

## **FOCUS MINERALS LIMITED: ACTIVITIES REPORT FOR THE QUARTER ENDED JUNE 30, 2011**

### **HIGHLIGHTS**

- *Made takeover offer for 100% of Crescent Gold Limited, which will enable Focus to become a Top 5 Australian gold producer*
- *Completed circa \$40 million equity raising to accelerate key production and exploration programs*
- *Met production guidance, producing 18,102oz of gold*
- *Drilling confirmed discovery of new gold camp at the Company's 100% owned Treasure Island Gold Project*
- *Achieved significant development and operating milestones, including commencing ore production at new Tindals Mining Centre Open Pit operations and stoping at The Mount*
- *Delivered strong production from established Tindals Mining Centre underground operations – 160,056t @ 3.17g/t for 16,315oz*
- *Accelerated exploration program in-line with plans to have eight rigs operating by the start of the September Quarter*
- *Sales revenue of A\$26.2 million from gold sales of 18,443oz at an average price of A\$1,419/oz*
- *Strong balance sheet with total cash and equivalents of \$32.7 million*

Focus Minerals Ltd (ASX: FML), an Australian gold producer, delivered a number of major operational milestones during the June Quarter, including opening a second new mining operation and commencing a significant exploration program across four key project areas, whilst meeting its production guidance, producing 18,102oz of gold for the Quarter.

At the end of the June Quarter, the Company entered into a Bid Implementation Agreement with Crescent Gold to make a takeover offer for 100% of Crescent's shares in a transaction that will make Focus one of Australia's Top 5 gold producers with outstanding growth potential across two major Western Australian mining regions. This transaction has been progressing well, and Focus has now received acceptances totalling 45.77%.

At the start of the Quarter, Focus completed a \$39.3 million equity raising to accelerate its key production and exploration programs.

Operationally, significant achievements during the Quarter included:

- The opening of the Tindals Mining Centre Open Pit operations, Focus' second new mining operation this year. This saw the first ore being processed from the Empress Open Pit (17,000t @ 1.67g/t) and commencement of ore development at the Dreadnought Open Pit. Approvals were also received at the end of the month to commence development at Big Blow, the third pit at the Open Pit operations;
- Commencement of long-hole stoping at The Mount. This saw Focus produce a total of 21,469t @ 2.81g/t for the Quarter from The Mount underground operation, which Focus opened in the March 2011 Quarter; and
- A record 160,056t @ 3.17g/t of ore mined from the Company's established Tindals Mining Centre Underground operations.

On the exploration front, Focus has accelerated its exploration program in-line with plans to have eight rigs operating by the start of the September Quarter. This has seen the commencement of exploration at two target areas in the Greater Coolgardie region - the Norris Project Area and the Three Mile Hill Project Area - plus the expansion of drilling at the Tindals Mining Centre and The Mount.

Importantly, Focus' inaugural drilling program at the Treasure Island Gold Project at Lake Cowan has confirmed that high-grade mineralised veins continue at depth confirming the discovery of a new gold camp. This marks the start of an exciting exploration phase for Focus.

The results over 1km of strike have delivered exceptionally high-grade intercepts with new and existing mineralised veins appearing to be open in all directions, and Focus is now stepping out from the first holes and looking at other prospects across the lake with the mobilisation of a lake aircore rig that has commenced a +10,000 metre program along a 6km strike of favourable geology.

Focus achieved sales revenue of A\$26.2 million from gold sales of 18,443oz at an average price of A\$1,419/oz and delivered cash costs at A\$981/oz. Cash costs are slightly higher than the average of A\$870 achieved in the previous two Quarters, as they include the impact of operational ramp-ups, higher than usual mine development costs, and a mill reline.

Focus closed the Quarter with a strong balance sheet with total cash and equivalents of \$32.7m.



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#### **BACKGROUND INFORMATION – FOCUS MINERALS LTD**

*Focus Minerals Ltd (ASX: FML) is a gold producer based in Western Australia's Eastern Goldfields. The company holds the mineral rights to 449km<sup>2</sup> of tenements and is the largest landholder in the Coolgardie Gold Belt located 560km east of Perth and 35km west of the 'Super Pit' in Kalgoorlie-Boulder. Focus is currently in production from underground and open pit operations at its flagship Tindals Mining Centre in Coolgardie, adjacent to its 1.2Mtpa Three Mile Hill processing plant. In March 2011 it opened The Mount, a new high-grade underground mine, located 85km to the south of the processing plant. In addition Focus recently acquired 100% ownership in the highly prospective Treasure Island Gold Project, situated at Lake Cowan at the southern end of the Boulder-Lefroy fault.*

## OPERATIONS

### *Three Mile Hill Processing Plant*

The Three Mile Hill processing plant continued its solid operating performance during the Quarter, processing 287,176 tonnes at an average grade of 2.15g/t.

Gold production for the Quarter met Focus' guidance with 18,102 recovered ounces from processing a mix of ore from the Tindals Mining Centre Underground operations, development ore from The Mount Underground operations and development ore from the new Open Pit operations at the Tindals Mining Centre.

As foreshadowed in the March 2011 Quarterly, a planned 3.5-day mill shutdown in May to perform a reline reduced normal throughput by approximately 12,000 tonnes during the shutdown period and as the mill resumed production. The mill reline cost \$1.5 million which added circa \$83/oz to costs. With the Company's additional investments at the Open Pits in pre-development, contractor engagement and mobilisation, cash costs were A\$981 per ounce for the Quarter.

With a record performance from the Underground operations at the Tindals Mining Centre, the commencement of stoping ore from The Mount, and the build-up of development ore from the new Open Pit operations at the Tindals Mining Centre, production is expected to continue to ramp-up through the September Quarter.

Table 1 – Mining and Cartage for the March 2011 Quarter.

		Jun 2011	Mar 2011	Dec 2010	Sep 2010	Jun 2010
<b>Tindals Underground Mine</b>						
Ore Mined	(tonnes)	160,056	132,382	151,412	115,681	88,269
Grade	g/t	3.17	3.37	3.56	3.45	3.46
Gold In Ore	ounces	16,315	14,354	17,339	12,831	9,821
<b>The Mount</b>						
Ore Mined	(tonnes)	21,469	5,404	5,242	14,086	8,019
Grade	g/t	2.81	3.36	8.38	6.94	7.64
Gold In Ore	ounces	1,940	584	1,412	3,143	1,970
<b>Open Pits</b>						
Ore Mined	(tonnes)	17,000	-	-	-	-
Grade	g/t	1.67	-	-	-	-
Gold In Ore	ounces	910	-	-	-	-
<b>Total Mined</b>						
Ore Mined	(tonnes)	198,525	137,786	156,654	129,767	96,288
Mined Grade	g/t	3.00	3.37	3.72	3.83	3.81
Gold In Ore	ounces	19,165	14,938	18,751	15,974	11,791
<b>Low Grade</b>						
Ore Treated	(tonnes)	88,651	121,877	170,665	118,198	68,631
Grade	g/t	1.0	1.0	1.0	1.0	1.0
Gold In Ore	ounces	2,850	3,918	5,487	3,800	2,207

*Note: Material movement to various ROM pads within Company's operations. Material may be in stockpiles*

**Table 2** Milling & Gold Sales

		Jun 2011	Mar 2011	Dec 2010	Sep 2010	Jun 2010
<b>Three Mile Hill</b>						
Ore	(tonnes)	287,176	286,251	327,319	247,965	164,919
Head Grade	g/t	2.15	2.14	2.18	2.03	2.52
Contained Gold	ounces	19,851	19,714	22,891	16,184	13,361
Gold Recovery	%	91.4	93.3	91.7	94.5	94.6
Gold Produced	ounces	18,102	18,391	21,039	15,300	12,660
Gold Sold	ounces	18,443	19,942	19,570	14,765	13,080
Av. Price Received	(A\$/oz)	\$1,419	\$1,378	\$1,388	\$1,381	\$1,314
<b>Cash Operating Costs</b>						
Direct costs (incl royalty)	(A\$/oz)	\$981	\$878	\$877	\$932	\$1,034

*Note: Material milled includes stockpiles*

## ***Tindals Mining Centre***

### **Underground Operations**

#### **Mine Development & Production**

The Tindals Mining Centre Underground operations delivered a record Quarter, producing 160,056t @ 3.17g/t for 16,315 ounces.

Jumbo development was 1,095m for the Quarter with work focusing on the Countess, Empress and Perseverance ore bodies.

In the second half of the Quarter development commenced into the upper levels of the higher grade Countess area and this will continue to support grades over the next financial year from development and then stoping. Development from the 1005 Level at Countess produced 9,900t @ 5.7g/t at the end of the Quarter.

Work to allow re-access the Cyanide decline also commenced. Principal activity was upgrading parts of the power infrastructure to supply the additional working area and the commencement of a ventilation drive to connect Cyanide into an existing return airway. This will enable the commencement of rehabilitation of the decline in the September Quarter to enable the Company to access the reserve. The Cyanide ore body has a reserve of 392,000t @ 3.2g/t (as reported in the September Quarterly report 2010).

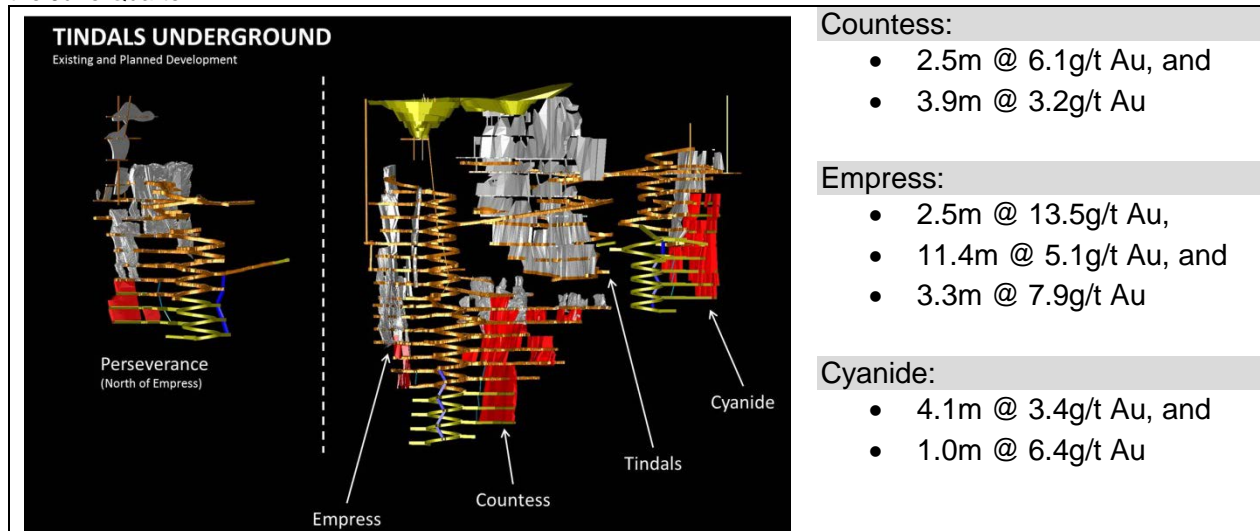
#### **Exploration & Development**

As part of the ongoing exploration and resource development program at the Tindals Mining Centre's Underground operations a total of 10,927m of infill and resource/reserve extension diamond drilling was completed during the Quarter at the Countess, Empress and Cyanide deposits (Figure 1).

Towards the end of the Quarter, drilling targeted the area above Countess where historic drilling indicated patchy mineralisation. Initial results confirm the up dip extension of the Countess East Lode (Table 3). Ongoing drilling at Empress has confirmed the extension of the ore body to the north at depth (Table 4). A wide spaced step out program was conducted at the Cyanide deposit to assess the longer term potential of that resource. Drilling has confirmed the continuation of mineralisation at depth (Table 5).

Two underground diamond rigs are now in operation at the Tindals Mining Centre to expand the resource and reserve base. At the end of the June Quarter the rigs were continuing to drill at Empress and Countess, with one rig about to move to Perseverance.

**Figure 1:** Location of key underground deposits at the Tindals Mining Centre with selected significant intercepts from the June Quarter



## **Open Pit Operations**

### **Mine Development & Production**

Focus delivered a significant achievement during the June Quarter, opening its second new mining operation in CY 2011, the Tindals Mining Centre Open Pit operations.

During the Quarter, significant advancements were made with the first production ore being processed from the Empress Open Pit and commencement of ore development at the Dreadnought Open Pit. Approvals were also received at the end of the month to commence development at Big Blow, the third pit at the operations, which will commence during the September Quarter.

The mining contractor was mobilised during the Quarter with 2 excavators, 6 trucks, 1 blast hole rig and ancillary equipment on site by the end of Quarter.

Ore produced for the Quarter was 17,000t @ 1.67g/t at Empress (Figure 2). Total movement was 113,000 BCM between both Empress and Dreadnought Open Pits.

Targeted production for the coming Quarter is approximately 65,000t @ 1.9g/t from the Tindals Mining Centre Open Pit operations as the production ramp up continues.

**Figure 2:** Production development at the Empress Open Pit



## **Exploration & Development**

Surface resource development and exploration work continued at the Tindals Mining Centre with a total of 11,260m of RC drilling completed during the Quarter with ore bodies targeted for detailed in-fill and resource/reserve extension drilling including Big Blow, Happy Jack, Empress (including Alicia) and Dreadnought.

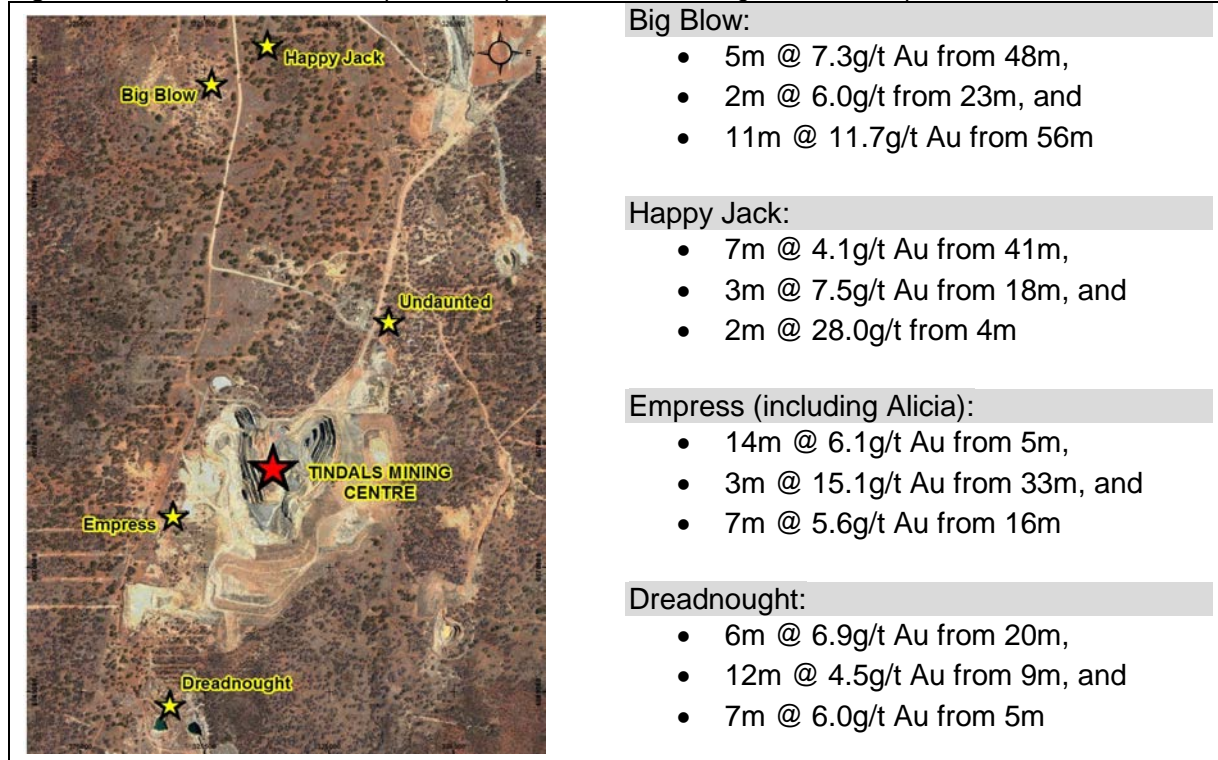
The results received during the June Quarter from the in-fill and resource/reserve extension drilling have been very encouraging (Figure 3 and Tables 6, 7, 8 and 9).

Drilling at Big Blow has extended the mineralisation to the north of the current resource. The shallow drilling at Happy Jack has identified further mineralisation close to the surface. Both resources will be updated during the September Quarter to further assist mine planning. Deeper drilling will target potential underground resources at Big Blow during the September Quarter.

The drilling conducted in the Empress area during the Quarter targeted extensions to Empress and the fold nose area between Empress and Alicia. The results have been extremely encouraging and have highlighted the potential of this mineralised system (Figure 4). The drilling has located further mineralisation in the fold nose area between the two deposits.

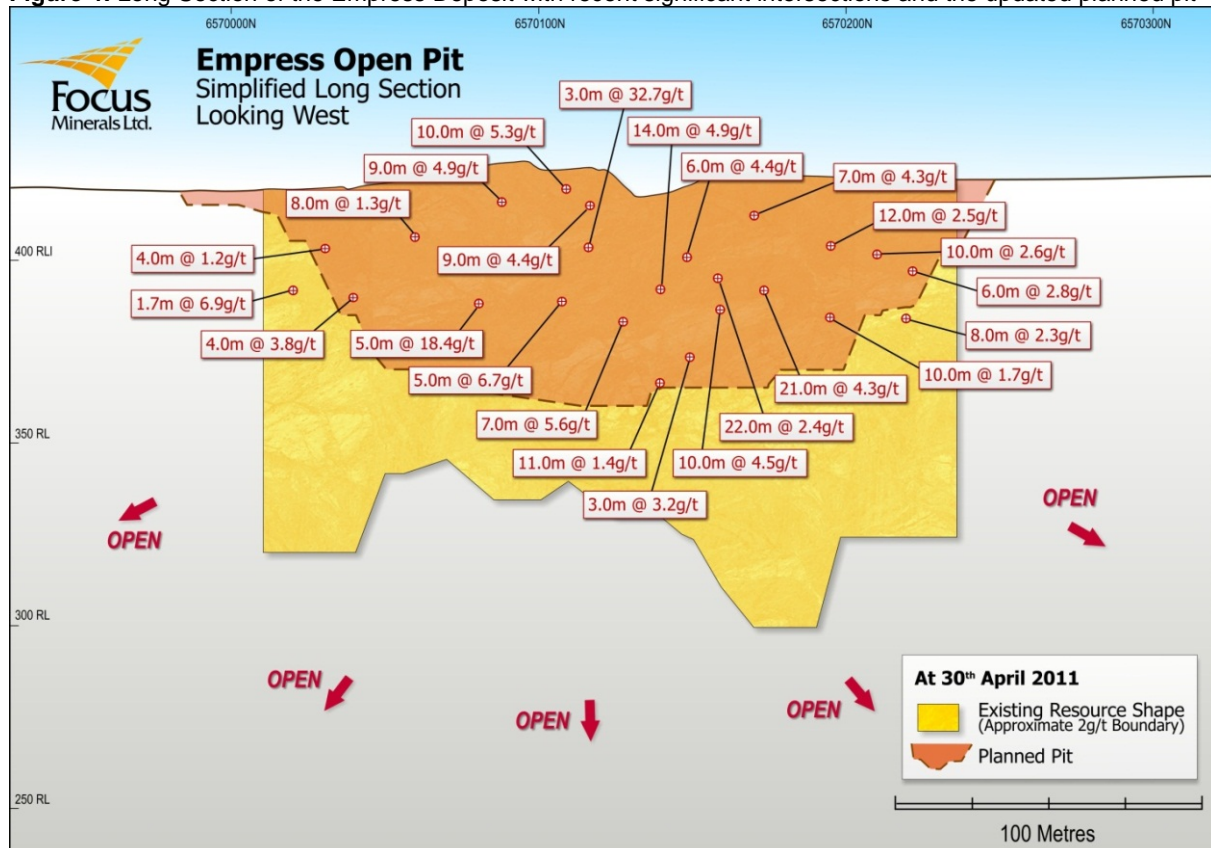
Shallow drilling at Dreadnought identified further mineralisation close to the surface, which is being incorporated into the mine plan.

**Figure 3:** Location of the Tindals Open Pits deposits with selected significant intercepts for the June Quarter



It is important to note that most of the drilling completed during the Quarter in the Tindals Mining Centre continued to be shallow (to a depth of approximately 40 metres below surface), to expand the current open pit operations.

**Figure 4:** Long Section of the Empress Deposit with recent significant intersections and the updated planned pit



## ***The Mount Underground Operations***

### **Mine Development & Production**

After the commencement of development ore in the March Quarter, Focus began long hole stoping at The Mount late in the June Quarter, producing a total of 21,469t @ 2.81g/t for the Quarter. Stopping ore has successfully been hauled to the surface during the Quarter.

In a planned move to be owner operator, Barminco were demobilised late in June for the transition to owner mining.

During the Quarter over 955m of jumbo development was completed intersecting some good faces on the German lode (Figure 5) and the 200m exploration cross cut to access the Fuchs lode was also completed. This also enables the Company to access around 10 gold-bearing structures within The Mount resource footprint.

By the end of the Quarter the Company had two single boom jumbos (Figure 6) and a small twin boom jumbo operating on site which are expected to start development on a number of gold bearing structures during the September Quarter. Narrower ore development will now commence on multiple lodes during the September Quarter.

**Figure 5:** Face grades on the German Lode



**Figure 6:** Jumbo development at The Mount



### **Exploration & Development**

As part of the exploration and resource development program underground at The Mount an underground diamond drill rig was mobilised to the project in mid-June. By the end of the Quarter a total of 1,135m of diamond drilling had been completed. The drilling was targeting the German Lode below the level of current production.

## REGIONAL EXPLORATION

### *Greater Coolgardie*

During the June Quarter the exploration team's main focus at Coolgardie was moved beyond the Tindals Mining Centre area to focus on the rest of the Company's tenement package around Coolgardie. The team is working through a thorough targeting exercise with drill rigs brought in to commence drilling the first couple of targets identified in the Greater Coolgardie area at the end of May.

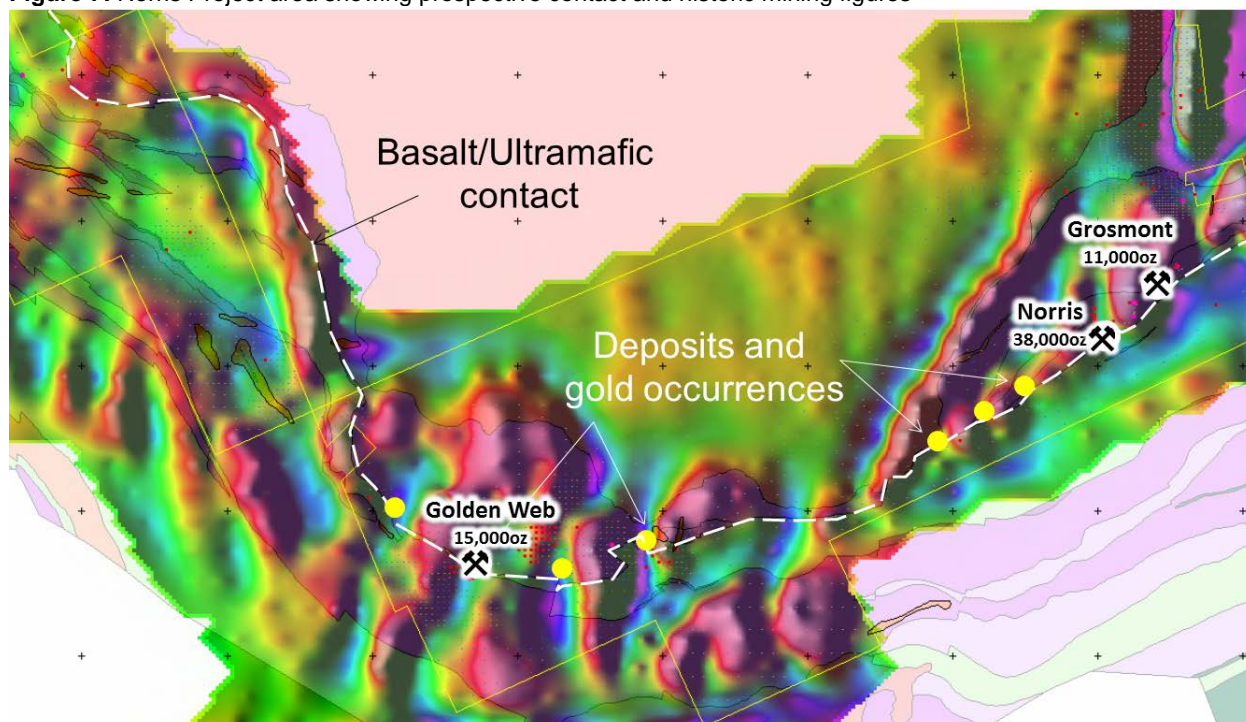
A total of 4,052m of RC drilling and 317m of diamond drilling was completed during the Quarter at the Golden Web prospect within the Norris Project Area (Figure 7) and at the Greenfields prospect within the Three Mile Hill Project Area (Figure 8).

#### **Norris Project Area**

The Norris Project area has a resource of 1.9Mt @ 2.1g/t for 124,000oz and comprises a number of open pits mined in the 80s. The Company is currently testing extensions to the pit at the Golden Web deposit (historically mined at 3.97g/t) assessing down dip, down plunge and along strike potential. Soil anomalies and geophysics have highlighted a number of potential targets between Golden Web and the Norris pit, 4km along strike. With one rig at work in the area the goal is to build the resource and identify additional ore bodies.

The initial drilling at Golden Web has highlighted a series of potential high-grade mineralised shoots plunging to the southeast and by the end of the Quarter some encouraging results were received including 10m @ 5.2g/t Au from 107m, and 5m @ 3.5g/t Au from 121m (Table 10).

**Figure 7:** Norris Project area showing prospective contact and historic mining figures

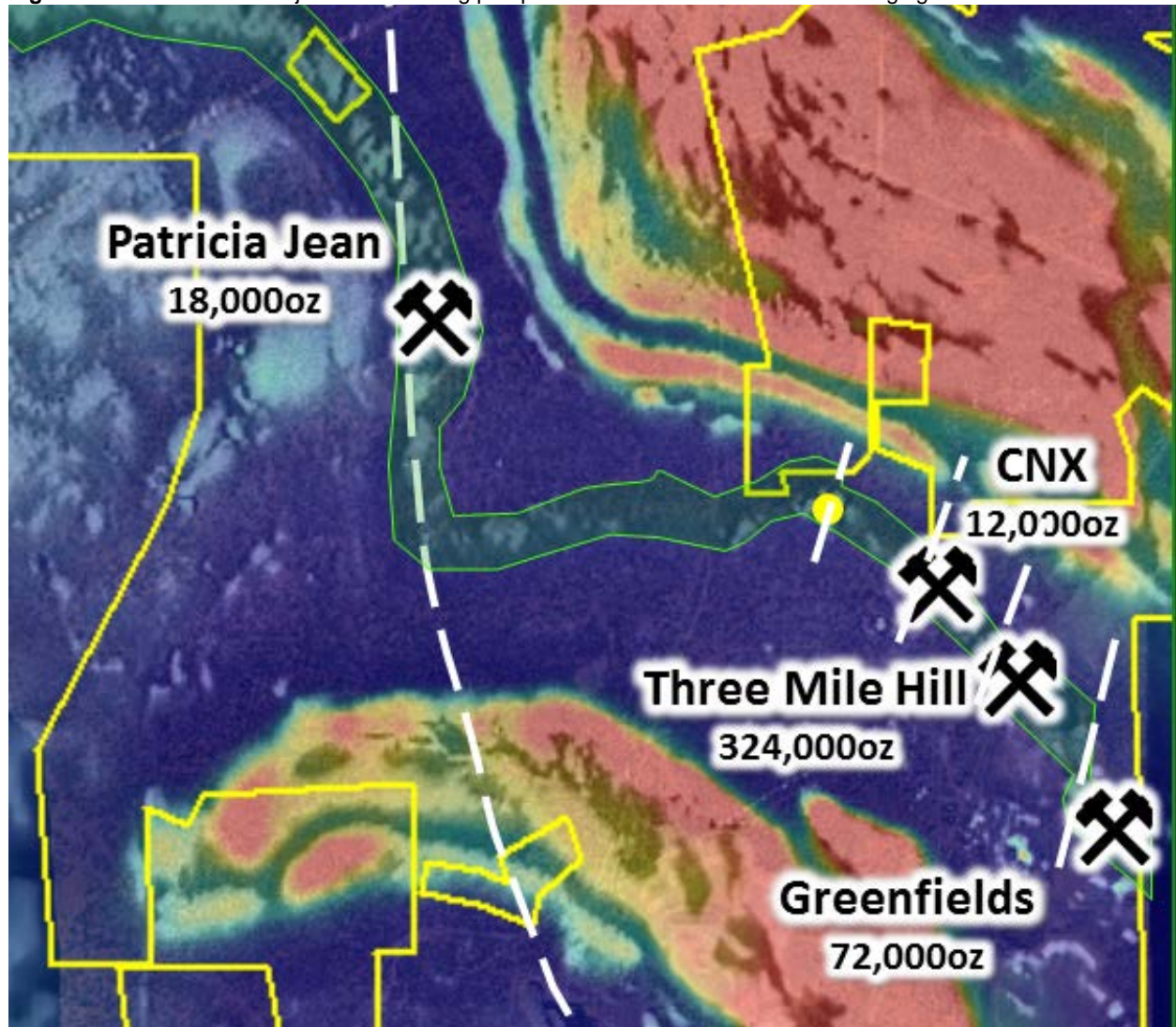


### Three Mile Hill Project Area

The Three Mile Hill Project area has a resource of 1.5Mt @ 2.0g/t for 99,000oz and a reserve of 1.1Moz @ 1.7g/t for 60,000oz, with a number of historic deposits lying directly adjacent to the Three Mile Hill processing plant. Approximately 426,000oz has been mined historically in the project area.

The Company is currently testing along an intrusive dolerite sill which hosts the Three Mile Hill deposit with one rig on site at Greenfields targeting resource depth and strike extensions. The immediate exploration goal at the Three Mile Hill Project area is to expand resource and reserve.

**Figure 8:** Three Mile Hill Project area showing prospective dolerite sill and historic mining figures



Drilling will continue in the September Quarter in both the Norris and Three Mile Hill Project areas as well as testing the depth and strike potential at Bayleys and Norris.

## ***Treasure Island Gold Project at Lake Cowan***

During the Quarter, the Company completed its inaugural drilling program at the 100% owned Treasure Island Gold Project, 35km south-south east along strike from the major gold camp of St Ives at Kambalda. The results have confirmed the discovery of a new gold camp at the Treasure Island Gold Project (see ASX release dated 26th July 2011).

An initial 23 hole drilling program for 3,165m showed the high-grade mineralised vein structures mapped on the island extend at depth under the salt lake, with more than 50% of the assayed holes, which intersected significant intercepts, reporting results greater than 10g/t (Table 11).

Fine visible gold has been seen in most mineralised veins with the discovery of multiple new vein systems under the lake and some veins from the island showing greater width at depth.

The Treasure Island Gold Project, comprises 226km<sup>2</sup> of tenements situated on Lake Cowan. The initial drill programme has seen a lake diamond drill rig focus on the Black Dog and Blind Pew prospects, with drilling conducted from the lake bed.

The drilling at Black Dog has intersected mineralised quartz veins (Figure 9) with fine visible gold (Figure 10) and associated disseminated and blebby sulphides (mainly pyrrhotite). The most recent holes drilled at Blind Pew to the south have also shown an increased level of silicification and albite alteration, with the abundance of disseminated sulphides increasing.

The presence and increase of silicification and albite alteration, in association with the increase in blebby sulphides, is extremely encouraging as this style of alteration is very important throughout the Goldfields region as it normally indicates a more highly prospective part of a mineralised gold system. This style of mineralisation identified at Treasure Island is very similar to the St Ives style of gold mineralisation at Kambalda.

The drilling at Black Dog and Blind Pew has also intersected multiple, previously unknown, mineralised vein structures under the lake. The down hole widths of the mineralised veins are almost true widths. The widths of mineralised veins being intersected in the drilling at depth is extremely encouraging as they are much wider than the veins mapped on the island.

Additionally, one hole at Black Dog also intersected a lamprophyre. This is a very important and exciting piece of the puzzle at Treasure Island as lamprophyres are an intrusive rock that are commonly associated with lode gold deposits in Archaean terranes around the world. In the Yilgarn terrane in Western Australia (which includes the Goldfields), lamprophyres are found at many high-grade, million ounce plus deposits.

Focus is beginning to open up an exciting new gold camp at its Treasure Island Gold project. Diamond drilling will continue aggressively, and has now been joined by a lake aircore rig which has already commenced drilling a +10,000m programme across favourable geology and geophysical targets along a 6km strike. This will enable Focus to start to accelerate the early phase of exploration at this newly discovered gold system and start to unlock a 15km<sup>2</sup> area around the island.

**Figure 9:** Drill core from Black Dog showing a mineralised quartz vein, 2.5m @ 10.8g/t (containing sulphides & fine gold)



**Figure 10:** Close up example of fine visible gold seen in drill core from hole shown above



## CORPORATE

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Gold revenue for the Quarter was A\$26.2 million generated from the sale of 18,443 ounces of gold at an average price received of A\$1,419/oz.

Capital investment and exploration expenditure for the Quarter totalled \$17.6 million, comprising \$5.8 million of mine capital development and \$11.8 million of exploration expenditure. Exploration expenditure in the Quarter included \$8.5 million attributable to the completion of the exploration decline and cross cut development costs at the Mount Project.

West Australian gold royalties paid for the Quarter totalled \$581,000

Due to one off costs associated with the Company's additional investments at the Open Pits in pre-development, contractor engagement and mobilisation, and the mill reline, cash costs were A\$981 per ounce for the Quarter. These factors pushed costs above the average A\$870 range achieved in the previous two Quarters.

During the Quarter, the Company undertook a Placement and Share Purchase Plan to raise \$39.3m to fund aggressive expansion and exploration programs accelerate key production and exploration programs. On 30 May 2011 the Company utilised part of the funds raised to provide a working capital advance of \$3 million to Crescent Gold.

On 20th June, Focus and Crescent Gold Limited [ASX: CRE] jointly announced that they have agreed to merge the companies by way of a conditional off-market takeover bid by Focus for all of the issued shares in Crescent.

The transaction will make Focus one of Australia's Top 5 gold producers with outstanding growth potential across two major Western Australian mining regions.

The consideration being offered to Crescent Shareholders is one Focus share for every 1.18 Crescent shares, representing a premium of 30.5% to Crescent's closing price on 17 June 2011. At 28 July 2011 Focus had received acceptances totalling 45.77%. In association with the bid for Crescent Gold, the Company agreed to provide a working capital facility to a maximum of \$10 million. Both advances are fully secured by a registered fixed and floating charge over the assets of Crescent Gold. Both advances may, at the election of the Company, convert the advances into convertible notes subject to the approval of Crescent shareholders in General Meeting. The convertible notes may be converted into Crescent Gold ordinary shares at the lower of 5 cents per share or 85% of the volume weighted average price of Crescent shares over the 5 trading days immediately preceding the date of the conversion notice. On conversion the Company will also be granted one free attaching option for every two Crescent shares issued on the conversion. The options are excisable at 5 cents per share with an expiry date of 31 December 2012.

Crescent Gold has issued a notice of General Meeting to be held on 18 August 2011 for Crescent Gold shareholders to consider approval for the conversion of the advances totalling up to \$13 million into convertible notes on the terms summarised above.

At 30 June 2011, Focus held cash and bullion comprising:

Cash at Bank	\$30.7 million
Bullion on Hand	\$1.2 million
Cash held on bond	\$0.8million
Total Cash and Equivalents	\$32.7 million

## ENDS

*The information that relates to exploration targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

## CORPORATE DIRECTORY

<b>Focus Mineral Limited</b> ACN: 005 470 799  <b>Australian Securities Exchange</b> Code: FML  <b>Frankfurt Stock Exchange</b> Code FZA (OTC)  <b>Registered Office</b> Level 30, St Martins Tower 44 St Georges Terrace, Perth. WA 6000 <u>Phone:</u> +61 8 9215 7888 <u>Fax:</u> +61 8 9215 7889 <u>Email:</u> admin@focusminerals.com.au <u>Web:</u> www.focusminerals.com.au	<b>Board of Directors</b> Donald Taig..... Executive Chairman Phil Lockyer..... Non-Executive Director Bruce McComish..... Non-Executive Director Gerry Fahey..... Non-Executive Director  <b>Executive Team</b> Campbell Baird..... Chief Executive Officer Brad Valiukas ..... Chief Operating Officer Jon Grygorcewicz..... Chief Financial Officer Dr Garry Adams..... Group Geologist Chuck McCormick..... Bus. Development Manager Chay-Kee Tan..... Business Analyst Neil Le Febvre..... Investor Relations Manager
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## COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Minerals Resources is based on information compiled by Dr Garry Adams who is a member of the Australasian Institute of Mining and Metallurgy. Dr Adams is a full time employee of Focus Minerals and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Adams consents to the inclusion in the report of the matters based on the information in the form and content in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Bradley Valiukas, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Valiukas is a full time employee of Focus Minerals and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Valiukas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**Note for Drill Results Tables below:** All mineralised intersections are quoted as down hole lengths with uncut gold values. For the underground drilling at Cyanide and Countess the intersections are approximate true thickness, while at Empress the true thickness is approximately 80% of the down-hole length. Gold grades are reported with a nominal cut-off grade of 2g/t Au. For the surface drilling at Big Blow and Happy Jack the intersections are approximately 50% of the down-hole length, while for Empress the true thickness is approximately 65% of the down-hole length. At Dreadnought the true thickness is difficult to determine due to the structural complexity of the mineralised lodes. At Golden Web the intersections are approximate true thickness. Gold grades for all surface drilling are reported at a nominal cut-off grade of 1g/t Au. For Treasure Island the intersections are approximate true thickness, with gold grades reported at a nominal cut-off grade of 1g/t.

NSR = "no significant result" (above 1g/t).

**Table 3: Countess Underground drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
COD078	6570579	325594	326	259	-3	275	142.53	143.53	1.00	4.95
							182.57	183.00	0.43	2.66
COD082	6570570	325616	326	219	-2	290	27.00	28.00	1.00	4.30
							32.00	35.00	3.00	2.62
							143.00	146.00	3.00	2.51
							158.00	160.47	2.47	6.13
COD083	6570561	325624	325	213	-1	295	73.73	77.59	3.86	3.15
							253.00	253.60	0.60	2.72
							256.00	257.00	1.00	2.11

**Table 4: Empress Underground drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
EMD094	6570403	325549	21	291	-12	167	121.34	123.88	2.54	13.45
							127.84	129.00	1.16	8.65
EMD099	6570402	325548	21	276	-28	172	149.37	149.99	0.62	39.50
EMD103	6570406	325551	21	321	-28	170	146.60	147.35	0.75	79.20
							153.60	154.45	0.85	10.50
EMD104	6570406	325551	21	330	-27	181	156.75	158.22	1.47	4.15
EMD105	6570402	325548	22	275	-33	181	165.24	169.88	4.64	3.31
EMD107	6570405	325550	22	299	-36	180	145.95	147.70	1.75	2.25
							153.00	154.00	1.00	2.52
							159.60	160.10	0.50	2.05
							162.00	163.00	1.00	7.75
EMD108	6570407	325551	22	307	-35	180	142.19	143.00	0.81	3.14
							146.56	148.00	1.44	7.52
EMD110	6570407	325552	22	327	-33	181	162.65	174.00	11.35	5.10
EMD111	6570407	325552	22	334	-31	180	176.70	177.29	0.59	2.31
							176.70	180.00	3.30	7.89
							183.25	186.25	3.00	2.29

**Table 5: Cyanide Underground drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
CYD005	6570409	325656	85	71	1	400	114.00	115.05	1.05	2.06
							317.38	318.10	0.72	3.42
CYD006	6570409	325656	85	74	1	395	108.79	109.88	1.09	4.29
CYD007	6570387	325663	85	75	1	385	289.68	290.64	0.96	6.37
							297.24	299.00	1.76	2.11
							305.00	309.10	4.10	3.38
CYD008	6570387	325663	85	79	1	375	273.58	274.07	0.49	3.54
CYD009	6570354	325662	85	79	1	375	319.25	320.78	1.53	2.68
							324.00	325.00	1.00	3.26
							343.18	344.04	0.86	3.45
CYD010	6570354	325662	85	84	1	365	8.45	9.85	1.40	2.47
CYD011	6570331	325661	85	88	1	355	2.00	3.99	1.99	3.30

							24.36	29.00	4.64	2.30
							35.41	38.00	2.59	3.86
CYD012	6570331	325661	85	94	1	355	1.73	2.92	1.19	5.99
							37.67	39.00	1.33	2.57
CYD025	6570353	325662	86	59	26	330	14.00	15.02	1.02	5.58
							130.27	134.16	3.89	2.18

**Table 6: Big Blow drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
BGC128	6572050	325595	421	270	-60	67	43.00	45.00	2.00	2.78
							48.00	53.00	5.00	7.29
BGC131	6572030	325576	422	270	-60	52	23.00	25.00	2.00	6.01
							28.00	30.00	2.00	1.74
BGC132	6572020	325588	420	270	-65	100	51.00	55.00	4.00	1.16
							72.00	81.00	9.00	2.27
BGC133	6572000	325593	421	270	-60	100	92.00	95.00	3.00	3.22
BGC134	6571990	325576	422	270	-60	80	56.00	67.00	11.00	11.68
BGC136	6571780	325512	429	270	-60	65	18.00	21.00	3.00	3.08
							40.00	44.00	4.00	2.15
BGC137	6571720	325525	424	270	-55	70	63.00	65.00	2.00	2.41
BGC157	6571830	325440	431	90	-50	48	34.00	36.00	2.00	2.69

**Table 7: Happy Jack drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
HJC015	6572330	325760	417	270	-60	48	41.00	48.00	7.00	4.05
HJC032	6572210	325730	421	270	-60	48	20.00	25.00	5.00	2.27
HJC039	6572170	325720	421	270	-60	48	5.00	12.00	7.00	2.81
HJC043	6572150	325700	419	270	-60	48	13.00	15.00	2.00	2.41
HJC044	6572150	325710	419	270	-60	48	9.00	12.00	3.00	1.60
							33.00	35.00	2.00	20.79
HJC047	6572130	325700	419	270	-60	48	18.00	21.00	3.00	7.52
HJC058	6572050	325680	419	270	-60	48	4.00	6.00	2.00	28.01
HJC059	6572050	325690	418	270	-60	48	24.00	28.00	4.00	2.23
HJC070	6571990	325690	419	270	-60	48	15.00	17.00	2.00	3.45
							20.00	23.00	3.00	5.37
HJC090	6571830	325690	421	270	-60	48	22.00	24.00	2.00	4.36
HJC094	6571810	325700	420	270	-60	48	8.00	10.00	2.00	6.92
							25.00	32.00	7.00	1.02
HJC095	6571790	325690	420	270	-60	48	27.00	29.00	2.00	3.41
HJC096	6571790	325700	420	270	-60	48	29.00	35.00	6.00	2.33

**Table 8: Empress (including Alicia) drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
EMC339	6570070	325335	422	270	-50	90	44.00	49.00	5.00	2.46
							63.00	65.00	2.00	3.02
							67.00	69.00	2.00	2.16
EMC378	6570090	325400	421	270	-50	36	23.00	25.00	2.00	2.38
EMC389	6570080	325440	420	270	-50	36	5.00	8.00	3.00	4.93
							24.00	26.00	2.00	9.77
EMC394	6570070	325410	420	270	-50	36	5.00	19.00	14.00	6.09
EMC401	6570060	325380	421	270	-50	36	0.00	5.00	5.00	1.49
EMC403	6570060	325400	420	270	-50	36	34.00	36.00	2.00	4.15
EMC405	6570060	325420	420	270	-50	36	33.00	36.00	3.00	15.05
EMC407	6570060	325440	420	270	-50	36	16.00	23.00	7.00	5.55

**Table 9: Dreadnought drilling results from the June Quarter - Tindals Mining Centre**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
DNC464	6569630	325210	416	270	-60	30	24.00	28.00	4.00	2.72
DNC497	6569530	325265	414	90	-60	30	24.00	30.00	6.00	3.49
DNC498	6569530	325275	414	90	-60	30	11.00	18.00	7.00	2.15
DNC499	6569530	325285	415	90	-60	30	1.00	9.00	8.00	1.07
							22.00	25.00	3.00	1.82
DNC500	6569530	325305	415	90	-60	30	5.00	20.00	15.00	1.79
DNC501	6569530	325315	415	90	-60	30	11.00	20.00	9.00	1.93
DNC504	6569525	325300	415	0	-90	30	11.00	22.00	11.00	1.19
DNC505	6569525	325315	415	270	-60	30	9.00	15.00	6.00	2.42
							18.00	20.00	2.00	2.85
							27.00	30.00	3.00	2.36
DNC507	6569520	325315	414	270	-60	30	23.00	25.00	2.00	6.59
DNC511	6569510	325275	414	90	-60	30	6.00	30.00	24.00	2.02
DNC512	6569510	325285	414	90	-60	30	10.00	24.00	14.00	2.08
DNC518	6569490	325210	415	90	-60	30	20.00	26.00	6.00	6.92
DNC519	6569490	325230	414	90	-60	30	8.00	11.00	3.00	2.07
DNC520	6569490	325270	414	90	-60	30	5.00	7.00	2.00	3.83
							20.00	24.00	4.00	1.80
DNC523	6569492	325327	414	270	-60	30	12.00	17.00	5.00	1.92
DNC524	6569482	325317	414	270	-60	30	26.00	28.00	2.00	4.06
DNC526	6569480	325350	417	90	-60	30	4.00	10.00	6.00	1.72
DNC528	6569470	325210	415	90	-60	30	11.00	13.00	2.00	1.49
DNC537	6569470	325300	414	90	-60	30	7.00	9.00	2.00	3.65
DNC538	6569470	325310	414	90	-60	30	6.00	9.00	3.00	3.78
DNC547	6569450	325280	412	90	-60	30	27.00	30.00	3.00	1.53
DNC552	6569430	325250	414	90	-60	30	13.00	15.00	2.00	1.66
DNC553	6569430	325260	413	90	-60	30	9.00	21.00	12.00	4.53
DNC555	6569430	325280	411	90	-60	30	5.00	12.00	7.00	5.96
DNC556	6569430	325290	411	90	-60	30	8.00	10.00	2.00	2.18
							20.00	25.00	5.00	1.29
DNC560	6569420	325347	404	270	-60	30	1.00	6.00	5.00	3.27
DNC579	6569380	325370	414	0	-90	30	15.00	24.00	9.00	3.59
DNC592	6569340	325370	414	270	-60	30	10.00	13.00	3.00	1.42
							18.00	24.00	6.00	1.02
DNC593	6569330	325300	410	90	-60	30	18.00	20.00	2.00	2.17
DNC598	6569300	325420	412	90	-60	30	12.00	16.00	4.00	1.43
DNC628	6569220	325350	412	90	-60	30	12.00	15.00	3.00	1.44

**Table 10: Golden Web drilling results from the June Quarter – Norris Project Area**

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Interval (m)	Grade g/t (Au)
NRSC0001	6560723	309400	379	20	-50	120	NSR			
NRSC0002	6560650	309373	379	20	-50	120	NSR			
NRSC0003	6560695	309475	379	20	-50	120	NSR			
NRSC0004	6560623	309448	379	20	-50	125	NSR			
NRSC0005	6560669	309528	383	20	-50	71	NSR			
NRSC0006A	6560609	309521	381	20	-50	100	NSR			
NRSC0007	6560586	309556	379	20	-50	120	NSR			
NRSC0008	6560515	309592	379	20	-48	140	58.00	60.00	2.00	2.44
							64.00	65.00	1.00	1.01
NRSC0009	6560486	309625	376	20	-48	168	5.00	6.00	1.00	1.39
NRSC0010	6560456	309660	375	20	-48	180	NSR			
NRSC0011	6560446	309714	377	20	-48	174	NSR			

NRSC0012	6560428	309763	377	20	-48	178	107.00	117.00	10.00	5.22
							124.00	125.00	1.00	3.16
NRSC0013	6560421	309807	376	20	-48	174	Results Pending			
NRSC0014	6560409	309861	375	20	-50	166	Results Pending			
NRSC0020	6560947	310278	378	20	-48	126	NSR			
NRSC0021	6560875	310244	378	20	-48	120	NSR			
NRSC0022	6560800	310215	378	20	-48	120	NSR			
NRSC0023	6560721	310199	378	20	-48	126	Results Pending			
NRSC0035	6560462	309766	377	20	-48	152	96.00	97.00	1.00	2.31
							100.00	101.00	1.00	3.93
NRSC0036	6560421	309760	377	20	-55	175	121.00	126.00	5.00	3.49
							130.00	131.00	1.00	1.54

**Table 11: Treasure Island drilling results from the June Quarter**

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Interval (m)	Grade g/t (Au)
Black Dog									
BDDD001	6495741	404902	270	-60	165.34	NSR			
BDDD002	6495742	404880	270	-60	71.71	NSR			
BDDD003	6495701	404889	270	-60	81.15	42.28	42.66	0.38	13.90
BDDD004	6495661	404905	270	-60	84.05	NSA			
BDDD005	6495788	404870	270	-60	78.05	NSR			
BDDD006	6495726	404873	314	-60	72.04	NSR			
BDDD007	6495700	404872	270	-60	60	20.62	21.05	0.43	22.60
BDDD008	6495681	404879	270	-60	60	NSR			
BDDD009	6495660	404887	270	-60	60.39	14.10	15.00	0.90	3.89
BDDD010	6495617	404920	270	-60	80.72	NSR			
BDDD011	6495656	404963	270	-60	150	49.50	52.04	2.54	10.82
BDDD012	6495702	404941	270	-60	100	Results Pending			
BDDD013	6495659	404950	270	-60	59.9	41.00	41.30	0.30	10.82
Blind Pew									
BPDD001	6494881	404809	270	-60	198.22	61.00	62.00	1.00	6.56
						162.43	163.00	0.57	20.50
BPDD002	6494921	404811	270	-60	192	32.54	32.96	0.42	8.43
						145.18	145.48	0.30	13.40
						93.61	94.00	0.39	6.92
BPDD003	6494841	404806	270	-60	200.86	170.00	171.00	1.00	1.63
BPDD004	6494961	404821	270	-60	215.92	33.00	33.60	0.60	1.50
						106.60	107.15	0.55	1.43
						173.48	174.00	0.52	1.51
BPDD005	6494923	404769	270	-60	170.71	11.95	12.25	0.30	37.90
						15.00	15.50	0.50	6.61
						142.00	142.30	0.30	1.46
BPDD006	6494923	404732	270	-60	138.04	Results Pending			
BPDD007	6494924	404690	270	-60	123.06	88.00	89.00	1.00	3.64
BPDD008	6495001	404819	270	-60	213.22	78.66	82.44	3.78	6.30

BPDD009	6494924	404676	90	-60	210	Results Pending			
BPDD010A	6495040	404824	270	-60	209.29	81.60	81.90	0.30	2.74
						187.00	188.00	1.00	1.64
						191.46	192.32	0.86	1.32
BPDD011	6495119	404818	270	-60	Drilling				

**Appendix 1: Focus Minerals resources at 31<sup>st</sup> March 2011**

	Measured Resources			Indicated Resources			Inferred Resources			Total Resources			Change
	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	
Tindals Project - UG	524	5.1	87,000	1,987	4.4	278,000	566	4.5	81,000	3,077	4.5	446,000	+18%
Tindals Project - Surface				7,345	2.2	517,000	2,689	2.6	223,000	10,034	2.3	740,000	+22%
<b>Tindals Project Total</b>	<b>524</b>	<b>5.1</b>	<b>87,000</b>	<b>9,332</b>	<b>2.7</b>	<b>795,000</b>	<b>3,255</b>	<b>2.9</b>	<b>304,000</b>	<b>13,111</b>	<b>2.8</b>	<b>1,186,000</b>	<b>+20%</b>
Mount Project							2,090	5.5	370,000	2,090	5.5	370,000	n/c
Lindsays Project				4,350	1.7	238,000	3,562	2.0	233,000	7,912	1.8	471,000	n/c
Three Mile Hill Project				1,386	1.9	86,000	138	3.0	13,000	1,524	2.0	99,000	n/c
Norris Project							1,870	2.1	124,000	1,870	2.1	124,000	n/c
<b>Total</b>	<b>524</b>	<b>5.1</b>	<b>87,000</b>	<b>15,068</b>	<b>2.3</b>	<b>1,119,000</b>	<b>10,915</b>	<b>3.0</b>	<b>1,044,000</b>	<b>26,507</b>	<b>2.6</b>	<b>2,250,000</b>	<b>+10%</b>

**NOTE:** As per Focus Mineral's company policy, Resource and Reserve tables are only updated on a six monthly basis. Some errors may result due to rounding

**Appendix 2: Focus Minerals reserves and stocks at 31<sup>st</sup> March 2011**

Reserves:	Proven Reserves:			Probable Reserves:			Total Reserves:		
	Tonnes:	Grade (g/t):	Ounces:	Tonnes:	Grade (g/t):	Ounces:	Tonnes:	Grade (g/t):	Ounces:
Tindals Project Underground:	257,000	4.0	33,100	763,000	3.2	79,500	1,020,000	3.4	112,600
Tindals Project Open Pits:	-	-	-	505,000	2.1	34,700	505,000	2.1	34,700
Three Mile Hill Project Open Pits:	-	-	-	1,101,000	1.7	59,900	1,101,000	1.7	59,900
The Mount Project Underground:	-	-	-	61,000	7.9	15,500	61,000	7.9	15,500
<b>Reserve Totals:</b>	<b>257,000</b>	<b>4.0</b>	<b>33,100</b>	<b>2,431,000</b>	<b>2.4</b>	<b>189,600</b>	<b>2,687,000</b>	<b>2.6</b>	<b>222,700</b>
Stocks:							Stocks:		
							Tonnes:	Grade (g/t):	Ounces:
Stocks Total:							838,000	0.9	24,600
Reserves and Stocks:							Reserves and Stocks:		
							Tonnes:	Grade (g/t):	Ounces:
Total:							3,525,000	2.2	247,300

**NOTE:** As per Focus Mineral's company policy, Resource and Reserve tables are only updated on a six monthly basis. Some errors may result due to rounding