

ASX ANNOUNCEMENT

30 September 2011

FOCUS REPORTS RECORD FULL-YEAR RESULT FOR FY11

- *Revenue increased 39% to \$102.8 million (FY10: \$73.7 million)*
- *Net Cash from Operating Activities increased 11% to \$30.3 million (FY10: \$27.8 million)*
- *Focus opened two new gold mines in FY11, positioning the Company for growth in FY12*
- *Focus completed first full year of ore processing at the Three Mile Hill plant with total gold production increasing 17% to 72,830oz (FY10: 62,296oz)*
- *The acquisition of Crescent Gold positions Focus as a +200,000oz gold producer for calendar 2012*

Result Summary

Focus Minerals Limited (ASX: FML), a leading Australian gold producer, today announced record full-year Revenue and Net Cash from Operating Activities, positioning the company for strong growth after a year of significant transformation.

In FY11 Focus' annual revenue increased by 39% to \$102.8 million (FY10: \$73.7 million) and Net Cash from Operating Activities increased by 11% to \$30.3 million (FY10: \$27.8 million), as the company grew total gold production by 17% to 72,830oz (FY10: 62,117oz).

During FY11, Focus increased gold sales by 16.2% to 72,721oz of gold (FY10: 62,294oz) at an average price of \$1,391/oz (FY10: \$1,197/oz).

NPAT for FY11 was \$7.6 million (FY10: \$10.9 million). The increase in the average cost of production and the decrease in NPAT reflect significantly increased levels of mine development expenditure (particularly at The Mount underground and Tindals Open Pit operations), increased exploration expenditure and the impact of mill upgrades.

Significant developments in FY11 included:

- Commencing ore production at Tindals Open Pit operations
- Commencing ore production at The Mount underground operation
- First full year of ore processing at the Three Mile Hill plant
- Increased commitment to exploration to \$23.9 million (FY10: \$6.3 million)
- Discovery of new gold camp at Treasure Island Gold Project
- Record production from the Tindals Underground operation increasing 29% to 61,248oz (FY 10: 47,516oz).
- Significant increase in scale of operations through the acquisition of Crescent Gold

Focus Commentary

"FY11 was a transformational year for Focus Minerals," said CEO Campbell Baird. "We will now go about capitalising on our production capability after establishing a very solid platform for growth. The best is very much still ahead."

After successfully starting new open pit and underground mining operations in the second half of FY11, Mr Baird said that Focus was ramping up production at its Coolgardie operations and with the acquisition of Crescent Gold, will be significantly increasing total gold production during FY12 allowing the company to capitalise on high gold prices.

“At the start of FY11 we had just one operating mine; by the end of FY11 we had three mines with production commencing at The Mount underground and the Tindals Open Pit operations. With the recent addition of Crescent’s Laverton Gold Project open pit operations, we now have four operating gold mines.”

Outlook

Mr Baird said with its developing presence in the Coolgardie area, and its new presence in the Laverton area (following the acquisition of Crescent Gold), Focus has a combined JORC resource base of 4.3Moz¹ of gold and will produce +200,000oz of gold in CY12².

“FY12 will be a year of growth as we get our new open pit and underground operations up to full production, maximise higher-grade throughput at the Three Mile Hill plant, optimise performance and grow production at the Laverton Gold Project and continue our accelerated exploration program to increase resource and reserve ounces,” he said

BACKGROUND INFORMATION – FOCUS MINERALS LTD

Focus Minerals Ltd (ASX: FML) is a gold producer operating from four mines across two historic mining regions in Western Australia’s Eastern Goldfields. Focus holds the mineral rights to 449km² of tenements and is the largest landholder in the Coolgardie Gold Belt located 35km west of the ‘Super Pit’ in Kalgoorlie-Boulder; and currently controls approximately 80% of Crescent Gold with over 1,400km² of tenements in the Laverton gold district, 300km to the north of Coolgardie. Production in Coolgardie is from underground and open pit operations at its flagship Tindals Mining Centre located 5km from its 1.2Mtpa Three Mile Hill processing plant, and also from The Mount, a new high-grade underground mine, located 85km to the south of the processing plant. Production in Laverton is from a series of large scale open pit operations. In addition Focus owns 100% of the highly prospective Treasure Island Gold Project, situated at Lake Cowan at the southern end of the Boulder-Lefroy fault.

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¹ Includes total JORC resources of 2.1Moz from Crescent’s projects. Focus has a ~80% shareholding in Crescent as of 27 September 2011. On a consolidated basis, attributable JORC resources from Crescent are 1.66Moz for 3.96Moz attributable to Focus

² Includes targeted production from Focus’ projects of +100,000oz, and targeted production from Crescent’s projects of 100,000oz. Focus has a ~80% shareholding in Crescent as of 27 September 2011. On a consolidated basis, attributable production target from Crescent is 80,000oz for a 180,000oz production attributable to Focus.

ANNEXURE A

Focus Minerals resources at 31st 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%
Tindals Project Total	524	5.1	87,000	9,332	2.7	795,000	3,255	2.9	304,000	13,111	2.8	1,186,000	+20%
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
Total	524	5.1	87,000	15,068	2.3	1,119,000	10,915	3.0	1,044,000	26,507	2.6	2,250,000	+10%

Focus Minerals reserves and stocks at 31st 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
Reserve Totals:	257,000	4.0	33,100	2,431,000	2.4	189,600	2,687,000	2.6	222,700

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

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 Brad Valiukas who is a Member of the Australian Institute of Mining and Metallurgy. Mr Valiukas is a full time employee of Focus Minerals and has sufficient exploration 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 the information in the form and context in which it appears

ANNEXURE B

Crescent Ore Reserves and Mineral Resources

Laverton Ore Reserves as at 30 June 2010*			
Category	Tonnes ('000)	Grade (g/t)	Contained Gold ('000)
Proved	-	-	-
Probable	6,500	2.1	445
Total	6,500	2.1	445

Laverton Mineral Resources as at 30 June 2010*			
Category	Tonnes ('000)	Grade (g/t)	Contained Gold ('000)
Measured	431	1.7	23
Indicated	19,200	2.2	1,357
Inferred	11,000	2.0	695
Total	30,631	2.1	2,075

** Does not include maiden JORC Reserve of 54,000 oz and Resource upgrade to 179,000 oz on the Apollo deposit, announced to ASX on 7 June 2011*

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves of the Laverton Gold Project is based on information compiled by Jeff Ion, who is a Member of the Australian Institute of Geoscientists. Jeff Ion has sufficient experience which 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" and a Qualified Person under "Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects". Jeff Ion consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Jeff Ion is employed by Crescent Gold Limited.