

**BEACONSFIELD
GOLD N.L.**

A.C.N 057 793 834

BEACONSFIELD GOLD NL

Report on Activities for the Quarter ended 31 March 2008

HIGHLIGHTS FOR THE QUARTER

OPERATIONAL – BEACONSFIELD GOLD MINE

- Substantial progress achieved in the extensive redevelopment of the mine to enable production by the new remote mining method in the Western Zone.
- The ore treatment plant treated 30,711 tonnes at average 9.9 g/t gold, sourced from sill drives and stopes, to produce 9,202 ounces, a 20% improvement on the December quarter. Ramp-up in gold production was slower than expected due to backfilling being required for two Eastern Zone stopes and extended development of the second Western Zone stoping block.
- Mine development is now sufficiently advanced to provide an adequate number of production areas to allow escalation of the production ramp-up. Gold production is targeted to be around 15,000 ounces for the June quarter and in excess of 20,000 ounces for the September quarter.

EXPLORATION - BEACONSFIELD

- Near mine RC and diamond drilling exploration programs commenced.
- Advanced open-pit gold exploration prospect acquired at Lefroy, 18km east of Beaconsfield.
- Diamond drilling to extend the Tasmania Reef resource at depths up to 300m below the existing resource is to commence in the June quarter. Two rigs will operate from the new 1090m level hangingwall drill drive which is nearing completion.

EXPLORATION – STAVELY, WESTERN VICTORIA

- Aircore drilling program completed at the Thursdays Gossan open-pit copper prospect, assays awaited.
- Diamond drilling to the east of Thursdays Gossan, targeting nickel sulphides, is to be carried out in the June quarter following the award in February of a grant under the Victorian Government's Rediscover Victoria Drilling ("RVD") program.

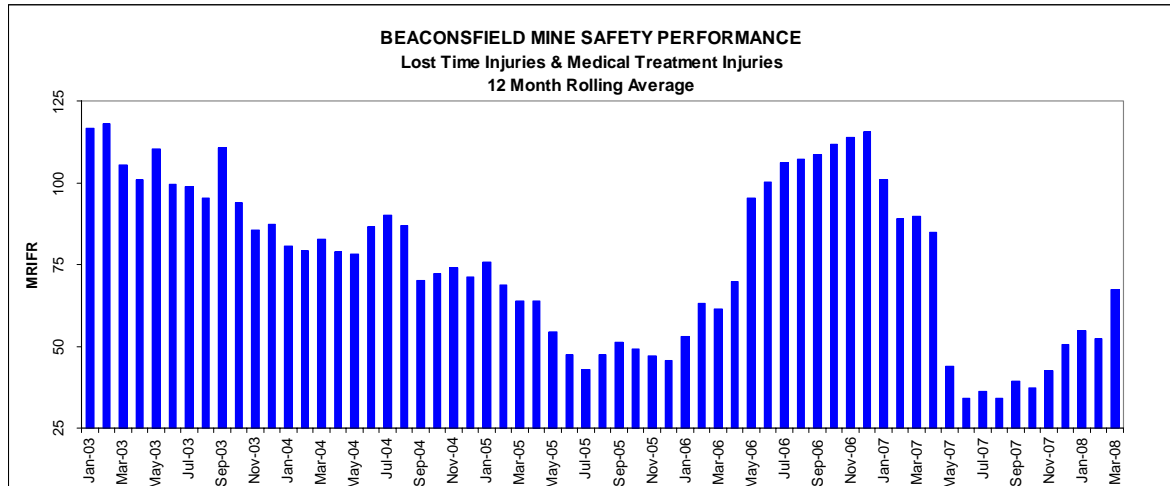
CORPORATE

- Strategic relationship formed with Malaysia Smelting Corporation ("MSC") to accelerate growth through exploration and acquisition. After a comprehensive due diligence process, MSC invests \$19.6 million at 28 cents per share for an 18.9% shareholding - a strong vote of confidence in Beaconsfield Gold's future.
- Additional placement of 19.5 million shares raises \$4.5 million.
- Bank debt reduced by \$13 million.

1. BEACONSFIELD GOLD MINE

1.1 OPERATIONS

1.1.1 Safety and Health



MRIFR (Medically Referred Injury Frequency Rate – number of injuries per million man hours)

Pleasingly there were no Lost Time Injuries during the March 2008 Quarter, although Medical Treatment Injuries increased to nine.

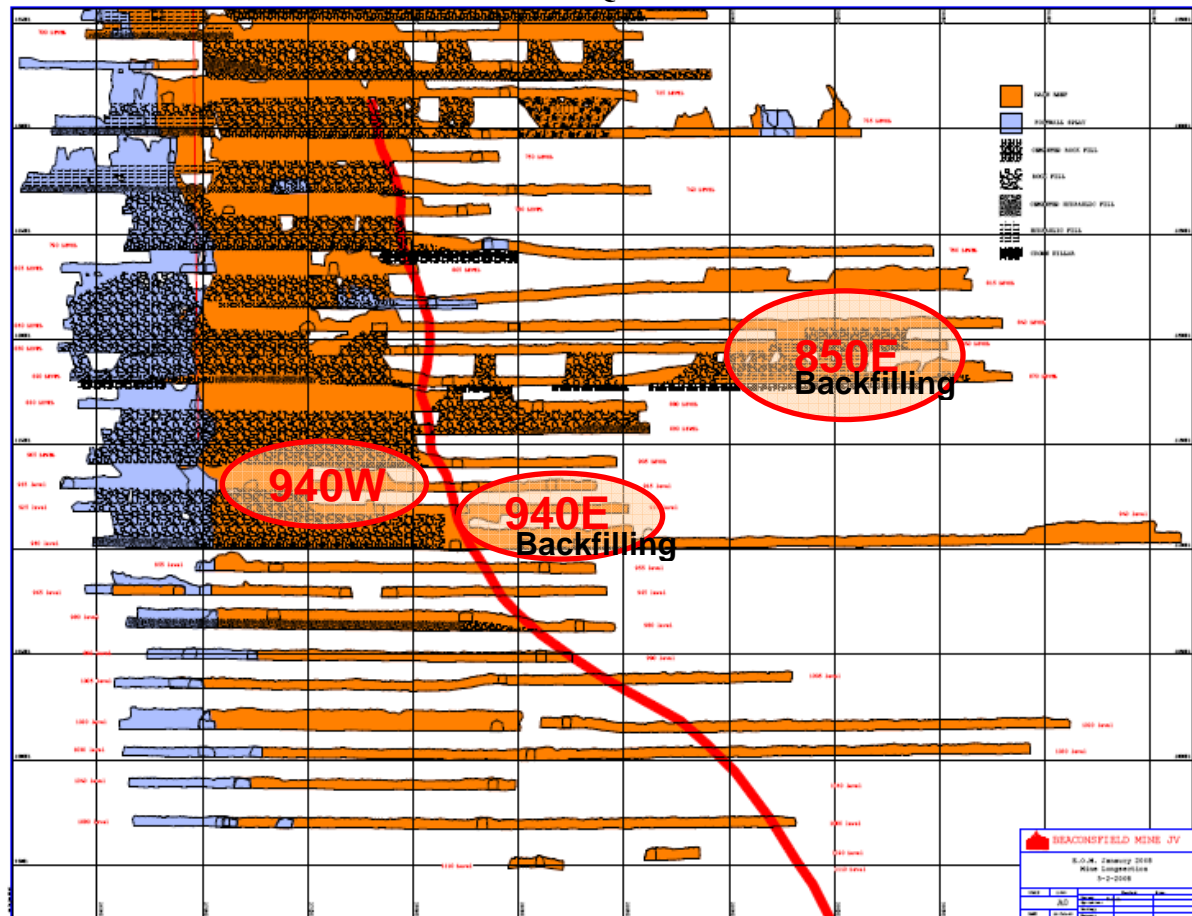
1.1.2 Mining

Following the re-commissioning of underground operations late in the December quarter and the successful introduction of the new remote footwall-driving mining method, the focus for the March quarter was on the establishment of sufficient discrete mining areas (stopping blocks) to sustain full production rates. A stopping block comprises a series of levels (usually three or four) from which a series of stopes are mined in sequence. Productivity and efficiency improve when more separate blocks are available, allowing greater flexibility to accommodate the different phases of the mining cycle.

During the quarter, the majority of stope production came from the 940W (915 to 940 levels) western footwall drive block after production from two stope blocks in the Eastern Zone of the mine was suspended whilst they were backfilled and footwall drive development in the 980W (940 to 980 levels) block was completed. The following figure shows the three stopping blocks that were available during the quarter, noting that production from the 850E and 940E eastern blocks was restricted by the requirement to place backfill.

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MARCH 2008 QUARTERLY REPORT

Available Ore Production Areas - March 2008 Quarter



Note: Red line in long section diagram shows division between Western and Eastern Zones in the Mine

Production rates in the June quarter will improve as the number of stoping blocks available increases significantly. Production in the 980W block commenced early in April following development of the necessary footwall drives. Backfilling has been completed in both the 850E and 940E blocks, opening them up for stoping to resume. A floor bench on the 1080 west level was commenced early in April and this is planned to yield good tonnages of ore throughout the June quarter. The 1020 eastern sill drive was completed at the end of April, having been extended considerably further to the east in ore than the resource model anticipated, and stoping can now commence on this level.

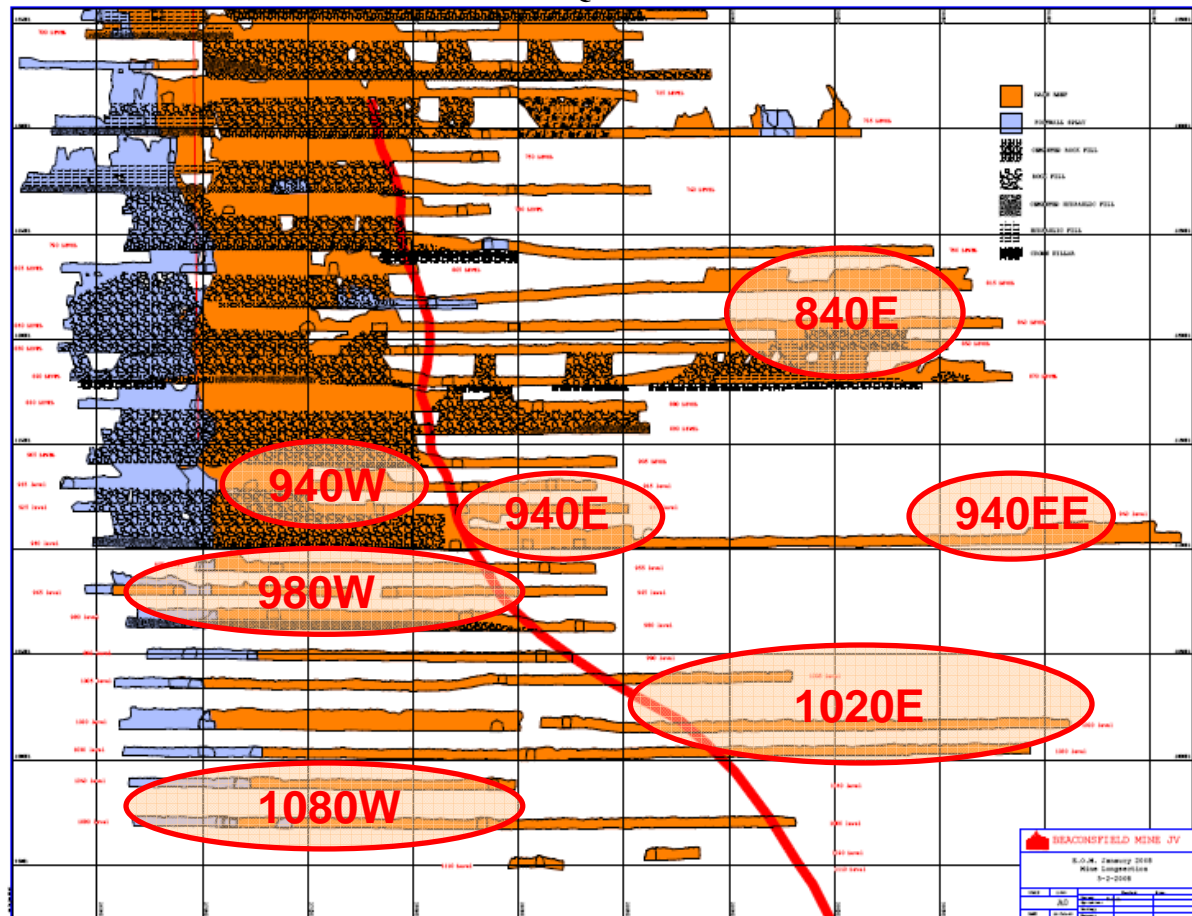
Based on the significant increase in mining areas available for stoping during the June quarter, the mine plan indicates that full mining rates of 20,000 tonnes per month will be achieved by the end of the quarter. Gold production for the June quarter is targeted to be around 15,000 ounces. Gold production for the September quarter is targeted to be in excess of 20,000 ounces.

Consistent with the strategy of identifying opportunities to utilise spare capacity in the ore treatment plant, mining rates of 25,000 tonnes per month are planned for 2009 following the establishment of large stoping blocks currently being developed in the eastern part of the mine. Increased level spacing and ore and waste pass systems are planned to provide increased productivity.

The stoping areas available during the June quarter are shown on the following figure, highlighting the significant increase compared to the March quarter.

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Available Ore Production Areas - June 2008 Quarter



Note: Red line in long section diagram shows division between Western and Eastern Zones in the Mine

Waste development continued throughout the quarter with 206 metres of capital development (46 metres previous quarter) and 350 metres of operating level development (307 metres previous quarter) advanced. An additional twin boom jumbo operated by a contractor began operation in February. This provided the flexibility to accelerate short-term footwall drive development rates in the Western Zone whilst still progressing the 1090m level hangingwall diamond drill drive and the decline.

During the quarter, 32,987 tonnes of ore were hoisted (30,163 tonnes previous quarter).

1.1.3 Ore Treatment Plant

The ore treatment plant processed 30,711 tonnes of ore at an average grade of 9.9 grams per tonne to produce 9,202 ounces of gold (7,663 ounces previous quarter). Recovery for the quarter, excluding gold in circuit changes, was 95.2% and all areas of the plant performed well, including the bacterial leach circuit.

1.2 EXPENDITURE

Operating expenditure for the mine during the quarter totalled \$11.6 million. Because of the continuing ramp-up in tonnes of ore mined and gold production, unit costs are not yet representative of long term costs.

The final payment from the Federal Government grant of \$4.9 million through the Beaconsfield Community Fund was received during April. The grant provided assistance with supernumerary payroll costs, development of the decline to access the F21 zone and diamond drilling for additional resources.

1.3 ORE RESERVES/RESOURCES

A diamond drilling program has been planned to further increase gold resources by testing the Tasmania Reef below the F21 Zone (the bottom of the current resource) over an interval of 300 vertical metres between 1200 and 1500 metres vertical depth from surface.

A drill drive is currently under development on the 1090m level to provide access for two diamond drill rigs and drilling with the first rig is planned to commence shortly as soon as the first drill cuddy becomes available. The second rig will commence when the second drill cuddy is developed, expected to be late in the June 2008 quarter. Three cuddies in total will be used to optimally drill out the target zone. Currently 260 metres of the planned total 428 metres of driving has been completed.

2. EXPLORATION

2.1 BEACONSFIELD REGIONAL EXPLORATION

The Company's main focus has been on restoring full production to the Beaconsfield Mine and exploration activities during the quarter were accordingly restrained. An aggressive regional program is planned for 2008 targeting repeats of the Tasmania Reef which has to date demonstrated a 2 million ounce endowment. This is in addition to the planned drilling to test for depth extensions of the existing Tasmania Reef resource.

Two deep diamond drill holes targeting the North Tasmania Reef are currently in progress, one from surface (B54) and the other from the 455m level underground (H3). At the end of the quarter, B54 was at a depth of 54 metres and H3 was at 813 metres. Both holes are now testing prospective mine series host beds that have never been drilled before.

A short RC program during the quarter tested four prospects with a 14 hole (1,259 metres) preliminary program. The prospects are Moonlight cum Wonder, Northern Corridor, Little Wonder/Leonards and Pease Creek. The highlight of the program was an intersection from the Northern Corridor, (NCRC-2) which returned 2 metres of 4.2 grams gold per tonne and 125 ppm arsenic from 66 metres to 68m downhole. The anomalous arsenic level suggests a genuine reef type structure which will be followed up with further drilling or trenching.

The Company successfully tendered for ERA 714, which was previously held as EL20/1994 to the south of the mining lease at Beaconsfield, thereby renewing tenure for a further five years. Mineral Resources Tasmania is currently in the process of granting the new tenement, EL29/2008.

2.2 LEFROY PROJECT, NE TASMANIA

The Company executed an agreement with Lefroy Resources Limited ("LEF") to acquire 100% of LEF's exploration tenement package covering much of the north-east Tasmanian gold province. The tenements cover over 800 square kilometres and contain at least three known goldfields which have supported total historic production in excess of 500,000 ounces of gold. LEF spent a total of \$4.6 million exploring the tenements since 2004.

Under the agreement, Beaconsfield Gold will issue 4.1 million shares to LEF, escrowed for 12 months, and pay a 2% gross metal royalty to LEF on all future gold production from the tenements.

The primary focus for LEF was the Lefroy Goldfield, some 18 kilometres east of Beaconsfield. A total of 15,660 metres of RC and 6,830 metres of diamond drilling was completed by LEF, targeting the largest of the 30 known historically mined reefs within the 5 kilometre mineralised corridor that makes up the Lefroy Goldfield.

A near surface inferred resource of 49,000 ounces of gold contained in a lower grade halo around the Pinafore Reef was estimated by LEF. LEF also identified several similar prospects on adjacent historic reefs including the Native Youth, Land O' Cakes and Morning Star Reefs. Beaconsfield Gold plans to systematically drill all the Lefroy targets with the aim of developing several open pits from which ore would be trucked to Beaconsfield for processing, utilising spare capacity in the ore treatment plant.

The Greater Denison area, south east of the Lefroy Goldfield, contains several under-explored anomalies where broad intersections of sandstone-hosted disseminated gold have been identified by previous explorers.

Exploration of all the LEF tenements will be aided by the recent release of aeromagnetic and radiometric data from an airborne survey over north-east Tasmania which was commissioned by the Tasmanian Government and completed in late 2007. A drilling program is currently being developed.

2.3 STAVELY PROJECT, WESTERN VICTORIA

2.3.1 Thursdays Gossan Copper

An aircore program was completed at the Thursdays Gossan chalcocite copper prospect. A total of 32 holes were drilled, comprising 18 infill holes on the known mineralisation and a further 14 holes targeting a previously untested extension to the south east. Samples have been submitted for assay and results are awaited.

Visual logging confirmed the mineralisation previously encountered and suggested that the south east extension will add about 30% to the surface area of the deposit. A diamond hole is planned to commence in April to obtain density data required to complete a JORC compliant resource estimate.

2.3.2 Thursdays Gossan East Nickel

The Company was awarded an \$80,000 grant in February under the first round of the Victorian Government's Rediscover Victoria Drilling ("RVD") program to test the potential for a new nickel sulphide deposit. Diamond drilling is planned for the June quarter targeting nickel silicate bearing serpentinite close to a large hydrothermal and magmatic intrusive system and potential sulphur source. Previous near surface geochemical results in shallow drill holes have recorded highly anomalous nickel values of up to 1.0% nickel. The overall setting of a heat/fluid source next to nickel bearing ultramafic rocks associated with Cambrian Volcanics is considered to be similar to the Avebury Nickel Mine on the west coast of Tasmania.

2.3.2 Mineral Sands Joint Venture

A reconnaissance aircore drilling program on the Lake Bolac mineral sands joint venture with Mineral Sands Limited ("MSL") was partially completed in the December Quarter. A total of 1,486.5 metres was completed in 72 holes.

The program intersected interpreted littoral sequences with low levels of ilmenite-dominated heavy minerals beneath lateritic duricrust. MSL plans to complete the reconnaissance drilling in the June quarter.

3. CORPORATE

3.1 GOLD HEDGING

The Beaconsfield Gold Group is now completely unhedged and all production from the Beaconsfield Mine is available for delivery at the spot price. The average gold price received during the quarter was A\$1,015 per ounce.

3.2 CASH POSITION

At 31 March 2008, total cash held by the Beaconsfield Gold Group was \$11.2 million.

3.3 BANK FACILITY

In November 2007, the Company entered into new banking arrangements with the Commonwealth Bank of Australia ("CBA"), comprising a short term \$7.5 million Equity Bridging Facility and a \$7.5 million Working Capital Facility. This funding was primarily used to close out all of the Group's hedging positions, including Allstate's hedges with Macquarie Bank Limited ("MBL").

During the quarter, the \$7.5 million Equity Bridging Facility was paid out in full and repayments totalling \$3.1 million were made against the Working Capital Facility. Under the terms of the Facilities, CBA will be issued 10 million options at 26.91 cents which would raise \$2.691 million if fully exercised by CBA.

In addition, Allstate repaid in full the remaining \$2.4 million outstanding to MBL and accordingly MBL returned all its security to Allstate.

3.4 ISSUE OF SHARES

At a General Meeting held on 4 December 2007, shareholders approved the issue of up to 60 million shares, within three months of that date, to sophisticated and professional investors at not less than 80% of the weighted market price in the preceding five trading days.

Under this approval, 19.5 million shares were issued to sophisticated and professional investors at a price of 23 cents during the quarter, raising a total of \$4.5 million.

3.5 CORNERSTONE INVESTOR

During the quarter, the Company announced the formation of a strategic relationship with Malaysia Smelting Corporation Berhad ("MSC") with the intention of accelerating the growth of Beaconsfield Gold through exploration and acquisition.

Under a Subscription Agreement, 70 million Beaconsfield Gold shares were issued to MSC at a price of 28 cents per share, representing a significant premium to the trading price at that time for the Company's shares. The placement raised a total of A\$19.6 million and MSC now holds 18.9% of Beaconsfield Gold's issued capital. MSC carried out comprehensive due diligence before committing to their investment which was a strong vote of confidence in Beaconsfield Gold's future.

Malaysian-based MSC Group is one of the world's largest integrated producers of tin metal and tin-based products with interests in mining, smelting and downstream manufacturing. It has tin mining and smelting operations in Malaysia and Indonesia. MSC is listed on the main board of Bursa Malaysia Securities (Kuala Lumpur Stock Exchange) and is a 73.16% subsidiary of The Straits Trading Company Limited ("STC"), a Singapore Stock Exchange listed company. STC is focused on hotel development and management, financial investments, property development and investments, and metals and mineral resources. It is currently capitalised at around US\$1.6 billion.

MSC recently acquired a strategic interest in a nickel development project in Vietnam and a copper and base metals project in the Philippines as part of its strategic expansion in the metals and mineral resources sector.

Dato' Dr Mohd Ajib Anuar, the Group Chief Executive Officer and Executive Director of MSC, and Choo Mun Keong who heads strategic planning and investments for the Group were appointed to the Board on 3 March 2008.

3.6 BUSINESS INTERRUPTION INSURANCE CLAIM

A number of Beaconsfield Gold group companies are pursuing a claim under their business interruption insurance policy following the 25 April 2006 incident and the temporary closure of the Beaconsfield Mine. The policy has a one month excess and is capped at \$50 million.

To date, the insurer has refused to provide an indemnity in respect of loss resulting from the mine closure. As a result, on 14 May 2007, the Beaconsfield Gold group filed a claim in the Supreme Court of Victoria claiming damages of \$45.5 million arising from the insurer's refusal to provide indemnity in breach of the terms of the policy. A preliminary trial to determine the true construction of a clause in the policy that is considered key to the claim was heard on 6 September 2007.

Following an adverse judgement, the group companies lodged an appeal with the Supreme Court of Victoria Court of Appeal. The Appeal is set down to be heard on 4 August 2008.

3.7 CLAIM AGAINST ALLSTATE'S PREVIOUS LEGAL ADVISOR

A number of Beaconsfield Gold group companies are 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.

3.8 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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