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BEACON
MINERALS LIMITED

ABN 64 119 611 559

FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

This Interim Financial Report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2020 and any public announcements made by Beacon Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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This Appendix 4D is provided to shareholders as required by ASX Listing Rule 4.2A.

1. Entity and Reporting Period

Beacon Minerals Limited
ASX Code: BCN
ACN: 119 611 559

Reporting period: **Half Year ended 31 December 2020**
Corresponding period: Half Year ended 31 December 2019

2. Results for announcement to the market

	6 months 31 Dec 2020 Amount $	6 months 31 Dec 2019 Amount $	Percentage increase/(decrease)
Gold sales	38,624,874	10,625,394	364%
Total comprehensive profit/(loss) for the period	12,520,092	(985,103)	1,271%

	Amount per share AU$	Amount franked per share AU$
Interim Dividend (100% unfranked)	$0.002	$0
Record Date for determining entitlement to interim dividend	Friday, 19 March 2021	
Date Interim dividend payable	Wednesday, 24 March 2021	

	Amount per share AU$	Amount franked per share AU$
Special Dividend (100% unfranked)	$0.005	$0
Record Date for determining entitlement to interim dividend	Friday, 19 March 2021	
Date Interim dividend payable	Wednesday, 24 March 2021	

The Directors have determined to pay an interim and special dividend totalling AU$0.007 per share, which will be unfranked.

3. Net Tangible Assets per share

	As at 31 December 2020	31 December 2019
Net tangible assets per share	$0.0156	$0.0111

Additional information supporting the Appendix D disclosure requirements can be found in the Directors' Report and the consolidated financial statements for the half year ended 31 December 2020.

The Directors are pleased to submit their report on Beacon Minerals Limited (ASX:BCN) ("Beacon" or "Consolidated Entity") for the half-year ended 31 December 2020.

DIRECTORS

The names of the directors who held office during or since the end of the half-year and up to the date of this report are:

Director	Title	Date of Appointment	Date of Retirement
Graham McGarry	Executive Chairman/ Managing Director	19 March 2012	-
Geoffrey Greenhill	Non-Executive Director	19 March 2012	-
Sarah Shipway	Non-Executive Director	11 June 2015	-
Jason Bontempo	Non-Executive Director	10 November 2020	-
Alexander McCulloch	Executive Director	19 August 2019	10 November 2020
Rodney Johns	Non-Executive Director	21 July 2020	10 November 2020

REVIEW OF FINANCIAL RESULTS

A summary of revenue and results for the half-year is set out below:

	2020 $
Revenue	38,637,102
Profit/(Loss) From Ordinary Activities After Income Tax	12,520,092

For the six-month period gold sales were $38,624,874 and cost of goods sold for the period was $21,174,556. Administration costs during the period was $1,018,298, exploration and exploration expenditure of $565,875, finance costs were $1,816,660, interest income during the period of $12,228 and other income of $1,378,627.

The result for the six-month period is a profit of $12,520,092.

Debt of $18.0 million (in the form of debentures) repaid on 12 October 2020, one year ahead of the repayment due date. On repayment of the debentures the Company is now debt free.

The Board of Beacon advised on 12 February 2021 a dividend totalling $0.007 per share:

- Interim dividend of $0.002 per share
- Special dividend of $0.005 per share

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REVIEW OF OPERATIONS

Beacon Minerals Limited (ASX:BCN) (Beacon or the Company) is pleased to present its review of operations for the half-year ended 31 December 2020

HIGHLIGHTS

PRODUCTION

- **Gold production at Jaurdi in the six months ended December was 15,323 ounces**
- **Ore stockpiles at 31 December 2020 contained 24,000 ounces of gold**

FINANCIAL AND CORPORATE

- **Debt of $18.0 million (in the form of debentures) was repaid on 12 October 2020, one year ahead of the repayment due date**
- **The Company is now debt free**
- **Capital expenditure for the period totalled A$4.0 million which included the Panther evaluation and exploration, capital works, plant and equipment purchases and TSF construction and planning**

Production Update

The Company's main activity during the half year was gold production and exploration at the 100% BCN owned Jaurdi Gold Project.

Ore was mined from the Lost Dog and Panther open pit mines. 100% of ore treated at the Jaurdi plant for the half was from the Lost Dog pit.

The Jaurdi Gold Project poured its first Tonne of Gold in December 2020.

On 31 December 2020 ore stockpiles were surveyed and estimated to contain approximately 24,000 ounces of gold.

Bullion on hand and in transit of 948 ounces as at 31 December 2020.

Optimisation of the Jaurdi treatment plant continued during the half seeing significant advancement in throughput rates and metallurgical recoveries rise above feasibility levels.

Beacon's performance during the December period reflects the consistent performance of the Jaurdi Gold Project. The operations team have demonstrated that they can deal with the problems that the unique characteristics of the Lost Dog ore body provide them.

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Beacon is pleased to provide the production numbers for the last four quarters at Jaurdi.

Quarter Ended	Gold Production Ounces (oz)
31 December 2020	7,870
30 September 2020	7,453
30 June 2020	6,711*
31 March 2020	6,905

*Restated from the 16 July 2020 June Production. Previously reported 6,642 ozs for the gold produced for the quarter and 1,825 ozs for the month of June 2020.

Quarter Ended	BCM's
31 December 2020	368,000
30 September 2020	365,000
30 June 2020	418,000
31 March 2020	406,000

A summary of Beacon's key performance measures compared to the previous periods are set out below:

Operation	Unit	December 2020 Qtr	September 2020 Qtr	9 Months to June 2020
Ore Mined	BCM	109,000	219,000	543,000
Waste Mined	BCM	259,000	146,000	636,000
Ore milled	DMT	139,530	129,784	383,886
Head grade	gpt	1.95	2.00	1.70
Tails grade	gpt	0.20	0.22	0.22
Recovered grade	gpt	1.75	1.78	1.48
Gold Produced	oz	7,870	7,453	18,265

Capital Works

Beacon has now purchased all long lead critical spares and the installation of 5 new process water bores and associated pipelines.

During the half year Beacon advanced the design and approval process for:

- a new circular Integrated Waste Landform (IWL) Tailings Store Facility (TFS) facility 700 metres north of the Jaurdi Treatment Plant
- Panther in-pit TSF when mining is complete.

In combination with the Lost Dog TSF's, the above facilities will provide tailings storage for approximately 10 years at current processing rates. Combined with the extension of our borefield we are future proofing the operations.

The major costs assigned to plant and equipment included purchase of a new Cat 980M for the mill feed, a second Lime Silo, mobile plant Wash Bay, LV fleet, mobile crusher and miscellaneous parts for the improvement of the process plant.

The public road was rerouted around the Lost Dog pit allowing the mine to expand westward.

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Health and Safety

Beacon Jaurdi Gold Project Lost Time Injury Frequency Rate (LTIFR) FYTD is currently 0.00 as there have been no lost time injuries sustained since project commencement in August 2020.

The Total Recordable Injury Frequency Rate (TRIFR) is currently 15.82.

During the half Beacon has focused on improving multiple areas in safety, health and training including the following:

- Contractor Management
- Training Gap and Needs Analysis
- Upskilling operators to Cert 3 Metalliferous Mining
- Document Control
- Human Resources, and
- Auditing.

There has been an increased focus on risk assessments and risk reduction measures by way of Job Hazard Analysis (JHA) training for all staff and strong leadership and ownership in this area.

Beacon has recently implemented company Core Values - **SOAR**:

- **Safety -** We conduct all tasks in a safe and productive manner.
- **Ownership -** We own our actions and processes.
- **Adaptability -** We are adaptable to all challenges presented.
- **Reliability -** We do what we say we will and can depend on others to achieve the outcome.

There have been no COVID-19 related issues during the period.

The Company continues to maintain a local isolation residence in Coolgardie for any potential COVID-19 related issues arising at the Jaurdi mine site.

EXPLORATION UPDATE

During the period, Beacon continued to explore its near mill tenements, with a focus on 'first pass' drill testing of conceptual targets and previously defined soil anomalies within the Dunnsville Greenstone terrain. Drilling also targeted analogies and extensions to the Lost Dog deposit along with sterilisation drilling for the IWL-TSF. Total meters drilled for the half year included 22,385m of aircore drilling and 1,777m of RC drilling.

A further 15,000m of aircore drilling is planned for the March quarter as part of Beacons ongoing commitment to exploration.

CORPORATE

Debentures

In October 2018 the Company issued $18.0 million in debentures. Under the terms of the debentures the Company, may at any time after 24 months from the date of issue, repay some or all of the principal sum outstanding.

The Company was pleased to advise on 12 October 2020 that it had finalised the repayment of the $18.0 million debentures, one year ahead of the repayment due date.

The Company has no debentures on issue and is now debt free.

Board Update

On 10 November 2020 the Company advised that Jason Bontempo would be appointed to the Board as Non-Executive Director of the Company. It was further advised that Mr Geoffrey Greenhill would remain on the Board of the Company as a Non-Executive Director.

The Company advised that both Mr Alexander McCulloch and Mr Rodney Johns had resigned from the Board of Directors to focus on other commitments.

Competent Person Statement – Exploration Results

The information in this report that relates to the exploration results is based on information compiled by Mr Zane Padman, a full-time employee of Beacon Minerals Limited. Mr Padman is a Member of the Australian Institute of Mining and Metallurgy. Mr Padman has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Padman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This report contains information extracted from the following ASX announcements which are available on the Company's website at www.beaconminerals.com.au:

- 29 January 2020 December 2020 Quarterly Activities Report

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the original market announcement 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 announcement.

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SUBSEQUENT EVENTS

On 4 January 2021 75,551 Listed Options were exercised.

On 11 January 2021 the Company advised that 120,000,000 Unlisted Options exercisable at $0.053 on or before 3 August 2023 would be issued to Directors of the Company, subject to shareholder approval. Shareholders approved the issue at the shareholder meeting held on 15 February 2021.

The Company also advised that 20,000,000 Unlisted Options exercisable at $0.053 on or before 3 August 2023 would be issued to employees of the Company.

On 19 January 2021 3,537,383 Listed Options were exercised.

On 27 January 2021 2,656,667 Listed Options were exercised.

On 5 February 2021 16,666 Listed Options were exercised.

On 5 February 2021 the Company advised that 10,000,000 Unlisted Options exercisable at $0.053 on or before 3 August 2023 would be issued to an employee of the Company.

On 12 February 2021 the Company advised on 12 February 2021 a dividend totalling $0.007 per share:

- Interim dividend of $0.002 per share
- Special dividend of $0.005 per share

Other than the above there has been no matter or circumstance that has arisen since 31 December 2020, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 10.

This report is made in accordance with a resolution of directors.



Graham McGarry
Executive Chairman/Managing Director
17 February 2021

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF BEACON MINERALS LIMITED AND ITS CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2020 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 17th day of February 2021

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2020

Australian Dollars ($)	Note	31 December 2020 $	31 December 2019 $
Gold sales		38,624,874	10,625,394
Interest revenue		12,228	23,581
REVENUE		**38,637,102**	**10,648,975**
Cost of goods sold		(21,174,556)	(9,496,176)
GROSS PROFIT/(LOSS)		**17,462,546**	**1,152,799**
Other Income	3	1,378,627	878,065
EXPENDITURE			
Administration expenses	3	(1,018,298)	(1,195,429)
Exploration and development expenditure written off		(565,875)	(289,964)
Finance expenses		(1,816,660)	(1,530,574)
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX		**15,440,340**	**(985,103)**
Income tax expense		(2,920,248)	-
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX		**12,520,092**	**(985,103)**
Other comprehensive income, net of income tax		-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD		**12,520,092**	**(985,103)**
PROFIT/(LOSS) PER SHARE			
Basic profit/(loss) per share		0.004	(0.0003)
Diluted profit/(loss) per share		0.003	(0.0003)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

Australian Dollars ($)	Note	31 December 2020	30 June 2020
		$	$
CURRENT ASSETS			
Cash and cash equivalents		15,280,352	15,367,426
Trade and other receivables		1,016,291	2,251,578
Other assets		1,713,624	2,155,192
Inventories		9,999,742	7,576,693
Deferred tax asset		-	332,733
TOTAL CURRENT ASSETS		**28,010,009**	**27,683,622**
NON-CURRENT ASSETS			
Plant and equipment		5,925,189	4,900,100
Development expenditure		20,812,403	19,907,752
Exploration and evaluation		1,122,029	1,122,029
TOTAL NON-CURRENT ASSETS		**27,859,621**	**25,929,881**
TOTAL ASSETS		**55,869,630**	**53,613,503**
CURRENT LIABILITIES			
Trade and other payables		3,313,288	3,543,801
Provisions	4	418,757	430,400
Deferred tax liability		2,587,515	-
TOTAL CURRENT LIABILITIES		**6,319,560**	**3,974,201**
NON-CURRENT LIABILITIES			
Debentures		-	18,000,000
Provisions	4	4,793,285	-
TOTAL NON-CURRENT LIABILITIES		**4,793,285**	**18,000,000**
TOTAL LIABILITIES		**11,112,845**	**21,974,201**
NET ASSETS		**44,756,785**	**31,639,302**
EQUITY			
Issued capital	5	49,683,390	49,573,794
Reserves	6	2,390,511	1,902,716
Accumulated losses		(7,317,116)	(19,837,208)
TOTAL EQUITY		**44,756,785**	**31,639,302**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2020

Australian Dollars ($)	ISSUED CAPITAL $	SHARE OPTION RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
Balance at 1 July 2020	**49,573,794**	**1,902,716**	**(23,083,754)**	**28,392,756**
Previous period adjustment (Note 7)	-	-	3,246,546	3,246,546
Restated balance as at 1 July 2020	**49,573,794**	**1,902,716**	**(19,837,208)**	**31,639,302**
Profit for the period	-	-	12,520,092	12,520,092
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprensive gain/(loss)	-	-	12,520,092	12,520,092
Option exercised during the period (Note 5)	109,596	-	-	109,596
Options issued during the period (Note 6)	-	487,795	-	487,795
Balance at 31 December 2020	**49,683,390**	**2,390,511**	**(7,317,116)**	**44,756,785**

	ISSUED CAPITAL $	RESERVE $	ACCUMULATED LOSSES $	TOTAL EQUITY $
Balance at 1 July 2019	**38,070,878**	**2,337,227**	**(34,427,108)**	**5,980,997**
Loss for the period	-	-	(985,103)	(985,103)
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprensive gain/(loss)	-	-	(985,103)	(985,103)
Shares issued during the period (Note 5)	8,000,000	-	-	8,000,000
Option exercised during the period (Note 6)	3,884,189	(434,511)	434,511	3,884,189
Options issued during the period	-	-	-	-
Share issue costs	(480,000)	-	-	(480,000)
Balance at 31 December 2019	**49,475,067**	**1,902,716**	**(34,977,700)**	**16,400,083**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2020

Australian Dollars ($)	31 December 2020 $	31 December 2019 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipt from the sale of gold	39,502,237	9,732,261
Receipt from government grants/rebates	829,952	32,219
Expenditure on production activities	(12,369,421)	(10,036,293)
Expenditure on mining activities	(564,345)	(4,495,376)
Payments to suppliers and employees	(686,718)	(875,926)
Interest received	15,410	27,004
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	**26,727,115**	**(5,616,111)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(1,870,968)	(1,926,576)
Payments for development activities	(5,963,037)	(549,432)
Proceeds from sale of plant and equipment	9,450	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	**(7,824,555)**	**(2,476,008)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of shares	109,596	11,884,189
Payments in relation to issue of shares	-	(480,000)
Payments in relation to debenture issue	(1,099,230)	(2,243,029)
Repayment of debentures	(18,000,000)	-
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	**(18,989,634)**	**9,161,160**
Net increase in cash and cash equivalents	(87,074)	1,069,041
Cash and cash equivalents at the beginning of the half-year	15,367,426	4,256,185
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	**15,280,352**	**5,325,226**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This Interim Financial Report ('2020 Half Year Report') for the half year ended 31 December 2020 has been prepared in accordance with AASB 134 *Interim Financial Reporting.*

The Interim finanical report is intended to provide users with an update on the latest financial statements of Beacon Minerals Limited ("Beacon"or "Parent") and its consolidated entities ("Company"or "Group").

The 2020 Half Year Report does not include all of the information and notes required within the Annual Report for the year ended 30 June 2020. It is recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2020, together with any public announcements made during the half-year ended 31 December 2020.

The 2020 Half Year Report is presented in Australian Dollars (AUD), the predominant functional currency of the Group's operations. In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instruments 2016/191, amounts in the 2020 Half Year Report and Directors' report have been rounded off to the nearest dollar, unless otherwise stated.

The preparation of the consolidated interim financial statements in conformity with AASB 134 *Interim Financial Reporting* requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported revenue and expense during the reprting period. All adjustments (consisting of normal recurring accurals) considered necessary for a fair presentation have been included. The estimates and assumptions used in preparing its consolidated financial statements are reasonable; however, actual results could differ from those estimates. Operating results for the half year ended 31 December 2020 are not necessarily indicative of the results that may be expected for the year ended 30 June 2021.

Accounting Policies

Except for the adjustment to inventory detailed in note 7, there have been no material changes in the critical accounting policies compared to those disclosures in the Group's consolidated financial statements as at, and for the year ended 30 June 2020.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. Beacon Minerals Limited has adopted all new and revised Standards issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half year.

New or Amended Accounting Standards and Interpretations Adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period, there was no changes to the financial statements arising from new standards.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs.

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NOTE 2: OPERATING SEGMENTS

The Consolidated Entity operates in predominantly one business and geographical segment, which involves the exploration, development and sale of minerals in Australia.

NOTE 3: PROFIT/(LOSS) BEFORE INCOME TAX

	31 December 2020 $	31 December 2019 $
The following revenue and expense items are relevant in explaining the financial performance for the half-year.		
Other Income		
Fuel tax rebates	1,301,677	872,327
Other	76,950	5,738
	1,378,627	**878,065**
Administration expenses		
Employment expenses	736,619	858,477
Corporate expenses	281,679	336,952
	1,018,298	**1,195,429**

NOTE 4: PROVISION

	31 December 2020 $	30 June 2020 $
Current		
Employee entitlements	418,757	430,400
	418,757	**430,400**
Non-Current		
Rehabilitation	4,793,285	-
	4,793,285	-
Provision for rehabilitation		
Balance at 1 July	-	-
Provision made during the period	4,769,912	-
Provision used during the period	-	-
Provisions re-measured during the year	-	-
Unwind of discount	23,373	-
Balance at 31 December	**4,793,285**	**-**

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Site Rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site rehabilitiation is recognised for the first time in respect of the estaimted cost of rehabilitation and restoration of the areas disturbed by mining activities up to the reporting date, but not yet rehabilitated. The Group's accounting policy is as follows.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of related mining assets. At each reporting date the site rehabiliitation provision if re-measured to reflect any changes in discount rates and timing or amounts to be incurred. Additional disturbances or changes in rehabilitation costs are recognised as additions or changes to the corresponding asset and rehabilitation provision prospectively from the date of change. For closed sites, or where the carrying value of the related asset has been reduced to nil either through depreciation and amortisation or impairment, changes to estimated costs are recognised immediately in the statement of comprehensive income.

Unwinding of Discount on Provisions

The unwinding of discount on provisions represents the cost associated with the passage of time. Rehabilitation provisions are recognised at the discounted value of the present obligation to restore, dismantle and rehabilitate each mine site with the increase in the provision due to the passage of time being recognised as a finance cost.

NOTE 5: ISSUED CAPITAL

	31 December 2020	30 June 2020
(a) Issued and paid up capital	**$**	**$**
At the beginning of the reporting period	49,573,794	38,070,878
Shares issued during the period (i)	-	8,000,000
Shares issued on exercise of options (ii)	109,596	3,982,916
Transaction costs (iii)	-	(480,000)
At reporting date 2,866,963,176 (30 June 2020: 2,862,579,343) fully paid ordinary shares	**49,683,390**	**49,573,794**

Movements in Ordinary Shares	**Number**	**Number**
At the beginning of reporting period	2,862,579,343	2,512,786,543
Shares issued during the period (i), (ii)	4,383,833	349,792,800
Balance at reporting date	**2,866,963,176**	**2,862,579,343**

(i) The following shares were issued during the period ended 30 June 2020:

- On 23 August 2019, the Company completed a Placement to Sophisticated investors. Under the Placement 190,476,191 shares were issued at $0.042 per share, to raise $8,000,000 before costs.
- 159,316,609 shares were issued in exercise of listed options.

(ii) During the period 4,383,833 Listed Options were exercised, the exercise price was $0.025 per option.

(iii) Transaction costs represent the costs of issuing the shares.

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NOTE 6: RESERVES

(a) Option Reserves

	31 December 2020 $	30 June 2020 $
At the beginning of the period	1,902,716	2,337,227
Expiry of options	-	-
Issued during the period	487,795	-
Exercise of options during the period	-	(434,511)
	2,390,511	**1,902,716**

Each option entitles the option holder to a fully paid ordinary share in the Company. All options vested upon issue.

Movement in 17 August 2022 Listed Options exercisable at $0.025 (i)

	31 December 2020 Number	30 June 2020 Number
At the beginning of the period	908,536,920	1,067,853,529
Exercised during the period	(4,383,833)	(159,316,609)
	904,153,087	**908,536,920**

(i) Each option entitles the holder to subscribe to one share at an issue price of $0.025 on or before 17 August 2022.

Movement in 1 August 2021 Unlisted Options exercisable at $0.025 (ii)

	31 December 2020 Number	30 June 2020 Number
At the beginning of the period	20,000,000	20,000,000
Exercised during the period	-	-
	20,000,000	**20,000,000**

(ii) Each option entitles the holder to subscribe to one share at an issue price of $0.025 on or before 1 August 2021.

Movement in 3 August 2023 Unlisted Options exercisable at $0.053 (iii)

	31 December 2020 Number	30 June 2020 Number
At the beginning of the period	-	-
Issued during the period	30,000,000	-
	30,000,000	**-**

(iii) Each option entitles the holder to subscribe to one share at an issue price of $0.053 on or before 3 August 2023.

NOTE 7: ADJUSTMENT OF PRIOR PERIOD INFORMATION

The Directors have revisited their application of *Interpretation 20 – Stripping Costs in the Production Phase of a Surface Mine*. Previously, mining waste stripping costs incurred during production were expensed to the income statement in the period in which they were incurred. To align the Company's policy for stripping costs to wider industry practice, the Directors have revised this policy to include the mining waste stripping costs in inventory to the extent that the stripping costs do not improve access to a component of the ore body yet to be mined.

The comparative information has been adjusted to reflect the impact of the above change. The change does not have any impact on the consolidated statement of cash flows.

	As Previously Reported $	Adjustment $	Adjusted $
31 December 2019			
Cost of sales	(10,767,034)	1,270,858	(9,496,176)
Profit/(Loss) before tax	(2,255,961)	1,270,858	(985,103)
Tax	-	-	-
Profit/(Loss) after tax	(2,255,961)	1,270,858	(985,103)
Earnings per share	(0.0008)	0.0027	(0.0003)
Inventory	3,215,271	1,270,858	4,486,129
Total equity	15,129,225	1,270,858	16,400,083
30 June 2020			
Inventory	4,330,147	3,246,546	7,576,693
Total equity	28,392,756	3,246,546	31,639,302

NOTE 8: COMMITMENTS AND CONTINGENCIES

There have been no significant changes to commitments or contingencies since 30 June 2020.

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NOTE 9: SUBSEQUENT EVENTS

On 4 January 2021 75,551 Listed Options were exercised.

On 11 January 2021 the Company advised that 120,000,000 Unlisted Options exercisable at $0.053 on or before 3 August 2023 would be issued to Directors of the Company, subject to shareholder approval. Shareholders approved the issue at the shareholder meeting held on 15 February 2021.

The Company also advised that 20,000,000 Unlisted Options exercisable at $0.053 on or before 3 August 2023 would be issued to employees of the Company.

On 19 January 2021 3,537,383 Listed Options were exercised.

On 27 January 2021 2,656,667 Listed Options were exercised.

On 5 February 2021 16,666 Listed Options were exercised.

On 5 February 2021 the Company advised that 10,000,000 Unlisted Options exercisable at $0.053 on or before 3 August 2023 would be issued to an employee of the Company.

On 12 February 2021 the Company advised on 12 February 2021 a dividend totalling $0.007 per share:

- Interim dividend of $0.002 per share
- Special dividend of $0.005 per share

Other than the above there has been no matter or circumstance that has arisen since 31 December 2020, which has significantly affected, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.

DIRECTORS' DECLARATION

The directors of the Consolidated Entity declare that:

1. the financial statements and notes, as set out on pages 11 to 21 are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

   (b) give a true and fair view of the financial position as at 31 December 2020 and of the performance for the half year ended on that date of the Consolidated Entity;

2. In the directors' opinion there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Graham McGarry
Executive Chairman/Managing Director
Beacon Minerals Limited
Perth, 17 February 2021

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Independent auditor's review report

To the shareholders of Beacon Minerals Limited

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Beacon Minerals Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Beacon Minerals Limited is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half year ended on that date; and
b) complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE *2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of Management for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 17th day of February 2021

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