

EMERGING GOLD PRODUCER RAISES A\$8.25M

Focus Minerals Limited (ASX: FML) is pleased to announce that it has raised \$A8.25m via a share placement in institutional investors to expedite funding for big ticket spare parts for the Three Mile Hill mill and for increased exploration and reserve definition drilling.

Approximately half of the proceeds – which will be raised through the placement of 206.4 million shares at 4 cents each to institutional clients of Sydney based Petra Capital – will be used to acquire crucial spare parts for Focus' refurbished Three Mile Hill mill.

When the decision to refurbish the Three Mile Hill treatment facility was taken, the Company had also decided that significant insurance spares with long lead times would be purchased out of cash flow next year.

Recent breakdowns at the Greenfields treatment facility had caused the Company to rethink this strategy and while the suspension of milling has had little or no effect on Focus' production, it has served as a timely reminder that from time to time things do breakdown and being prepared for this is very important.

Focus Chairman, Mr Don Taig, said the raising underpinned the Company's strong financial position, but also recognised the critical nature of ensuring future milling operations could continue without major incident once the refurbished plant was commissioned.

"About half of the funds raised will be directed to the purchase of spare parts, particularly those that would take some time to arrive from overseas and will essentially amount to an insurance policy for the Company," said Mr Taig.

"The purchase of these 'big ticket' spare parts will allow Focus to significantly mitigate the risk of having to suspend operations at Three Mile Hill in the event of a breakdown," he added.

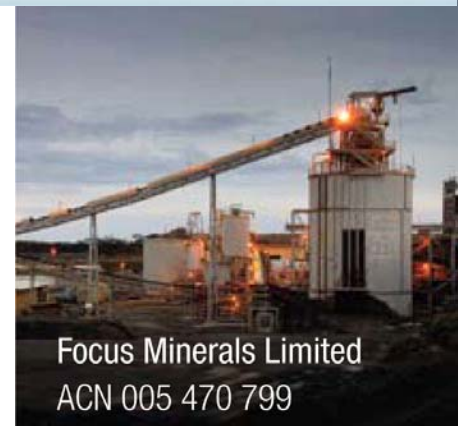
"In addition, the Company has some very exciting drill targets and believes that now is the time to really ramp up the drilling programme in order to convert as much of the Company's resources into commercial reserves," Mr Taig said. "The other half of the raising funds, less costs, will be directed towards this activity."

Focus continues to make solid progress on the refurbishment of its 1.2 million-tonne-a-year Three Mile Hill plant, which is scheduled for completion at the end of November. The Company is forecasting production to increase to 80,000 ounces in 2010, compared with some 41,000 ounces last financial year. It is forecast to rise to more than 100,000 ounces by 2011.

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Focus Minerals Limited
ACN 005 470 799

Australian Securities Exchange

Code: FML

Frankfurt Stock Exchange

Code: FZA

Board of Directors

Mr Donald Taig
Executive Chairman

Mr Chris Hendricks
Non-Executive Director

Mr Phil Lockyer
Non-Executive Director

Senior Management

Mr Campbell Baird
Chief Executive Officer

Mr Peter Williams
Chief Operating Officer

Mr Jon Grygorcewicz
Company Secretary

Mr Clint Baker
Mining Manager

Mr Brad Valiukas
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Exploration Manager

Mr Peter Cash
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Investor Enquiries

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COMPETENT PERSON'S STATEMENT

The information in this report relating to Resources is based on work supervised by Dr Garry Adams who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr. Adams 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 being reported. Dr. Adams is Exploration Manager of Focus Minerals Ltd and consents to the inclusion of the material in the form and content in which it appears.

Forward-Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Focus Minerals Limited, that could cause actual results to differ materially from such statements. Focus Minerals Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

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-Widgiemoorltha 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 an extensive inventory of Measured, Indicated and Inferred gold resources as well as the 1.2mtpa Three Mile Hill processing plant.

Focus commenced maiden commercial gold production in April 2008 through ore sourced from the Company's flagship Perseverance Deposit (Probable Reserve of 129,000oz). Earlier this year, the nearby Countess Deposit (Probable Reserve of 29,000oz) was also brought into production with ore from both deposits currently being milled at the nearby Greenfields treatment plant.