



**BEACONSFIELD
GOLD N.L.**

A.C.N 057 793 834

STOCK EXCHANGE ANNOUNCEMENT BEACONSFIELD MINE – FEDERAL FUNDING

Attached are copies of announcements made today by the Prime Minister and by Allstate Explorations NL in regard to Australian Government support for the Beaconsfield Gold Mine.

The grant has been made to Allstate Explorations NL in its capacity as Manager of the Beaconsfield Mine Joint Venture. The Joint Venture will utilize the funds to support the workforce during the care and maintenance period, and to undertake critical long term investment when the mine reopens.

The Directors of Beaconsfield Gold are delighted by the announcement, and applaud the Australian Government for its support of the Beaconsfield community in these exceptional circumstances.

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PRIME MINISTER

AUSTRALIAN GOVERNMENT SUPPORT FOR BEACONSFIELD GOLD MINE

Today I am pleased to announce the first grant to be offered under the \$8 million *Beaconsfield Community Fund* which I announced on 29 May 2006.

A grant of \$4.873 million has been approved to Allstate Explorations NL on behalf of the Beaconsfield Gold Mine.

This assistance will support the mine, the miners and their families over the next few months to support care and maintenance activities while the state inquiries are underway.

Subject to the outcome of state inquiries and in the event that the mine may be allowed to re-open later this year, the assistance will also allow the mine to undertake a number of critical investment activities over the next 12 months to help secure its longer term future.

This assistance recognises the significant economic contribution the mine makes to the Beaconsfield region. It also demonstrates the Australian Government's commitment to secure Beaconsfield's economic future.

The *Beaconsfield Community Fund* has been established to help the Beaconsfield mine, its employees and their families and the Beaconsfield community to move forward from the extraordinary and tragic events of the Anzac Day rock fall.

The Fund will also provide support to a range of community projects with further announcements to be made shortly.

The Fund is one part of a suite of measures I announced on 29 May to honour the memory of Larry Knight and to help Beaconsfield get back on its feet.

The other measures include \$1 million to establish a Larry Knight equity scholarship at the University of Tasmania and tax deductibility to the AWU Beaconsfield Miners' Support Fund which has been provided. As foreshadowed the Commonwealth will contribute \$25,000 to the Fund.

21 July 2006



ALLSTATE EXPLORATIONS NL
(Subject to Deed Of Company Arrangement)
ACN 000 679 023
("the Company") ("ALX")

Media Release
21 July 2006

GRANT TO ASSIST MINE AND BENEFIT COMMUNITY

The Company today welcomed the announcement by the Prime Minister Mr John Howard of a \$4.87 million grant for the Beaconsfield Gold Mine.

Joint & Several Deed Administrator of the Company, Michael Ryan, said the grant would help the Company maintain 33 jobs at the mine and carry out further work to give the mine the best chance of re-opening if it was found to be safe and economical to do so.

Mr Ryan said the grant, to be provided in a staged process, would benefit the whole Beaconsfield community and the broader Tasmanian economy.

Over the next few months part of the grant funds would be used to retain 26 employees and 7 contractors who were not currently required during the care and maintenance period but who would be needed if the mine was given approval to restart operations.

Mr Ryan said that if approval was received to re-open the mine then a further portion of the funds would be received over the next 12 months to assist the Company to extend the main Decline deeper to provide access to new ore bodies and to establish a drive to allow further diamond drilling with the aim of locating new ore reserves. Both of these measures would extend the mine's longer term future.

"The assistance through the Federal Government's Beaconsfield Community Fund (BCF) will not only help the miners and their families but also the broader community," Mr Ryan said.

Mr Ryan said the Tasmanian Minerals Council, on behalf of the mine, had commissioned well-known Tasmanian economist Dr Bruce Felmingham to estimate what loss might be incurred by closure of the mine. Dr Felmingham had found the closure of the mine would lead to the loss of \$72.6 million per annum to the state economy, 140 jobs directly at the mine and up to 296 jobs directly and indirectly in the broader community.

"The BCF grant increases the possibility of the mine being able to re-hire people if it is found safe and economical to do so," Mr Ryan said.

Mr Ryan said independent consultants were continuing their work examining the feasibility of safely progressively re-opening the mine under the terms of the Workplace Standards section 38 & 39 notices issued after the rock fall on Anzac Day.

The Company is also working with the Workplace Standards investigation being conducted by special investigator Mr Greg Melick SC which is seeking to determine the cause of the rock fall.

The Company expects to have a better indication by mid-August of the likelihood and timing of any recommencement of mining operations and the status of the Workplace Standards investigation.

Mr Ryan said the Beaconsfield Mine Joint Venture Committee was keeping the current care and maintenance program under review and would reassess the possibility of progressively re-opening the mine at that time.

“The Federal Government assistance is very greatly appreciated and gives the mine a much better chance of re-opening if it is given approval to do so,” Mr Ryan said.

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