

**BEACONSFIELD  
GOLD N.L.**

A.C.N 057 793 834

**BEACONSFIELD GOLD NL**

**Significant Event Subsequent to the Quarter ended 31 March 2006**

***SEISMIC EVENT ON 25 APRIL 2006***

**BEACONSFIELD MINE JOINT VENTURE**

**(Beaconsfield Gold NL direct interest 48.49%)**

- A significant seismic event occurred at 9.23pm on 25 April at the Beaconsfield Gold Mine which resulted in rock falls in the mine.
- Three employees who were working on the 925m level at the time were trapped during the incident.
- The body of Mr Larry Knight was recovered at about 7am on 27 April and grave concerns are held for the two remaining miners.
- The rescue teams have been working around the clock since the incident was notified on Tuesday night, and their tireless, ongoing efforts are much appreciated.
- The cause of the incident is not yet known and underground operations at the mine have been suspended while an investigation is carried out.

***The Board, staff and shareholders of Beaconsfield Gold extend their deepest sympathies to the family and colleagues of Larry Knight. Our thoughts and prayers remain with the families of those still missing underground.***

**BEACONSFIELD GOLD NL**  
**Report on Activities for the Quarter ended 31 March 2006**

***SUMMARY FOR THE QUARTER***

**BEACONSFIELD MINE JOINT VENTURE**

(Beaconsfield Gold NL direct interest 48.49%)

- Gold production was up 24% to 24,405 ounces and direct operating cost was down 15% to A\$442 per ounce.
- The gold resource in the F21 Zone has been converted to a reserve of 92,000 ounces. Final confirmation of the decision to extend the decline and prepare drill access for a deep diamond drilling program is under consideration. Work on the optimisation of the 840E Zone gold resource is continuing.
- A surface exploration hole at Middle Arm Gorge, 2.5 km southeast of the Tasmania Reef at the Beaconsfield Mine, intersected a zone of quartz-ankerite-sulphide mineralisation over a length of 1.9m down hole from 155.1m. The extensive alteration and sulphide mineralisation observed is similar to that seen in the 2 Moz Tasmania Reef but assays have not yet been received.

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- First-pass, reconnaissance aircore drilling at the Fair View gold prospect in western Victoria has confirmed bedrock mineralisation underlying the 4.8 km plus soil anomaly. Significant gold intersections during the quarter included 31m at 1.8 g/t from surface (including 2m at 14.3 g/t from 29m depth), 10m at 2.9 g/t from 8m depth, and 30m at 1.4 g/t from surface (including 2m at 6.2 g/t from 14m depth).

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MARCH 2006 QUARTERLY REPORT

***SUMMARY OF KEY PERFORMANCE INDICATORS FOR THE QUARTER***

**BEACONSFIELD MINE JOINT VENTURE**

**(Beaconsfield Gold NL direct interest 48.49%)**

• Ore Milled	64,309 tonnes
• Head Grade	12.7 g/t gold
• Gold Recovery (excluding changes in gold in circuit)	93.3 %
• Gold Produced	24,405 ounces
• Direct Operating Expenditure	\$442/ounce produced
• Capital Expenditure (including ore reserve drilling)	\$50/ounce produced
• Direct Operating plus Capital Expenditure	\$492/ounce produced
• Effective BMJV Cash at 31 March 2006	\$3.4 million

**BEACONSFIELD GOLD NL**

• Share of BMJV Gold Production	11,834 ounces
• Revenue from Gold Sales	\$7.6 million
	\$642/ounce produced
• Cash Flow before Corporate Costs	\$1.8 million
	\$150/ounce produced
• Total Effective Cash at 31 March 2006 (excluding net \$3.15 million insurance settlement)	\$7.1 million

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**1. BEACONSFIELD MINE JOINT VENTURE (BMJV) (Beaconsfield Gold Direct Interest 48.49%)**

**1.1 OPERATING PERFORMANCE**

Gold production of 24,405 ounces from the Beaconsfield Mine increased by 24% compared to the previous quarter (19,675 ounces).

Ore hoisted improved to 62,611 tonnes (December 2005 quarter: 60,567 tonnes). Although the grade also improved to 12.7g/t compared to 11.8g/t in the previous quarter, access to certain high grade stopes early in the quarter was still restricted. The blend of stopes available meant that the grade achieved fell short of the reserve grade of 14.3g/t.

The secondary crusher was successfully replaced in January at a cost of \$350,000, following repeated failures during the previous quarter. This allowed mill throughput to be increased by 20% to 64,309 tonnes (December 2005 quarter: 53,445 tonnes) to take advantage of improved mining rates and a significant ore stockpile. The oxidation plant continued to perform well with gold recovery at 93.3% (December 2005 quarter: 95.1%).

The mine access decline advanced by 21 metres and is currently at a depth of just over 1,090 metres below surface. The decline development crew was reallocated back to capital development late in the quarter, having been previously utilised on ore mining activities. 2,144 tonnes of waste rock were hoisted to surface during the quarter.

**Production Summary**

Quarter Ending	Ore Hoisted (t)	Ore Milled (t)	Head Grade (g/t) (1)	Gold Milled (oz)	Gold Recovery (%) (2)	Total Gold Production (oz)
2004 September	55,833	55,549	19.4	34,732	98.0	34,045
2004 December	67,272	65,207	18.2	38,088	93.6	35,666
2005 March	59,720	64,325	14.9	30,711	95.1	29,219
2005 June	56,548	55,604	15.6	27,823	96.6	26,865
<b>2005 Year</b>	<b>239,373</b>	<b>240,685</b>	<b>17.0</b>	<b>131,354</b>	<b>95.8</b>	<b>125,795</b>
2005 September	55,593	59,587	15.7	30,107	91.0	28,083
2005 December	60,567	53,445	11.8	20,351	95.1	19,675
2006 March	62,611	64,309	12.7	26,300	93.3	24,405

(1) Mill reconciled head grade.

(2) Gold recovery excluding changes in gold in circuit.

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## 1.2 EXPENDITURE

### Operating, Capital and Total Cash Expenditure

Quarter Ending	Operating Costs (A\$/oz)	Capital Costs (A\$/oz) (1)	Total Costs (A\$/oz) (2)
2004 September	325	61	385
2004 December	306	67	373
2005 March	366	68	435
2005 June	417	94	511
<b>2005 Year</b>	<b>349</b>	<b>71</b>	<b>420</b>
2005 September	413	72	485
2005 December	519	52	571
2006 March	442	50	492

(1) Including underground diamond drilling and surface exploration costs.

(2) Direct operating expenditure (including management fee to Allstate) plus capital expenditure.

Direct operating costs of \$442 per ounce were significantly lower (15%) than the previous quarter which had been impacted by the lower gold production resulting from lower mined grade and secondary crusher problems in the mill (December 2005 quarter: \$519 per ounce).

In terms of cost per tonne milled, the March 2006 quarter figure of \$168 was 12% lower than the previous quarter (\$191 per tonne).

Capital expenditure remained low at \$1.1 million (December 2005 quarter: \$1.0 million) with the cost of replacing the secondary crusher offset by no underground drilling and limited progress in the mine access decline. Costs of \$136,000 were incurred on diamond drilling at Middle Arm Gorge.

## 1.3 UNDERGROUND DRILLING OF THE TASMANIA REEF

There was no underground drilling undertaken during the quarter. A program to test below the current F21 reserve commencing late in the 2006 calendar year is under consideration by the BMJV.

## 1.4 ORE RESERVES/RESOURCES

A detailed review of the resources at depth was completed during the quarter and gold in the F21 Zone that was previously categorised as an Indicated Resource was upgraded to a Probable Reserve as a result. The Ore Reserve for the F21 Zone of the Tasmania Reef at Beaconsfield, Tasmania as at 7th April 2006 has been estimated as:

F21 Probable Reserve 252,000 tonnes @ 11.3g/t Au (92,000 ounces contained gold)

This is incremental to the previously reported reserves at 31 December 2005. A full Resource/Reserve Statement for the Tasmania Reef at Beaconsfield, including previously reported reserves and the additional F21 Zone reserves noted above, is expected to be released during the June Quarter.

## 1.6 BMJV REGIONAL EXPLORATION

Surface diamond drilling commenced at Middle Arm Gorge late in 2005 and is ongoing. The program was primarily designed to test for mineralisation associated with a structural break in the Cabbage Tree Hill / Salisbury Hill strike ridge 2.5km southeast of the Tasmania Reef at the Beaconsfield mine. The conceptual target is a possible separate reef structure paralleling the 2 million ounce Tasmania Reef, with a target depth in the first hole expected between 400 – 700m depth. An initial program of 3 to 4 holes was planned.

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On 31st January 2006, the initial hole, B52, passed through a zone of quartz-ankerite-sulphide mineralisation over a length of 1.9m down hole from 155.1m. While core recovery for the intersection was poor, the extensive alteration and sulphide mineralisation observed is similar to that seen in the Tasmania Reef.

The new reef lies under extensive alluvial workings in Eaglehawk Gully, to the south of Middle Arm Gorge, that date back to the late 1800's. The new reef may therefore represent the source for that alluvial gold. Further intersections of the new reef are planned for the June quarter.

The new reef intersection was submitted for assay on 10 April and results are not yet available. After B52 has reached target depth, it is planned to wedge off it at 150m depth and conduct a controlled redrill of the new reef to provide a more complete intersection.

Follow-up work on the historical Salisbury Gold Field, 6km south-east of Middle Arm Gorge, is also planned for the June quarter. A second diamond drill has been sourced by the BMJV to speed up the regional exploration effort.

## **1.7 ARBITRATION AWARD**

All releases required by the insurer of the treatment plant design and construction contractor have now been provided. Beaconsfield Gold expects to receive its \$6.3 million share of the \$13 million in-principle settlement agreed with the insurer shortly.

50% of any proceeds received by Beaconsfield Gold in relation to the plant design and construction contract are required to be applied against a \$4 million contingent liability in respect of interest set aside by a former secured creditor. As a result, net cash proceeds to Beaconsfield Gold will be \$3.15 million and the contingent liability will be reduced to \$0.85 million.

## **2. EXPLORATION OF BEACONSFIELD GOLD'S TENEMENTS**

### **2.1 STAVELY PROJECT, WESTERN VICTORIA**

In mid-2005, Beaconsfield Gold commenced an initiative to broaden its exploration activities beyond the region of the Beaconsfield Mine by selectively pursuing other exploration interests.

In July 2005, Beaconsfield Gold acquired its first such interest when it secured an option to acquire 100% of Stavely Exploration Licence 4556 (370 sq km), located south of the Grampians in western Victoria, from New Challenge Resources Pty Ltd (refer Figure 1).

Beaconsfield Gold, on the basis of the exploration results of previous explorers, assessed the Stavely region as containing large scale hydrothermal/plutonic mineralising systems associated with gold and base metal mineralisation (refer Figure 2).

The landholding has subsequently been expanded with the grant by DPI of a further four Exploration Licences and the completion of the purchase of EL4514 from New Holland Mining. The Stavely Project now comprises 1,180 square kilometres of contiguous tenements giving control over a region stretching some 30km east-west and 60km north-south.

#### **2.1.1 Fair View Gold Prospect**

A soil sampling program conducted during the December 2005 quarter defined a strong, very coherent gold-in-soil anomaly over the full 4.8 km length tested. Based on the strength, sharp definition, excellent continuity of high gold values and large dimensions of the anomaly, first-pass reconnaissance drilling was commenced during the March quarter.

A total of 3,800m of shallow, vertical aircore holes were drilled through the oxide zone during the quarter on selected sections of the anomaly. The holes averaged 23m in depth with the maximum depth achieved into bedrock being 36m. The program confirmed several areas of high level anomalism throughout the prospect (refer Figure 3). In particular, a number of ore grade results were recorded at the northern and southern extents of the soil anomaly. The anomaly remains open in both these directions. More significant results included:

<b>Hole Number</b>	<b>Northing</b>	<b>Easting</b>	<b>Depth m</b>	<b>From m</b>	<b>To m</b>	<b>Interval m</b>	<b>Grade Au g/t</b>
FAC33	5832420	643581	31	0	31	31	1.8
Incl			31	29	31	2	14.3
FAC144	5832409	643584	30	0	30	30	1.4
Incl			25	23	25	2	16.1
FAC131	5828020	644746	30	0	30	30	1.4
Incl			16	14	16	2	6.2
FAC35	5832431	643620	18	8	18	10	2.9
FAC146	5832428	643610	16	14	16	2	7.5

During March, a diamond rig commenced a six hole program of angled holes designed to determine the stratigraphy under the soil anomaly. Preliminary assays have been received for certain portions of the first three holes confirming that gold mineralisation is present in the primary rocks below the oxide zone. The majority of the assay results are still outstanding.

Late in the quarter, a second rig was mobilised to conduct an RC ("reverse circulation") program of around 3,600m during April. The program involved both angled and vertical holes to a depth of about 130m to test beneath the anomaly. Several holes were drilled up to 350m south of the anomaly to determine if the trend of gold mineralisation continues as suspected. Assays are pending.

Follow-up drilling will be planned when all the assays from the first-pass diamond and RC programs are available.

The soil sampling technique utilised at Fair View has proven extremely effective at defining anomalous gold mineralisation in the Stavely area. During the June quarter, extensive soil sampling

will be undertaken to the north, south and west of Fair View, testing for extensions to and repeats of the anomaly. The Balbeggie Prospect, 5km west of Fair View, will be of particular interest. A previous explorer at Balbeggie identified quartz float assaying up to 22g/t gold and during the quarter Beaconsfield Gold geologists sampled a road cutting south-east of Balbeggie which averaged 0.2 g/t gold over approximately 30m.

### 2.1.2 Copper Prospect

The Stavely Project also contains one of Australia's larger copper anomalies associated with a copper-porphyry complex that has returned significant drill intersections such as 229m @ 0.22% copper. **With prices for copper and gold at record levels the copper prospects at Stavely have become high priority targets.**

The Thursday's Gossan Prospect, located approximately 5km NNW of the Fair View Prospect, contains a 3km long bedrock copper anomaly with +2,000 ppm (0.2%) copper values. The deposit has been previously explored by major exploration companies interested primarily in very large scale porphyry-type mineralisation.

However, copper-gold mineralisation is also associated with a smaller scale secondary (supergene) chalcocite blanket at relatively shallow depths. Drill intersections range up to **6m at 3.0% copper and 1.1g/t gold from 22m depth**, equivalent to approximately 12g/t gold at current prices. This relatively high-grade blanket will be the prime focus for Beaconsfield Gold's exploration rather than the larger scale, but lower grade, porphyry-style mineralisation. Many of the holes drilled previously at Thursday's Gossan are interpreted to have stopped in the leached profile above the supergene blanket, and further deeper drill testing is warranted to test the full extent of the roughly horizontal blanket. Drilling is now planned for the second half of calendar 2006.

### 2.1.3 Other Prospects

The Stavely Project also contains interesting zinc prospects with volcanogenic massive sulphide potential and an interesting nickel prospect to the east of Thursday's Gossan. These will be assessed in due course, but current focus is on the compelling gold prospects and the Thursday's Gossan copper-gold prospect.

## 2.2 BEACONSFIELD PROJECT, TASMANIA (100% Beaconsfield Gold)

### 2.2.1 North Pease Creek Gold Prospect

The North Pease Creek property is around 4 km northwest of the Beaconsfield Mine. The "Mine Sequence" rocks that host the major Tasmania Reef at the Beaconsfield Mine (Ordovician conglomerate, sandstone and siltstone) occur between two well-defined, north-westerly trending thrust faults - the Cabbage Tree Thrust and the Cobblestone Creek Thrust. Beaconsfield Gold's geologists have confidently interpreted extensions of both the Mine Sequence rocks and of the two enclosing thrust faults northwest under a cover of Tertiary sediments into the North Pease Creek property. Surface cover and lack of outcropping rocks prevented any historic prospecting, leaving the area lightly explored to date.

Previously reported drilling by Beaconsfield Gold during 2004/05 encountered significant gold mineralisation in several holes at the south-eastern end of the drill hole fence. The best intercept was NPC-7 which recorded 3.0m at 3.9 g/t gold from 163 metres including 1.0m at 8.6 g/t gold. Mineralisation is hosted in black carbonaceous quartz sandstone and granule sandstone/conglomerate and is associated with increased abundance of fine pyrite, arsenopyrite and ankeritic fine stockwork fracture and veinlet zones.

During the March quarter two combined RC percussion and diamond core drill holes were completed. All drilled through unconsolidated Tertiary sedimentary cover and into the Mine Sequence. No significant mineralisation was intersected.

Whilst North Pease Creek remains a good exploration target, priorities will be reassessed in light of results from the BMJV drilling at Middle Arm Gorge. Beaconsfield Gold has 100% of the exploration licence immediately to the east of Middle Arm Gorge and geophysics carried out in the

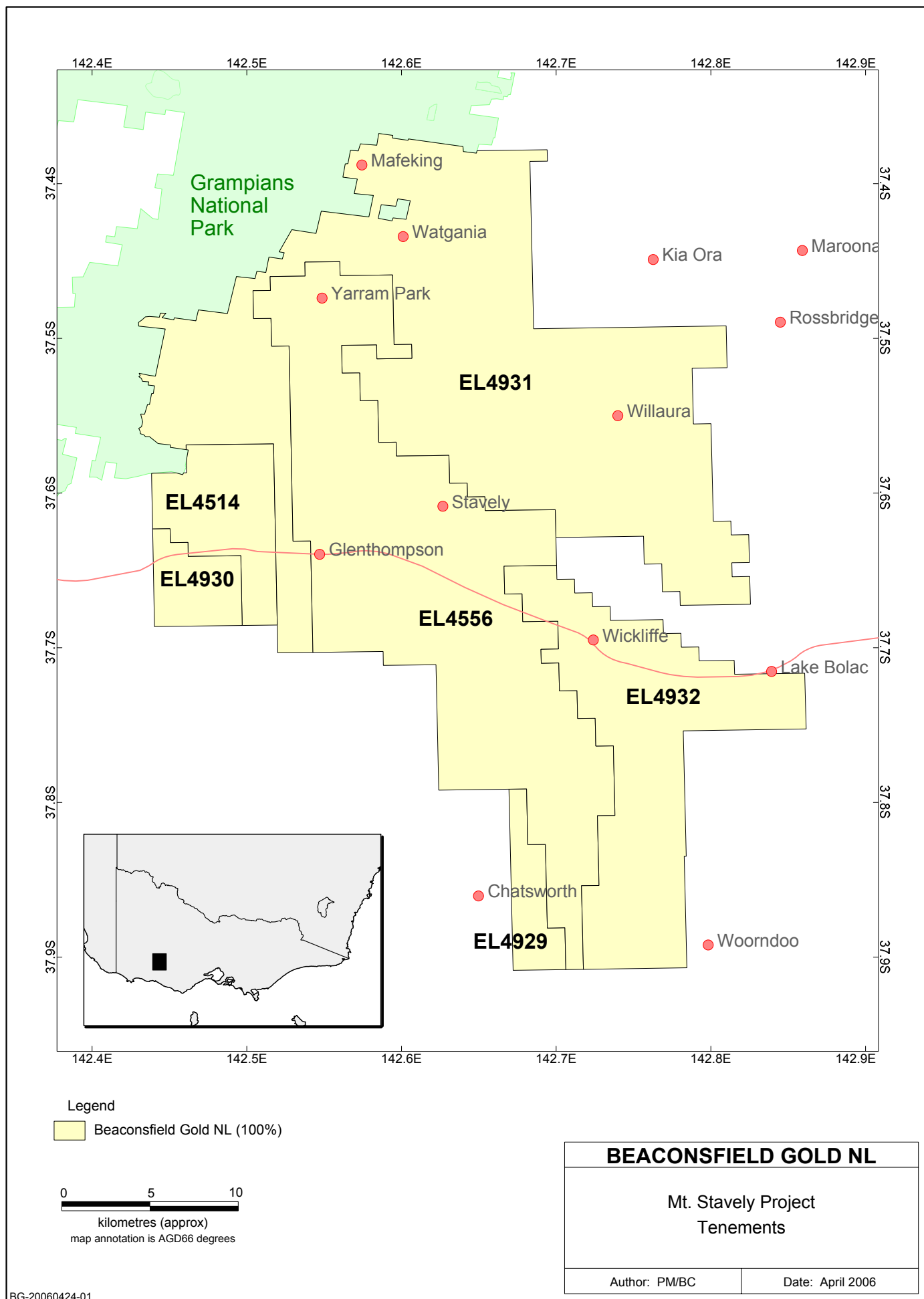


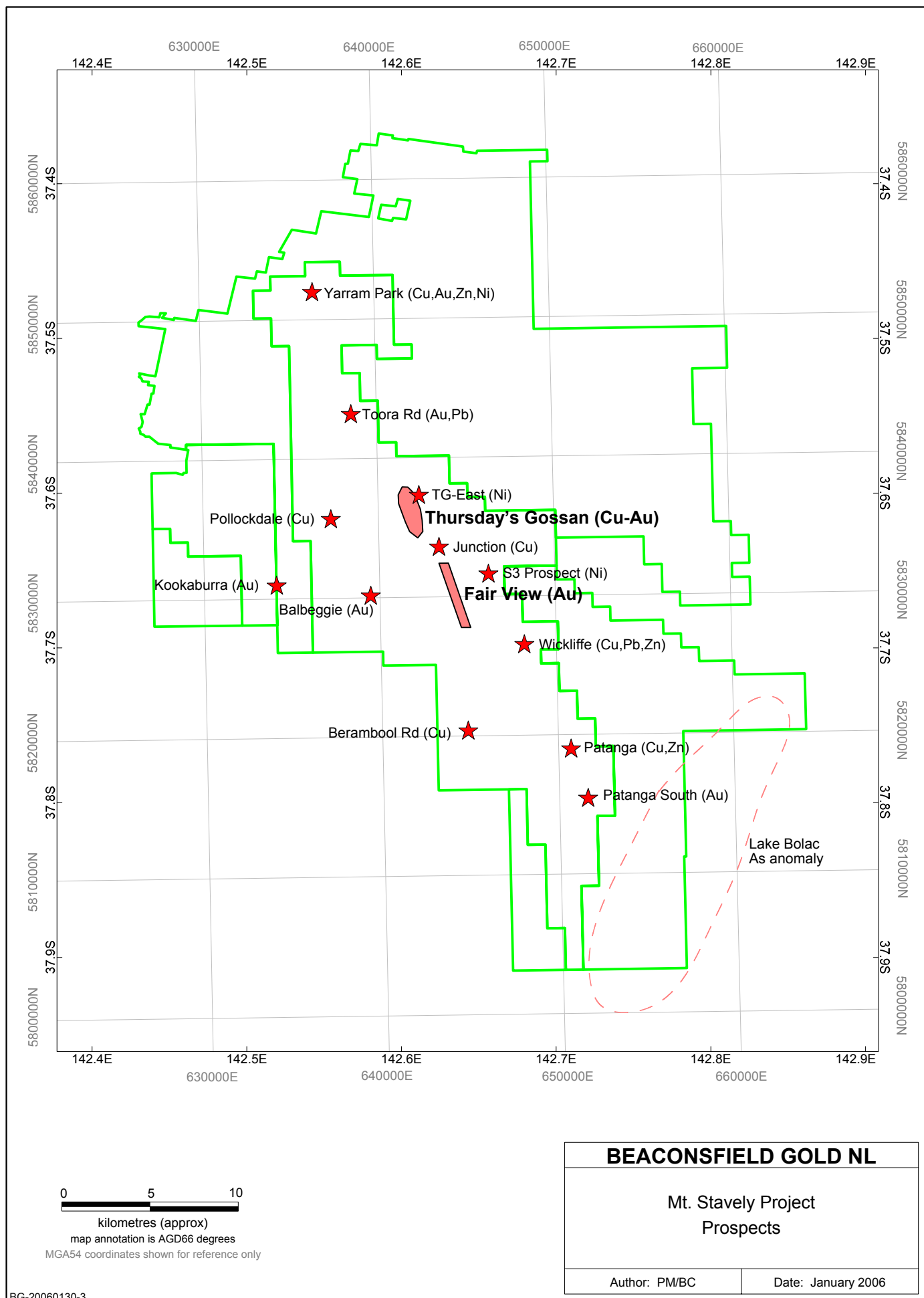
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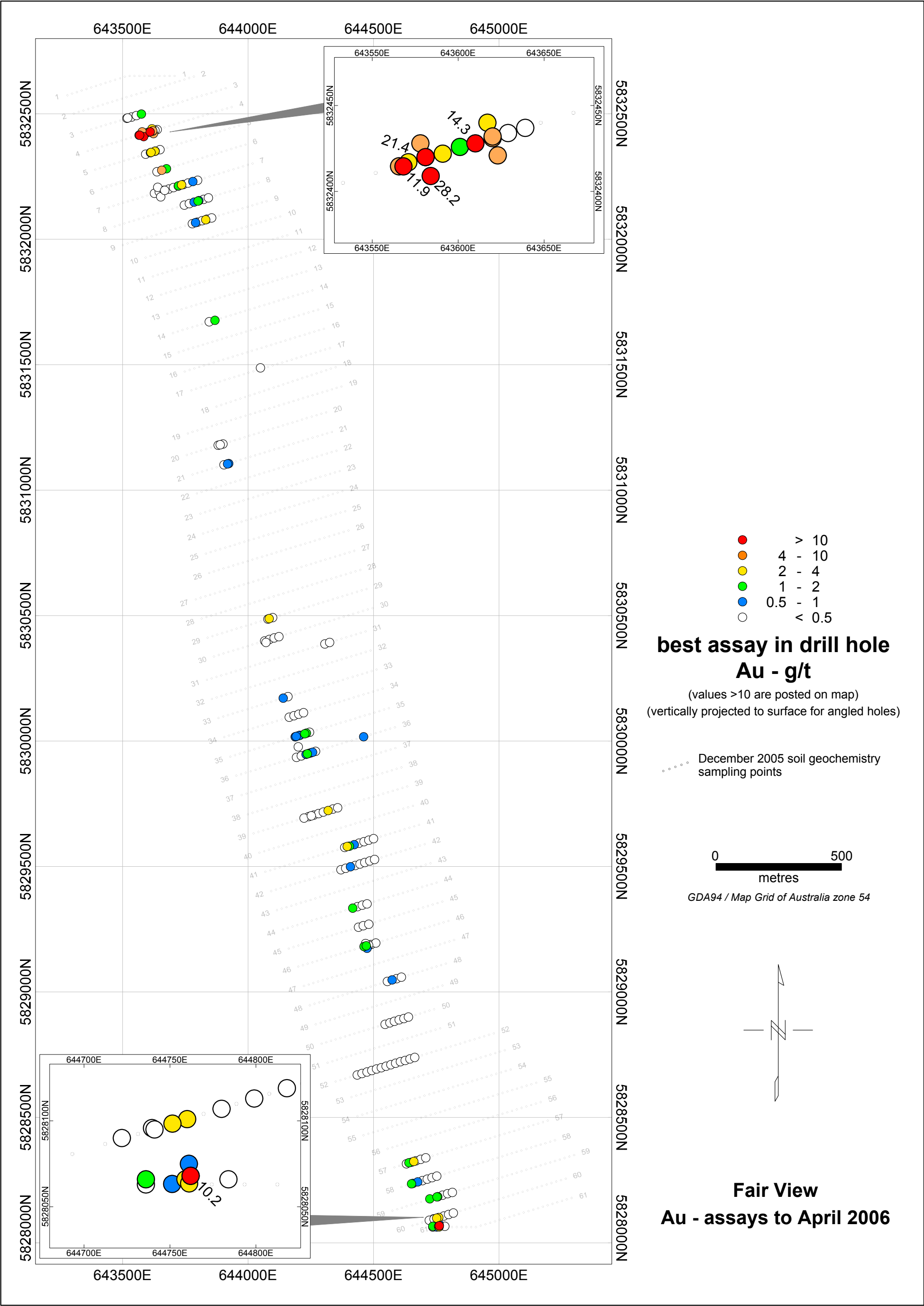
area indicates that the Middle Arm Gorge faulting extends north-east into Beaconsfield Gold's licence.

### **2.3 EXPLORATION EXPENDITURE**

Expenditure on the Stavely Project, principally at Fair View, totalled \$270,000 during the quarter. A further \$91,000 was spent on Beaconsfield Gold's 100% owned tenements at Beaconsfield.







### 3. **BEACONSFIELD GOLD NL CORPORATE**

#### 3.1 **GOLD HEDGING AND GOLD PROCEEDS**

At 31 March 2006, the Company's hedge book was 42,000 ounces of flat forwards and spot deferreds, with deliveries out to April 2007, at 3,000 ounces per month, at an average price of \$601 per ounce.

The marked-to-market value of the hedge book at 31 March 2006, when the spot price of gold was \$820 per ounce, was negative \$9.9 million. As Beaconsfield Gold's gold hedging is all effective hedging under the new AIFRS accounting standards, movements in the Company's hedge book marked-to-market value are brought to account as movements in reserves and do not impact on profit and loss.

##### 3.1.1 **Average Received Price per Ounce**

Total net gold book proceeds and effective average received price per ounce of production are approximated in the following table. Average received price for the quarter of A\$642 per ounce was A\$32 per ounce higher than for the previous quarter.

##### **Average Proceeds per Ounce of Production**

<b>Quarter Ending</b>	<b>BMJV Gold Production</b>	<b>BCD 48.49% Production</b>	<b>Net Gold Book Proceeds</b>	<b>Average BCD Proceeds</b>
	<b>(oz)</b>	<b>(oz)</b>	<b>(\$m)</b>	<b>(\$/oz)</b>
2004 September	34,045	16,508	8.391	508
2004 December	35,666	17,294	9.648	558
2005 March	29,219	14,168	8.297	586
2005 June	26,865	13,027	7.766	596
<b>2005 Year</b>	<b>125,795</b>	<b>60,998</b>	<b>34.102</b>	<b>559</b>
2005 September	28,083	13,618	7.681	564
2005 December	19,675	9,540	5.817	610
2006 March	24,405	11,834	7,601	642

##### 3.1.2 **Spot Gold Prices**

In the first half of calendar 2005, the spot gold price was around A\$550 per ounce. The spot price of gold has increased dramatically since that time and is currently (April 2006) over A\$800 per ounce, an increase of over A\$250 per ounce.

Beaconsfield Gold's share of BMJV gold resources at 31 December 2005 was approximately 223,500 ounces. The increase of over A\$250 per ounce therefore has increased the value of Beaconsfield Gold's current gold resources by over A\$50 million. This in turn improves the likelihood that a portion of the 840E resources will be converted into reserves and that the proposed deep drilling program for the Tasmania Reef (to test between 1200m and 1500m depth) will also result in increased reserves over time.

#### 3.2 **CASH POSITION**

At 31 March 2006, the total effective cash position of the Company was approximately \$7.1 million, including \$1.6 million of cash held by Allstate, as Manager of the BMJV, on behalf of Beaconsfield Gold.

### 3.3 CLAIM AGAINST ALLSTATE AND CLAIM AGAINST ALLSTATE'S PREVIOUS LEGAL ADVISOR

Beaconsfield Gold and two of its subsidiaries have reached agreement with Allstate and Allstate's Deed Administrators to withdraw the previously reported appeal against the rejection of Beaconsfield Gold's proof of debt in the Allstate administration, on the basis that each party bears its own costs of the proceedings.

Allstate, on its own behalf and as Manager of the BMJV, has been seeking damages for professional negligence arising from legal services provided to Allstate in relation to certain insurance and risk management issues associated with the contract for construction of the treatment plant at the Beaconsfield Mine.

Beaconsfield Gold is applying to the Supreme Court of Western Australia, with the consent of Allstate, to be joined as plaintiffs in those proceedings.

### 3.4 BEACONSFIELD GOLD ISSUED SECURITIES AT 31 MARCH 2006

Type of Securities	Number of Securities	ASX Code
Fully-Paid Ordinary Shares	160,494,148	BCD
Unlisted Employee Options (\$0.374 by 1/9/2010)	800,000	
Unlisted Partly-Paid Shares (\$0.35 paid to \$0.01)	2,350,000	
Unlisted Partly-Paid Shares (\$0.40 paid to \$0.01)	1,000,000	

### 3.5 TENEMENTS

Beaconsfield Gold has interests in the following tenements.

Description	Licence Number	Area	% Interest	State
Beaconsfield Consolidated Mining Lease	1767 P/M	594 hectares	48.49	Tas.
Beaconsfield Retention Licence	RL 1/1999	2 sq km	48.49	Tas.
Salisbury Hill Exploration Licence	EL 20/1994	12 sq km	48.49	Tas.
North Beaconsfield Exploration Licence	EL 27/2000	3 sq km	100.0	Tas.
Beaconsfield Exploration Licence	EL 7/2000	17 sq km	100.0	Tas.
Stavely Exploration License	EL 4556	370 sq km	100.0(a)	Vic.
Stavely South Exploration License	EL 4929	25 sq km	100.0	Vic.
Dunkeld Exploration License	EL 4930	28 sq km	100.0	Vic.
Watgania Exploration License	EL 4931	512 sq km	100.0	Vic.
Bolac Exploration License	EL 4932	186 sq km	100.0	Vic.
North Dunkeld Exploration License	EL 4514	60 sq km	100.0	Vic.

(a) BCD has an option to acquire 100% interest, subject to a 3% net smelter return royalty.

During the quarter the DPI granted Beaconsfield Gold's applications for EL 4929, EL 4930, EL 4931 and EL 4932 in the Stavely Project. The transfer and renewal of EL 4514 from New Holland Mining was also completed. The company has relinquished EL 30/1997, EL12/1999 and part of EL 7/2000 in Tasmania to focus on more prospective tenements.

### 3.6 INTERNET

Shareholders are invited to visit the Company's website to view all ASX releases (including all quarterly and annual reports), historical information relating to the Beaconsfield Mine and Beaconsfield Gold NL corporate information: [www.beaconsfieldgold.com.au](http://www.beaconsfieldgold.com.au)

Shareholders who wish to receive Beaconsfield Gold ASX releases by e-mail are encouraged to contact the Company on: [enquiries@beaconsfieldgold.com.au](mailto:enquiries@beaconsfieldgold.com.au)

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