ASX / MEDIA RELEASE **1 May 2008**

FOCUS COMPLETES SETTLEMENT OF JV ACQUISITION

$18.65m DEBT FACILITY AND $18m PLACEMENT & SHARE PURCHASE PLAN FINALISED

KEY POINTS

- **Focus finalises acquisition of Committee Bay Resources' 50% interest in the Coolgardie Gold Project, Western Australia**
- **Completion of a share placement to sophisticated investors to raise a total of A$14 million - via the issue of 254.5 million shares at 5.5 cents per share**
- **Successful completion of A$4m Share Purchase plan (SPP) via the issue of 72.7 million ordinary shares at an issue price of 5.5c**
- **A$18.65 million Senior and Mezzanine debt facility finalised with Investec Bank (Australia) Ltd with first drawdown completed**

Australian-based gold and nickel company Focus Minerals Ltd (ASX: **FML**) is pleased to announce that it has **completed the acquisition** of Canadian Joint venture partner Committee Bay Resources' 50% interest in the Coolgardie Gold Project, Western Australia.

The settlement, which occurred on April 30, gives Focus 100% ownership of the former Redemption Joint Venture assets at Coolgardie, including an extensive resource inventory within multiple deposits totaling 20.6 million tonnes at 2.48g/t Au for 1.65 million ounces, the fully permitted 1.2mtpa Three Mile Hill gold processing facility (currently on care and maintenance), and a highly prospective 210km^2 tenement package offering an outstanding pipeline of exploration and development opportunities

The settlement was effected with the payment to Committee Bay of A$19 million in cash, the allocation of 140 million Focus Minerals shares and A$2.0M deferred until 30 April 2009 in the form of an 8.25% Convertible Note.

Additionally, Focus has finalised the A$14m placement to professional investors, a A$4m Share Purchase Plan (SPP) and an $A18.65m debt facility – with the first drawdown executed yesterday - provided by Investec Bank (Australia) Ltd. These initiatives have supported the acquisition and will also provide additional working capital to underpin the Company's accelerated development strategy in both gold and nickel.

Placement

The completion of a share placement to sophisticated investors to raise a total of A$14 million - via the issue of 254.5 million shares at 5.5 cents per share has now been completed and shares issued after being

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approved by shareholders at a meeting held on April 14. The placement was managed by Perth-based investment bank, Azure Capital

Share Purchase Plan

Although undersubscribed, Focus has successfully completed the issue of 72.7 million ordinary shares at an issue price of 5.5c to raise a total of A$4m as part of a Share Purchase Plan (SPP) which was open to existing shareholders. The shortfall totalling $907,500 for 16,500,000 shares at 5.5 cents per share was placed with professional investors.

A$18.65m Debt Facility

The Company has established a debt facility totalling A$18.65 million Senior and Mezzanine debt with specialist international banking group, Investec Bank (Australia) Ltd. Under the terms of the facility agreement, Focus has hedged a total of 32,000 ounces at an average gold price of approximately A$990 per ounce. In addition, Focus has acquired put options for a total of 17,000 ounces of gold at A$850/oz to further protect Perseverance Gold Project revenues.

The Company has completed an initial drawdown under the facility to provide working capital for the development and mining operations at the Perseverance Gold Project.

As part of the debt facility the Company has issued 40 million call options to Investec to acquire shares in the Company at an exercise price of 6.85c at Investec's behest at any time prior to the expiry date on 30 April 2011.

The Board welcomes the support of Investec in providing a debt facility to develop the Perseverance gold project and the Company's broader objectives in achieving the "Two Goals – One Focus" strategy.

Perseverance Gold Project

Further to the announcement of commencement of initial gold production on 29 April 2008, the Company has delivered a total of 3,400 ounces of gold to the end of April 2008. The initial campaign treatment of Perseverance ore has now been completed and the Company looks forward to the next treatment campaign towards the end of May 2008.

ENDS

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BACKGROUND INFORMATION – FOCUS MINERALS LTD

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

Focus Minerals is the largest landholder in the Coolgardie Gold Belt located in Western Australia, 560km east of Perth and 35km west of the 'Super Pit' in Kalgoorlie-Boulder. More than 2.6 million ounces of gold has been produced from the Coolgardie gold belt alone since 1892. Focus holds the mineral rights to more than 210sq km of tenements including Measured, Indicated and Inferred Resources exceeding 1.65 million ounces of gold as well as the 1.2mtpa Three Mile Hill processing plant.

Focus Minerals is also fast tracking development of its wholly-owned Nepean Nickel Project (current estimated resource totalling 591,300t @ 2.2% Ni) located 25km south of Coolgardie. Focus has a view of recommencing mining operations from the historic production centre in 2008.

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