



**BEACONSFIELD
GOLD N.L.**

A.C.N 057 793 834

CHAIRMAN'S ADDRESS

**ADDRESS BY DR DENIS CLARKE AT THE GENERAL MEETING HELD AT
LEVEL 20, CMA CENTRE, 500 COLLINS STREET, MELBOURNE
ON WEDNESDAY 28 JUNE 2006 AT 3PM.**

Before I talk specifically about the business of this meeting, I would like to make some general comments on the Company's present situation, and in so doing hopefully answer questions that are presently concerning some of our shareholders.

I will start by reiterating that what we are doing now – and why we are here today - is all about the reopening of the Beaconsfield Mine and the continuation of what we still consider to be a profitable mining venture going forward.

It is now more than two months since the Anzac Day incident at the Beaconsfield mine, and while much has happened in the intervening period there remains much to be done.

With the extreme uncertainty resulting from the closure of the Beaconsfield mine on 25 April, your directors had no alternative but to approach the Australian Stock Exchange to request a suspension of trading in the Company's shares, due to the absence of a fully informed market.

The company is in regular contact with the ASX with a view to recommencing trading at the earliest possible time. However, it is likely that the trading suspension will remain until a clearer picture emerges of when, and under what circumstances, the Beaconsfield Mine will be allowed to reopen. Particular uncertainties relate to future mining methods, ore reserves and operating costs. Shareholders will be kept fully informed through the Company's continuous disclosure obligation to the Australian Stock Exchange, and we have updated the ASX regularly during this process whenever there is anything material or of significance to disclose.

That leads me to the question of the Beaconsfield Mine, and specifically to the timing of a reopening.

Immediately following the incident on 25 April, Workplace Standards Tasmania, through the Chief Inspector of Mines, suspended mining activity at Beaconsfield.

Subsequently the mine was issued with two notices under the Tasmanian Workplace Health and Safety Act 1995, each of which requires certain steps to be completed before the mine can progressively reopen.

Work is underway to satisfy these requirements, which will principally involve detailed geotechnical studies of the mining activities. While we do not have an accurate estimate on timing of their completion, it is anticipated that at least a further two to three months work will be required before any ore mining activity can recommence.

In the meantime, essential care and maintenance activities are being carried out underground by a core workforce. This workforce retains the skills required to re-open the mine in due course. The processing plant is also being well-maintained with a focus on keeping the bacterial leaching circuit in a good state to recommence treatment of ore.

One of the obvious consequences of the mine closure is the cessation of gold deliveries and the resultant impact on the cash position of Beaconsfield Gold. I am pleased to report that cash on hand is sufficient to finance our share of budgeted costs and other obligations well past an expected reopening date of the mine.

Again, should you have questions on these or other issues that I have not covered, I will be pleased to answer them after the conclusion of the formal business of the meeting.

Now to the only resolution to be considered today, which is seeking shareholder approval for the issue of up to 60 million new shares to sophisticated and professional investors at a price of at least 34 cents per share.

I would like to briefly explain the reasoning behind this proposal, and specifically why the placement is necessary, and why it is being made only to professional and sophisticated investors.

Beaconsfield Gold remains committed to the long term future of mining at Beaconsfield based on the safe extraction of remaining gold resources in the existing mine and the excellent prospectivity for new discoveries in the surrounding tenements.

To date Beaconsfield Gold has been the minority participant in the Beaconsfield Mine Joint Venture which is managed by the majority participant, Allstate Explorations NL (Subject to Deed of Company Arrangement). However, should that situation change, Beaconsfield Gold has the appropriate management and Board expertise required to operate the Beaconsfield Mine and successfully carry out the systematic regional exploration required.

Approval of the resolution will position the Company so that it can acquire, at short notice, the Allstate group's interest in the Beaconsfield Mine, if that interest becomes

available, either via a direct purchase or by exercising Beaconsfield Gold's comprehensive pre-emptive rights under the Beaconsfield Mine Joint Venture Agreement.

The placement, which will occur only if the Allstate group's interest becomes available, will necessarily be made to sophisticated and professional investors.

It should be understood that only those types of investors can acquire new shares in the Company without the Company issuing a prospectus, which it is currently not able to do given the uncertainties associated with the re-opening of the mine.

We have received strong indications of support for the placement from a number of investors, which reflects an equally positive view towards the future re-opening of the mine shared by the board and management – though it is obviously conditioned by the understanding of the risks involved.

It is extremely important that Beaconsfield Gold maximises its chances of moving to 100% ownership of the Beaconsfield Mine in coming months, and approval of this resolution will place the Company in a strong position to act promptly if and when an opportunity arises.

Notwithstanding the level of uncertainty I have described, your directors expect strong interest in the placement among a range of professional and sophisticated investors.

At the appropriate stage in both the placement and any prospective acquisition of the Allstate interest in the joint venture, we will of course ensure shareholders and the market are kept informed.

A handwritten signature in dark ink, appearing to be 'D. Clarke', followed by a horizontal line.

**Denis Clarke,
Chairman.**

28 June, 2006