



**BEACONSFIELD  
GOLD N.L.**

A.C.N 057 793 834

## **STOCK EXCHANGE ANNOUNCEMENT**

### **LODGEMENT OF PROOF OF DEBT AGAINST ALLSTATE EXPLORATIONS NL (SUBJECT TO DEED OF COMPANY ARRANGEMENT) (“ALX”)**

In accordance with a request from the ALX Deed Administrators and under the terms of a Deed dated 6 August 2004 between the Beaconsfield Gold Group companies, the Allstate Group companies and the ALX Deed Administrators, Beaconsfield Gold NL (“BCD”) yesterday lodged a formal proof of debt against ALX in the amount of \$29,271,854.

The proof of debt alleges that ALX, as Manager of the Beaconsfield Mine Joint Venture (“BMJV”), acted negligently in its dealings with the partnership between Batepro Australia Pty Ltd and Brown & Root Engineering & Construction Pty Ltd (together “BBR”) and in contracting with BBR rather than the original tendering partnership of Bateman Project Engineering Pty Ltd and Kinhill Pacific Pty Ltd (together “Bateman Kinhill”). The contract involved the design, supply, construction and commissioning of a gold ore treatment plant and a bacterial oxidation plant at the Beaconsfield mine.

The BMJV participants were, in January 2004, awarded damages of \$60,366,785 against BBR, relating to the contract, whereby the BMJV participants successfully alleged, amongst other things, delay, unsatisfactory design and construction, major defects and omissions in the works and failure to satisfy performance tests. The BCD claim against ALX represents the Beaconsfield Gold Group’s 48.49% share of that award.

Under the Transitional Arrangements Deed between the BMJV participants of 11 March 2004 this debt claimed is subordinated to all non related party creditors' claims against ALX, and those claims take priority over this claim. The debt cannot be set off against any amount due to ALX or used in support of a claim to have ALX removed as Manager of the Joint Venture.

The companies comprising BBR are subsidiaries of the Bateman Kinhill companies, and both BBR companies are presently in the hands of liquidators.

The ALX Deed Administrators have not yet responded to the proof of debt.

Brian Coulter  
Company Secretary

4 November 2004