



**BEACONSFIELD
GOLD N.L.**

A.C.N 057 793 834

STOCK EXCHANGE ANNOUNCEMENT

8 JANUARY 2007

GOLD RESERVES INCREASED SIGNIFICANTLY AT THE BEACONSFIELD MINE

The **Ore Reserve** for the Tasmania Reef at the Beaconsfield Mine as at 30 November 2007 is estimated in the attached statement as:

Proved and Probable Reserve 1,095,000 tonnes at 9.8g/t Au (346,000 ounces contained gold)

The previous Ore Reserve as at 31 December 2005 was estimated as:

Proved and Probable Reserve 506,000 tonnes at 14.3g/t Au (233,000 ounces contained gold)

Contained gold has increased by 113,000 ounces (48%). Allowing for reserve depletion from mine production (estimated to be 44,000 ounces) the increase is 157,000 ounces (67%).

The upgrade results from the inclusion of the reserve estimate for the F21 Zone, improvements to the resource modelling methodology and the effect of grade control data obtained from sill driving (strike driving on the reef) in the eastern zone of the mine since 31 December 2005.

Given the significantly increased tonnes of reserves and the spare capacity available in the ore treatment plant, planning will now focus on increasing mining rates to lift annual gold production.

The total **Mineral Resource** for the Tasmania Reef as at 30 November 2007 is estimated as:

Total Mineral Resource 873,000 tonnes at 15.8g/t Au (444,000 ounces contained gold)

The new Mineral Resource is almost identical to the previously announced Mineral Resource as at 31 March 2006 (881,000 tonnes at 15.6g/t Au for 443,000 ounces) despite production since that time. Improvements to the resource modelling methodology and the upgrade resulting from the inclusion of grade control data from sill driving in the eastern zone of the mine since 31 March 2006 has effectively matched the resource depletion through production. Based on experience to date, it is expected that ongoing sill driving in the eastern and F21 zones will result in additional increases to Tasmania Reef resources and reserves over time.

A diamond drilling program has been planned to further increase gold resources by testing the Tasmania Reef below the F21 Zone over 300 vertical metres between 1200 and 1500 metres depth from surface. A drill drive is currently under development to provide access for two diamond drill rigs and drilling is planned to commence as soon as the drive is completed, expected to be during the June 2008 quarter.

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Identified Mineral Resource and Ore Reserve Statement as at 30th November 2007

Mineral Resource

The Identified Mineral Resource for the Tasmania Reef at Beaconsfield, Tasmania as at 30th November 2007 was

Measured Resource	307,000t @ 17.8g/t Au (175,000 ounces contained gold)
Indicated Resource	503,000t @ 15.1g/t Au (244,000 ounces contained gold)
Inferred Resource	63,000t @ 12.2g/t Au (25,000 ounces contained gold)
Total Resource	873,000t @ 15.8g/t Au (444,000 ounces contained gold)

This resource estimate resulted from

- addition to the TASGC database of grade control data collected since the completion of the previous estimate,
- production depletion to date, and
- updating of the orebody wireframe model.

All data used in the estimation of the Resource is contained in the TASGC database. Six separate block models were used for estimation, they being

1. a model using 1.0m x 5.0m x 5.0m blocks sub-celled down to 0.25m x 1.25m x 1.25m for the Main Reef above the fold hinge,
2. a separate model using 2.0m x 5.0m x 5.0m blocks for the Main Reef below the same fold hinge,
3. separate models using 1.0m x 2.0m x 0.5m blocks for the F1 and F4 Footwall Splays below 1215mRL,
4. a separate model using 5.0m x 5.0m x 5.0m blocks for the F5 Footwall Splay, and
5. a separate model using 1.0m x 2.0m x 0.5m blocks for the Eastern Hangingwall Reef.

The cut-off date for inclusion of any data within the TASGC database was 31st October 2007. No data likely to materially affect the estimates contained herein has been received subsequently.

As previously, the resource was estimated at a nominal intercept cut-off grade of 6g/t Au. Bulk density was interpolated into the main Tasmania Reef from volume weighted modeling of air pycnometer measurements from diamond drill core samples. Where a paucity of air pycnometer data led to uninformed blocks within the model, a bulk density of 2.91tm⁻³ was applied.

There was no upper-cut applied to grade for the Main Reef, but an upper-cut of 165g/t Au was retained for the F1 Footwall Splay, as previously.



Material variances from the previous Mineral Resource estimates were derived from

- the introduction of larger block sizes and the use of sub-celling in the Main Reef,
- the use of an unrotated model in the east below the South Trevor fold hinge, and
- creation of a further model for the F5 Splay.

The overall Mineral Resource represents an increase in tenor when allowance is made for production since the previous Estimates were compiled.

Ore Reserve

The Ore Reserve for the Tasmania Reef at Beaconsfield, Tasmania as at 30th November 2007 was

Proved Reserve	392,000t @ 12.0g/t Au (151,000 ounces contained gold)
Probable Reserve	703,000t @ 8.6g/t Au (194,000 ounces contained gold)
Total Reserve	1,095,000t @ 9.8g/t Au (346,000 ounces contained gold)

This reserve estimate resulted from

- application of assumed mining parameters to the Mineral Resource.

The material difference from previous Ore Reserve Statements has been the inclusion of a significant low grade Ore Reserve in the eastern zone of the Mine. This reflects the narrow and discontinuous nature of the Identified Mineral Resource in that Zone. It has not been possible at this time to test dilution assumptions in the flatter dipping sections of the Tasmania Reef against actual production. However, assumptions are considered acceptable.

As previously, the Ore Reserve is contained entirely within the Identified Mineral Resource.

This Resource/Reserve Statement accurately reflects information compiled under the supervision of Peter B. Hills B.Sc. (Hons) M. Eng. Sc., a full-time employee of Allstate Explorations NL (Manager of the Beaconsfield Mine Joint Venture), who is a Corporate Member of The Australasian Institute of Mining and Metallurgy and has sufficient relevant experience in relation to the mineralisation being reported on to qualify as a Competent Person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (The JORC Code, 2004).

Peter B. Hills
Technical Services Manager - Beaconsfield Mine Joint Venture
7th January 2008