

BEACONSFIELD GOLD N.L.

A.C.N 057 793 834

BEACONSFIELD GOLD NL

Report on Activities for the Quarter ended 31 March 2007

SUMMARY FOR THE QUARTER

BEACONSFIELD MINE JOINT VENTURE ("BMJV")

- Beaconsfield Gold NL group direct interest in BMJV 48.49%
- Allstate Explorations NL ("Allstate") Manager of BMJV
- Allstate group interest in BMJV 51.51%

- Mining activities undertaken included advancing the main decline to access deeper reserves and the development of the 1090m level.
- A staged recommencement of ore production is planned; firstly ore development (sill driving), then ore production (stoping) in the eastern domain of the mine and finally ore production in the western domain.
- The Case for Safety for ore development was accepted by the Chief Inspector of Mines near the end of the quarter. Ore development has now recommenced providing ore feed for the processing plant and production of gold bullion resumed late in April.
- The Case for Safety for Eastern Ore Production is complete and under peer review before being submitted to the Chief Inspector of Mines for his review.
- Work is well advanced on the Case for Safety for Western Ore Production, being the final requirement for full production to resume throughout the Beaconsfield Mine.
- A number of compelling drilling targets have been identified close to the mine and an aggressive strategy to test them, both from surface and underground, is being developed.
- Further payments received from the Federal Government funding grant of \$4.9 million.
- The Director of Public Prosecutions advised that there was insufficient evidence to support a prosecution on any charge over the Anzac Day incident at this time.

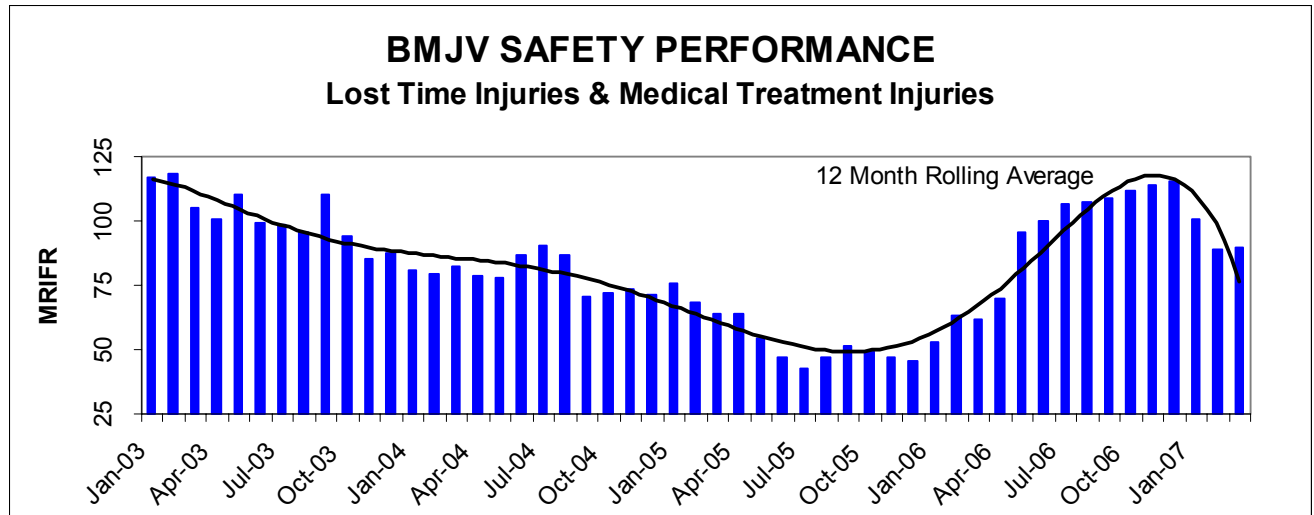
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- Beaconsfield Gold expected to achieve 91% shareholding interest in the Beaconsfield Gold Mine following 30 April 2007 Allstate shareholders' meeting.
- Day-to-day management of the BMJV and the Beaconsfield Mine passed to Beaconsfield Gold executive team on 27 February 2007.
- Successful placement of 12 million convertible notes and 14.25 million new shares at a price of 34 cents each, raising a total of \$8.9 million.
- Detailed aeromagnetic survey identifies follow-up drilling targets at the Fair View gold and Thursday's Gossan copper prospects at the Stavely Project in western Victoria.
- Encouraging preliminary metallurgical testwork to determine leachability of samples from Thursday's Gossan copper prospect to be followed up in June quarter.

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

1.1 OPERATIONS

1.1.1 Safety and Health



Safety performance is measured by the number of Lost Time Injuries (“**LTIs**”) and Medical Treatment Injuries, which are referrals to a doctor (“**MTIs**”). There was one LTI and no MTIs in the March 2007 Quarter.

A staged recommencement of ore mining is planned with three separate submissions and approvals required for ore development (sill driving), ore production (stoping) in the eastern domain of the mine and ore production in the western domain. The Case for Safety for Ore Development was progressed during the quarter, with the Chief Inspector of Mines rescinding the section 38 and 39 notice pertaining to this activity on 30 March. Mining activity within the available ore drives recommenced early in April following consultation with the workforce and Australian Workers Union. Ore hoisting and processing resumed late April.

The Case for Safety for Eastern Ore Production is now complete and is being peer reviewed by Safe Production Solutions Pty Ltd. It will then be submitted to the Chief Inspector of Mines for review.

Work is well advanced on the Case for Safety for Western Ore Production, being the final requirement for full production to resume throughout the Beaconsfield Mine.

1.1.2 Mining

Waste development continued throughout the quarter with 108 metres of capital level development and 57 metres of operating level development completed compared to 25 metres advance in the December 2006 Quarter.

The decline advanced by 12 metres but was restricted due to the intersection of “strain burst prone” ground associated with conglomerate beds. A contract fibrecrete machine is being utilised in conjunction with meshing of the faces to provide the required ground support to mitigate the level of risk associated with this activity. Decline advance will now progress unimpeded. During the period of restricted activity within the decline, mining of the 1090 cross cut and 1090 Return Air Connection as well as associated infrastructure requirements were progressed.

A total of 10,169 tonnes of waste was hoisted during the Quarter.

The core workforce of 70 employees has been maintained across the site to facilitate a prompt and safe restart. Recruitment has commenced for a further 30 employees required for the resumption of ore mining and ore processing.

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Mining of ore resumed during April with the recommencement of sill driving. A limited number of headings were initially available but, as rehabilitation of ground support to the new standards progresses, additional headings will be accessed providing more working areas and allowing production to ramp-up. However, full production rates will not be attained until stoping recommences in both the eastern and western domains.

1.1.2 Metallurgy Overview

No ore was available to be processed during the quarter.

Care and maintenance activities and increased circuit automation progressed during the quarter. The crushing, milling and flotation circuits were operated on waste to recommission the equipment in preparation for the impending resumption of ore processing during the June 2007 quarter. The bacteria utilised in the oxidation process will be revived again during April/May to treat the refractory concentrates generated from the processing of mined ore.

1.2 EXPENDITURE

The non-production costs incurred during the quarter for care and maintenance activities totalled \$5.5 million (BCD share \$2.7 million).

The Federal Government has assisted in the safe re-opening of the mine by providing a grant of \$4.9 million to the BMJV participants through the Beaconsfield Community Fund. The grant will assist the BMJV to meet supernumerary payroll costs, to progress the development of the decline to access the F21 zone and to commence deep drilling below the current resources. Payments totalling \$0.97 million were received during the quarter.

1.3 UNDERGROUND DRILLING OF THE TASMANIA REEF

There was no underground exploration drilling undertaken during the quarter. A program to test below the current F21 resource is planned by the BMJV after the mine has re-opened, commencing in the second half of the 2007 calendar year.

1.4 ORE RESERVES/RESOURCES

Allstate, as Manager of the BMJV, has reported that the Identified Mineral Resource for the Tasmania Reef at Beaconsfield, Tasmania as at 31st March 2006 was:

Measured Resource	255,000t @ 20.4g/t Au (167,000 ounces contained gold)
Indicated Resource	568,000t @ 13.6g/t Au (249,000 ounces contained gold)
Inferred Resource	58,000t @ 14.7g/t Au (27,000 ounces contained gold)
Total Resource	881,000t @ 15.6g/t Au (443,000 ounces contained gold*)

* Beaconsfield Gold's equity share of the above Resource is 215,000 ounces

A Reserve Statement for the Tasmania Reef, including the additional F21 Zone reserves announced by Allstate in April 2006, will be released following the re-commencement of ore production in all areas of the mine.

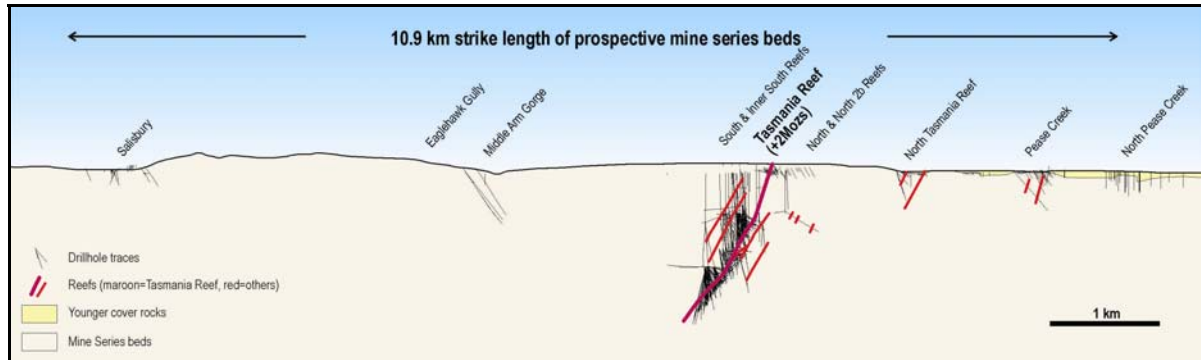
1.5 BMJV REGIONAL EXPLORATION

The drilling of hole B53 at Middle Arm Gorge was completed at a depth of 522.3 metres during the quarter with no significant structures intersected in the target zone. The hole was designed to follow up the previous intersection in B52 of a significant shear zone with mineralised wallrocks over 4.8m at a downhole depth of 588m. Middle Arm Gorge is located approximately 3km south of the Tasmania Reef.

Beaconsfield Gold has identified a number of compelling "walk-up" drill targets to the north of the Tasmania Reef (in particular Pease Creek and North Tasmania) as well as large areas of untested but prospective ground. As part of an aggressive strategy to rapidly advance regional exploration at Beaconsfield, the Company is currently prioritising targets for an extensive surface drilling program.

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Mine geologists have also identified underground drilling targets in the immediate hangingwall and footwall of the Tasmania Reef – The North and North 2b Reefs and the South and Inner South Reefs. These reefs are known to exist in the eastern sandstone units of the mine series beds and contain moderate gold grades (mostly less than 10 g/t gold) but have never been tested in the more prospective (in terms of grade) western conglomerate units of the mine series beds.



An application to extend the retention of licence RL1/1999 was granted by Mineral Resources Tasmania during the quarter. The tenure of the licence has been extended to 7 January 2009.

Exploration expenditure of \$64,621 in the March 2007 Quarter (December 2006 Quarter: \$212,651) was incurred drilling at Middle Arm Gorge on EL20/1994

1.6 BUSINESS INTERRUPTION CLAIM

The BMJV participants continue to pursue a claim under their business interruption insurance policy following the 25 April 2006 incident and the closure of the mine by the Chief Inspector of Mines. The policy covers both costs and loss of profits to 25 April 2007, has a one month excess and is capped at \$50 million.

1.7 CLAIM AGAINST ALLSTATE'S PREVIOUS LEGAL ADVISOR

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 in 1998/1999. No significant developments occurred in relation to the claim during the quarter.

1.8 MELICK INVESTIGATION

Special investigator Greg Melick SC is continuing to conduct an independent investigation into the 25 April 2006 incident in the underground workings of the Beaconsfield Mine. His full report is not expected before the end of May 2007.

On 23 April 2007, the Office of the Director of Public Prosecutions advised that it had determined, in consultation with Melick SC, that at this time there was insufficient evidence to support a prosecution on any charge. Should further evidence be provided to the DPP, this decision will be reconsidered.

2. **EXPLORATION OF BEACONSFIELD GOLD'S 100% INTEREST TENEMENTS**

2.1 **STAVELY PROJECT, WESTERN VICTORIA**

Beaconsfield Gold is exploring a large landholding in western Victoria, to the south-east of the Grampians, collectively known as the Stavelly Project, comprising 1,180 square kilometres of contiguous tenements. This gives the Company control over a region stretching up to 30km east-west and 60km north-south with a number of excellent prospects.

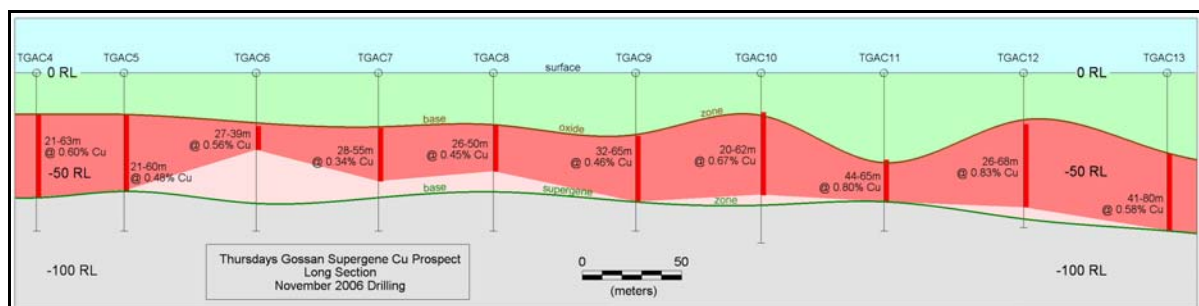
2.1.1 **Fair View Gold Prospect**

Soil sampling has previously defined a strong, very coherent gold-in-soil anomaly over the full 4.8 km length tested. The previously reported initial drilling has confirmed that gold mineralisation is present in both the shallow oxide zone and in the deeper primary rocks. A geophysical program was designed to refine the geological/structural model and help in the design of a follow-up drilling program, and in December 2006 a contractor successfully flew low-level, detailed aeromagnetics over an area of some 170 square kilometres. The diagram on the following page shows the soil anomaly overlayed on the portion of the detailed aeromagnetics covering the Fair View Prospect. The Company's geophysicist has interpreted numerous faults as shown and the interpretation of these structural controls on the Fair View mineralisation is helping in the design of a follow-up drilling program. The analysis will also help in the extension of soil testing to the NW and SE of the current soil anomaly.

2.1.2 **Thursday's Gossan**

Thursday's Gossan, located less than 5km NNW of the Fair View Prospect, contains one of Australia's larger copper anomalies. Previous explorers, including most recently Newcrest, drilled a number of holes in the area targeting a large porphyry copper system, similar to Cadia/Ridgeway or North Parkes in NSW. Some encouraging intersections were reported but it appears that the necessary deep diamond drilling required to fully test the prospect was not attractive at the significantly lower copper prices prevailing at the time.

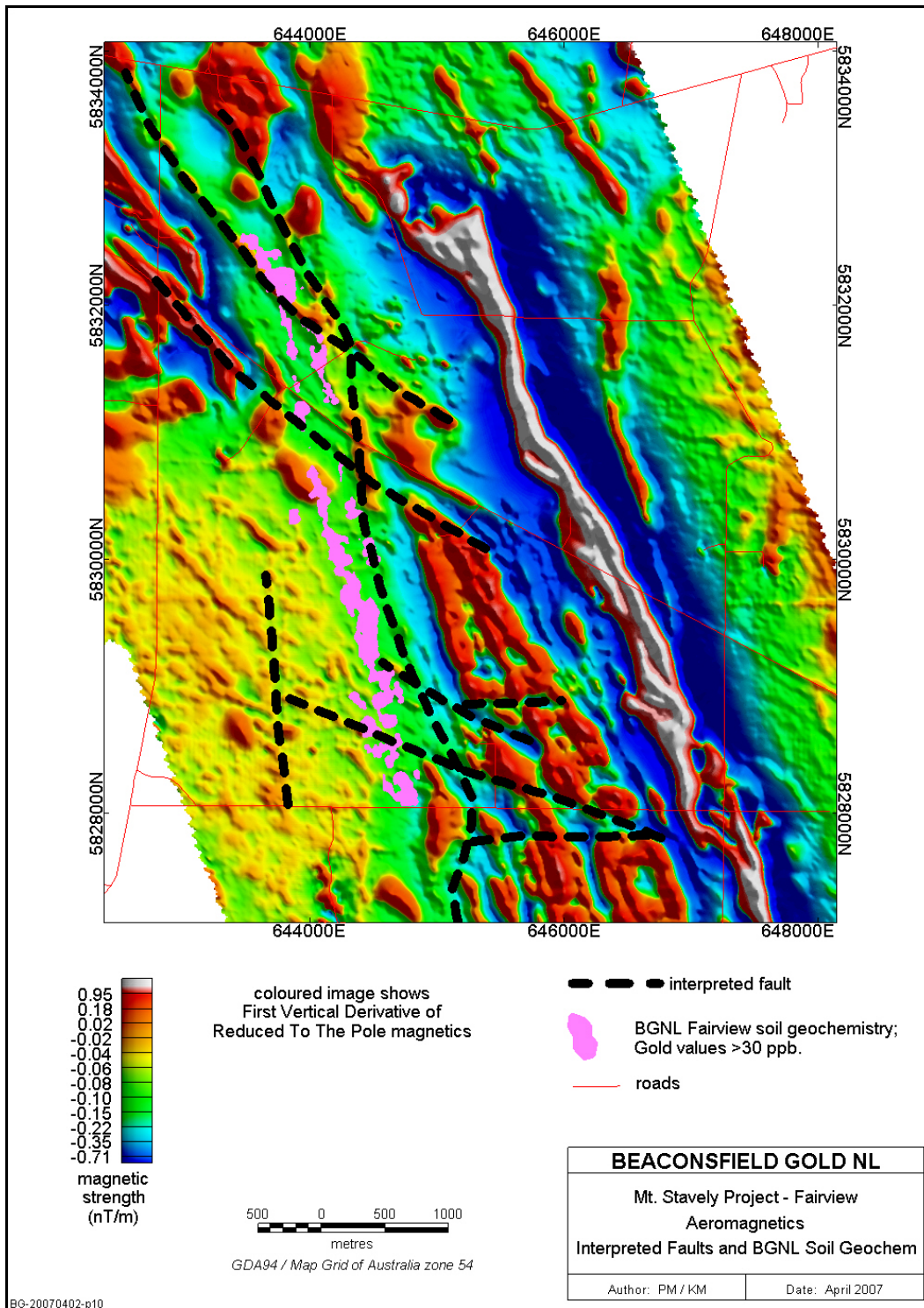
The current high copper prices and excellent local infrastructure make a shallow open-pittable, heap leach copper operation an attractive target. Beaconsfield Gold's current focus is to test the potential for near-surface copper mineralisation contained in a secondary (supergene) chalcocite blanket at Thursday's Gossan. A preliminary drill program (reported in the December 2006 quarterly report) confirmed the existence near surface of a main body of continuous supergene copper mineralisation, up to 40 metres thick, with favourable open pit mining characteristics, that extends over some 600 metres. The following diagram shows the results. For comparison, at current commodity prices, a grade of 0.6% copper is equivalent in terms of revenue to a grade of 2.1g/t gold.



The recently completed aeromagnetic survey indicates an untested prospective area to the south east where the mineralisation is open. Further drilling is planned as soon as possible. The most southerly hole drilled, TGAC13, also intersected 9 metres at 1.8 g/t gold from 26 metres depth in the oxide zone overlying the supergene copper zone.

Samples from the better intersections were submitted for preliminary metallurgical testwork to determine the leachability of the mineralisation under different conditions. Based on the encouraging initial results, further testwork is now planned for the June 2007 quarter.

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2.2 BEACONSFIELD PROJECT, TASMANIA (100% Beaconsfield Gold)

2.2.1 North Pease Creek Gold Prospect

There was again no significant activity during the quarter on the North Pease Creek property. Beaconsfield Gold will now review the exploration potential of its Beaconsfield tenements in conjunction with the adjoining BMJV tenements.

2.3 EXPLORATION EXPENDITURE

Expenditure on the Stavely Project totalled \$22,000 during the quarter. No expenditure was incurred on Beaconsfield Gold's 100% owned tenements at Beaconsfield.

3. BEACONSFIELD GOLD NL CORPORATE

3.1 GOLD HEDGING AND GOLD PROCEEDS

At 31 March 2007, the Company's hedge book was 12,000 ounces (31 December 2006: 24,000 ounces) of flat forwards and spot deferreds, with deliveries out to June 2007, at an average price of A\$653 per ounce (31 December 2006: A\$618 per ounce). This level of hedging represents only approximately 6% of Beaconsfield Gold's current gold resources.

The marked-to-market value of the hedge book at 31 March 2007, when the spot price of gold was A\$821 per ounce (31 December 2006: A\$801 per ounce), was negative \$2.0 million (31 December 2006: negative \$4.5 million).

3.2 CASH POSITION

At 31 March 2007, total cash held by Beaconsfield Gold was \$7.5 million. A further \$6.5 million was held by the BMJV.

3.3 BEACONSFIELD GOLD ISSUED SECURITIES AT 31 MARCH 2007

Type of Securities	Number of Securities	ASX Code
Fully-Paid Ordinary Shares	226,444,148	BCD
Unlisted Employee Options (\$0.374 by 1/9/2010)	800,000	
Unlisted Convertible notes (\$0.34 by 13/2/2009)	12,000,000	
Unlisted Partly-Paid Shares (\$0.35 paid to \$0.01)	2,250,000	
Unlisted Partly-Paid Shares (\$0.40 paid to \$0.01)	1,000,000	

During the quarter, Beaconsfield Gold made two placements, using the proceeds towards increasing the Company's shareholding interest in the Beaconsfield Mine to at least 91%.

12 million convertible notes were placed with an Australian fund at \$0.34 each, for a total of \$4.08 million. Principal terms for the notes are:

- Each note is convertible into one Beaconsfield Gold fully paid share at any time;
- Notes are redeemable at the end of two years if not converted; and
- Notes earn interest of 6% p.a., payable six-monthly in arrears.

The Company also placed 14.25 million new shares at a price of \$0.34 per share, raising \$4.845 million. The shares were issued in accordance with the approval given by shareholders, at the general meeting held on 10 January 2007, for the placement of up to 60 million shares to sophisticated and professional investors to increase the Company's beneficial interest in the Beaconsfield Mine.

3.4 RESTRUCTURING OF THE ALLSTATE GROUP

During the quarter, Beaconsfield Gold made very significant progress towards its objective of consolidating the ownership and gaining management of the Beaconsfield Mine through three key initiatives. These were:

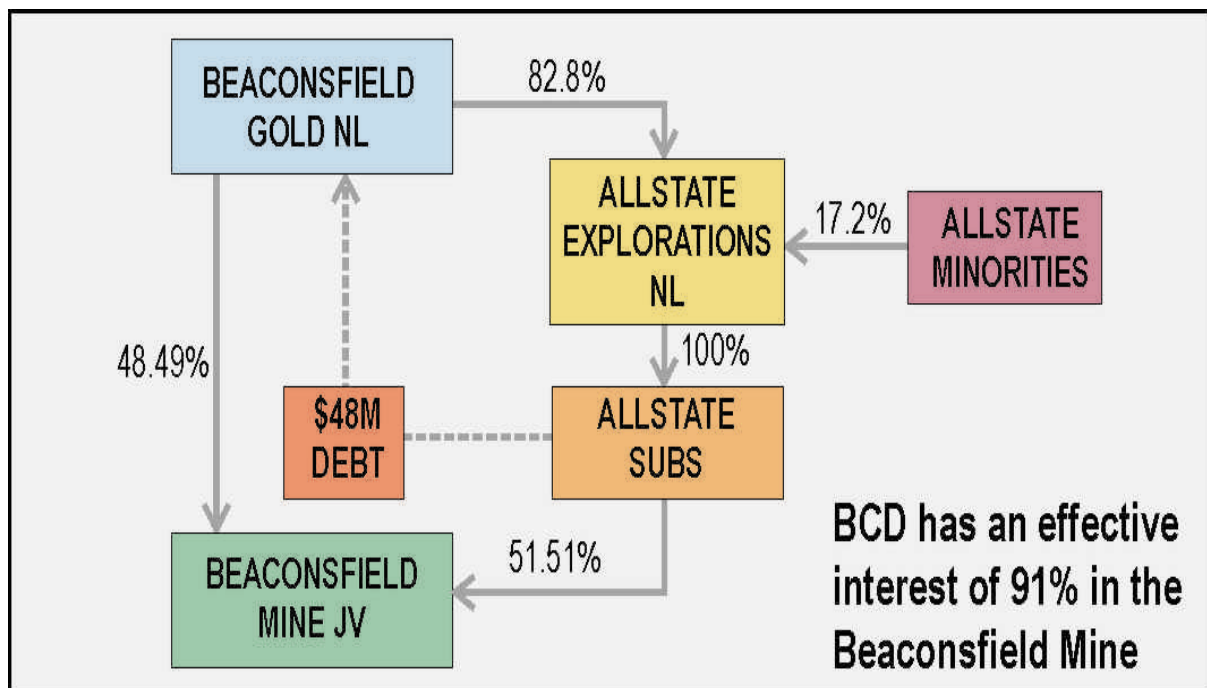
1. The agreement to purchase from Macquarie Bank, for a total of \$2.85 million, inter-company debts of the Allstate group with a face value of \$48 million (making Beaconsfield Gold the biggest creditor of the Allstate group). \$0.7 million has been paid to date and the balance of \$2.15 million will be paid when the mine has hoisted 40,000 tonnes of ore from the recommencement of mining and all notices issued by the Chief Mines Inspector have been rescinded. Macquarie Bank has advised that all the proceeds received from Beaconsfield Gold will be paid over to the 25 April 2006 workforce at the Beaconsfield Mine.
2. The agreement with Newmont Australia Limited ("Newmont") to acquire Newmont's 57.2% shareholding in Allstate (to take Beaconsfield Gold to 82.8% of Allstate) for approximately \$1.4 million, subject to approval by the Allstate minority shareholders. 1.5 cents per fully paid Allstate share and 0.1 cents per partly paid Allstate share will be payable immediately and a further 2.5 cents per fully paid share will be paid when the Allstate group achieves

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30,000 ounces of attributable gold production from recommencement. Under the agreement, Newmont also agreed to forgive \$1.6 million owed to it by Allstate and Beaconsfield Gold agreed to bid for the 17.2% balance of Allstate on the same terms after it acquires Newmont's stake in Allstate. A shareholders' meeting has been convened for 30 April 2007 and both an Independent Expert and the independent Allstate directors have recommended that shareholders vote in favour of the transfer of Newmont's shares to Beaconsfield Gold.

3. The approval of Beaconsfield Gold's proposal to get the Allstate group companies out of administration at a meeting of Allstate creditors on 27 February 2007. Under the proposal, Allstate's various debts were settled, forgiven or deferred, and future funding for the Allstate group was arranged. The balance of the Allstate unsecured trade creditors' debts of \$1.33 million was settled in full by loans from Beaconsfield Gold to Allstate and Beaconsfield Gold agreed to provide additional funding to the Allstate group until commercial levels of gold production at the Beaconsfield Mine are once again achieved. Standstill arrangements were made to facilitate the production ramp-up period involving Beaconsfield Gold deferring any claims in regards to the Allstate inter-company debts of \$48 million that it had acquired and, under a guarantee from Beaconsfield Gold, Macquarie Bank restructuring its banking arrangements such that the Allstate group will not be required to deliver gold production into its hedge book or repay its other liabilities to the bank during the standstill period. In addition, Newmont forgave its \$1.6 million historic loan to Allstate, Aurora agreed to not pursue its potential claim of \$1.9 million for historic electricity charges, and the Tasmanian Government forgave its contingent claim of \$0.35 million for historic stamp duty.

The ownership structure after the Newmont transfer is approved is shown in the following diagram.



3.4.1 Management

On 27 February 2007, the two Allstate Administrators retired and control of the Allstate companies was returned to their Boards of Directors. Two representatives from Beaconsfield Gold, Dr Denis Clarke and Mr Kevin Perrin, and a nominee of Newmont, Mr Steve Gemell, joined the existing director, Mr Rod Elvish, as Allstate Directors.

The Allstate Board immediately appointed two Beaconsfield Gold executives, Mr Bill Colvin and Mr Brian Coulter, Acting CEO and Acting CFO/Joint Company Secretary respectively for Allstate to manage Allstate and the BMJV on a day to day basis. While Beaconsfield Gold's formal acquisition of Newmont's 57.2% interest in Allstate is subject to approval by the minority shareholders of

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Allstate at a meeting to be held on 30 April 2007, that approval is fully expected and the interim management arrangements reflect the anticipated outcome.

Beaconsfield Gold's aim is to move to 100% ownership of Allstate in due course. At that time, the BMJV would cease to exist and Allstate would no longer need to be an ASX listed company, saving significant overheads. All employees at the mine would, however, continue to work for Allstate should it become a 100% subsidiary of Beaconsfield Gold.

The executive workload for Beaconsfield Gold has increased significantly with the Company assuming financial and management responsibility for the Allstate group. A Beaconsfield Gold director, Mr Mike Trumbull, has agreed to assist Mr Bill Colvin, CEO for Beaconsfield Gold, in an executive capacity as required. Beaconsfield Gold is planning to make additional executive appointments during 2007.

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

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

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

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