

# **BEACONSFIELD GOLD NL**

[www.beaconsfieldgold.com.au](http://www.beaconsfieldgold.com.au)

**BEACONSFIELD GOLD NL AND CONTROLLED ENTITIES**

**ASX APPENDIX 4D AND FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2008**

**ABN 22 057 793 834**

**ASX CODE: BCD**

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ASX APPENDIX 4D

HALF-YEAR FINANCIAL REPORT TO 31 DECEMBER 2008

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RESULTS FOR ANNOUNCEMENT TO THE MARKET

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	31 December 2008 \$'000	31 December 2007 \$'000	Percentage increase/ (decrease)
Revenue from ordinary activities	39,264	11,727	234.8
EBITDA	3,155	(20,261)	
Net loss after tax attributable to members	(2,303)	(20,849)	88.9

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**Dividends**

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No dividends were declared or paid during the half years ended 31 December 2007 and 31 December 2008.

**Explanation of Results**

In summary for the half-year ended 31 December 2008:

The net loss after tax attributable to members for the half-year of \$2.303 million includes the parent entity's share (\$1.157 million) of the \$1.303 million loss of the Allstate Explorations NL ("Allstate") group for the half-year.

The improved performance compared to the December 2007 half-year mainly reflects increased gold production of 35,424 ounces (December 2007 half year 12,843 ounces) as the Beaconsfield mine returned to full production, and higher gold prices. The average gold price realised for the current period of A\$1,073 per ounce was 30% higher than for the same period last year.

Beaconsfield Gold is continuing to advance funds to Allstate to meet its share of mine costs and corporate obligations.

Refer to the commentary in the Directors' Report for more information.

***CORPORATE INFORMATION***

***ABN 22 057 793 834 ASX CODE BCD***

***Directors***

Denis E Clarke	Non-Executive Chairman
Dato' Mohd Ajib Anuar	Non-Executive Director
Choo Mun Keong	Non-Executive Director
Michael W Trumbull	Non-Executive Director
William Tsingos	Non-Executive Director
Kevin J Perrin	Non-Executive Director

***Chief Executive Officer***

William T Colvin

***Company Secretary***

Brian D Coulter

***Registered Office and Principal Place of Business***

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530 Little Collins Street  
Melbourne Vic 3000

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E-mail: [enquiries@beaconsfieldgold.com.au](mailto:enquiries@beaconsfieldgold.com.au)

***Mine Site Office***

5 West Street  
Beaconsfield TAS 7270  
Telephone: (03) 6383 6500  
Facsimile: (03) 6383 6590

***Share Registry***

Computershare Investor Services Pty Limited  
PO Box 103  
Abbotsford Vic 3067  
Telephone: (03) 9415 5000  
(03) 9415 4661 (Investor Contact)  
1300 136 250 (Investor Contact)  
Facsimile: (03) 9473 2500  
Website: [www.computershare.com](http://www.computershare.com)

***Auditor***

RSM Bird Cameron Partners  
Level 8, Rialto South Tower  
525 Collins Street  
Melbourne Vic 3000

***Banker***

Commonwealth Bank of Australia  
Level 14  
385 Bourke Street  
Melbourne Vic 3000

**BEACONSFIELD GOLD NL**  
**HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2008**

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Your directors submit their report for the half-year ended 31 December 2008.

**DIRECTORS**

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Denis E Clarke – Chairman  
Dato' Mohd Ajib Anuar  
Choo Mun Keong  
Michael W Trumbull  
William Tsingos  
Kevin J Perrin

**PRINCIPAL ACTIVITIES**

The principal activities of the Company during the half-year were:

- to produce gold through the operation of the Beaconsfield Gold Mine in north-east Tasmania; and
- mineral exploration in Australia.

There have been no significant changes in the nature of those activities during the period.

Following the consolidation of mine ownership in April 2007, the expanded Beaconsfield Gold group, which includes the Allstate group, has a 100% direct interest in the unincorporated Beaconsfield Mine Joint Venture ("BMJV"). As at 31 December 2008, members of Beaconsfield Gold NL had an overall 94.88% equity interest in the Beaconsfield Mine (based on voting rights, and 94.24% based on total shares on issue). Allstate Explorations NL, the 90.06% owned subsidiary of Beaconsfield Gold as at 31 December 2008 (based on voting rights, and 88.82% based on total shares on issue), is Manager of the BMJV.

**CONSOLIDATED RESULT**

The consolidated loss for the half-year after income tax and minority interests was \$2.303 million (31 December 2007 half-year: loss of \$20.849 million). This was after providing \$5.135 million for depreciation and amortisation and \$0.846 million for finance costs.

The improved performance compared to the previous half-year mainly reflects increased gold production of 35,424 ounces (December 2007 half year 12,843 ounces) as the Beaconsfield mine returned to full production, and higher gold prices. The average gold price realised for the current period of A\$1,073 per ounce was 30% higher than for the same period last year.

Net assets at 31 December 2008 were \$26.248 million (30 June 2008: \$25.003 million).

**REVIEW OF FINANCIAL RESULTS**

The financial results for the 31 December 2008 half-year for Beaconsfield Gold are summarised in the following table:

	<b>31 Dec 2008 \$'000</b>	<b>31 Dec 2007 \$'000</b>
Gold and silver sales revenue	39,010	11,410
Other revenue (excluding interest)	17	34
Total revenue (excluding interest)	39,027	11,444
EBITDA	3,155	(20,261)
Net loss after tax and minority interests	(2,303)	(20,849)
Basic loss per share (cents)	(0.60)	(7.84)
Net tangible assets (\$ per share)	0.06	0.04

## **REVIEW OF OPERATIONS**

### **1. Beaconsfield Mine**

The Beaconsfield Mine operated at full production throughout the half year with 135,146 tonnes of ore mined, equivalent to 268,000 tonnes per annum.

Gold production for the period of 35,424 ounces was below expectations, despite the high level of ore production, due mainly to a lower than scheduled average gold grade in the December quarter resulting from the deferral of a number of higher grade stopes into the March 2009 quarter. This deferral followed changes made to the mining schedule to reduce the geotechnical risk of the planned extraction sequence of one of the high grade stoping blocks. As expected, gold production improved significantly in January to 7,699 ounces, and the mine is forecast to produce 80,000 ounces in the 2009 financial year.

The use of remote mining from footwall drives is continuing to prove to be a safe and effective mining method. It represents a significant departure from previous mining methods used at Beaconsfield and is a key component of the “multiple lines of defence” now employed to manage seismicity under the Cases for Safety accepted by Workplace Standards Tasmania. Footwall driving removes the need for any personnel to enter the western zone of the orebody during the stoping phase and allows drilling and charging activities to be carried out remotely from within much stronger and less seismically prone footwall rocks. Loading of trucks and backfilling of stopes is carried out using tele-remote (unmanned) loaders, with the operator located a considerable distance from the stope.

Other measures introduced recently under the Cases for Safety include the installation of sophisticated instrumentation clusters in each stoping block to continuously measure the impact of mining on ground conditions, and a ground support system that is designed to protect against all expected ground failure mechanisms. A review of actual mining data confirmed that the installed ground support has performed as designed and that the actual stress levels monitored during mining are lower than factored in the Case for Safety.

Delivery was taken of a new Elphinstone R1600G loader (early January) and tele-remote equipment was successfully commissioned on the existing Elphinstone R1600 loader fleet. These larger loaders will offer a productivity improvement of up to 50% for the bogging and backfilling cycle in some parts of the mine.

Waste development activities during the period were focussed on completing the three footwall drives in the 1020W stoping block and opening up that block for stope production. Good progress was also made on establishing the 1080W stoping block, as well as advancing the decline and establishing further production levels deeper in the mine.

The ore treatment plant processed 134,131 tonnes of ore during the December half year, equivalent to 266,000 tonnes per annum. The plant has operated well throughout the period and has consistently demonstrated its ability to process in excess of 1,000 tonnes per day.

Construction of a new, fully-lined tailings dam at a budgeted cost of \$1.6 million has commenced and is scheduled for completion in the March quarter.

### **2. BMJV Expenditure**

Cost of production for the half year totalled \$32.882 million (31 December 2007: \$22.454 million included care and maintenance and recommissioning expenses).

Cash costs (calculated in accordance with the Gold Institute production cost standard for by-product costing) were \$924 per ounce, \$149 per ounce (14%) below the average selling price for the half year of A\$1,073 per ounce. Cash costs per ounce are forecast to reduce significantly in the June half year as production improves with access to higher grade stopes.

### **3. Beaconsfield Gold Revenue**

Total revenue from gold and by-product silver sales for the December 2008 half-year was \$39.010 million (31 December 2007: \$11.410 million). The significant increase over the previous corresponding half year reflects the combined impact of increased gold production and higher realised gold price of A\$1,073 per ounce (2007: A\$822 per ounce).

**BEACONSFIELD GOLD NL**  
**HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2008**

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**4. BMJV Ore Reserves/Resources**

An updated Resource and Reserve Statement was released in January 2009. The reported Identified Mineral Resource for the Tasmania Reef at Beaconsfield, Tasmania as at 31 December 2008 was:

Measured Resource	321,000t @ 14.3g/t Au (148,000 ounces contained gold)
Indicated Resource	481,000t @ 13.5g/t Au (209,000 ounces contained gold)
Inferred Resource	177,000t @ 10.4g/t Au (59,000 ounces contained gold)
Total Resource	979,000t @ 13.2g/t Au (416,000 ounces contained gold)

The previous Total Resource (dated 30 Nov 2007) contained 446,000 ounces and, incorporating mining depletion of 79,000 ounces since that time, a net increase of 49,000 ounces (13%) is shown.

The Ore Reserve (included within the Total Resource statement) for the Tasmania Reef at the Beaconsfield Mine as at 31 December 2008 was estimated as:

Proved Reserve	270,000t @ 11.9g/t Au (103,000 ounces contained gold)
Probable Reserve	518,000t @ 9.7g/t Au (162,000 ounces contained gold)
Total Reserve	787,000t @ 10.5g/t Au (265,000 ounces contained gold)

The previous Total Reserve as at 30 November 2007 was estimated as 1,095,000 tonnes at 9.8g/t Au (346,000 ounces contained gold).

## **5. Exploration**

### **5.1 Beaconsfield Mine Resource Extension**

Underground diamond drilling to extend mine resources and reserves for the Tasmania Reef progressed during the half year with significant mineralisation reported from six of the seven holes completed. These results demonstrate continuity of mineralisation with depth. The intention of this drilling is to further extend resources and reserves to 1590 RL and increase mine life by a further three years.

### **5.2 Beaconsfield Regional Exploration**

Exploration for satellite gold deposits within 10km of the Beaconsfield mine will continue through 2009, principally using soil sampling, surface RC (reverse circulation) drilling and diamond drilling. This drilling is in addition to underground resource extension diamond drilling which will continue during 2009 to drill for depth extensions beyond the current resource.

### **5.3 Stavely Project, Western Victoria**

#### **5.3.1 Junction 1 Copper Mineralisation**

Further drilling is planned for 2009 to follow up the high grade copper mineralisation intersected by aircore and RC drilling at Junction 1 in December 2008 (best intersection 35m @ 3.7% copper from 24m downhole).

#### **5.3.2 Thursdays Gossan Supergene Copper**

During the December half year, further aircore drilling at Thursday's Gossan allowed the estimation of an inferred resource of 10Mt @ 0.45% Cu. Metallurgical testwork indicated good recoveries of this chalcocite mineralisation using flotation lead to a scoping study for this deposit.

Also during the period, high grade copper sulphide mineralisation was intersected by diamond drilling, including intersections of 7.7 m. @ 4.2% Cu, 1.1 g/t Au from 94.7m and 9.5 m @ 3.0% Cu, 0.4 g/t Au, & 40 g/t Ag from 154.6m in hole SNDD001. Further follow-up drilling of this copper mineralisation is planned for 2009.

#### **5.3.3 Stavely Royalty Option**

The Company negotiated a variation to its agreement with New Challenge Resources to explore the Stavely tenement (EL4556) in western Victoria, which includes the Thursdays Gossan (copper) and Fairview (gold) prospects. Beaconsfield Gold now has an option to reduce the net smelter return royalty from 3% to 1% by making a payment of \$500,000 to NCR. This option expires on 31 July 2011 and could significantly improve the commerciality of mineral deposits at Stavely.

#### **5.3.4 Mineral Sands Joint Venture**

Mineral Sands Limited advised that it had fulfilled its expenditure commitments without discovering a viable mineral sands deposit and accordingly withdrew from the Joint Venture. This licence, EL4932, remains 100% owned by Beaconsfield Gold.

### **5.4 Lefroy Project, NE Tasmania**

Soil sampling and RC drilling occurred at the Denison and Lefroy prospects during the half-year. Results from drilling at the Denison prospect failed to show significant anomalism, but soil sampling at Lefroy led to the delineation of several targets for shallow gold mineralisation, scheduled to be drill-tested early in 2009.

## **6. Gold Hedging**

The Beaconsfield Gold Group remains completely unhedged and all production from the Beaconsfield Mine is available for delivery at the spot price. The average gold price received during the half year was A\$1,073 per ounce.

## **7. Coronial Inquest**

The Coronial Inquiry into the death of Larry Knight was finalised on 11 November 2008, and the Coroner, in his findings handed down on 26 February 2009, concluded that no person, corporation or other entity directly contributed to Mr Knight's death.

#### **8. Business Interruption Insurance Claim**

The appeal against the Supreme Court of Victoria's judgement in the Company's business interruption insurance claim against QBE, which was heard in the Supreme Court of Victoria Court of Appeal on 4 August 2008, was dismissed on 21 August.

The Company is taking legal advice in regard to this matter.

#### **9. Rights Issue**

The Company issued a prospectus for a pro-rata renounceable rights issue of up to 38.9 million shares in Beaconsfield Gold at a price of \$0.15 per share, with the prime aim of accelerating Beaconsfield Gold's focussed exploration in north east Tasmania and western Victoria.

The rights issue was supported by a large number of Beaconsfield Gold's shareholders, despite the generally falling market for gold stocks at the time, and raised a total of \$3.9 million. The rights issue was partially underwritten by Beaconsfield's largest shareholder, Malaysia Smelting Corporation Berhad (MSC). MSC is very supportive of Beaconsfield Gold's desire for substantial growth through accelerated exploration and acquired 13.0 million shares through an underwriting agreement in addition to taking its full entitlement of 7.0 million shares.

#### **10. Bank Facility**

In November 2007 the Company entered into new banking arrangements with the Commonwealth Bank of Australia, comprising a short term \$7.500 million Equity Bridging Facility and a \$7.500 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.

By 30 June 2008 the Equity Bridging Facility had been fully repaid and the Working Capital Facility had been paid down to \$4.421 million. During the December 2008 half year the Working Capital Facility was further paid down to \$2.500 million and the termination date was extended from 28 November 2008 to 27 February 2009.

The Company is presently engaged in discussions with the bank with a view to renewing the Working Capital Facility, and as an interim measure the existing facility has been extended to 20 March 2008.

#### **11. BBR Claim**

The previously reported claim against the BBR Companies has been settled before going to court. After payment of a portion of the settlement proceeds to BCD's former banker under the terms of a 2004 agreement, net proceeds to the BCD group are expected to be in excess of \$1 million.

#### **12. Claim Against Blake Dawson**

A number of Beaconsfield Gold group companies commenced proceedings in 2004 in the Supreme Court of Western Australia against Blake Dawson for damages for professional negligence and breach of contract arising from legal services provided to Allstate by Blake Dawson in 1998. The claim relates to advice concerning certain insurance and risk management issues associated with the contract for construction of the treatment plant at the Beaconsfield Mine.

A court ordered mediation held on 31 July 2008 failed to resolve this matter. The Beaconsfield Gold group is continuing to pursue the action.

#### **13. Convertible Notes**

In February 2009 Beaconsfield Gold redeemed in full 12 million convertible notes for \$4.08 million. The notes had been issued in February 2007 to partially fund the successful acquisition of a 100% effective economic interest in the Beaconsfield Gold Mine. The redemption was funded from the strong cash flow now being generated by the Beaconsfield Mine.

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**HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2008**

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**ROUNDING**

The amounts contained in this report and in the half-year financial report have been rounded to the nearest \$1,000 (unless otherwise stated) under the option available to the Company under Australian Securities and Investments Commission (ASIC) Class Order 98/0100, dated 10 July 1998 (amended by ASIC 05/641) and issued pursuant to section 341(1) of the *Corporations Act 2001*. The Company is an entity to which the Class Order applies.

**AUDITOR'S INDEPENDENCE DECLARATION**

A declaration of independence has been provided by our auditors, RSM Bird Cameron Partners, and is attached at page 9.

Signed in accordance with a resolution of the directors.

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

D E Clarke  
Director

27 February 2009

# RSM Bird Cameron Partners

Chartered Accountants

Level 8 Rialto South Tower  
525 Collins Street Melbourne VIC 3000  
PO Box 248 Collins Street West VIC 8007  
T +61 3 9286 1800 F +61 3 9286 1999  
www.rsmi.com.au

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Beaconsfield Gold NL for the half year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

*Rsm Bird Cameron Partners*

**RSM BIRD CAMERON PARTNERS**

Chartered Accountants

*Jason Croall*

**J S CROALL**  
Partner

Melbourne

**27** February 2009

## INCOME STATEMENT

HALF-YEAR ENDED 31 DECEMBER 2008

		CONSOLIDATED	
	Notes	31 Dec 2008 \$'000	31 Dec 2007 \$'000
<b>Revenue</b>	3(a)	<b>39,264</b>	11,727
Cost of production *		(32,882)	(22,454)
Depreciation and amortisation expenses		(5,135)	(1,617)
Finance costs	3(b)	(846)	(747)
Other expenses	3(c)	(3,668)	(3,044)
Other income	3(d)	678	94
Net derivative gains/(losses)	3(e)	-	(6,301)
<b>Loss before income tax benefit</b>		<b>(2,589)</b>	(22,342)
<b>Income tax benefit</b>		<b>140</b>	17
<b>Loss after tax</b>		<b>(2,449)</b>	(22,325)
<b>Attributable to:</b>			
Members of the parent entity		(2,303)	(20,849)
Non-controlling interests		(146)	(1,476)
		<b>(2,449)</b>	(22,325)

\*The 31 December 2007 cost of production included care and maintenance and reopening expenses.

## EARNINGS PER SHARE (EPS)

Basic loss per share (cents)	(0.60)	(7.84)
Diluted loss per share (cents)	(0.60)	(7.84)
Dividend per share (cents)	-	-

## BALANCE SHEET

AS AT 31 DECEMBER 2008

		CONSOLIDATED	
		AS AT 31 DECEMBER 2008 \$'000	AS AT 30 JUNE 2008 \$'000
	Notes		
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		5,791	3,232
Trade & other receivables		2,298	2,155
Prepayments		356	509
Inventories		3,461	3,814
<b>Total Current Assets</b>		<b>11,906</b>	<b>9,710</b>
<b>Non-Current Assets</b>			
Cash and cash equivalents		1,490	1,602
Financial assets		-	315
Property, plant & equipment		26,625	27,881
Exploration, evaluation & development		18,711	17,985
Intangible assets		1,891	1,891
Other		608	597
<b>Total Non-Current Assets</b>		<b>49,325</b>	<b>50,271</b>
<b>TOTAL ASSETS</b>		<b>61,231</b>	<b>59,981</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables		12,288	10,560
Interest-bearing loans & borrowings	4	8,357	9,543
Provisions		2,571	2,196
Other		502	587
<b>Total Current Liabilities</b>		<b>23,718</b>	<b>22,886</b>
<b>Non-Current Liabilities</b>			
Payables		1,533	1,943
Interest-bearing loans & borrowings	4	980	1,210
Provisions		5,826	5,638
Deferred tax liability		1,678	1,904
Other		1,248	1,397
<b>Total Non-Current Liabilities</b>		<b>11,265</b>	<b>12,092</b>
<b>TOTAL LIABILITIES</b>		<b>34,983</b>	<b>34,978</b>
<b>NET ASSETS</b>		<b>26,248</b>	<b>25,003</b>
<b>EQUITY</b>			
Share capital	5	142,632	138,953
Accumulated losses		(120,549)	(118,246)
Reserves		6,597	6,582
Parent entity interest		28,680	27,289
Minority interests	9	(2,432)	(2,286)
<b>TOTAL EQUITY</b>		<b>26,248</b>	<b>25,003</b>

## CASH FLOW STATEMENT

HALF-YEAR ENDED 31 DECEMBER 2008

		CONSOLIDATED	
	Notes	31 Dec 2008 \$'000	31 Dec 2007 \$'000
<b>Cash Flows from Operating Activities</b>			
Receipts from customers		38,851	9,895
Receipt of government grant		-	1,404
Payment to close out hedge book		-	(12,280)
Payments to suppliers & employees		(33,466)	(23,593)
Net Cash Flows used in Operating Activities		5,385	(24,574)
<b>Cash Flows from Investing Activities</b>			
Interest received		227	301
Proceeds from sale of fixed assets		10	15
Proceeds from sale of ALX shares		-	2
Acquisition of minority interests		-	(25)
Payments of costs incurred in acquisition of minority interests		-	(26)
Payment of outstanding amounts relating to acquisition of subsidiary		(638)	(30)
Payment of costs incurred in acquisition of subsidiary		-	(89)
Payment of outstanding amounts relating to purchase of Macquarie Debt		-	(2,150)
Purchase of plant & equipment		(1,051)	(436)
Mine development & exploration expenditure		(3,263)	(1,942)
Proceeds from sale of financial asset		262	-
Net Cash Flows used in Investing Activities		(4,453)	(4,380)
<b>Cash Flows from Financing Activities</b>			
Proceeds from borrowings		1,000	17,400
Repayment of borrowings		(1,921)	-
Payment of costs associated with new borrowing facilities		-	(200)
Proceeds from issue of shares		3,921	7,723
Payment of share issue costs		(306)	(345)
Proceeds from convertible notes		-	500
Payment of costs associated with convertible notes		-	(21)
Interest paid		(311)	(126)
Repayment of indemnity for Allstate Group relating to pre acquisition activities		(115)	(3,852)
Proceeds from indemnity for Allstate Group relating to pre acquisition activities		459	268
Repayment of lease principal		(220)	(620)
Net Cash Flows from Financing Activities		2,507	20,727
Net Increase/(Decrease) in Cash		3,439	(8,227)
Cash at Beginning of the Financial Period		3,842	11,788
<b>Cash at End of the Financial Period</b>	10	7,281	3,561

## STATEMENT OF CHANGES IN EQUITY

HALF-YEAR ENDED 31 DECEMBER 2008

	Attributable to Equity Holders of the Parent				Minority Interest	Total Equity
	Issued Capital \$'000	Accumulated Losses \$'000	Other Reserves \$'000	Total \$'000	\$'000	\$'000
<b>At 1 July 2007</b>	106,397	(85,268)	5,425	26,554	(36)	26,518
<b>Equity transactions</b>						
Issue of Shares	7,723	-	-	7,723	-	7,723
Transaction Costs *	(160)	-	-	(160)	-	(160)
Acquisition of Non-Controlling Interests by the Parent	-	-	-	-	10	10
Put option over Non-Controlling Interest - reversal	-	-	313	313	-	313
Value of conversion rights for convertible notes *	-	-	17	17	-	17
Share Based Payments	-	-	75	75	-	75
<b>Total equity transactions</b>	7,563	-	405	7,968	10	7,978
Loss for the period	-	(20,849)	-	(20,849)	(1,476)	(22,325)
<b>As at 31 December 2007</b>	113,960	(106,117)	5,830	13,673	(1,502)	12,171
<b>At 1 July 2008</b>	138,953	(118,246)	6,582	27,289	(2,286)	25,003
<b>Equity transactions</b>						
Issues of Shares	3,879	-	-	3,879	-	3,879
Transaction Costs*	(200)	-	-	(200)	-	(200)
Share Based Payments	-	-	15	15	-	15
<b>Total equity transactions</b>	3,679	-	15	3,694	-	3,694
Loss for the period	-	(2,303)	-	(2,303)	(146)	(2,449)
<b>As at 31 December 2008</b>	142,632	(120,549)	6,597	28,680	(2,432)	26,248

\* These amounts have been tax effected

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

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#### 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

##### (a) Basis of preparation

This general purpose financial report for the half-year ended 31 December 2008 has been prepared in accordance with applicable accounting standards including AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the full financial report.

It is recommended the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2008 and considered together with any public announcements made by Beaconsfield Gold NL during the half-year ended 31 December 2008 and up to the date of signing these accounts in accordance with the continuous disclosure obligations of the ASX listing rules.

Apart from the changes in accounting policy and disclosures noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

##### (b) Excess of current liabilities over current assets

The financial report has been prepared on a going concern basis after a detailed assessment of the group's cash flow forecasts for the next 12 months. These forecasts take into account the following significant matters:

- the Beaconsfield Mine has now returned to full production levels and is cash positive, with all gold delivered into the spot market;
- strong mine production in January and early February, compounded by the high A\$ gold price, enabled the Company to redeem \$4.08 million of convertible notes from internally generated funds in February;
- a payment of more than \$1 million from a recently settled legal claim is expected to be received in March; and
- continued strength of the A\$ gold price (the gold price at the date of this report was A\$1,460 per ounce), with all gold being sold into the spot market.

On this basis the Directors believe the Company will be able to pay its debts as and when they fall due.

#### 2. PRIOR PERIOD ADJUSTMENT

Cash held on deposit as security for Beaconsfield Mine employee entitlements, totaling \$4.559 million at 30 June 2008, has previously been disclosed as a current asset. This account can be used only for the payment of employee entitlements. Given the restriction on the operation of this bank account there is a portion of this asset that does not meet the definition of a current asset and accordingly should be classed as a non-current asset. A prior period adjustment has therefore been made to the 30 June 2008 balance sheet to correct this disclosure. The adjustment has had the effect of decreasing cash (current asset) by \$1.602 million and increasing cash (non-current asset) by \$1.602 million at 30 June 2008.

**BEACONSFIELD GOLD NL**  
**HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2008**

		<b>CONSOLIDATED</b>	
		<b>31 Dec 2008</b>	<b>31 Dec 2007</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>3.</b>	<b>REVENUE AND EXPENSES</b>		
Loss before income tax expense includes the following revenues, income and expenses whose disclosure is relevant in explaining the performance of the Consolidated Entity:			
(a)	<b>Revenue</b>		
	Revenue from sale of gold & silver	<b>39,010</b>	11,410
	Interest received	<b>237</b>	283
	Other revenue	<b>17</b>	34
		<b>39,264</b>	11,727
(b)	<b>Finance costs</b>		
	Interest expenses	<b>(395)</b>	(413)
	Borrowing expenses	<b>(263)</b>	(158)
	Unwind of rehabilitation provision discount	<b>(188)</b>	(176)
		<b>(846)</b>	(747)
(c)	<b>Other expenses</b>		
	Royalties	<b>(555)</b>	(147)
	Administration	<b>(2,961)</b>	(2,367)
	Share-based payments	<b>(15)</b>	(75)
	Exploration expensed during the period	<b>(84)</b>	(12)
	Adjustment to debt owed to former Allstate banker	<b>-</b>	(128)
	Diminution in value of financial asset/reversal	<b>-</b>	(315)
	Loss on sale of financial asset	<b>(53)</b>	-
		<b>(3,668)</b>	(3,044)
(d)	<b>Other income</b>		
	Beaconsfield Community Fund grant income	<b>235</b>	79
	Profit on sale of fixed assets	<b>-</b>	15
	Adjustment to debt owed to former Allstate banker	<b>443</b>	-
		<b>678</b>	94
(e)	<b>Net derivatives gains/ (losses)</b>		
	Loss on close out of gold forward sales contracts during the period	<b>-</b>	(12,280)
	Movement gain/ (loss) in fair value of ineffective gold forward sales contracts	<b>-</b>	(470)
	Reversal of previously recognised loss on ineffective gold forward sales contracts closed out during the period	<b>-</b>	6,449
		<b>-</b>	(6,301)

**BEACONSFIELD GOLD NL**  
**HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2008**

		<b>CONSOLIDATED</b>	
		<b>31 Dec 2008</b>	<b>30 June 2008</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>4. INTEREST – BEARING LOANS &amp; BORROWINGS</b>			
<b>Current</b>			
Bank overdraft	-	993	
Convertible notes	4,533	3,912	
Secured loans	3,500	4,245	
Lease liabilities	324	393	
	<b>8,357</b>	<b>9,543</b>	
<b>Non-Current</b>			
Convertible notes	-	473	
Lease liabilities	980	737	
	<b>980</b>	<b>1,210</b>	
<b>5. ISSUED CAPITAL</b>			
<b>(a) Issued and paid up capital</b>			
Ordinary shares fully paid – Listed	142,614	138,935	
Partly paid shares – Unlisted	18	18	
	<b>142,632</b>	<b>138,953</b>	
<b>(b) Movements in shares on issue</b>			
	<b>Number of Shares (‘000)</b>	<b>\$'000</b>	
<i>(i) Ordinary shares fully paid:</i>			
<b>At 1 January 2008</b>	<b>280,780</b>	113,942	
Issued during the period	<b>93,796</b>	25,127	
Less transaction costs (tax effected)	-	(134)	
<b>At 30 June 2008</b>	<b>374,576</b>	138,935	
Issued during the period	<b>25,860</b>	3,879	
Less transaction costs (tax effected)	-	(200)	
<b>At 31 December 2008</b>	<b>400,436</b>	142,614	
<i>(ii) Partly paid shares</i>			

No partly paid shares were issued or converted during the period 1 July 2008 to 31 December 2008.

**6. CONTINGENT ASSETS AND LIABILITIES**

Since the last annual reporting date, there has been no material change in any contingent liability or contingent asset other than: -

**Allstate Former Banker (Contingent Liability)**

The amount repayable to Allstate's former banker which is contingent on an increase in recoverable reserves (\$1.229 million at 30 June 2008) increased to \$1.768 million at 31 December 2008 due principally to further payments by the former banker in accordance with an indemnity agreement.

**7. EVENTS AFTER THE BALANCE SHEET DATE**

**BBR Claim**

The previously reported claim against the BBR Companies was settled before going to court. After payment of a portion of the settlement proceeds to BCD's former banker under the terms of a 2004 agreement, net proceeds to the BCD group are expected to be in excess of \$1 million.

**Banking Facility**

In November 2007 the Company entered into new banking arrangements with the Commonwealth Bank of Australia, comprising a short term \$7.500 million Equity Bridging Facility and a \$7.500 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.

By 30 June 2008 the Equity Bridging Facility had been fully repaid and the Working Capital Facility had been paid down to \$4.421 million. During the December 2008 half year the Working Capital Facility was further paid down to \$2.500 million and the termination date was extended from 28 November 2008 to 27 February 2009.

On 17 February 2009 the bank agreed, as an interim measure, to extend the facility to 20 March 2009 in order to fully assess the Company's request for a renewal of the Working Capital Facility.

**Convertible Notes**

On 12 February 2009 Beaconsfield Gold redeemed in full 12 million convertible notes for \$4.08 million. The notes had been issued in February 2007 to partially fund the successful acquisition of a 100% effective economic interest in the Beaconsfield Gold Mine. The redemption was funded from cash flow generated by the Beaconsfield Mine.

**8. SEGMENT INFORMATION**

The group operates within the gold mining industry in Australia. Its principal activities are the production of gold at the Beaconsfield Gold Mine through its participation in the Beaconsfield Mine Joint Venture, and mineral exploration in Australia.

**Seasonality**

The Consolidated Entity's operations are not affected by cyclical or seasonal changes.

**BEACONSFIELD GOLD NL**  
**HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2008**

	<b>CONSOLIDATED</b>	
	<b>31 Dec 2008 \$'000</b>	<b>30 June 2008 \$'000</b>
<b>9. NON-CONTROLLING INTERESTS</b>		
<b>Non-Controlling interests in Allstate Explorations NL comprises:</b>		
Interest in Accumulated Losses at beginning of the period	<b>(13,441)</b>	(15,332)
Less: Acquisition of minority interests by parent entity	-	4,151
Add: Interest in loss after income tax for the period	<b>(146)</b>	(2,260)
Interest in Accumulated Losses at end of the period	<b>(13,587)</b>	(13,441)
Interest in Share Capital at beginning of the period	<b>5,555</b>	7,617
Less: Acquisition of minority interests by parent entity	-	(2,062)
Interest in Share Capital at end of the period	<b>5,555</b>	5,555
Interest in Business Combination Asset Revaluation reserve at beginning of the period	<b>5,600</b>	7,679
Less: Acquisition of minority interests by parent entity	-	(2,079)
Interest in Business Combination Asset Revaluation Reserve at end of the period	<b>5,600</b>	5,600
<b>Total Non-Controlling Interests</b>	<b>(2,432)</b>	(2,286)

**10. CASH AND CASH EQUIVALENTS**

**Reconciliation of Cash**

For the purposes of the Cash Flow Statement, cash and cash equivalents comprised the following at 31 December:

	<b>CONSOLIDATED</b>	
	<b>31 Dec 2008 \$'000</b>	<b>31 Dec 2007 \$'000</b>
Cash at bank & in hand (current asset and non-current asset portion)	<b>7,281</b>	4,560
Bank overdraft	-	(999)
	<b>7,281</b>	3,561

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Beaconsfield Gold NL, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001* including:
  - (i) Giving a true and fair view of the financial position as at 31 December 2008 and the performance for the half-year ended on that date of the Consolidated Entity; and
  - (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



D E Clarke  
Director

27 February 2009

## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF

### BEACONSFIELD GOLD NL

#### *Report on the Half-Year Financial Report*

We have reviewed the accompanying half-year financial report of Beaconsfield Gold NL which comprises the balance sheet as at 31 December 2008 and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, accompanying notes to the financial statements and the directors' declaration. The consolidated entity comprises both Beaconsfield Gold NL (the company) and the entities it controlled during the half-year.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of Beaconsfield Gold NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

*Auditor's Responsibility (cont.)*

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Beaconsfield Gold NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

  
**RSM BIRD CAMERON PARTNERS**  
Chartered Accountants

  
**J S CROALL**  
Partner

Melbourne  
27 February 2009