

## Focus Begins Accelerated Development of the Mount into New Stand-Alone Mining Operation

- Outstanding exploration and trial mining results from The Mount deposit pave way to create a 2<sup>nd</sup> operational centre at Widgiemooltha, 80km south of Coolgardie
- Maiden high-grade Reserve at The Mount of 19,100 ounces (69,000t @ 8.6gt) ~ excellent potential for further significant Reserve upgrades in near future
- 7,200 tonnes of ore at 9.2 g/t delivered from project to date ~ 2,150 ounces already produced from development ore
- The Mount to be considered a company maker in its own right with just 2 of 15 lodes so far tested
- Focus continues to expand the Reserve base of all its operations through ongoing exploration and detailed geological modelling

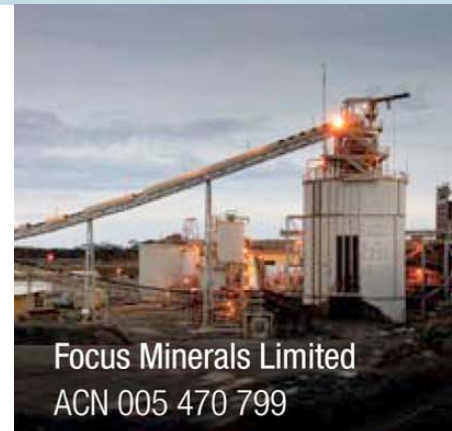
West Australian gold miner Focus Minerals Limited (ASX: FML) continues to build on its status as a mid-tier gold producer after delivering outstanding exploration and trial mining results from **The Mount Deposit**, which have enabled the delivery of a maiden JORC estimated Probable Reserve of **68,000t at 8.6g/t for 19,200 ounces**.

The Mount, which is situated at Widgiemooltha, approximately 80km south of Focus' Tindals Mining Centre at Coolgardie, has a significant Inferred resource of 2.2 million tonnes at 5.5 g/t for 314,000 ounces and has already produced in excess of **7,200 tonnes at 9.2 g/t** from trial mining over the past four months. This has enabled the production of some **2,150 ounces** from The Mount to date, with production for the year expected to be **10,000 ounces**.

Importantly, the underground trial mining to date has been based on **German lode**, but with the Mount made up of some **15 parallel sub-vertical lodes** that are open in all directions and at depth, there is massive upside for additional high-grade reserves. Of particular note is the fact that the average distance between these lodes is only around 15 to 20 metres. (See Figure 1)

The development has already yielded 400 ounces per vertical metre (Figure 2) which has given Focus confidence to move forward and begin to evaluate more aggressive mining models. These models will be aimed at rapidly increasing production by expanding further into the presently known 300 metre footprint of The Mount complex and enabling access to the full **300,000 ounce** resource base to expand Reserves.

Focus Chief Executive, Campbell Baird, said the result had far reaching ramifications over and above that of providing additional feedstock for the Company's recently commissioned 1.2Mtpa Three Mile Hill gold processing facility.



**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 Brad Valiukas  
*Principal Mining Engineer*

Dr Garry Adams  
*Exploration Manager*

Mr Peter Cash  
*Investor Relations Manager*

Mr Chuck McCormick  
*Business Development Manager*

### Share Registry

Computershare Investor Services Pty Ltd

**Investor Enquiries**  
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"The outcomes so far at The Mount have been nothing short of outstanding and it is now shaping up as a second operating centre for the company," said Mr Baird. "With the Mount exceeding initial expectations, we are looking to produce approximately 10,000 ounces from it in 2010, over 20,000 ounces in 2011 and with full expansion, the Mount could produce at a rate equivalent to 60,000 ounces per annum.

"This unrealised potential continues to validate the company's long standing policy of consolidation at Coolgardie and within the goldfields that has seen the company bring together quality tenements within range of our Three Mile Hill Mill Treatment facility.

"The Tindals Mining Centre at Coolgardie continues to progress well for Focus and a second mining centre at The Mount near Widgiemooltha will enhance our production flexibility and open up new opportunities within the region.

Mr Baird said that while it was still early days for the project he felt that people needed to understand that the size and potential of the Mount was something that most companies could only dream of.

"With the Three Mile Hill mill now operational it provides opportunities that would not be available to companies without milling capacity. This has played a big part in allowing us to develop The Mount in stages without the time delays that might be expected if we had to separately plan for mill construction.

"The Mount has a total inferred resource of 2.2 million tonnes at 5.5 g/t for 369,000 ounces and to achieve a Probable Reserve (69,000t at 8.6g/t for 19,100 ounces) after just 4 months of trial mining is a truly outstanding achievement for the team at Focus," added Mr Baird.

The early success attached to mining and development activities at The Mount further underpins the Company's objective of bringing on significant new deposits to progressively add to its reserve inventory. This will allow Focus to organically grow the Company in the first instance, while it continues to seek out additional near-term corporate opportunities as and when they arise.

Focus will continue to develop its Widgiemooltha operations in combination with the aggressive development and exploration currently being carried out at Coolgardie as it ramps up overall production to its targeted +100,000 ounce per annum target from 2011 onwards.

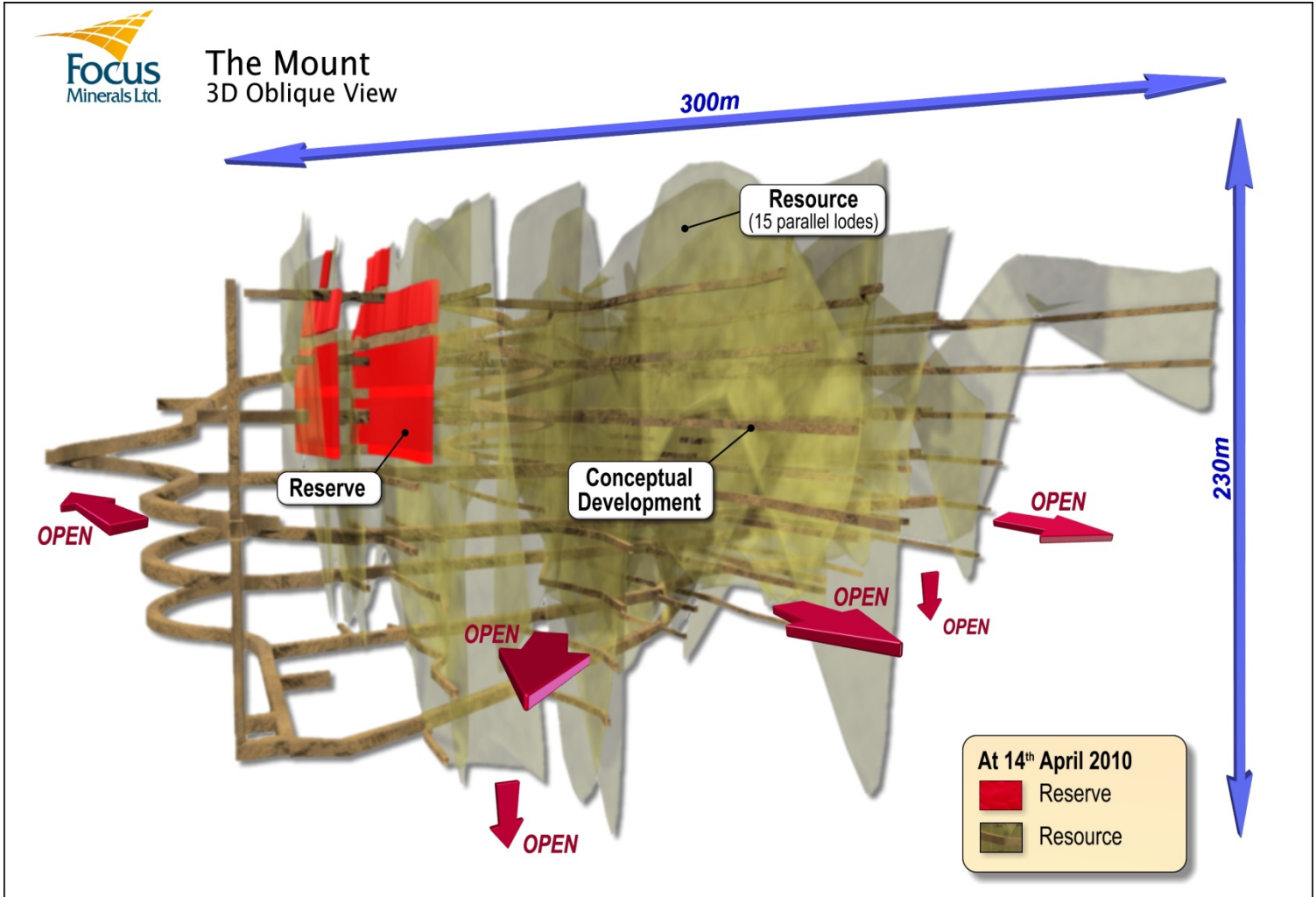
**ENDS**

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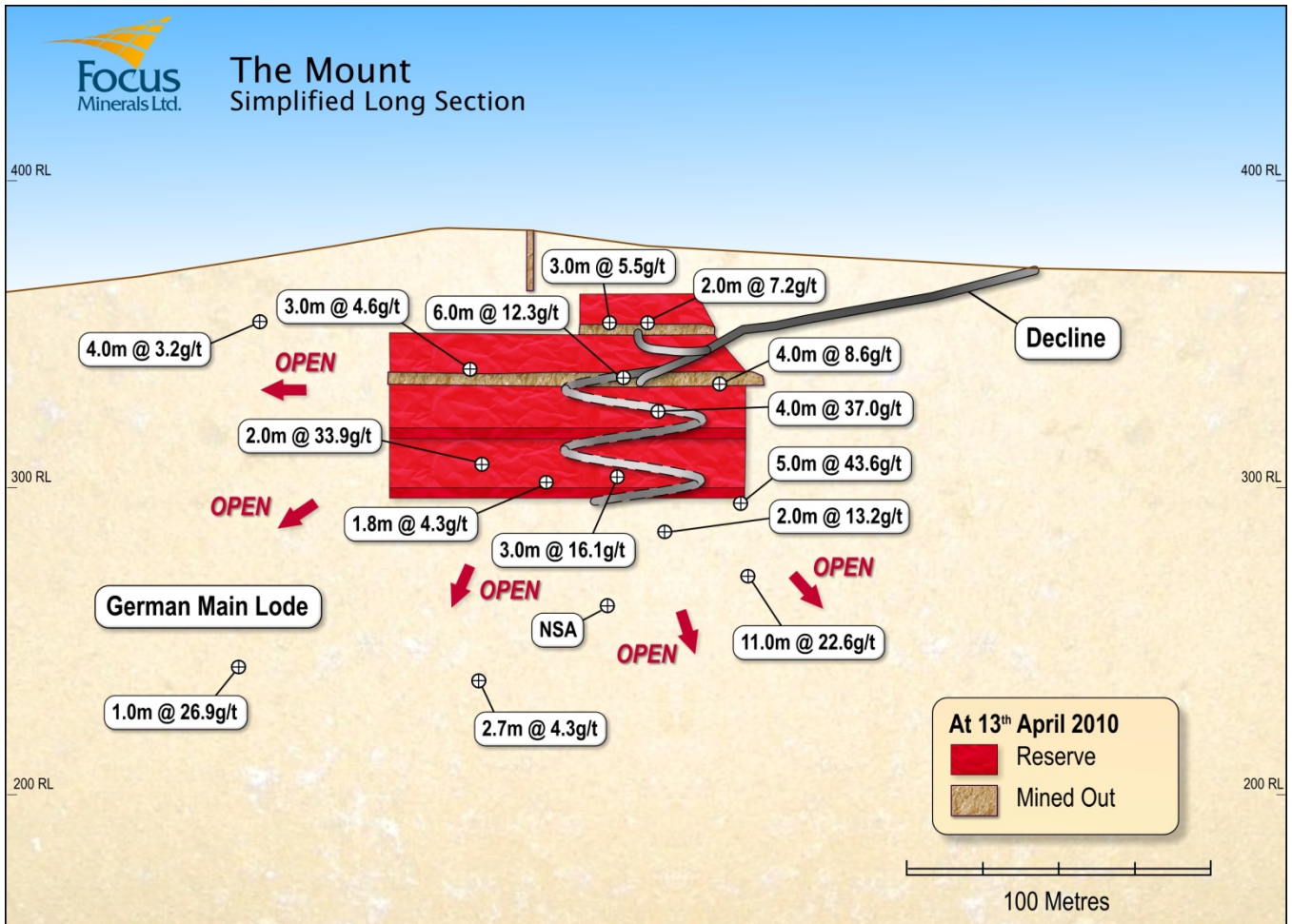
Figure 1 - 3D Oblique view







**Figure 2 – Simplified Long Section**



### **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.

The information in this report that relates to Underground Ore Reserves is based on information compiled by Mr Bradley Valiukas, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Valiukas 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'. Mr Valiukas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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

### **NOTE ON ORE RESOURCE AND RESERVE ESTIMATES.**

All reserves are a subset of the reported resources, that is; the resources are not in addition to the ore reserves. Tables and statements are subject to rounding of significant figures.

### **The Mount**

The localised indicated resource has been generated on the German Main and German West lodes. This resource is a subset of the larger inferred resource that Focus has previously published.

The localised indicated resource has been generated from the mapping and sampling of the current ore development and has been projected up and down where there is sufficient evidence of geological and grade continuity from drilling and other indicators such as surface mapping.

The localised indicated resource includes current mining dilution that has been incurred with the development. The resource is 66,000t @ 9.6g/t for 20,200 contained ounces.

The reserve is the resource, which already includes mining dilution, and an allowance for unplanned recovery (95%) and unplanned dilution factors (11%).