

ASX ANNOUNCEMENT

5 October 2011

STRONG DRILL RESULTS SUPPORT OPEN PIT DEVELOPMENT STRATEGY

- *Focus delivers high-grade drill results at two open pit targets at the Tindals Mining Centre*
- *Establishes maiden Mineral Resource at targets and identifies potential for future open pit development*
- *Drill results at the two targets deliver intersections including:*
 - *5m @ 26.3g/t Au*
 - *2m @ 25.7g/t Au*
 - *16m @ 2.7g/t Au*
 - *12m @ 3.9g/t Au*

Australian gold producer Focus Minerals (ASX: FML) has delivered a strong set of drilling results and posted a maiden Mineral Resource at two surface targets at the Tindals Mining Centre in Coolgardie, supporting its strategy to deliver a sustainable 25-30,000 ounce per annum production from the operation for the next 5 years.

Drilling at the Undaunted and Lady Charlotte targets, both located at the Tindals Mining Centre, has delivered a series of high-grade intercepts including: 5m @ 26.3g/t, 2m @ 25.7g/t, 16m @ 2.7g/t, and 12m @ 3.9g/t (see Figure 1 & Appendix 1).

A 150 metre mineralised strike length has now been outlined at Undaunted and the deposit remains open at depth, with tightly folded mineralised diorites in the area showing strong similarities to Focus' Countess underground operation nearby.

Focus is also pleased to announce that it has established a maiden combined JORC reportable Mineral Resource of 130,000t @ 2.0g/t for 8,250 ounces at Undaunted and 103,000t @ 2.0g/t for 6,500 ounces at Lady Charlotte (see Table 1).

Focus Minerals Chief Executive Campbell Baird said the high-grade intersections and delivery of a maiden resource supported the significant mine life potential for new open pit operations (Figure 2).

"This work has clearly shown the extraordinary gold endowment in the Coolgardie region and the success that comes with a dedication to exploration," said Mr Baird.

"Over the last six months or so we have brought three pits into production and developed a number of targets into significant projects.

"These results indicate promise for ongoing open pit development in accordance with our surface growth strategy."

Drilling at Undaunted targeted previous intercepts from earlier in the year (see ASX release dated 01/03/11) and has identified a mineralised diorite with a strike length of 150m returning significant intercepts including: 16m @ 2.7g/t, 6m @ 4.5g/t and 6m @ 3.1g/t. The program also targeted an area to the south of Undaunted around old workings with multiple significant intercepts including 6m @ 3.8g/t and 3m @ 4.5g/t. The drilling has to date only targeted a depth of 40m and Focus will soon be targeting further results at depth.

Drilling at Lady Charlotte (immediately to the east of Undaunted) has targeted interpreted diorites around some historical intercepts. This has returned a number of high-grade intercepts including: 5m @ 26.3g/t, 2m @ 25.7g/t and 12m @ 3.9g/t. This is the first time Focus has undertaken RC drilling in this location, and highlights the potential in the area.

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BACKGROUND INFORMATION – FOCUS MINERALS LTD

Focus Minerals is an expanding gold producer based in Western Australia's Eastern Goldfields. The company holds the mineral rights to 449km² of tenements and is the largest landholder in the Coolgardie Gold Belt, 35km west of the 'Super Pit' in Kalgoorlie. Focus is currently in production from underground and open pit operations at its flagship Tindals Mining Centre in Coolgardie, adjacent to its 1.2Mtpa Three Mile Hill processing plant. It also recently opened a new high-grade underground mine 85km south of the plant, The Mount. Focus has an 80% shareholding interest in Crescent Gold Limited which owns the Laverton Gold Project, located 250km northeast of Kalgoorlie in Western Australia.

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.

Figure 1. Plan view of the Undaunted and Lady Charlotte areas with interpreted diorites and recent drill hole collar locations.

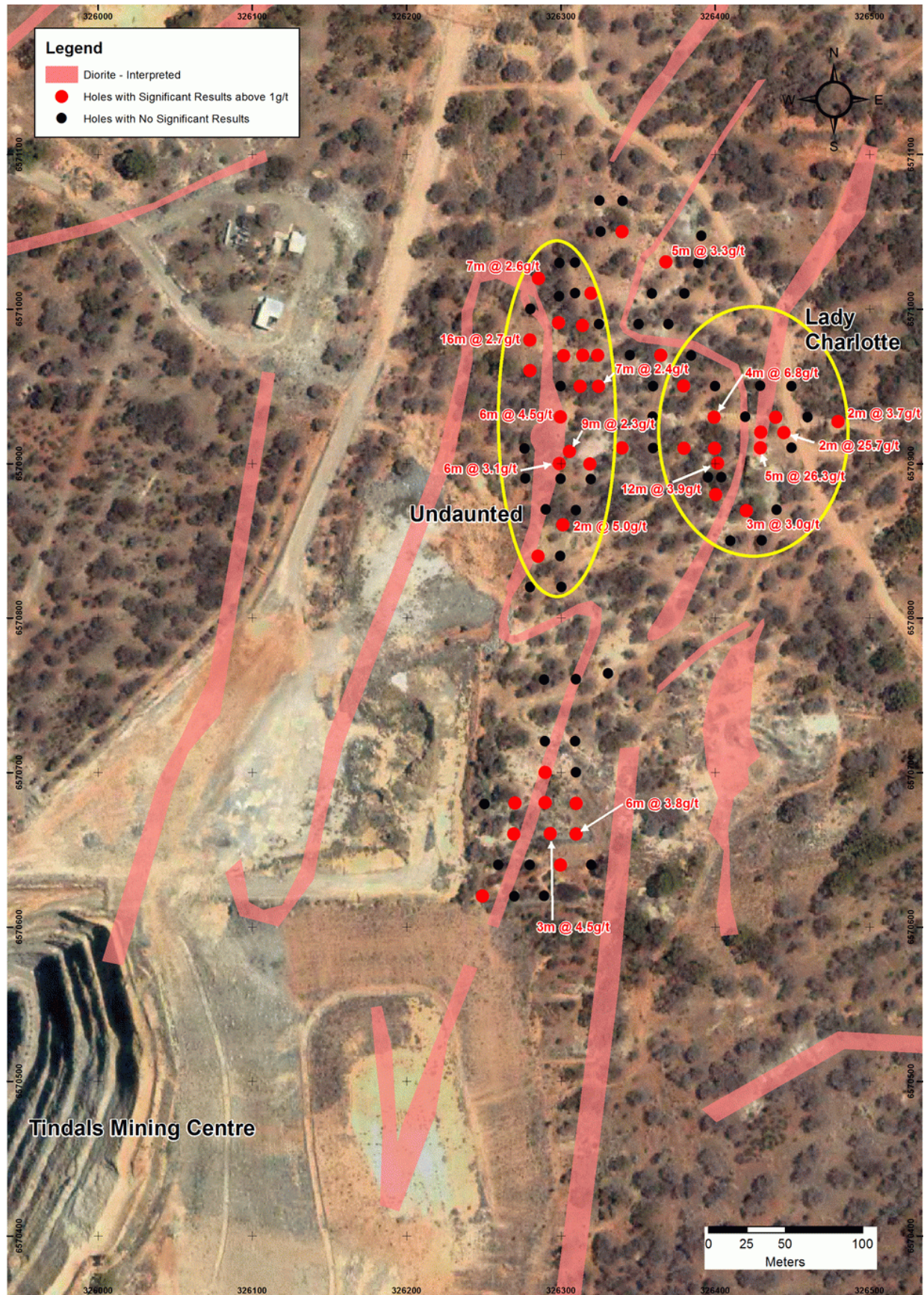


Table 1: Resources at Undaunted and Lady Charlotte

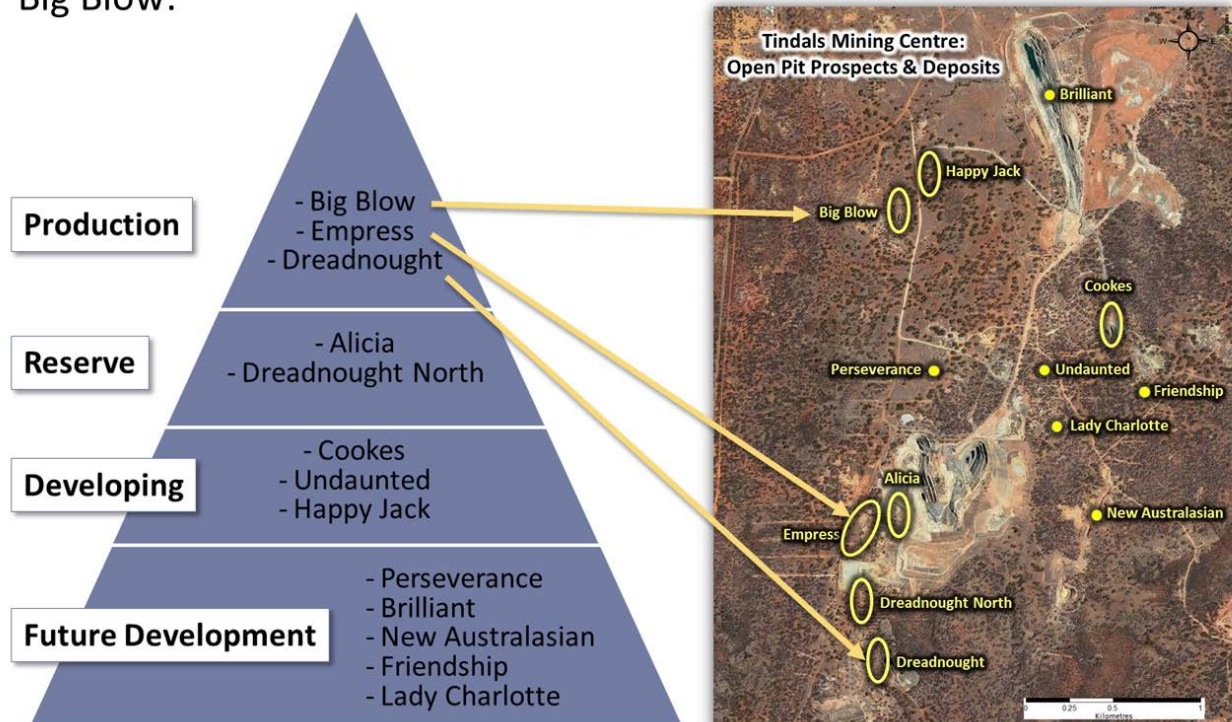
	Indicated Resources			Inferred Resources			Total Resources		
	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces
Undaunted									
Oxide	10	1.8	600	1	1.7	50	11	1.8	650
Transitional	101	1.9	6,100	17	2.7	1,500	118	2.0	7,600
Fresh	0	0.0	0	0	0.0	0	0	0.0	0
Undaunted Total	111	1.9	6,700	18	2.7	1,550	129	2.0	8,250
Lady Charlotte									
Oxide	0	0.0	0	11	1.9	700	11	1.9	700
Transitional	0	0.0	0	92	2.0	5,800	92	2.0	5,800
Fresh	0	0.0	0	0	0.0	0	0	0.0	0
Lady Charlotte Total	0	0.0	0	103	2.0	6,500	103	2.0	6,500
Combined Total Resource	111	1.9	6,700	121	2.1	8,050	232	2.0	14,750

Note: Some errors may result due to rounding.

Figure 2. Tindals Open Pits Development Strategy

Tindals Open Pits Development Strategy

- Empress & Dreadnought now in production. Clearing commenced at Big Blow:



Appendix 1. Results from the recent drill program at Undaunted and Lady Charlotte

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
UNC025	6571047	326391	270	-50	45	NSR			
UNC028	6571030	326389	252	-46	48	NSR			
UNC029	6571030	326368	268	-49	48	30	35	5	3.28
UNC030	6571030	326309	270	-50	48	NSR			
UNC031	6571030	326299	266	-50	48	NSR			
UNC032	6571010	326309	266	-49	48	NSR			
UNC033	6571008	326299	266	-48	48	NSR			
UNC034	6570989	326314	265	-48	48	25	28	3	1.38
UNC035	6570991	326299	266	-49	48	5	12	7	2.21
UNC036	6570970	326314	270	-50	48	29	35	6	1.49
UNC037	6570970	326302	271	-48	48	15	18	3	2.28
UNC038	6570950	326313	273	-48	48	24	34	10	1.96
UNC039	6570950	326300	268	-52	48	NSR			
UNC040	6570930	326300	261	-50	48	12	18	6	4.52
UNC041	6570930	326460	270	-45	48	NSR			
UNC042	6570930	326439	270	-50	48	25	30	5	2.34
UNC043	6570930	326420	270	-48	48	NSR			
UNC044	6570930	326400	269	-50	48	20	24	4	6.79
						29	32	3	6.75
UNC045	6570910	326450	271	-48	48	NSR			
UNC046	6570910	326429	264	-50	48	10	15	5	26.26
UNC047	6570870	326440	272	-50	48	NSR			
UNC048	6570870	326420	265	-49	48	14	17	3	3.02
UNC049	6570908	326306	269	-48	48	14	23	9	2.33
						27	30	3	2.61
UNC050	6570900	326319	268	-50	48	32	35	3	1.38
UNC051	6570900	326299	270	-50	48	8	14	6	3.08
UNC052	6570890	326320	273	-53	48	NSR			
UNC053	6570890	326300	273	-60	48	NSR			
UNC054	6570870	326310	271	-52	48	NSR			
UNC056	6570860	326301	268	-52	48	35	37	2	4.95
UNC057	6570840	326300	266	-52	48	NSR			
UNC058	6570840	326285	270	-51	48	18	25	7	1.76
UNC059	6570820	326300	270	-52	48	NSR			
UNC060	6570820	326280	270	-50	48	NSR			
UNC068	6570764	326331	270	-50	48	NSR			
UNC069	6570760	326310	273	-49	48	NSR			
UNC070	6570760	326289	267	-49	48	NSR			
UNC073	6570720	326309	272	-52	48	NSR			
UNC074	6570720	326290	271	-49	48	NSR			
UNC081	6570680	326310	268	-48	48	37	41	4	1.12
UNC082	6570680	326290	274	-50	48	23	26	3	1.82
UNC083	6570680	326270	264	-48	48	13	17	4	1.48
UNC084	6570679	326251	270	-48	48	NSR			
UNC085	6570660	326310	272	-48	48	39	45	6	3.78
UNC086	6570660	326293	262	-48	48	22	25	3	4.49
						31	33	2	2.24

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
UNC092	6570640	326320	268	-48	48	NSR			
UNC093	6570640	326300	268	-50	48	27	31	4	2.90
						40	44	4	1.52
UNC094	6570640	326280	266	-50	48	NSR			
UNC095	6570640	326260	270	-50	48	NSR			
UNC132	6570850	326430	270	-50	48	NSR			
UNC133	6570850	326410	270	-51	48	NSR			
UNC134	6570891	326404	90	-51	48	NSR			
UNC135	6570891	326395	90	-51	48	NSR			
UNC136	6570950	326449	272	-49	48	NSR			
UNC137	6570950	326429	94	-50	48	NSR			
UNC138	6571070	326325	91	-52	48	NSR			
UNC139	6571070	326340	95	-52	48	NSR			
UNC140	6571050	326326	94	-50	48	NSR			
UNC141	6571050	326340	91	-50	48	24	45	21	1.91
UNC142	6571010	326380	270	-50	48	NSR			
UNC143	6571010	326359	267	-52	48	NSR			
UNC144	6571010	326320	269	-50	48	34	42	8	1.79
UNC146	6570990	326370	273	-50	48	NSR			
UNC147	6570990	326350	274	-50	48	NSR			
UNC148	6570990	326325	265	-50	48	NSR			
UNC149	6570970	326324	271	-50	48	41	48	7	2.05
UNC150	6570950	326324	273	-52	48	41	48	7	2.40
UNC151	6570910	326277	270	-50	48	NSR			
UNC152	6570890	326277	273	-49	48	NSR			
UNC153	6570870	326290	269	-50	48	NSR			
UNC233	6570970	326384	270	-46	48	NSR			
UNC234	6570970	326365	270	-49	48	39	40	1	1.06
UNC235	6570970	326345	272	-49	48	NSR			
UNC236	6570950	326400	267	-48	48	NSR			
UNC237	6570950	326380	269	-48	48	15	16	1	1.81
UNC238	6570950	326360	268	-49	48	NSR			
UNC239	6570930	326360	269	-49	48	NSR			
UNC240	6570910	326400	270	-50	48	14	15	1	1.77
UNC241	6570910	326380	272	-57	48	22	24	2	1.20
UNC242	6570910	326360	272	-48	48	NSR			
UNC243	6570910	326340	271	-50	48	17	18	1	1.02
UNC248	6570700	326310	270	-49	48	NSR			
UNC249	6570700	326290	269	-48	48	17	21	4	1.19
UNC250	6570660	326270	269	-51	48	7	11	4	1.79
UNC251	6570620	326289	269	-48	48	NSR			
UNC252	6570620	326270	268	-48	48	NSR			
UNC253	6570620	326249	271	-51	48	5	12	7	1.06

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
UNC266	6570880	326400	96	-50	48	27	29	2	1.63
UNC267	6570900	326402	90	-50	48	26	38	12	3.90
UNC268	6570927	326480	268	-50	48	12	14	2	3.69
UNC269	6570920	326445	274	-52	48	31	35	4	1.82
						45	47	2	25.65
UNC270	6570920	326430	270	-50	48	31	37	6	2.79
UNC273	6570960	326280	91	-58	48	19	39	20	1.89
UNC274	6570980	326280	89	-59	48	12	28	16	2.67
UNC275	6571000	326280	87	-60	48	NSR			
UNC276	6571020	326286	88	-59	48	30	37	7	2.61

Note to accompany Drill Results Table

RC holes are sampled to 1m intervals. All samples are assayed using a 400 gram Pulverize and Leach (PAL) system at Focus' on Site assay laboratory. All mineralised intersections are then sent to Amdel to be assayed with the 40 gram fire assay method. All mineralised intersections are quoted as down-hole lengths with uncut gold values. The true thickness is approximately 65% of the down-hole length. Gold grades are reported at a nominal cut-off grade of 1g/t Au. NSR = "no significant result" (above 1g/t).

Notes to accompany the Mineralised Resource Statement

The Undaunted and Lady Charlotte deposits are hosted within tightly folded silica altered ("bleached") diorite intrusions within an ultramafic sequence. The lodes vary in width from 2-10m. While most of the resource defined so far is in the oxide weathering zone, some quartz-sulphide micro-veins have been logged with associated pyrrhotite in the transitional weathering zone. Silica alteration is also evident. The geology seen in the Undaunted and Lady Charlotte area would suggest that the mineralisation style is similar to other diorite hosted deposits in the Tindals Mining Centre. No visible gold has been seen.

The resource is a result of drilling done during 2011 by Focus and pre-Focus drilling. The updated interpretations were then used to create a new resource model for the deposits.

Drilling Information

The Undaunted / Lady Charlotte area has been drilled with a total of 227 RC drill holes for a total of 11,959m. Historical mining has been undertaken in the area in the form of old historic shafts and minor stoping from these. Drill spacing is generally 20m x 20m in the resource areas.

The drill holes completed in the area are mostly shallow (no greater than 48m depth) and deviation is assumed to be minimal. A few historic deeper holes drilled at Lady Charlotte were down hole surveyed with EMS. All recent drill holes were surveyed in GDA94. All drilling has been logged (lithology, alteration, veining and mineralisation) in detail and stored in electronic databases after being validated.

Most samples (Focus and pre-Focus drilling) have been assayed using the Fire Assay method at ALS Chemex or Kalgoorlie Assay Laboratory in Kalgoorlie. For drilling since 2005 a 30g Fire Assay with AAS finish was used at ALS Chemex, while a 40g Fire Assay with ICP-MS finish method at the Kalgoorlie Assay Laboratories. The remaining samples (approximately 20%) were assayed by Leachwell method at the Three Mile Hill on site laboratory. The Leachwell method is generally used as a first pass assaying method, with all intercepts then sent for Fire Assay. In this case however, the residues were destroyed and the follow-up Fire Assay on the samples was therefore not carried out. Any areas with Leachwell results were classified as Inferred Mineral Resource.

Geological Model

The geological interpretation (geology and mineralisation) and the resource estimation were conducted internally. The mineralised interpretation was digitised to either geological boundaries or a nominal 0.5g/t cut-off grade where the geological contact was obscure. No mining dilution has been incorporated into the resource interpretation, although some low grade zones (<0.5g/t) have been included to allow for continuity of the interpretation. The interpretation was extrapolated either 20m past the last drill hole, or half way to the next drill hole closing off the mineralisation (which ever was the smallest distance).

Samples within individual wireframes were composited to 1m intervals. The composites were used to determine the necessary top cuts, which were done by a combination of Skree Plots and cumulative frequency plot analysis. The top cut value applied to Undaunted was 8.5g/t Au, with a 10g/t Au top cut applied to Lady Charlotte.

A Surpac block model was created in GDA grid co-ordinates. The estimation was completed using the Ordinary Kriging (OK) method.

A bulk density of 1.8t/m³ was applied to the oxide material and 2.4t/m³ to the transitional material in the model. No fresh material exists within the model due to the shallow drilling conducted. The density values applied are the typical values for oxide and transitional material in the Coolgardie region.

The reported grades, tonnages and contained ounces are rounded to appropriate levels of precision in accordance with the recommendations of the JORC Code. The Mineral Resource has been reported at a 1g/t lower cut-off grade and is depleted by using the known historical void pickups in the area.