petroleum (DMP) in June 2013.

Experienced mine operators.

Milling agreement in place. Ore mined at Halleys East will be trucked through Menzies to FMR Investments Pty Ltd's Greenfields mill in Coolgardie. Beacon Minerals will pay FMR a fixed toll milling fee per tonne of ore processed.

HALLEYS EAST GOLD WORKING CAPITAL FINANCE \$4.0m DEBENTURE NOTE ISSUE - KEY POINTS

Key Terms;

- Issue of up to \$4,000,000 24 month 18% pa Debentures to fund working capital for the Halleys East Gold Project.
- 100 \$0.005c options expiring 30 September 2015 for every \$1.00 of Debenture subscribed for. Beacon Minerals will apply to the ASX to have these options listed with the existing BCNO listed options.
- Early Repayment no less than 18 months from the Date of Issue of the Debenture.
- Minimum Debenture Subscription of \$100,000 and thereafter in multiples of \$25,000.
- Issue of the Debentures is subject to the Company receiving subscriptions for a minimum of \$3,000,000 of Debentures.
- Interest will be payable to the Debenture Holders 6 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). Interest will be paid no later than 30 days after the relevant Record Date.
- Security over Halleys East Mining Lease M77/1254.
- Until Debentures are repaid in full including interest, Beacon Minerals undertakes that it shall;
 - grant no further security over the Tenement M77/1254;
 - pay no dividends;
 - return no capital to shareholders; and,
 - submit to no further borrowings.
- Full terms of the Debenture offer are contained in the Debenture Subscription Form, Debenture Deed Poll, Security Trust Deed and Deed of Mortgage.
- Directors and or their related entities, subject to shareholder approval at Beacon Minerals AGM to be held on 7 November 2013, will subscribe for \$2,500,000 of Debentures.

EXECUTIVE TEAM



Executive Chairman Geoff Greenhill AWASM, MAusIMM 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.

Managing Director Graham McGarry CPA, CD, is an experienced and seasoned 'hands on' miner, with an impressive track record in turning early stage projects into viable and attractive investment propositions. Mr McGarry spent eight years with Amalg Resources 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.

Graham McGarry and Geoff Greenhill have been in business together for over 30 years and have developed 8 open pits and 6 underground mines and built and commissioned 5 processing facilities for gold, copper and nickel in WA, SA, NT and QLD. Most of these were developed and funded personally by Mr McGarry and Mr Greenhill.

Executive Director Finance Marcus Michael has more than 23 years experience in accounting and corporate finance. He has extensive experience and significant expertise in the evaluation and acquisition of businesses requiring development capital, initial public offerings, rights issues and placements, together with ongoing funding, corporate governance and compliance issues of listed public companies. Mr Michael holds a Bachelor of Business from Curtin University in Western Australian and has been a member of the Institute of Chartered Accountants in Australia since 1994.

Mine Manager Denis O'Callaghan, Quarry Managers Certificate of Competency since 1986. Registered WA & SA. Commenced working with McGarry / Greenhill in 1988 at Moonta in South Australia as Mine Manager and successfully managed the development of two open pits and two underground mines together with a concentrator producing copper/gold concentrates. Developed and managed the Redbank open pit and copper concentrator in the Northern Territory from 1993 to 1997. Assisted in the development of the Eloise underground copper mine from 1997 to 1999 and developed and mined the Pithara gold open pit for McGarry / Greenhill 2010 to August 2011. Prior to commencing with McGarry / Greenhill in 1988 Mr O'Callaghan was the underground gold mine surveyor at Tennant Creek; mine surveyor and then subsequently mine manager for CSR at the Mt Gunson open pit; mine surveyor at Kurara open pit for Metana Minerals. Mr O'Callaghan has been instrumental in developing the Mine Plan for the Halleys East open pit for Beacon Minerals.

BEACON MINERALS LIMITED – HALLEYS EAST GOLD PROJECT



FORECAST HALLEYS EAST PROJECT FINANCIAL OVERVIEW	
Gold Production	Oz
Total Gold Production	18,431
	\$m
Gold Sales at AUD\$1,350	24.9
Royalties – WA State and Duketon Consolidated Limited (1)	(1.3)
Operating Costs (2)	(12.0)
Total Royalty and Operating Costs	(13.3)
Project EBITDA	11.6
All in project royalty and cash operating costs per Oz – \$13.3m / 18,431oz	\$721

Notes

1. Western Australian State royalty of 2.5% and Duketon Consolidated Limited royalty of \$36 per ounce royalty on recovered ounces.
2. Operating costs include mining , blasting, rehabilitation, site administration and maintenance , onsite camp costs, grade control, ore haulage and milling.

CAPITAL STRUCTURE	#
ASX:BCN - Fully paid ordinary shares	1,493,109,238
ASX:BCNO – options exercise at \$0.005 on or before 30 September 2015	398,022,928
Options to be issued to Debenture holders	
- Options exercise at \$0.005 on or before 30 September 2015	
- Assumes the Debenture Note Issue is fully subscribed for.	400,000,000



OPERATIONS AT HALLEYS EAST GOLD PROJECT

