

QUARTERLY ACTIVITIES REPORT DECEMBER 2011

OVERVIEW

CORPORATE

- Group gold production for the Quarter was 34,211oz, inclusive of an attributable 12,779oz from the Laverton operations.
- Coolgardie delivered revenue of A\$33.3M from gold sales of 19,922oz at an average price of A\$1,670/oz.
- Laverton delivered gross sales revenue of \$26.3M from sales of 15,666oz produced in the December Quarter at an average price of \$1,676/oz.
- Capital investment and exploration expenditure at Coolgardie for the Quarter totalled \$10.48M, comprising \$6.23M of mine capital development and \$4.25M of exploration expenditure.
- At the end of the Quarter, Focus had cash and bullion equivalents of \$14.3M and remains hedge free.

OPERATIONS

Coolgardie, Western Australia

- Coolgardie Operations produced 21,432oz at a cash cost of \$1,076/oz compared to a cash cost of \$977/oz in the previous Quarter. Operating costs were adversely affected by an unscheduled mill reline and shutdown costs incurred during December.
- Second best Quarter on record mining 231,878t @ 3.15g/t for 23,463oz.
 - The Mount delivered its best Quarter since entering production mining 6,047oz, a 29% increase on the September Quarter.
 - The commencement of development of the Big Blow open pit saw the Tindals Open Pits deliver 3,967oz, despite the impact of unseasonal rain which impacted 15 days production during October and November.
 - The Tindals underground mine delivered 13,449oz for the Quarter with the month of December being the strongest in the 2011 Calendar Year for ounces produced.
- 13,859m of infill and resource/reserve extension diamond drilling was completed at Tindals Underground with 5,015m drilled at surface targets at Tindals.
- The Three Mile Hill mill delivered another solid Quarter with 298,876t processed at an average gold recovery of 95.4%.
- During the Quarter, Focus commenced a major capital works program to expand the tailings dam at Three Mile Hill.

Laverton

- The Laverton operations mined 445,120t @ 2.53g/t for gold in ore of 36,229oz in the December Quarter.
- A total of 411,012t @ 1.32g/t was processed over the 32 day campaign under the Ore Purchasing Agreement at Barrick Granny Smith (a daily gold production of 490oz, equivalent to 98,000ozpa based on Crescent's allocated 200 processing days per calendar year).
- This saw the Laverton operations produce a total of 15,666oz of gold with 12,779oz attributable to Focus.
- Crescent achieved an average gold sale price of A\$1,676/oz to deliver gross sales revenue of \$26.3m.
- Cash operating costs for the Quarter were \$1,467/oz, a reduction of \$129 on the September Quarter's costs of \$1,596/oz.
- Commenced pre-strip and development of the Apollo pits, where Crescent has an Ore Reserve of 1.06Mt @ 1.9g/t for 64,000oz.
- Stockpiled 353,800t @ 1.84g/t at the ROM pad at Granny Smith by the end of the Quarter in preparation for Campaign 10. The 50 day campaign commenced on 8 January 2012.
- Development studies focused on the Apollo, Eclipse, Calypso, Aurora, and Lord Byron deposits with 8,529m of RC and 780m of diamond drilling.

EXPLORATION

Coolgardie

- Drilling in the Undaunted area confirmed depth extensions with best intersections including: 11m @ 5.4g/t; 14m @ 4.8g/t; 4m @ 6.5g/t; 5m @ 6.0g/t; 8m @ 4.8g/t and 2m @ 15.8g/t.
- Drilling at the Norris Project, 15km southwest of Coolgardie identified at least two sub parallel mineralised zones.
- Extensive target generation exercise undertaken across the northern half of the Coolgardie tenement package identifying numerous targets for which Heritage surveys were completed for many of the targets.

Treasure Island

- Preliminary results from aircore programme identified second gold bearing system running through the project.
- In fill reconnaissance drilling commenced late in the Quarter with a second aircore rig on site to test a palaeochannel system to the north of the island.

Laverton

- Regional geochemistry sampling continued on selected tenements and areas plus a small drilling programme located on the southern extensions of the Chatterbox Shear system.



Campbell Baird, CEO

GROUP PRODUCTION

Group Production Summary

The Focus Group produced 34,211oz of gold for the December Quarter, with 21,432oz produced at its Coolgardie operations and an attributable 12,779oz from the Crescent Gold Laverton operations.

Gold revenue for the Quarter from Coolgardie was A\$33.3 million from gold sales of 19,922oz at an average price of A\$1,670/oz. Cash operating costs for the Quarter were A\$1,076/oz compared to \$977/oz in the previous Quarter. Operating costs were adversely affected by mill reline and shutdown costs incurred during December.

Gold revenue from the Laverton operations was A\$26.3M from production in the December Quarter of 15,666oz at an average price of A\$1,676/oz. Cash operating costs at Laverton were \$1,467/oz, down from \$1,596 in the September Quarter.

Table 1: Mining and Cartage for the December 2011 Quarter.

		Dec 2011	Sep 2011	Jun 2011	Mar 2011	Dec 2010
Tindals Mining Centre Underground						
Ore Mined	(tonnes)	132,739	147,589	160,056	132,382	151,412
Grade	g/t	3.16	3.30	3.17	3.37	3.56
Gold In Ore	ounces	13,449	15,662	16,315	14,354	17,339
Tindals Mining Centre Open Pits						
Ore Mined	(tonnes)	56,187	68,137	17,000	-	-
Grade	g/t	2.20	1.81	1.67	-	-
Gold In Ore	ounces	3,967	3,968	910	-	-
The Mount Underground						
Ore Mined	(tonnes)	42,952	33,755	21,469	5,404	5,242
Grade	g/t	4.38	4.32	2.81	3.36	8.38
Gold In Ore	ounces	6,047	4,689	1,940	584	1,412
Total Mined						
Ore Mined	(tonnes)	231,878	249,481	198,525	137,786	156,654
Mined Grade	g/t	3.15	3.03	3.00	3.37	3.72
Gold In Ore	ounces	23,463	24,319	19,165	14,938	18,751
Low Grade						
Ore Treated	(tonnes)	66,998	41,839	88,651	121,877	170,665
Grade	g/t	1.0	1.0	1.0	1.0	1.0
Gold In Ore	ounces	2,154	1,345	2,850	3,918	5,487
Laverton Gold Project – Attributable Mined Production*						
Ore Mined	(tonnes)	363,084	142,734	-	-	-
Grade	g/t	2.53	2.41	-	-	-
Gold In Ore	ounces	29,552	11,041	-	-	-

Note: Material movement to various ROM pads within Company's operations. Material may be in stockpiles. Errors may occur due to rounding's.

Table 2: Milling & Gold Sales

		Dec 2011	Sep 2011	Jun 2011	Mar 2011	Dec 2010
Three Mile Hill						
Ore	(tonnes)	298,876	291,320	287,176	286,251	327,319
Head Grade	g/t	2.34	2.45	2.15	2.14	2.18
Contained Gold	ounces	22,456	22,947	19,851	19,714	22,891
Gold Recovery	%	95.4	95.3	91.4	93.3	91.7
Gold Produced	ounces	21,432	21,908	18,102	18,391	21,039
Gold Sold	ounces	19,922	21,582	18,443	19,942	19,570
Av. Price Received	(A\$/oz)	\$1,670	\$1,583	\$1,419	\$1,378	\$1,388
Coolgardie Cash Operating Costs						
Direct costs (inc royalty)	(A\$/oz)	\$1,076	\$944	\$981	\$878	\$877
Laverton Gold Project – Attributable Gold Production*						
Ore Treated	(tonnes)	335,262	318,335	-	-	-
Head Grade	g/t	1.32	1.5	-	-	-
Gold Produced	ounces	12,779	13,739	-	-	-
Laverton Cash Operating Costs						
Direct costs (incl royalty)	(A\$/oz)	\$1,467	\$1,596	-	-	-
FML GROUP TOTAL GOLD PRODUCTION Oz		34,211	35,647	18,102	18,391	21,039

Note: Material milled includes stockpiles

*Attributable production based on the Focus weighted average shareholding interest in Crescent for the period. Errors may occur due to rounding's.

OPERATIONS REVIEW

Tindals Mining Centre: Underground

		Dec 2011	Sep 2011	Jun 2011	Mar 2011	Dec 2010
Tindals Mining Centre Underground						
Ore Mined	(tonnes)	132,739	147,589	160,056	132,382	151,412
Grade	g/t	3.16	3.30	3.17	3.37	3.56
Gold In Ore	ounces	13,449	15,662	16,315	14,354	17,339

Mine Development & Production

The Tindals Mining Centre Underground operations produced 132,739t @ 3.16g/t for gold in ore of 13,449oz for the Quarter.

Production focused largely on the Countess ore body, producing from lower grade stopes in the first half of the Quarter before accessing higher grade stoping in the second half. This saw the month of December deliver 6,134oz which was the best month for the 2011 calendar year.

Development focused on progressing capital driving, particularly the Empress decline and rehabilitation work to re-access Cyanide. A total of 885m of jumbo development and 276m of rehabilitation were advanced. At the end of the Quarter the Empress decline had increased in depth by 24m vertical, Cyanide by 41m and Perseverance by 9m.

Production during the March Quarter will continue to be strongly focused on stoping at Countess.

Exploration & Resource Development

Development studies focused on the Perseverance, Countess, Cyanide, Bird in Hand and Flagstaff underground deposits with 13,859m of largely infill and resource/reserve extension drilling completed.

With the rehabilitation work being conducted at Cyanide, a drill drive was set up for resource / reserve extension drilling which also enabled the exploration team to access the Bird in Hand deposit which sits between Cyanide and Tindals.

Results from Bird in Hand returned some encouraging initial grades to the south including 5.0m @ 7.8g/t and 5.9m @ 4.5g/t (Table 3).

Exploration work is planned to continue at Bird in Hand and Flagstaff during the March Quarter as well as the continuation of resource/reserve work across Perseverance and Cyanide.

Tindals Mining Centre: Open Pits

		Dec 2011	Sep 2011	Jun 2011	Mar 2011	Dec 2010
Tindals Mining Centre Open Pits						
Ore Mined	(tonnes)	56,187	68,137	17,000	-	-
Grade	g/t	2.20	1.81	1.67	-	-
Gold In Ore	ounces	3,967	3,968	910	-	-

Mine Development & Production

The Tindals Mining Centre Open Pit operations produced 56,187t @ 2.20g/t for 3,967oz mined for the Quarter with a total mining production of 347,656 BCM.

This was achieved despite the first half of the Quarter being heavily impacted by rain with 15 mining production days lost. However, with the commencement of ore development at Big Blow (the third pit to enter operation) in mid-November, the overall operations continued to ramp up to the targeted production rate of 30,000t of ore per month with December's monthly production delivering 26,622t @ 2.23g/t.

The bulk of ore production has been sourced from the Empress pit (Figure 1) which has performed well with 43,381t mined at 2.32g/t during the Quarter. The Empress pit is now 35m deep, with the design going to the 55m – 60m level and is now at a strip ratio of 4.2:1. Empress has a remaining reserve of 60,630t at 2.45g/t with drilling work planned for the March Quarter to evaluate a cut back opportunity and pit extension to further extend the pit life.

The Dreadnought mine produced 10,651t @ 1.90g/t for the period with resource definition drilling targeting areas which had previously been difficult to access enabling the mining team to continue to develop resource block models.

Figure 1: Production at the Empress Open Pit



Exploration & Resource Development

41 holes were drilled across a number of surface targets totalling 5,015m during the Quarter, inclusive of 17 holes of up to 100m in depth drilled at the Undaunted area to test depth extensions following up on an earlier shallow drilling program (see ASX Release dated 5 October 2011). The holes were spaced on a 40m grid and tested a number of targets confirming that the mineralisation is open at depth. Best intersections included: 11m @ 5.4g/t; 14m @ 4.8g/t; 4m @ 6.5g/t; 5m @ 6.0g/t; 8m @ 4.8g/t and 2m @ 15.8g/t (Table 4).

The Mount Underground

		Dec 2011	Sep 2011	Jun 2011	Mar 2011	Dec 2010
The Mount Underground						
Ore Mined	(tonnes)	42,952	33,755	21,469	5,404	5,242
Grade	g/t	4.38	4.32	2.81	3.36	8.38
Gold In Ore	ounces	6,047	4,689	1,940	584	1,412

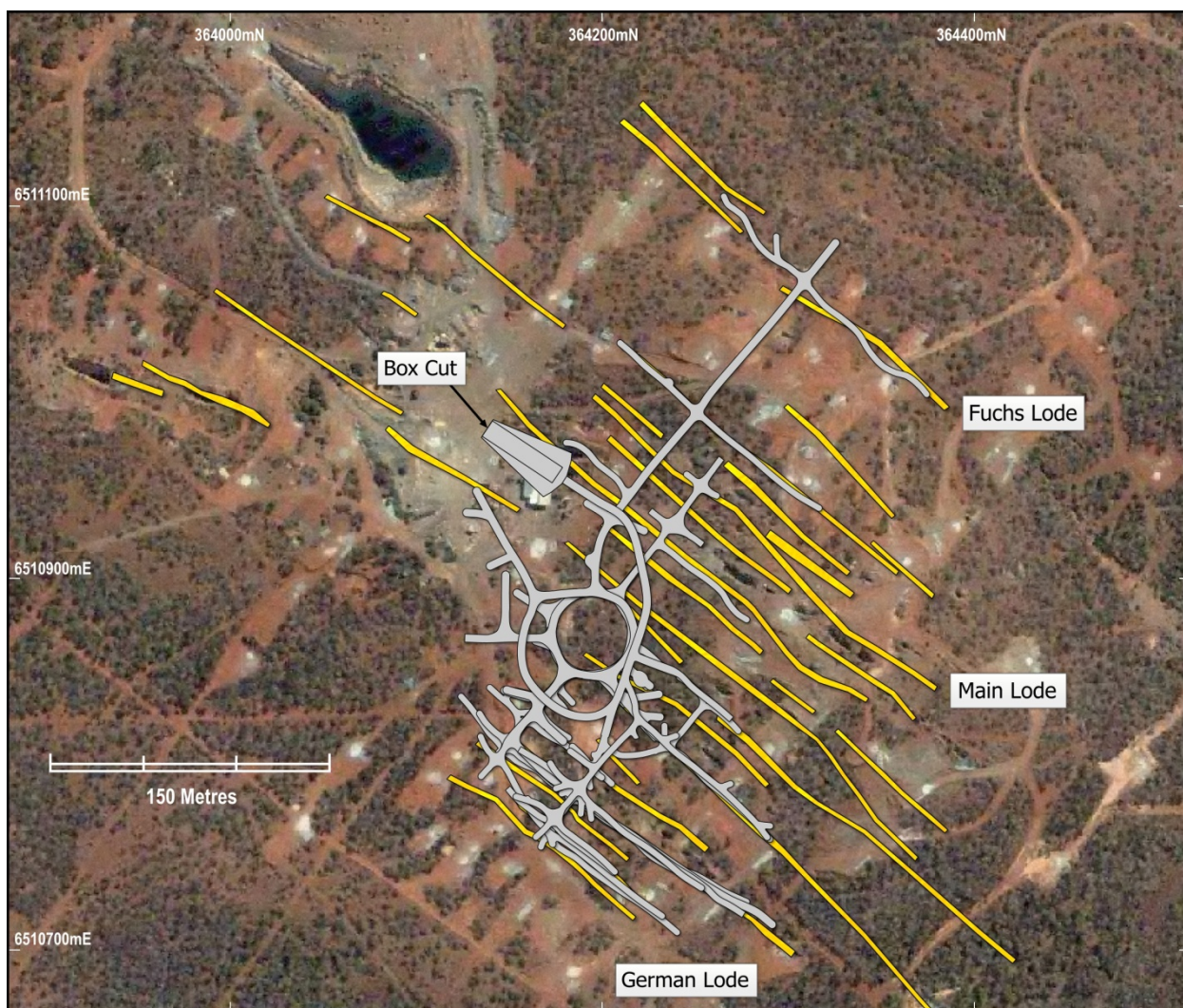
Mine Development & Production

The Mount produced 42,952t @ 4.38g/t for 6,047oz to deliver its strongest Quarter to date as it continues to expand.

A total of 617m of production related drive development was completed during the Quarter with development and stoping activities continuing across nine different lodes.

During the Quarter a cross cut for the second level out to the Fuchs lode area commenced following development exposure from the exploration cross cut on the 320 level and recent diamond drilling. Development will also occur on several other lodes on the way also continuing to provide information and production. (Figure 2)

Figure 2: Plan view of The Mount showing expanded development drives



Exploration & Resource Development

Drilling in the first part of the Quarter delivered encouraging results across a number of the lodes already intersected by the cross including: 1.8m @ 13.7g/t, 0.7m @ 19.5g/t, 0.8m @ 27.8g/t, 0.84m @ 11.8 and 2.2m @ 6.1g/t (Table 5).

Diamond drilling ceased at The Mount from mid-November 2011. This was to enable the backlog of diamond core to be logged, assayed, modelling completed and new drill targets generated. Drilling is expected to recommence in the March 2012 Quarter.

Figure 3: Ore on the ROM pad at The Mount as the mine continues to expand.



Laverton Gold Project

		Dec 2011		Sep 2011	
Laverton Gold Project		Total	Attributable	Total	Attributable
Ore Mined	(tonnes)	445,120	363,084	214,080	142,734
Grade	g/t	2.53	2.53	2.37	2.41
Gold In Ore	ounces	36,229	29,552	16,286	11,041
Laverton Gold Project					
Ore Treated	(tonnes)	411,012	335,334	504,288	318,335
Head Grade	g/t	1.32	1.32	1.5	1.5
Gold Produced	ounces	15,666	12,779	21,915	13,739

**Attributable production based on the Focus shareholding interest in Crescent for the period applied to Crescent monthly production statistics.*

Mine Development & Production

Following the strong investment into development at Laverton since the takeover by Focus Minerals, the operation is now well positioned with three ore sources feeding into Campaign 10 for the March 2012 Quarter, and in turn pre-production development at a number of additional ore sources positioning the operation strongly for Campaign's 11, 12 and 13. With scheduled 50 day campaigns each Quarter, Laverton is positioned to produce circa 25,000oz per Quarter.

In the December Quarter, the Laverton operations mined 445,120t @ 2.53g/t for gold in ore of 36,229oz.

As previously advised, the December Quarter's Campaign (Campaign 9) produced a total of 15,666oz of gold and 2,393oz of silver from a 32 day processing campaign. 411,012t @ 1.32g/t were processed under the Ore Purchasing Agreement at Barrick Granny Smith (BGS) representing daily gold production of 490oz, equivalent to 98,000oz pa based on 200 processing days per calendar year. 12,779oz were attributable to Focus.

Mining operations during the Quarter continued to build on work done in the September Quarter with four excavator fleets mining a total of 3.7Mt across three project areas. The mobilisation of the fourth digging fleet in November at the Apollo deposit (Figure 4) set the Laverton operations up for a consistent production platform with three separate ore sources (Mary Mac Hill, Fish and Eclipse/Apollo) now providing feed in the lead up to the commencement of Campaign 10.

Figure 4: Development work at the Apollo project showing the development outline.



The Apollo pit is currently planned to be up to 1.5km long, and is situated on the Chatterbox shear zone 7km to the of the Laverton. Crescent holds tenements along some 30km of the Chatterbox shear zone and the area is expected to be a major growing source of production in 2012.

Campaign 10 will be a 50 day campaign and it commenced on 8 January 2012. At the end of December Quarter, 353,800t @ 1.84g/t had already been stockpiled at BGS.

Exploration & Resource Development

Development studies focused on the Apollo, Eclipse, Calypso, Aurora, and Lord Byron deposits. 8,529m of RC and 780m of diamond holes were drilled into these deposits. The purpose of the drilling at Apollo, Calypso, Eclipse & Aurora was to infill and to extend down-dip the defined mineralisation (Table 6).

Preliminary interpretations were completed for the Emerald, Eclipse and Liberty deposits which are part of an 11 km trend of gold mineralisation that also includes the Calypso, Aurora and Apollo projects.

Mine infrastructure sterilisation was also completed for Eclipse and Lord Byron projects. In the first part of 2012, mine infrastructure sterilisation RC drilling is planned for the Calypso project with infill and down-dip extension RC also planned to expand the Burtville deposit.

REGIONAL EXPLORATION

Treasure Island Gold Project at Lake Cowan

During the Quarter a total of 8,741m of aircore drilling was completed at the Treasure Island Gold Project, 35km south-south east along strike from the major gold camp of St Ives at Kambalda.

This saw one aircore rig focused on a major programme on the lake to the immediate east of Treasure Island and approximately 3km further off shore, with a second aircore rig joining late in the Quarter to conduct a first pass programme at an identified palaeochannel system to the north of Lake Cowan.

The aircore drilling on the lake discovered a second thrust fault to the east of Treasure Island during the Quarter (Figure 5), suggesting that the Boulder-Lefroy fault system could have split in two through the project area. One part of the fault system runs immediately to the east of Treasure Island while the other part of the fault system is approximately 3km to the east of Treasure Island on the lake.

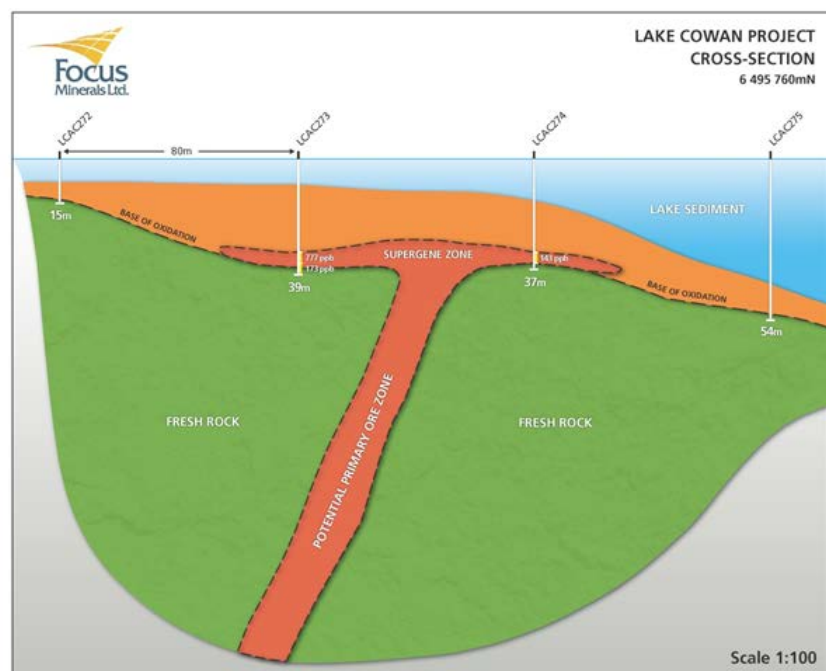
Results received to date (see ASX release dated 24 November 2011) have revealed a 1.2km long anomaly on the eastern trend, with results to the north and south (where the anomaly remains open) still pending. Sampling on the lake was heavily restricted during the Quarter due to unseasonal rainfall.

Significant results included 7m @ 518ppb from 32m, 12m @ 229ppb from 8m and 4m @ 265ppb from 44m. The results are in close proximity to one another and appear to coincide with both a pronounced north-north east structure visible on the aeromagnetics and the position of the interpreted thrust fault.

The geology of the eastern trend is similar to that found on Treasure Island. The drilling has revealed a thick package of Black Flag sediments with abundant quartz veining. In the western part of the drilling area a high Mg basalt and gabbro-dolerite unit occurs in close proximity, similar to the Paringa basalt and Defiance dolerite of Treasure Island. A 200m plus thick gabbro-dolerite unit, containing a granophyric horizon, has been identified within the sediments. This unit may be stratigraphically equivalent to the Junction dolerite at the St Ives gold camp. This eastern package appears to be structurally complex, and contains widespread quartz veining and disseminated sulphides which are important ingredients for gold mineralisation.

By the end of the Quarter, a 300 hole infill aircore drilling program had already commenced on the lake and assay results are expected back from the remaining holes in the March 2012 Quarter. The infill drilling is expected to produce multiple targets which will then be tested by diamond drilling.

Figure 5: Cross Section at aircore reconnaissance drilling at Lake Cowan



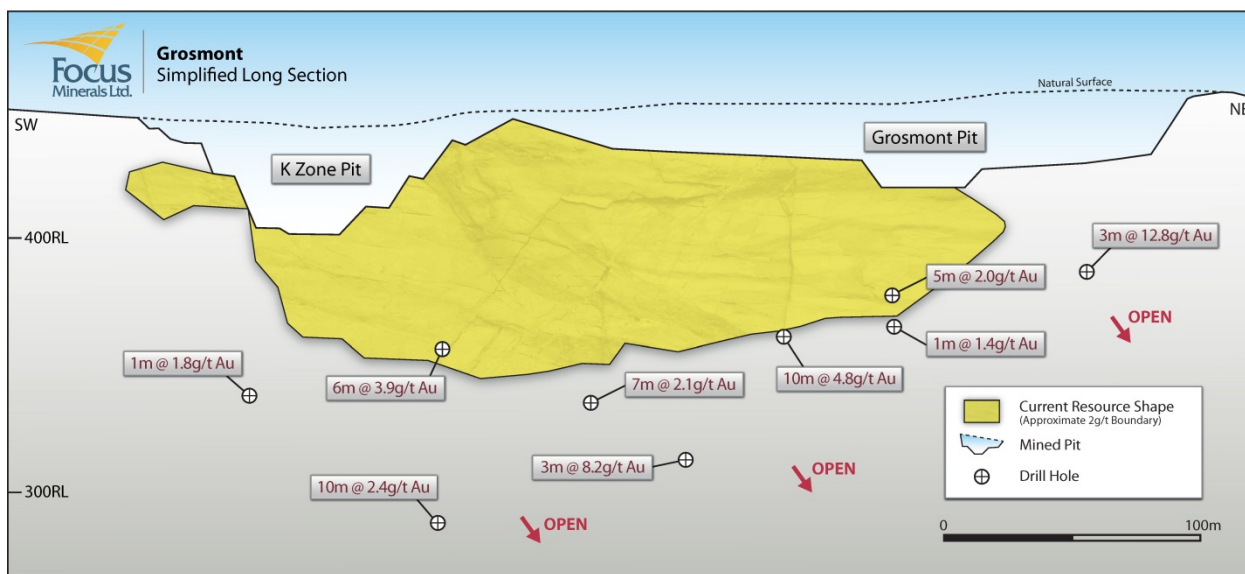
Greater Coolgardie

During the December Quarter the Greater Coolgardie exploration team undertook an extensive target generation exercise across the northern half of the Coolgardie tenement package. Numerous targets have been identified and the team is currently doing a detailed assessment and ranking of each target. This work will continue into the first half with drilling commencing in the March Quarter.

Heritage surveys for some of the priority targets, identified early in the process, were conducted at the end of the Quarter in order to gain access to these target areas and obtain drilling approvals.

Drilling during the Quarter focused on the Norris Project, 15km southwest of Coolgardie, where a total of 2,163m was drilled. The Norris project area has a resource of 1.9Mt @ 2.1g/t for 124,000oz and comprises a number of open pits (including Norris and Grosmont) mined in the 1980's. The drilling at Grosmont was designed to test down dip extensions of known mineralisation below the existing open pit. At least two sub parallel mineralised zones have been identified from the drilling. Refer to Table 7 for assay results received during the Quarter for Grosmont. The mineralisation at Grosmont remains open along strike and at depth (Figure 6). The next phase of the programme will consist of a detailed assessment of the impact of the recent drilling, with follow-up drilling to occur if the project looks robust.

Figure 6: Grosmont long section showing recent intersections



Laverton

Regional geochemistry sampling continued on selected tenements and areas. By the end of the Quarter work was being completed on a package of some 30 tenements. Results are to be compiled in the March 2012 Quarter. Tenements targeted are generally considered to be exploration greenfields.

In addition to the geochemistry, 16 selected tenements were covered by detailed ground gravity survey. Again the tenements were considered greenfields. The raw data has been received and will be processed in the coming Quarters.

Outside of the development drilling, the exploration group drilled a small 500m RC programme to test the northwest structural extensions of the Liberty Project. One significant intercept was recorded (see accompanying Table 6). An aircore drill programme of 1,072m followed up old regional drill intercepts by previous explorers. The drilling was located on the southern extensions of the Chatterbox Shear system, some 6km south of the Emerald Project. Results are expected in the March Quarter 2012.

CORPORATE

Revenue

Gold revenue for the Quarter from Coolgardie was \$33.3M generated from the sale of 19,922oz of gold at an average price received of A\$1,670/oz sold at spot. The Focus Group remains hedge free.

Cash operating costs at Coolgardie

Cash operating costs for the Quarter were \$1,076/oz compared to \$977/oz in the previous Quarter. Operating costs were adversely affected by an unscheduled mill reline and shutdown costs incurred during December. West Australian gold royalties paid for the Quarter totalled \$800,000.

Capital expenditure

Mine development and exploration expenditure for the Quarter totalled \$10.48M, comprising \$6.23M of mine capital development and \$4.25M of exploration expenditure as detailed below.

Capital expenditure included \$2.3M of a \$3.9M spend on an expansion to the Three Mile Hill tailings facility. This initial programme is the largest phase in a three phase expansion programme which will provide the foundation for steadily increasing the tailings storage life at Three Mile Hill for a further eight years.

Financing

During the Quarter the Company established a revolving credit facility with Investec Bank (Australia) Limited for a credit line of \$10M. The facility was established under existing security held by the Bank over Group assets and undertakings. In order to activate the facility, \$2M was drawn down and has been placed on a deposit account.

At 31 December 2011, Focus held cash and bullion comprising:

Cash at Bank	\$6.3 million
Bullion on Hand	\$7.2 million
Cash held on bond	\$0.8million
Total Cash and Equivalents	\$14.3 million

For details for the Laverton operations, please refer to the Crescent Gold Quarterly report issued in conjunction.

ENDS

The information that relates to exploration targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Minerals Resources across the Coolgardie region is based on information compiled by Mr Dean Goodwin who is a member of the Australian Institute of Geoscientists. Mr Goodwin 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 Goodwin 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 across the Coolgardie region 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.

The information in this report that relates to gold Exploration Results and Mineral Resources across the Laverton region is based on information compiled by Mr Jeff Ion, who is a Member of the Australian Institute of Geoscientists and a Member of the Australasian Institute of Mining and Metallurgy and is employed by Crescent Gold Limited. The information in this report that relates to Ore Reserves utilising open pit extraction across the Laverton region is based on information compiled by Mr Steve O'Grady, who is a Member of the Australasian Institute of Mining and Metallurgy and is an independent consultant. They each have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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". They each consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Note for Drill Results Tables below. All diamond drill holes are sampled to geological intervals. All RC drill holes are sampled to 1m intervals. Assay method is by a 40 gram fire assay at Amdel or ALS in Kalgoorlie, or Aurum in Perth; or by a 400 gram pulverise and leach (PAL) assay at Focus's onsite assay laboratory. All mineralised intersections are quoted as down-hole lengths with uncut gold values. For the underground drilling at Bird in Hand the intersections are approximately 75% of true thickness. The intersections at The Mount are approximately 65% of true thickness. For the Undaunted Area, Laverton and Grosmont the intersections are approximately 70% of true thickness. All gold grades are reported with a nominal cut-off grade of 1g/t Au.

Table 3: Significant intercepts from Bird in Hand from the December Quarter – Tindals Mining Centre

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
BID022	6570591	325854	203	273	17	102	46.00	48.00	2.00	9.49
							70.00	73.00	3.00	4.35
BID023	6570592	325854	202	273	-3	96	58.90	60.44	1.54	3.05
							66.00	70.00	4.00	1.75
BID024	6570570	325854	200	275	17	102	40.00	43.64	3.64	1.11
							79.00	82.45	3.45	1.60
BID025	6570570	325854	199	272	0	99	58.62	59.82	1.20	1.92
BID026	6570550	325853	197	274	21	107	79.00	83.00	4.00	3.42
							88.00	90.18	2.18	4.28
BID027	6570549	325853	197	273	2	111	75.00	79.81	4.81	2.21
BID028	6570532	325852	195	276	21	129	66.63	69.18	2.55	2.67
							89.00	93.00	4.00	2.60
BID029	6570532	325852	195	274	4	132	31.00	31.80	0.80	7.72
							78.00	83.00	5.00	7.75
							94.00	96.00	2.00	2.25
BID031	6570511	325851	195	273	4	126	77.14	83.00	5.86	4.50

Table 4: Significant intercepts from the Undaunted Area from the December Quarter – Tindals Mining Centre

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
UNC277	6571020	326268	423	90	-60	108	49.00	53.00	4.00	1.67
							69.00	72.00	3.00	4.51
UNC278	6570980	326262	425	90	-60	100	75.00	77.00	2.00	2.56
							95.00	99.00	4.00	6.51
							95.00	97.00	2.00	4.87
UNC279	6570929	326258	426	90	-60	100	71.00	72.00	1.00	2.09
UNC280	6570902	326258	427	90	-60	100	60.00	63.00	3.00	1.40
							68.00	70.00	2.00	2.21
							72.00	78.00	6.00	4.18

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
UNC281	6570861	326256	430	90	-60	100	81.00	86.00	5.00	3.18
							95.00	98.00	3.00	3.81
							33.00	36.00	3.00	1.68
							53.00	57.00	4.00	3.53
							69.00	70.00	1.00	3.30
UNC282	6570975	326326	426	90	-60	100	43.00	48.00	5.00	5.99
UNC283	6571020	326320	424	90	-60	120	18.00	26.00	8.00	2.27
							38.00	45.00	7.00	1.06
							86.00	88.00	2.00	8.42
UNC284	6571060	326332	423	90	-60	100	60.00	76.00	16.00	1.79
UNC285	6570893	326392	431	90	-60	100	60.00	71.00	11.00	5.43
							74.00	76.00	2.00	2.15
							80.00	82.00	2.00	4.44
UNC290	6570940	326363	428	90	-60	100	81.00	82.00	1.00	2.49
UNC291	6570940	326390	429	90	-60	110	71.00	73.00	2.00	5.53
							89.00	92.00	3.00	1.92
							98.00	106.00	8.00	4.75
UNC292	6570860	326373	430	90	-60	100	72.00	74.00	2.00	10.07
							67.00	69.00	2.00	1.16
UNC293	6570828	326365	428	90	-60	100	44.00	48.00	4.00	1.99
							50.00	52.00	2.00	1.40
UNC295	6570694	326474	427	270	-55	144	74.00	77.00	3.00	1.49
							83.00	85.00	2.00	1.94
UNC298	6570500	326285	435	270	-50	200	84.00	86.00	2.00	1.24
							92.00	95.00	3.00	1.53
UNC299	6570460	326290	437	270	-50	215	118.00	121.00	3.00	1.61
UNC303	6571047	326321	423	90	-60	86	73.00	86.00	13.00	2.03
UNC304	6571040	326340	424	90	-60	70	14.00	16.00	2.00	2.54
							24.00	37.00	13.00	1.39
UNC307	6571080	326350	423	90	-60	70	53.00	55.00	2.00	1.29

Table 5: Significant intercepts for the December Quarter from The Mount

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
TMD033	6510843	364218	292	298	-47	160	5.93	6.36	0.43	5.48
							42.06	43.89	1.83	13.65
							58.19	58.66	0.47	6.77
TMD039	6510842	364220	292	225	-41	192	25.94	26.61	0.67	19.47
							66.00	66.30	0.30	6.71
							80.74	81.43	0.69	17.26
TMD042	6510847	364226	292	87	-28	342	17.70	18.00	0.30	5.56
							32.59	32.90	0.31	7.56
							58.66	59.49	0.83	4.22
							62.43	62.78	0.35	3.89
							65.64	66.31	0.67	19.03
							83.90	85.21	1.31	5.16
							108.66	108.97	0.31	4.55
							122.00	123.33	1.33	5.64
TMD045	6510848	364225	292	70	-39	200	196.17	197.50	1.33	5.60
							11.12	11.55	0.43	6.47
							21.40	21.70	0.30	7.92
							71.00	71.90	0.90	5.42
							78.16	78.65	0.49	19.32

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
							94.38	94.68	0.30	14.55
							120.36	122.00	1.64	8.63
							170.36	171.76	1.40	5.17
TMD046A	6510848	364226	292	51	-38	13	10.96	11.26	0.30	11.77
TMD047	6510846	364226	293	141	-18	240	15.07	15.97	0.90	6.02
TMD048	6510846	364226	293	147	-25	289	18.05	20.21	2.16	6.07
							59.82	60.27	0.45	12.40
							168.63	168.93	0.30	6.56
TMD051	6510844	364225	272	55	-32	222	25.80	26.24	0.44	17.70
							30.93	31.23	0.30	8.95
							43.80	44.20	0.40	5.38
							76.54	77.47	0.93	8.92
							88.50	89.27	0.77	27.84
							101.15	102.86	1.71	7.19
TMD054	6510842	364227	272	139	-29	239	18.43	18.83	0.40	19.04
							34.12	35.50	1.38	13.34
							81.00	83.10	2.10	2.51
							98.86	99.48	0.62	3.18
							205.00	206.80	1.80	5.44
TMD055	6510841	364227	272	151	-22	300	46.23	48.23	2.00	5.70
TMD056	6510838	364224	273	230	-2	221	18.91	19.40	0.49	23.59
							78.00	80.00	2.00	3.08
							103.15	103.63	0.48	4.50
TMD058	6510838	364225	273	221	2	250	34.80	35.10	0.30	4.04
							91.78	92.30	0.52	26.90
TMD061	6510839	364224	273	244	-3	120	15.00	16.30	1.30	4.66
							26.33	26.63	0.30	5.83
							53.71	54.01	0.30	4.32
							69.64	70.00	0.36	8.86
							88.00	88.80	0.80	4.56
TMD063	6510838	364225	273	199	5	285	85.86	86.21	0.35	51.56
							108.80	109.10	0.30	3.87
							111.62	111.92	0.30	3.32

Table 6: Significant drill intercepts from Laverton during the December Quarter

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
APRC126	6830083	433608	440	270	-61	180	119.00	129.00	10.00	2.82
APRC131	6830408	433705	438	270	-61	150	120.00	128.00	8.00	5.22
APRC132	6830533	433675	437	270	-61	60	25.00	34.00	9.00	2.35
APRC135	6830509	433737	437	270	-61	126	109.00	116.00	7.00	2.93
APRC137	6830433	433705	438	270	-60	138	108.00	121.00	13.00	1.64
APRC145	6830308	433677	439	270	-60	132	125.00	129.00	4.00	5.78
ECDD003	6831322	434127	442	270	-60	75	55.00	65.00	10.00	4.08
ECRC013	6831575	434350	444	270	-60	150	108.00	116.00	8.00	6.08
ECRC013	6831575	434350	444	270	-60	150	108.00	116.00	8.00	6.08
ECRC020	6831381	434162	444	270	-60	120	93.00	97.00	4.00	8.58
EXRC003	6839440	433540	440	360	-60	80	45.00	50.00	5.00	10.79

The above table includes results from the Apollo project (prefix AP), the Eclipse project (prefix EC) and Exploration activities (prefix EX).

Table 7: Drill intercepts from Grosmont during the December Quarter

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
NRSC0039	6562751	314755	429	321	-50	138	94.00	99.00	5.00	1.95
							105.00	106.00	1.00	2.27
NRSC0040	6562765	314832	435	321	-60	162	6.00	8.00	2.00	1.12
							84.00	87.00	3.00	12.86
NRSC0041	6562701	314738	455	321	-50	160	23.00	24.00	1.00	1.10
							112.00	122.00	10.00	4.75
NRSC0042	6562734	314764	454	321	-60	157	99.00	100.00	1.00	1.44
NRSC0043	6562635	314615	447	321	-60	110	5.00	6.00	1.00	1.52
							88.00	94.00	6.00	3.19
NRSC0044	6562659	314720	455	321	-60	179	59.00	61.00	2.00	6.05
							110.00	111.00	1.00	1.41
							130.00	131.00	1.00	1.68
							135.00	137.00	2.00	1.87
							163.00	166.00	3.00	8.21
NRSC0045	6562644	314699	453	321	-60	185	0.00	4.00	4.00	1.44
							125.00	126.00	1.00	1.93
							130.00	131.00	1.00	2.37
							134.00	141.00	7.00	2.11
							152.00	153.00	1.00	6.30
NRSC0046	6562545	314661	447	321	-60	220	175.00	176.00	1.00	1.43
							60.00	61.00	1.00	1.14
							65.00	66.00	1.00	1.17
NRSC0047	6562578	314579	447	321	-70	140	179.00	189.00	10.00	2.38
							84.00	85.00	1.00	1.77

Table 8: Focus Mineral Resources at 30th September 2011. Crescent Mineral Resources at 30th June 2011

	Measured Resources			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	Tonnes '000t	Grade Au g/t	Ounces
COOLGARDIE GOLD PROJECT												
Tindals Project Total	739	4.7	112,000	9,143	2.6	766,000	3,354	2.8	298,000	13,236	2.8	1,176,000
Mount Project							2,090	5.5	370,000	2,090	5.5	370,000
Lindsays Project				4,350	1.7	238,000	3,562	2.0	233,000	7,912	1.8	471,000
Three Mile Hill Project				1,386	1.9	86,000	138	3.0	13,000	1,524	2.0	99,000
Norris Project							1,870	2.1	124,000	1,870	2.1	124,000
Total Coolgardie	739	4.7	112,000	14,879	2.3	1,090,000	11,014	2.9	1,038,000	26,632	2.6	2,240,000
LAVERTON GOLD PROJECT												
Laverton - UG				2,037	6.5	426,000	619	7.1	141,000	2,656	6.6	567,000
Laverton - Surface	1,619	2.2	113,000	12,093	2.0	759,000	10,171	1.8	589,000	23,883	1.9	1,461,000
Total Laverton	1,619	2.2	113,000	14,130	2.6	1,185,000	10,790	2.1	730,000	26,539	2.4	2,028,000
TOTAL COMBINED RESOURCES	2,358	3.0	225,000	29,009	2.4	2,275,000	21,804	2.5	1,768,000	53,171	2.5	4,268,000

Coolgardie Mineral Resource (as at 30 September 2011)

Laverton Mineral Resource (as at 30 June 2011)

NOTE: Some errors may result due to rounding. Includes 100% of Crescent's Resources and Reserves. Focus has a 81.57% shareholding interest in Crescent as of 5th October 2011.

Table 9: Focus Minerals Ore Reserves and Stocks at 30th September 2011

	Proven Reserves			Probable Reserves			Total Reserves		
	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces
Coolgardie									
Tindals Project - Underground:	230	4.0	29,300	773	3.4	85,700	1,003	3.6	115,000
Tindals Project - Open Pits:				620	2.0	39,600	620	2.0	39,600
Three Mile Hill Project - Open Pits:				1,101	1.7	59,900	1,101	1.7	59,900
The Mount Project - Underground:				21	5.0	3,300	21	5.0	3,300
Stocks: Total							456	1.7	24,600
Reserves and Stocks Total:	230	4.0	29,300	2,515	2.3	188,500	3,201	2.4	242,400
Laverton									
Laverton Gold Project - Open Pits	928	2.0	58,000	2,184	1.9	136,000	3,112	1.9	194,000
Summit Underground				860	5.3	146,000	860	5.3	146,000
Stocks: Total							1,801	0.7	41,000
Reserves Total	928	2.0	58,000	3,044	2.9	282,000	5,773	2.1	381,000
TOTAL COMBINED RESERVES	1,158	2.3	87,300	5,559	2.6	470,500	8,974	2.2	623,400

Coolgardie Mineral Reserve (as at 30 September 2011)

Laverton Mineral Reserve (as at 30 June 2011)

NOTE: Some errors may result due to rounding. Includes 100% of Crescent's Reserves. Focus has a 81.57% shareholding interest in Crescent as of 5th October 2011.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FOCUS MINERALS LIMITED

ABN

56 005 470 799

Quarter ended ("current quarter")

31 DECEMBER 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000
1.1	Receipts from product sales and related debtors	33,700	69,129
1.2	Payments for (a) exploration & evaluation	(4,246)	(7,744)
	(b) development	(6,229)	(14,474)
	(c) production	(23,633)	(50,183)
	(d) administration	(3,584)	(5,445)
	(e) royalties paid	(800)	(1,706)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	434	673
1.5	Interest and other costs of finance paid	(212)	(238)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	23	294
	Net Operating Cash Flows	(4,547)	(9,694)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	(240)	(480)
	(b) equity investments	-	-
	(c) other fixed assets	(3,866)	(6,288)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	1,785	(6,401)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)		
	- Bonds	(2)	(5)
	- Takeover costs	(161)	(3,5165)
	Net investing cash flows	(2,484)	(16,690)
1.13	Total operating and investing cash flows (carried forward)	(7,031)	(26,384)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(7,031)	(26,384)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. Share issue costs	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	2,000	2,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	2,000	2,000
	Net increase (decrease) in cash held	(5,031)	(24,384)
1.20	Cash at beginning of quarter/year to date	11,356	30,709
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	6,325	6,325

Gold on hand – At 31 December 2011 the Company held 4,708 ozs of gold at a realised carrying value of \$7.2 million.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	125
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director fees, Executive Chairman salary & superannuation expense.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	10,000	2,000
3.2 Contingent Instrument Facility	3,500	3,102

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,500
4.2 Development	5,500
4.3 Production	27,000
4.4 Administration	1,500
Total	36,500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	5,499	1,502
5.2 Deposits at call	826	9,854
5.3 Bank overdraft	-	-
Available cash (item 1.22)	6,325	11,356
5.4 Other (provide details) - Bonds	817	815
Total: cash at end of quarter	7,142	12,171

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	N/a		
6.2	Interests in mining tenements acquired or increased	N/a		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)	N/a			
7.2	Changes during quarter (a) Increases (b) Decreases	N/a			
7.3	*Ordinary securities	4,320,773,701	4,320,773,701		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -		
7.5	*Convertible debt securities (description)	N/a			
7.6	Changes during quarter (a) Increases (b) Decreases	N/a			
7.7	Options (description and conversion factor)	21,040,000 21,040,000 33,500,000 75,580,000	- - - -	<u>Exercise price</u> 7.5 cents 7.8 cents 12.3 cents	<u>Expiry date</u> 31/12/2012 31/12/2012 30/6/2014
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired/cancelled during quarter	-	-		
7.11	Debentures (totals only)	N/a			
7.12	Unsecured notes (totals only)	N/a			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Jon Grygorcewicz
Company Secretary

Date: 31 January 2012

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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