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MAJOR NEW DREADNOUGHT RESOURCE DRILLING PROGRAM COMMENCES AT COOLGARDIE

TWO NEW HIGH-GRADE GOLD TARGETS DELINEATED FROM GROUND EM SURVEY

WA-based gold company Focus Minerals Ltd (ASX: **FML**) and its joint venture partner, Canadian-based Committee Bay Resources Ltd, today announced the commencement of a major in-fill drilling program at the 235,000-ounce **Dreadnought deposit** at Coolgardie designed to advance the project to full feasibility. In addition, as part of the recently commenced C$1.5 million exploration program within the Redemption Joint Venture tenements, a number of new high-priority gold exploration targets have been delineated.

Dreadnought is one of the key deposits within the Redemption Joint Venture and is expected to contribute a significant proportion of the material required to justify re-commissioning of the Three Mile Hill treatment facility at Coolgardie. The Dreadnought Project currently hosts a JORC compliant indicated resource of 970,000 tonnes at 2.5 g/t Au for 78,000 ounces and an additional inferred resource of 2,570,000 tonnes at 1.9 g/t Au for 157,000 ounces of contained gold.

Focus said today (**Monday**) that a **20-hole, 2,900 metre** in-fill drilling program had commenced at Dreadnought representing the first phase of a staged program to bring drill hole spacing to 20x20m, as the basis for a full feasibility study on the project.

The first phase of the 20-hole program comprises 1,900m of reverse circulation and 1,000m of diamond core drilling which is targeting the high grade core of the south-east zone of the Dreadnought deposit over a strike length of 200m.

Focus Minerals' Managing Director, Mr Peter Williams, said the recently commenced C$1.5 million exploration program at Coolgardie had delivered positive results on another front, with a recently completed ground EM survey covering the Perseverance and Flagstaff prospects identifying two separate but strongly conductive zones.

Previous drilling at Perseverance intersected high-grade gold associated with semi-massive to massive pyhrrotite including intersections of **18.63m @ 54.24g/t gold**, **12m @ 12.15g/t**, **3.66m @ 18.6g/t** and **3.83m @ 10.32g/t** in four separate holes.

"We plan to commence follow-up drilling as a priority on these newly identified conductors," Mr Williams said. "The mineralisation at Perseverance does not outcrop and the EM data is currently being modeled to determine the geometry of the conductive zone – which is thought to be associated with a north-west trending cross-structure which also transects the conductor identified in the Flagstaff area. We plan to commence drilling as soon as this is complete."

The Redemption Joint Venture is also preparing to commence a major 1,300 line km airborne magnetic/EM survey over the Coolgardie and Mount Project areas, having entered into an agreement with Geotech Airborne Limited to conduct the helicopter-borne survey. This survey will commence in late September 2006.

"This represents another important step forward for exploration over our consolidated Coolgardie tenement holdings, comprising state-of-the-art high-resolution magnetic and time-domain EM techniques and representing the first time that EM has been conducted on a regional scale over the Coolgardie area," Mr Williams said. "We are optimistic that additional buried conductive gold zones, such as those recently identified at Flagstaff and Perseverance, will be located in the Coolgardie area. The EM data will also be used in conjunction with MMI geochemistry to develop nickel sulphide targets in the Mount area, which are scheduled to be drill tested later in the year."

COMPETENT PERSON'S STATEMENT

The information in this report relating to Resources and Reserves are based on work supervised by Mr Chuck McCormick, who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr McCormick has the relevant experience as a "Competent Person" as defined in the 2004 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves in relation to the mineralisation reported on. Mr McCormick is the Exploration Manager of Focus Minerals Ltd and consents to the inclusion of the material in the form and content in which it appears.

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BACKGROUND INFORMATION – FOCUS MINERALS LIMITED

Focus Minerals Limited (ASX Ticker: **FML**) is an Australian-based exploration and development group whose focus is to become a significant gold producer in the Coolgardie region of Western Australia.

Through its Redemption Joint Venture with Canadian-based Committee Bay Resources Ltd, Focus Minerals is the largest landholder in the Coolgardie Gold Belt located in Western Australia, 560km east of Perth and 35km south of the "Super Pit" in Kalgoorlie. Over 2.6 million ounces of gold has been produced from the Coolgardie gold belt alone since 1892.

The Redemption Joint Venture has the mineral rights to more than 210km^2 of under-explored tenements including Indicated and Inferred Resources totaling 1.421 million ounces of gold (Indicated Resource of 6.55 million tonnes at 1.82g/t gold and Inferred Resource of 13.83 million tonnes at 2.56g/t gold) as well as the 1.2mtpa Three Mile Hill processing plant, located in one of the world's most significant gold and nickel mining regions.

Committee Bay is sole funding A$8 million of exploration expenditure at Coolgardie in stages over three years with a first-year minimum commitment of A$2.7 million. The overall objective of the Joint Venture is to define sufficient reserves to enable the Three Mile Hill Plant to operate at full capacity with 5 years of scheduled ore treatment, providing cash flow to further explore the surrounding highly prospective gold belt.

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