

Focus profit trebles on record production

Highlights

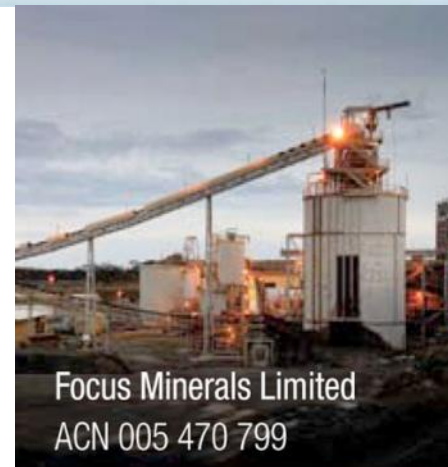
- Net profit for FY2010 up from \$3.1m to \$10.9m
- Production rises 50% to 62,296oz
- Annual cash cost A\$792/oz

Focus Minerals (ASX:FML) is pleased to report that the ramp-up of production at the Company's refurbished processing plant has underpinned a **record \$10.9 million net profit** for the year to June 30, 2010.

The result compares with a \$3.1 million net profit in the previous corresponding period and comes on the back of a 70 % rise in revenue to \$70.7 million.

Focus produced a record **62,296** ounces in the year, up from 41,401 ounces in the previous 12 months.

	FY2010 (\$,000)	FY2009 (\$,000)	Change
Revenue	73,738	43,308	70%
Cost of Sales	(45,452)	(20,666)	120%
Gross Profit	28,226	22,592	25%
Other Expenses & Income	(3,949)	(5,205)	-25%
Net Interest Costs	(1,203)	(3,854)	-69%
Depreciation and Amortisation	(12,192)	(10,386)	17%
	10,882	3,147	246%
Tax	0	0	
Net Profit	10,882	3,147	246%



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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Cash costs for the year were \$792/oz (AUD), an increase from \$603/oz (AUD) reflecting the greater tonnage processed at Three Mile Hill, including a component of lower grade surface stocks.

Major capital expenditure during the year included completion of refurbishment of the Company's Three Mile Hill treatment plant at a cost of \$21.9 million. In addition, \$14.8 million of capital development was spent on the expansion of the underground mine at the Tindals Mining Centre in Coolgardie.

After commencing as an exploration decline in September 2009, The Mount continues to far exceed expectations, producing 15,230 tonnes in the year at an average of 8.4 g/t for 4,090 ounces. Mining continues at The Mount in anticipation of moving to the next phase of exploration development in the December quarter.

Focus' exploration division also enjoyed a highly successful year with expenditure of \$6.3 million. The Company's reserves increased by over 100% from 98,000 ounces to 207,000 ounces and the total resource inventory increased from 1.8 million ounces to over 2 million ounces.

During the year, Focus raised \$8 million through a share placement to fund the acquisition of spare parts and increase the Company's exploration drive. It also repaid all outstanding loans to be debt-free at June 30 with \$10.9 million cash and bullion on hand.

"The past financial year has been one of rapid transformation for Focus," Chief Executive Officer Campbell Baird said. "The ramp-up at Three Mile Hill helped drive a 50% jump in production, which in turn enabled us to treble our profit.

"This investment in the mill has positioned Focus perfectly to enjoy further substantial production increases.

"The progress for the company has been nothing less than outstanding. The past 12 months was the start of an operation at Coolgardie that will last for the next 10 years at least."

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-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.



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 Bradley Valiukas, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Valiukas 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". 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.

Appendix 1 – Focus Minerals Reserves at June 30 2010

Coolgardie Underground Reserves:		Tonnes:	Grade:	Ounces:
Proven:	Perseverance:	32,000	3.1	3,200
	Empress:	40,000	3.4	4,400
	Countess:	126,000	4.1	16,600
	Sub Total:	198,000	3.8	24,200
Probable:	Perseverance:	182,000	4.0	23,300
	Empress:	192,000	3.1	18,800
	Countess:	163,000	3.9	20,200
	Tindals:	140,000	2.7	12,000
	Sub Total:	676,000	3.4	74,300
Total:		874,000	3.5	98,500
Coolgardie Surface Reserves:		Tonnes:	Grade:	Ounces:
Probable:	Greenfields:	1,101,000	1.7	59,900
	Big Blow:	63,000	2.2	4,500
	Dreadnought North:	54,000	1.8	3,100
	Empress:	113,000	2.6	9,500
	Alicia:	160,000	1.8	9,300
Total:		1,490,000	1.8	86,300
The Mount Underground Reserves:		Tonnes:	Grade:	Ounces:
Probable:	German Lodes:	79,000	8.0	20,500
Total:		79,000	8.0	20,500
Total Reserves:		Tonnes:	Grade:	Ounces:
		2,444,000	2.6	205,300
Surface Stocks:		Tonnes:	Grade:	Ounces:
		39,000	2.1	2,600
Reserves and Stocks:		Tonnes:	Grade:	Ounces:
		2,483,000	2.6	207,900



Appendix 2: FOCUS MINERALS RESOURCES at 30 June 2010

	Measured Resources			Indicated Resources			Inferred Resources			Total Resources		
	Tonnes	Grade Au g/t	Ounces	Tonnes	Grade Au g/t	Ounces	Tonnes	Grade Au g/t	Ounces	Tonnes	Grade Au g/t	Ounces
Tindals Project - UG	421,000	5.9	79,800	1,254,000	4.5	182,900	642,000	4.5	93,700	2,317,000	4.8	356,400
Tindals Project - Surface				5,964,000	2.2	413,600	2,207,000	2.5	179,400	8,171,000	2.3	593,000
Tindals Project Total	421,000	5.9	79,800	7,218,000	2.6	596,500	2,849,000	3.0	273,100	10,488,000	2.8	949,400
Mount Project							2,090,000	5.5	369,600	2,090,000	5.5	369,600
Lindsays Project				4,350,000	1.7	237,800	3,562,000	2.0	232,500	7,912,000	1.8	470,300
Three Mile Hill Project				1,386,000	1.9	86,500	138,000	3.0	13,300	1,524,000	2.0	99,800
Norris Project							1,870,000	2.1	124,200	1,870,000	2.1	124,200
Total	421,000	5.9	79,800	12,954,000	2.2	920,800	10,509,000	3.0	1,012,700	23,884,000	2.6	2,013,300