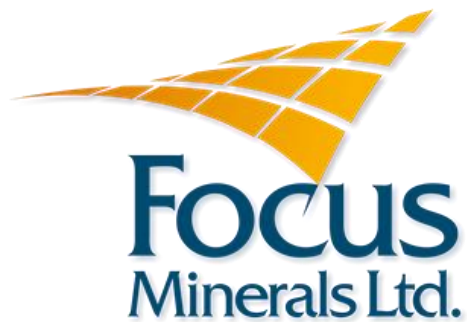




Focus Minerals Limited

ABN 56 005 470 799

**Interim Financial Report
for the half year ended 30 June 2016**

Table of Contents

Corporate Information 3

Directors’ Report..... 4

Auditor’s Independence Declaration 6

Interim Financial Report 7

Notes to the Consolidated Interim Financial Report..... 11

Directors’ Declaration 17

Independent Auditor’s Review Report 18

Corporate Information

ABN 56 005 470 799

Directors

Dianfei Pei	Chairman – Non-Executive, Non-Independent
Yuhuan Ge	Director – Non-Executive, Non-Independent
Wanghong Yang	Director – Executive
Gerry Fahey	Director – Independent
Peter Hepburn-Brown	Director – Independent
Zaiqian Zhang	Alternate Director to Dianfei Pei – Executive

Company Secretary

Dane Etheridge

Registered and Head Office

Level 2
159 Adelaide Terrace
East Perth WA 6004

PO Box 3233
East Perth WA 6892

Tel: +61 (0) 8 9215 7888
Fax: +61 (0) 8 9215 7889

Share Registry

Computershare Investor Services Pty Ltd
Level 11
172 St Georges Terrace
Perth WA 6000

Auditor

PricewaterhouseCoopers
125 St Georges Terrace
Perth WA 6000

Banks

National Australia Bank
100 St Georges Terrace
Perth WA 6000

Bank of China Perth Branch
Ground Floor, 179 St Georges Terrace
Perth WA 6000

Industrial and Commercial Bank of China
Level 20, St Martins Tower
44 St Georges Terrace
Perth WA 6000

Solicitors

Murcia Pestell Hillard Lawyers
Suite 183, Level 6, 580 Hay Street
Perth, WA 6000

Stock Exchange Listing

Australian Securities Exchange (ASX)
ASX Symbol: FML

Directors' Report

The Directors of Focus Minerals Limited ("Focus") are pleased to present the Interim Financial Report for the half year ended 30 June 2016.

Directors

Dianfei Pei	Chairman – Non-Executive, Non-Independent, appointed on 12 January 2016
Yuhuan Ge	Director – Non-Executive, Non-Independent
Wanghong Yang	Director – Executive
Gerry Fahey	Director – Independent
Peter Hepburn-Brown	Director – Independent
Zaiqian Zhang	Alternate Director to Dianfei Pei – Executive
Jisheng Lu	Chairman – Non-Executive, Non-Independent, resigned on 12 January 2016

Directors were in office for the whole of the half year and up to the dates of this report, unless otherwise indicated.

Review of Operations

Exploration

Exploration remains as the core function of Focus. Focus is committed to building a robust resource pipeline, stepping towards to economical and sustainable production even in a much weaker gold price environment than the environment we are currently experiencing.

For the first six months in 2016, Focus drilled a total of 23,492m in Coolgardie and Laverton. The drilling programmes were designed to continue our discoveries of high grade gold deposits in Coolgardie and to search for new large scale gold deposits in Laverton.

Coolgardie

During the first half of 2016, the Company drilled 18,334m in its Coolgardie tenements, consisting of reverse circulation drilling of 78 holes for 15,606m and diamond drilling of 10 holes for 2,728m.

The exploration in the Coolgardie region was mainly focused on the targets around Bonnie Vale, Greater Tindals and Possum. At the time of reporting, the working is still on-going, so far the highlights are as follows:

- Bonnie Vale:
 - BONC119 1m @ 15.05g/t Au from 272m
 - BONCD070 1m @ 10.30g/t Au from 97m
- Possum:
 - TND16015 1m @ 13.00g/t Au from 110m
 - TND16021 1m @ 7.19g/t Au from 125m
 - TND16024 1m @ 8.99g/t Au from 33m and,
7m @ 10.92g/t Au from 66m (incl. 1m @ 45.90g/t Au from 71m)
 - TND16026 1m @ 19.80g/t Au from 212m
 - TND16037 1m @ 11.65g/t Au from 172m

In addition to the drilling activities, the Company conducted a 7.5km 2D2R seismic survey at Tindals, studying known mineralised structures at depth and identifying potential deep targets.

Laverton

For the first half of 2016, Focus drilled 5,158m in its Laverton tenements, all of which was reverse circulation drilling.

The exploration programme provided limited 40m spaced (collar positions) drilling around the historic Karridale and Boomerang underground mines as well as 80m spaced drilling to test for links between the Karridale and Boomerang zones. The highlights are shown below:

- Karridale:
 - KARC173 7m @ 8.98g/t Au from 150m
 - KARD176 2m @ 29.40g/t Au from 168m
 - KARC187 4m @ 4.60g/t Au from 98m
 - KARC188 7m @ 3.02g/t Au from 81m
 - KARC 189 1m @ 7.05g/t Au from 102m
 - KARC189 1m @ 6.76g/t Au from 129m

The planned drilling was put on hold due to heavy rain, causing roads to be inaccessible. The Company intends to resume the planned programme in the September quarter of 2016.

Rehabilitation

Focus Minerals is committed to fulfilling its environmental obligations. For the first half of this year, the Company conducted rehabilitation earthwork on historical drilling sites. A total of 414 holes have been rehabilitated, including some dating back to the 1980s.

Corporate

For the six-month period ended 30 June 2016, Focus incurred a loss of \$1.882 million (2015: \$1.108 million). During the six-month period ended 30 June 2015, the Company received a one-off tax refund of \$1.723m, which was treated as Other Income in the 2015 Interim Financial Report. This was the main cause of the significant increase in loss for the current six-month period.

As at 30 June 2016, the Company has net assets of \$101.935 million (2015: \$103.817 million) and a cash balance of \$69.479 million (2015: \$79.929 million). ¹

Auditor's Independence Declaration

The declaration required under Section 307C of *the Corporations Act 2001* is set out on Page 6.

Rounding of Amounts

The Company is of a kind referred to in *Class Order 2016/191*, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.



Dianfei Pei
Chairman of the Board
13 September 2016
Jinan, Shandong, China

¹ Including cash and cash equivalents, short-term deposit and restricted cash.

Auditor's Independence Declaration



Auditor's Independence Declaration

As lead auditor for the review of Focus Minerals Limited for the half-year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Focus Minerals Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ben Gargett', written over a light blue horizontal line.

Ben Gargett
Partner
PricewaterhouseCoopers

Perth
13 September 2016

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, 125 St Georges Terrace, PERTH WA 6000, GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2016**

		Consolidated	
		6 months to	6 months to
		30 June	30 June
		2016	2015
		\$'000	\$'000
Revenue from continuing operations	3(a)	1,074	1,400
Other Income	3(b)	147	1,744
Employee expenses		(591)	(700)
Depreciation and Amortisation Expenses		(579)	(677)
Finance Costs		(462)	(470)
Loss on disposal of tenements and plant and equipment		(24)	(148)
Care and Maintenance Costs		(829)	(979)
Corporate and Other Expenses		(618)	(1,278)
Loss Before Income Tax		(1,882)	(1,108)
Income Tax Expense		-	-
Loss After Income Tax for the Period		(1,882)	(1,108)
Other Comprehensive Income for the Period, Net of Tax		-	-
Total Comprehensive Loss for the Period		(1,882)	(1,108)
Total Comprehensive Loss Attributable to:			
Owners of the Parent		(1,882)	(1,108)
Total Comprehensive Loss for the Period			
		(1,882)	(1,108)
Earnings per Share			
Basic Loss per Share (Cents Per Share)	4	(1.03)	(0.61)
Diluted Loss per Share (Cents Per Share)	4	(1.03)	(0.61)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

		Consolidated	
		30 June	31 December
	Notes	2016	2015
		\$'000	\$'000
Assets			
Current Assets			
Cash and Cash Equivalents	5	1,873	1,995
Short-term deposit	5	51,500	55,615
Trade and Other Receivables		1,144	1,148
Financial Assets		188	150
Total Current Assets		54,705	58,908
Non-Current Assets			
Restricted Cash	5	16,106	16,331
Inventories		1,293	1,293
Plant and Equipment		2,914	3,480
Exploration and Evaluation Assets	6	54,469	50,613
Total Non-Current Assets		74,782	71,717
Total Assets		129,487	130,625
Liabilities			
Current Liabilities			
Trade and Other Payables		730	260
Provisions		171	351
Total Current Liabilities		901	611
Non-Current Liabilities			
Other Payable		81	81
Provisions		26,570	26,116
Total Non-Current Liabilities		26,651	26,197
Total Liabilities		27,552	26,808
Net Assets		101,935	103,817
Equity			
Issued Capital	7(a)	427,167	427,167
Reserves		(6,995)	(6,995)
Accumulated Losses		(318,237)	(316,355)
Total Equity		101,935	103,817

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Issued Capital	Accumulated Losses	Reserves	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at 31 December 2015	427,167	(316,355)	(6,995)	103,817
Total Comprehensive Loss for the period	-	(1,882)	-	(1,882)
Balance as at 30 June 2016	427,167	(318,237)	(6,995)	101,935
Balance as at 31 December 2014	427,167	(313,525)	(6,995)	106,647
Total Comprehensive Loss for the period	-	(1,108)	-	(1,108)
Balance as at 30 June 2015	427,167	(314,633)	(6,995)	105,539

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 30 JUNE 2016

	Consolidated	
	6 months to	6 months to
	30 June	30 June
	2016	2015
	'\$000	'\$000
Cash Flows from Operating Activities		
Payments to Suppliers and Employees (Including GST)	(1,625)	(4,983)
Royalties Paid	(41)	(5)
Other Income	88	1,697
Interest Received	1,123	1,356
Bank charges	(67)	(100)
Net Cash Outflow from Operating Activities	(522)	(2,035)
Cash Flows from Investing Activities		
Proceeds from Sale of Non-Current Assets	-	152
Acquisition of Plant and Equipment	(13)	(43)
Decrease/(Increase) in short-term deposits	4,115	(3,707)
Exploration Expenditure	(3,927)	(3,049)
Net Cash Inflow/(Outflow) from Investing Activities	175	(6,647)
Cash flows from Financing Activities		
Payback from Performance Bonds	225	2,498
Net Cash Inflow from Financing Activities	225	2,498
Net Decrease in Cash and Cash Equivalents	(122)	(6,185)
Cash and Cash Equivalents at the Beginning of the Period	1,995	9,210
Cash and Cash Equivalents at the Ending of the Period	1,873	3,025

5

The accompanying notes form part of these financial statements.

Notes to the Consolidated Interim Financial Report for the Half Year Ended 30 June 2016

Note 1: Basis of preparation of half-year report

The interim financial report of Focus Minerals Limited ("the Company"), together with its consolidated controlled entities ("the Group") for the half-year reporting period ended 30 June 2016 has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 31 December 2015 and any public announcements made by Focus Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of previous financial year and corresponding interim reporting period, unless otherwise noted below.

(a) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(b) Impacts of standards issued but not yet applied by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been early adopted by the group. The company's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial instruments (1 January 2018)

A finalised version of AASB 9 which contains accounting requirements for financial instruments, replacing AASB 139 Financial Instruments: Recognition and Measurement. The standard contains requirements in the areas of classification and measurement, impairment, hedge accounting and derecognition. The company is yet to assess the full impact of the standard, but do not expect the impact to be material to future reporting periods.

(ii) AASB 15 Revenue from contracts with customers (1 January 2018)

AASB 15 provides a single, principles-based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. Management is currently in the process of assessing the impact of the new standard.

(iii) AASB 16 Leases (1 January 2019)

AASB 16 provides a new lessee accounting model which requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. AASB 16 contains disclosure requirements for lessees. Management is currently in the process of assessing the impact of the new standard.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 2: Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Interim Chief Executive Officer.

All of Focus Minerals Limited's subsidiaries are wholly owned. The Group has three reportable segments, as described below, which are the Group's strategic business units. The business units are managed separately as they require differing processes and skills. The Chief Executive Officer reviews internal management reports on a monthly basis.

Segment Financial Information for the six months ended 30 June 2016 is presented below:

	6 months to 30 June 2016 Coolgardie \$'000	6 months to 30 June 2016 Laverton \$'000	6 months to 30 June 2016 Corporate \$'000	6 months to 30 June 2016 Consolidated \$'000
Revenue from continuing operations	1	14	1,059	1,074
Other Income	109	-	38	147
Employee expenses	(47)	-	(544)	(591)
Depreciation and Amortisation Expenses	(523)	-	(56)	(579)
Finance Costs	(175)	(220)	(67)	(462)
Loss on disposal of tenements and plant and equipment	-	(24)	-	(24)
Care and Maintenance Costs	(343)	(486)	-	(829)
Corporate and Other Expenses	-	-	(618)	(618)
SEGMENT LOSS BEFORE TAX	(978)	(716)	(188)	(1,882)
Income tax	-	-	-	-
SEGMENT LOSS	(978)	(716)	(188)	(1,882)
Current Assets	506	595	53,604	54,705
Non-Current Assets				
- Restricted Cash	96	15	15,995	16,106
- Plant and Equipment	2,900	-	14	2,914
- Inventory	1,293	-	-	1,293
- Exploration and Evaluation Assets	35,036	19,433	-	54,469
TOTAL ASSETS	39,831	20,043	69,613	129,487
Current Liabilities	(244)	(457)	(200)	(901)
Non-Current Liabilities	(11,912)	(14,630)	(109)	(26,651)
TOTAL LIABILITIES	(12,156)	(15,087)	(309)	(27,552)
NET ASSETS	27,675	4,956	69,304	101,935
Capital Expenditures	2,760	1,133	-	3,893

Segment Financial Information for the six months ended 30 June 2015 is presented below:

	6 months to 30 June 2015 Coolgardie \$'000	6 months to 30 June 2015 Laverton \$'000	6 months to 30 June 2015 Corporate \$'000	6 months to 30 June 2015 Consolidated \$'000
Revenue from continuing operations	13	117	1,270	1,400
Other Income	273	428	963	1,744
Employee expenses	(49)	(13)	(638)	(700)
Depreciation and Amortisation Expenses	(614)	-	(63)	(677)
Finance Costs	(170)	(200)	(100)	(470)
(Loss)/profit on disposal of tenements and plant and equipment	(1)	(201)	55	(147)
Care and Maintenance Costs	(433)	(547)	-	(980)
Corporate and Other Expenses	-	-	(1,278)	(1,278)
SEGMENT (LOSS)/PROFIT BEFORE TAX	(981)	(416)	289	(1,108)
Income tax	-	-	-	-
SEGMENT (LOSS)/PROFIT	(981)	(416)	289	(1,108)
Current Assets	423	929	64,123	65,475
Non-Current Assets				
- Restricted Cash	705	5,822	10,098	16,625
- Plant and Equipment	3,965	-	121	4,086
- Inventory	1,293	-	-	1,293
- Exploration and Evaluation Assets	29,619	15,972	-	45,592
TOTAL ASSETS	36,005	22,724	74,342	133,071
Current Liabilities	(470)	(455)	(809)	(1,734)
Non-Current Liabilities	(11,525)	(14,260)	(13)	(25,798)
TOTAL LIABILITIES	(11,995)	(14,715)	(822)	(27,532)
NET ASSETS	24,010	8,009	73,520	105,539
Capital Expenditures	1,658	916	1	2,575

Note 3: Revenue and Other Income

	Consolidated	
	6 months to 30 June 2016 \$'000	6 months to 30 June 2015 \$'000
(a) Revenue from continuing operations		
Interest income	1,074	1,400
Total revenue from continuing operations	1,074	1,400
(b) Other income		
Sundry income	147	1,744
Total Other income	147	1,744

Note 4: Earnings per Share

	Consolidated	
	6 months to 30 June 2016 Cents per Share	6 months to 30 June 2015 Cents per Share
<i>Basic earnings per share:</i>		
Total Basic EPS	(1.03)	(0.61)
<i>Diluted earnings per share</i>		
Total Diluted EPS	(1.03)	(0.61)
<i>Basic Earnings per share</i>	‘\$000	‘\$000
The earnings used in the calculation of basic earnings per share	(1,882)	(1,108)
Weighted average number of ordinary shares for the purposes of basic earnings per share	182,748,565	182,748,565
<i>Diluted Earnings per share</i>	‘\$000	‘\$000
The earnings used in the calculation of diluted earnings per share	(1,882)	(1,108)
Weighted average number of ordinary shares for the purposes of diluted earnings per share	182,748,565	182,748,565

Note 5: Cash and Cash Equivalents, Short Term Deposits and Restricted Cash

	Consolidated	
	As at	As at
	30 June	31 December
	2016	2015
	\$'000	\$'000
Cash and cash equivalents	1,873	1,995
Short term deposits	51,500	55,615
	53,373	57,610
Non- current – restricted cash	16,106	16,331

Cash at bank earns interest at floating rates based on daily deposit rates.

Cash deposits are made for varying periods up to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective commercial short-term deposit rates which is recognised as cash and cash equivalents

Short-term deposits are made longer than three months but shorter than one year.

Performance bonds have been issued by a bank on behalf of the Group in respect of Western Australian mining tenements. The Group has indemnified the bank against any loss arising from the performance bonds and the indemnity is secured against cash deposits. Those are recognised as restricted cash.

Note 6: Exploration and Evaluation Assets

	Consolidated	
	6 months to	As at
	30 June	31 December
	2016	2015
	\$'000	\$'000
Exploration and Evaluation Expenditure:		
At Cost	161,647	157,791
Less: Accumulated Impairment	(107,178)	(107,178)
Net Book Value	54,469	50,613
Movement Summary:		
Carrying amount at beginning of the period	50,613	
plus – exploration expenditure	3,880	
less – write off of tenements allowed to lapse or dropped	(24)	
Carrying amount at end of period	54,469	

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest;
- the results of future exploration;
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale; and
- no significant changes in laws and regulations that greatly impact the Group's ability to maintain tenure.

Note 7: Issued Capital and Reserves

Authorised Capital

The Company does not have an Authorised Capital and there is no par value for ordinary shares.

(a) Ordinary shares

	As at 30 June 2016		As at 31 December 2015	
	No. of shares	\$'000	No. of shares	\$'000
Issued capital	182,748,565	427,167	182,748,565	427,167

In May 2015, Focus Minerals Ltd consolidated 9,137,375,877 fully paid ordinary shares into 182,748,565 on a 1 for 50 basis.

Share Issue Details

There were no shares issued during the half year period.

Voting Entitlements

At each shareholder's meeting each ordinary share is entitled to one vote on the calling of a poll, otherwise each shareholder is entitled to one vote on a show of hands.

(b) Dividends

No dividends have been paid or provided for during the 6 months ended 30 June 2016 (6 months ending 30 June 2015: Nil).

Note 8: Related Party Disclosure

Transactions with Related Parties

There are no transactions with related parties during the half year period. (6 months ended 30 June 2015: \$21,802).

Note 9: Significant Events after Balance Date

At the date of this report, there are no events that have arisen after balance date that have significantly affected or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in the future financial periods.

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 16 are in accordance with the Corporations Act 2001, including:
 - a. Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b. Giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the half year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Dianfei Pei
Chairman of the Board
13 September 2016
Jinan, Shandong, China

Independent Auditor's Review Report



Independent auditor's review report to the members of Focus Minerals Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Focus Minerals Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for the Focus Minerals Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Focus Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, 125 St Georges Terrace, PERTH WA 6000, GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Focus Minerals Limited is not in accordance with the *Corporations Act 2001* including:

1. giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Ben Gargett

Ben Gargett
Partner

Perth
13 September 2016