

31 August 2021

## APPENDIX 4E – PRELIMINARY FINAL REPORT

Under ASX Listing Rule 4.3A

The Appendix 4E is provided to shareholders as required under ASX Listing Rule 4.3A.

<b>Current Reporting Period</b>	<b>1 July 2020 to 30 June 2021</b>
Prior Reporting Period	1 July 2019 to 30 June 2020

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

#### Key information

	Y/E 30 June 2021	Y/E 30 June 2020	Change %	
Gold Sales (ounces)	29,181	17,509	66%	↑
Gold Production (ounces)	30,095	19,766	52%	↑
Revenue (\$)	\$73.72m	\$42.79m	72%	↑
Net cash inflow from operations (\$)	\$42.3m	\$7.02m	502%	↑
Net profit before tax (\$)	\$29.02m	\$13.82m <sup>2</sup>	110%	↑
Net profit after tax (\$)	\$20.28m	\$19.02m <sup>2</sup>	7%	↑
Cash and cash equivalents (\$)	\$22.04m	\$15.37m	44%	↑
Earnings Per Share (\$)	\$0.0065	\$0.0044 <sup>2</sup>	50%	↑
Dividends paid (\$)	\$25.04m	\$0	-	-
Debentures (\$)	\$0	\$18.0m	-	-
Net assets (\$)	\$51.47m	\$31.64m <sup>2</sup>	63%	↑
Hedged ounces	7,500	5,000	50%	↑
Average hedge price	\$2,416/oz	\$2,507/oz	(4%)	↓

1. Rounding errors may occur.
2. 30 June 2020 figure has been restated, please see below *Adjustment of Prior Period Information* for more information.

## Details relating to dividends

	DATE DECLARED	DATE PAID	CENTS PER SHARE	\$M
Interim Dividend	12 February 2021	24 March 2021	\$0.002	\$7.15
Special Dividend	12 February 2021	24 March 2021	\$0.005	\$17.89

1. All dividends were unfranked
2. Record date for determining the dividends was 19 March 2021

## NET TANGIBLE ASSETS PER SHARE

	AS AT	
	30 JUNE 2021 PER SHARE	30 JUNE 2020 PER SHARE RESTATED
Net tangible assets per share	<b>\$0.014</b>	<b>\$0.012</b>

## DETAILS OF SUBSIDIARIES AND ASSOCIATES

### *Entities where control was gained or loss*

During the period there were no entities where control was gained or loss.

Subsequent to the year end the Company acquired all of the shares in MacPhersons Reward Pty Ltd, for further details please see ASX release 24 August 2021 "Beacon Acquires MacPhersons Reward Project".

### *Details of associates*

There are no associates to the Company.

## COMMENTARY ON THE RESULTS FOR THE PERIOD

Key performance measures were as follows:

- **Total Comprehensive Profit was 7% higher than FY2020** attributable to a full year of production at the Jaurdi Gold Project. Total comprehensive profit for the 2021 financial year was \$20,281,724 (2020 Restated: \$19,021,854).
- **Gold Sales Revenue was 72% higher than FY2020** attributable to a full year of production at the Jaurdi Gold Project. Gold sales revenue for the 2021 financial year was \$73,729,044 (2020: \$42,793,668).
- **Total expenditure was 47% higher than FY 2020** attributable to a full year of production at the Jaurdi Gold Project. Cost of goods sold for the 2021 financial year was \$37,862,495 (2020 Restated: \$25,720,208).
- **Debenture repayment** was made during the FY2021 resulting in the \$18,000,000 in debentures on issue being repaid. At 30 June 2021 the Company was debt free.
- **Basic earnings per share** for the year ended 30 June 2021 on a statutory basis was \$0.0065 per share (2020 Restated: \$0.0044). On an underlying basis, the earnings per share was \$0.0061 per share (2020 Restated: \$0.0033).
- **Unfranked dividend paid** during the FY2021 totalling \$0.007 (\$25.04 million), no dividend was paid during the FY2020.
- **Listed Options** totalling \$18.02 million were exercised during the FY2021 (2020: \$4.0 million).

## BEACON MINERALS LIMITED ACN 119 611 559

Registered Address 144 Vivian Street, Boulder, WA 6432

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**PROVIDE A BRIEF EXPLANATION FOR ANY OF THE FIGURES REPORTED ABOVE NECESSARY TO ENABLE THE FIGURES TO BE UNDERSTOOD:**

The Group has reported a comprehensive profit after tax of \$20.28 million for the year ended 30 June 2021 representing an increase compared to the restated comprehensive profit after tax of \$19.02 million. The increase was largely due to the Group's initial gold sale occurring on 20 September 2019 and as a result only approximately 9 months of revenue during the year ended 30 June 2020.

The Company notes 29,181/oz was sold during the year ended 30 June 2021, with 17,509/oz sold during the year ended 30 June 2020.

The Group noted an increase in the gold price with the average gold price for year ended 30 June 2021 was \$2,449/oz and \$2,356/oz for the year ended 30 June 2020. The increase in the gold price also contributed to the increase in the net profit during the year ended 30 June 2021 compared to the year ended 30 June 2020.

In addition to increase in sales the Group has managed to reduce operational costs with cost per ounce for the year ended 30 June 2021 being \$1,258/oz and \$1,301/oz for the year ended 30 June 2020.

Cash on hand was \$22.04 million at 30 June 2021 (2020: \$15.37 million). The Company had increased its cash compared to previous year due to revenue during the year of \$73.72m (2020: \$42.79). Cash reserves were reduced during the year as a result of the repayment of debentures of \$18.0 million (2020: Nil repayment) and the payment of a dividend of \$25.04 million (2020: no dividend paid). As a result of the debenture repayment the Group is debt free.

During the 2021 financial year the Group's operations did achieve the planned results.

Total production for the Group in the 2021 financial year was 30,095 ounces of gold (2020: 19,766 ounces), and gold sales amounted to 29,181/oz (2020: 17,509/oz) at an average gold price of \$2,449/oz (2020: \$2,356/oz). The increase in production and subsequently gold sales during the year ended 30 June 2021 was due to FY2021 being the first 12 months of production for the Group.

Mined volumes during the year were 1,530,000 BCM's (2020: 1,181,000 BCM's).

Total net cash contribution from operations was \$42,329,464 (2020: \$7,017,737). The cash contribution from the operations was higher than the prior year due to an increase in production and as a result an increase in revenue.

Growth capital during the year was concentrated on capital improvements projects at the Jaurdi Gold Project and reviewing and investing capital to maximise production and optimise operational costs. Major items purchased throughout the year were Mobile Crushing and Screening plant, Gravity Circuit components, Motor Vehicles and costs associated with Tailings Dam construction.

During the year ended 30 June 2021 the Company expended \$2,686,865 on exploration and development activities, this has significantly increased since the prior year when \$376,731 was expended on exploration and development.

Included in the exploration and development expenditure for the year was the Group's additional drilling at its exploration projects to further advance potential growth projects. There were many assays outstanding at the end of the year, of which costs have not yet been accounted for.

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## Impact of COVID-19

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the entity up to 30 June 2021, is it not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is evolving and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

## 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. As a result, an adjustment of \$3,246,546 has been made.

The Group has appointed an independent tax advisor to review its 30 June 2019 and 30 June 2020 consolidated income tax returns. As a result of this review, these returns will be amended due to incorrect tax treatment of mine development expenditure in the original consolidated income tax returns. As a result of these proposed amendments, it was noted that the deferred tax liabilities arising from capitalised exploration and mine development expenditure were materially overstated. Accordingly, the Group considers it to be appropriate to restate the income tax expense and deferred tax balances for the 30 June 2020 year. As a result, an adjustment of \$4,866,565 has been made.

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

	As Previously Reported	Adjustment	Adjusted
	\$	\$	\$
<b>30 June 2020</b>			
Cost of sales	(28,966,754)	3,246,546	(25,720,208)
Profit/(Loss) before tax	10,576,110	3,246,546	13,822,656
Tax	332,733	4,866,565	5,199,298
Profit/(Loss) after tax	10,908,843	8,113,111	19,021,954
Earnings per share	0.0039	0.0005	0.0044
Inventory	4,330,147	3,246,546	7,576,693
Deferred tax asset	332,733	4,866,565	5,199,298
Total equity	28,392,756	8,113,111	36,505,867

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## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Australian Dollar (\$)	30 JUNE 2021 \$	30 JUNE 2020 RESTATED \$
Gold sales	73,729,044	42,793,668
Interest Revenue	20,227	40,263
<b>REVENUE</b>	<b>73,749,271</b>	<b>42,833,931</b>
Cost of goods sold	(37,862,495)	(25,720,208)
<b>GROSS PROFIT/(LOSS)</b>	<b>35,886,776</b>	<b>17,113,723</b>
Other income	756,650	2,181,099
<b>EXPENDITURE</b>		
Administration expenses	(3,116,411)	(2,045,128)
Exploration and development expenditure written off	(2,686,865)	(376,731)
Finance expenses	(1,816,660)	(3,050,307)
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>29,023,490</b>	<b>13,822,656</b>
Income tax (expense)/benefit	(8,741,765)	5,199,298
<b>PROFIT/(LOSS) AFTER INCOME TAX ATTRIBUTABLE TO MEMBERS OF THE COMPANY</b>	<b>20,281,725</b>	<b>19,021,954</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Other comprehensive income	-	-
<b>TOTAL COMPREHENSIVE PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE GROUP</b>	<b>20,281,725</b>	<b>19,021,954</b>
<b>PROFIT/(LOSS) PER SHARE</b>		
Basic profit/(loss) per share	0.0065	0.0044
Diluted profit/(loss) per share	0.0051	0.0033

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Australian Dollar (\$)	30 JUNE 2021	30 JUNE 2020 RESTATED
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	22,041,849	15,367,426
Trade and other receivables	481,899	2,251,578
Other assets	1,871,039	2,155,192
Inventories	12,887,192	7,576,693
Other financial assets	671,998	-
Deferred tax asset	531,410	5,199,298
<b>TOTAL CURRENT ASSETS</b>	<b>38,485,387</b>	<b>32,550,187</b>
<b>NON CURRENT ASSETS</b>		
Plant and equipment	6,714,825	4,900,100
Development expenditure	19,552,689	21,029,781
<b>TOTAL NON CURRENT ASSETS</b>	<b>26,267,514</b>	<b>25,929,881</b>
<b>TOTAL ASSETS</b>	<b>64,752,901</b>	<b>58,480,068</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	3,857,947	3,543,801
Income tax liability	4,073,876	-
Provisions	5,349,613	430,400
<b>TOTAL CURRENT LIABILITIES</b>	<b>13,281,436</b>	<b>3,974,201</b>
<b>NON CURRENT LIABILITIES</b>		
Debentures	-	18,000,000
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>-</b>	<b>18,000,000</b>
<b>TOTAL LIABILITIES</b>	<b>13,281,436</b>	<b>21,974,201</b>
<b>NET ASSETS</b>	<b>51,471,465</b>	<b>36,505,867</b>
<b>EQUITY</b>		
Issued Capital	67,597,464	49,573,794
Reserves	1,729,038	1,902,716
Accumulated losses	(17,855,037)	(14,970,643)
<b>TOTAL EQUITY</b>	<b>51,471,465</b>	<b>36,505,867</b>

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## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Australian Dollar (\$)	ISSUED CAPITAL \$	SHARE OPTION RESERVE \$	ACCUMULATED LOSSES \$	TOTAL EQUITY \$
<b>BALANCE AT 1 JULY 2020</b>	<b>49,573,794</b>	<b>1,902,716</b>	<b>(23,083,754)</b>	<b>28,392,756</b>
Previous period adjustment	-	-	8,113,111	8,113,111
<b>Restated balance at 1 July 2020</b>	<b>49,573,794</b>	<b>1,902,716</b>	<b>(14,970,643)</b>	<b>36,505,867</b>
Total comprehensive profit	-	-	20,281,725	20,281,725
Shares issued during the year	-	-	-	-
Options issued during the year	-	1,699,038	-	1,699,038
Options exercised during the year	18,023,670	(1,872,716)	1,872,716	18,023,670
Dividends paid	-	-	(25,038,835)	(25,038,835)
Share issue expense	-	-	-	-
<b>BALANCE AT 30 JUNE 2021</b>	<b>67,597,464</b>	<b>1,729,038</b>	<b>(17,855,037)</b>	<b>51,471,465</b>
<b>BALANCE AT 1 JULY 2019</b>	<b>38,070,878</b>	<b>2,337,227</b>	<b>(34,427,108)</b>	<b>5,980,997</b>
Total comprehensive loss	-	-	10,908,843	10,908,843
Shares issued during the year	8,000,000	-	-	8,000,000
Options issued during the year	-	-	-	-
Options exercised during the year	3,982,916	(434,511)	434,511	3,982,916
Share issue expense	(480,000)	-	-	(480,000)
<b>BALANCE AT 30 JUNE 2020</b>	<b>49,573,794</b>	<b>1,902,716</b>	<b>(23,083,754)</b>	<b>28,392,756</b>

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## CONSOLIDATED STATEMENT OF CASH FLOWS

Australian Dollar (\$)	30 JUNE 2021 \$	30 JUNE 2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipt from sale of gold	75,509,556	41,013,157
Receipt from government grants/rebates	46,745	2,179,843
Expenditure on mining production	(31,804,134)	(35,241,197)
Expenditure on mining activities	(84,674)	-
Payments to suppliers and employees	(1,360,481)	(977,594)
Interest received	22,452	43,528
<b>Net cash inflows/(outflows) from operating activities</b>	<b>42,329,464</b>	<b>7,017,737</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of plant and equipment	4,000	11,038
Purchase of plant and equipment	(1,831,581)	(2,996,439)
Payments for development and exploration expenditure	(7,713,075)	(1,074,216)
Payments for term deposits	-	(20,000)
<b>Net cash outflows from investing activities</b>	<b>(9,540,656)</b>	<b>(4,079,617)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	8,000,000
Proceeds on exercise of options	18,023,670	3,983,188
Repayment of debentures	(18,000,000)	-
Payment of dividends	(25,038,835)	-
Payments for issue of shares	-	(480,000)
Payments in relation to debentures	(1,099,230)	(3,330,067)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>(26,114,395)</b>	<b>8,173,121</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>6,674,413</b>	<b>11,111,241</b>
Cash and cash equivalents at the beginning of the financial year	15,367,426	4,256,185
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>22,041,839</b>	<b>15,367,426</b>



## DISCLAIMER

The Appendix 4E – Preliminary Final Report has not been subject to audit and there is no audit report provided. However, a substantial part of the financial information in the Appendix 4E has been extracted from the Beacon Minerals 2021 financial report which will be audited by William Buck, who we expect will issue an unqualified audit report. The audit report forms part of Beacon’s 2021 annual report which is expected to be released in the middle of September 2021.

Authorised for release by the Board of Beacon Minerals Limited

Graham McGarry  
Managing Director/Chairman  
**Beacon Minerals Ltd**  
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Geoffrey Greenhill  
Non-Executive Director  
**Beacon Minerals Ltd**  
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