

Market Announcement

31 January 2023

December 2022 Quarterly Activities Report

Coolgardie Gold Project:

Mining Resumption Activities:

- Mill refurbishment is on schedule for mid-2023 - commissioning with MACA Interquip works completion at 22.4%
- All key operations management personnel have been recruited
- Fabrication of camp buildings are nearing completion for transport to the village site

Toll treatment campaigns were completed during the quarter, production comprised:

- 129,389t at 0.87g/t (head grade) from the Dreadnought-Empress low grade stockpile with production of 3,460oz at a cash cost of \$2,157 per oz
- 40,982t at 2.21 g/t (head grade) mined and processed from Big Blow open pit for production of 2,762oz at a cash cost of \$1,588 per oz

Exploration Activities:

- Various Mineral Resources are being updated and assessed for mining
- Baseline surveys continued to advance additional mine proposals

Laverton Gold Project Exploration Activities

- Drilling completed at Beasley Creek South, Black Swan and Grouse East
- Various Mineral Resources are being updated and assessed

Corporate Highlights

- Project finance secured for return to production
- Cash (unrestricted) at 31 December 2022: \$18.9M

West Australian gold company Focus Minerals (ASX: FML) (Focus or the Company) is pleased to provide its Quarterly Activities Report for the quarter ended 31 December 2022.

Most of the Company's effort during the quarter was directed towards the Coolgardie Gold Project, in line with the previously announced plan to resume gold mining operations.

At the Laverton Gold Project, the main focus was to continue to increase the project's overall Mineral Resource base.

Coolgardie Gold Project

The Coolgardie Gold Project (**Coolgardie**) covers 138km² of highly prospective tenements on the outskirts of the Coolgardie township in the Goldfields region. The Company's efforts are focused on increasing production-ready Mineral Resources at Coolgardie and delivering the approvals and permits required for a resumption of gold-mining operations.

Mining Resumption Activities

During the quarter, the following substantial progress was made in line with the resumption plan:

- Refurbishment works continued at the TMH plant with MACA-Interquip completion at 22.4%. Works during the quarter which includes:
 - Demolition of redundant plant structures completed, refurbishment of mill drive and secondary and tertiary crushers underway and construction of new adsorption tanks in progress.
 - Ordered long lead time items remain in line with project schedule.
 - Structural steel in transit.
 - Major civils and concreting complete.
 - Fine Ore Bin construction commenced.
- Practical completion is targeted end of June 2023, with commissioning to follow.
- Mining Tender evaluation is underway with a decision expected in first quarter 2023.

Toll processing of historically stockpiled low-grade material from the Dreadnought and Empress open pits was completed during the quarter. The Big Blow open pit small scale mining project for toll processing was also completed during the quarter. A total of 170,371t of ore were treated at an average head grade of 1.17g/t with recovery at 95% to produce 6,223oz of gold. Production details are shown as follows:

	Dreadnought Processing	Big Blow Processing	Total
Dry Tonnes Milled (t)	129,389	40,982	170,371
Reconciled Mill Feed Grade (g/t)	0.87	2.21	1.20
Tailings Assay (g/t)	0.04	0.11	0.06
Total Recovery (%)	94.94%	95.03%	94.98%
Gold Produced (g)	107,631	85,922	193,553
Gold Produced (oz)	3,460	2,762	6,222.860

Cash cost and average sale price per ounce of gold for Dreadnought-Empress and Big Blow are:

	Dreadnought Low-grade	Big Blow	Total
Cash Cost Per Ounce A\$/oz	\$2,157	\$1,588	\$1,905
Average Realised Gold Price \$/oz	\$2,615	\$2,672	\$2,641
Margin per oz	\$458	\$1,084	\$736
Royalty \$/oz	\$65	\$70	\$67
Nett Cash Generated	\$1,585,210	\$2,994,346	\$4,579,557

Exploration Activities

Exploration drilling was completed at Missing Link targeting up dip of Tindals underground mine stopes. A total of 2,259m of drilling in 15 exploration and grade control holes were completed at Coolgardie during the quarter.

Bonnie Vale geotechnical report is expected in the March quarter 2023 and will be available for detailed next stage mine design and economic assessment using the updated Bonnie Vale Mineral Resource estimate.

Feasibility/pre-mining activities was completed at:

- Umpire assay test work on a range of 2022 grade control holes
- Three piezo holes installed at Bonnie Vale for 600m
- Assessment of various low-grade stockpiles is underway to support return to production during commissioning phase
- Compilation of Coolgardie Mineral Resource update is underway for completion in the March Quarter 2023

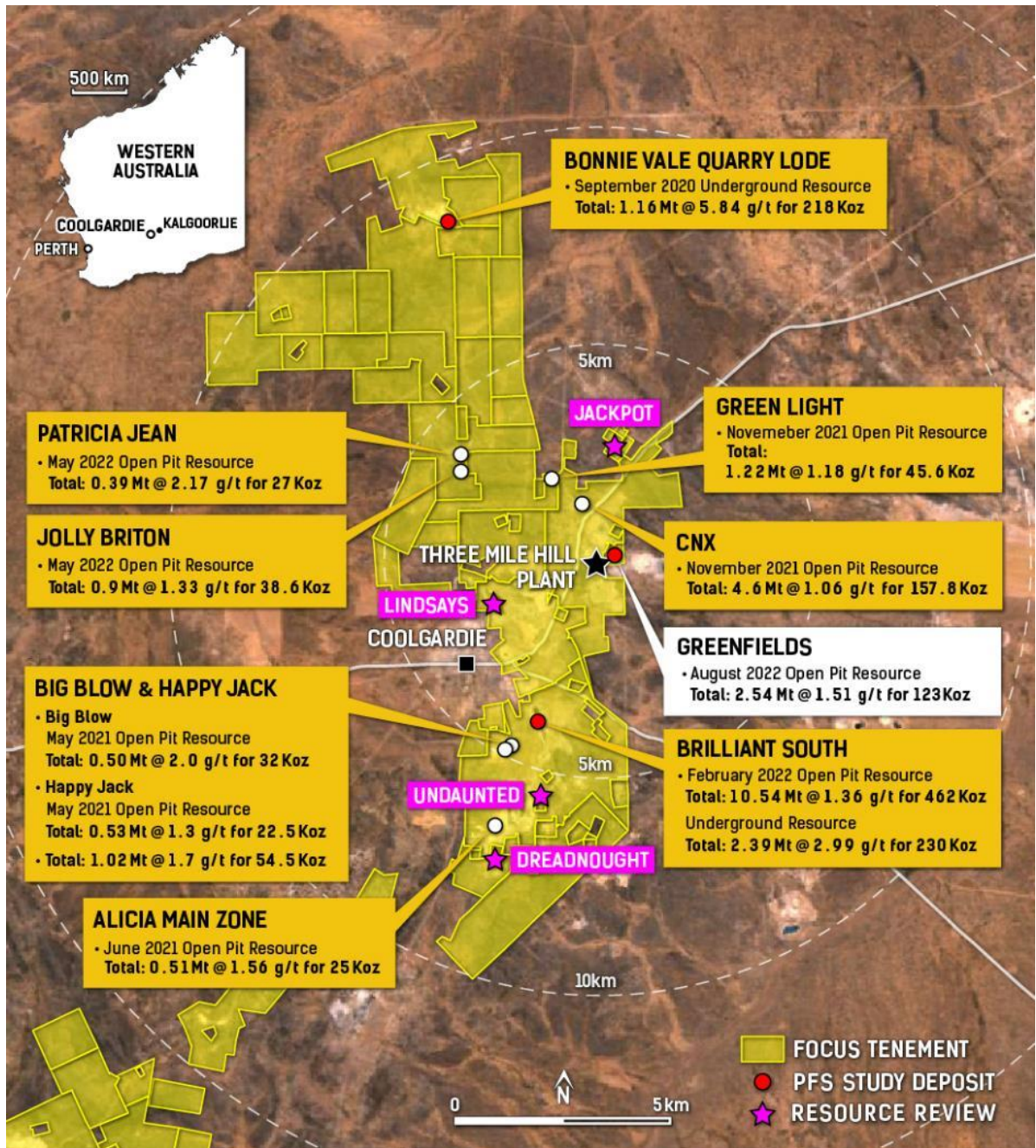


Figure 1: Coolgardie location map highlighting recently updated Mineral Resources (labelled).

Laverton Gold Project

The Laverton Gold Project (**Laverton**) covers 362km² of highly prospective tenements, including the historic Lancefield and Chatterbox Trend mines, on the outskirts of the Laverton township in the Goldfields region. Focus' strategy is to identify sufficient open pit Mineral Resources across the Laverton tenement package to commence a Stage 1 gold mining operation.

Follow up exploration planning targeting Mineral Resource extension and upgrade on the Craigiemore – Mary Mac trend is now underway.

The Chatterbox and West Laverton – Riga trends have also been assessed during the quarter with wireframing now completed at West Laverton – Riga ready for Mineral Resource estimation. The Mineral Resource wireframing on the Chatterbox trend is still underway for Mineral Resource estimation.

RC exploration programs were completed at Laverton during the quarter comprising:

- 12 holes at Beasley Creek South for 900m
- 7 holes at Grouse East for 858m
- 5 holes at Black Swan for 660m

In addition, some follow up sampling was completed for a selection of holes at Beasley Creek and outstanding Beasley Creek geotech core was logged and sampled.

Metallurgical testwork targeting the Karridale Mineral Resource hosted by fresh rock is still underway and expected to be completed during the March quarter 2023.

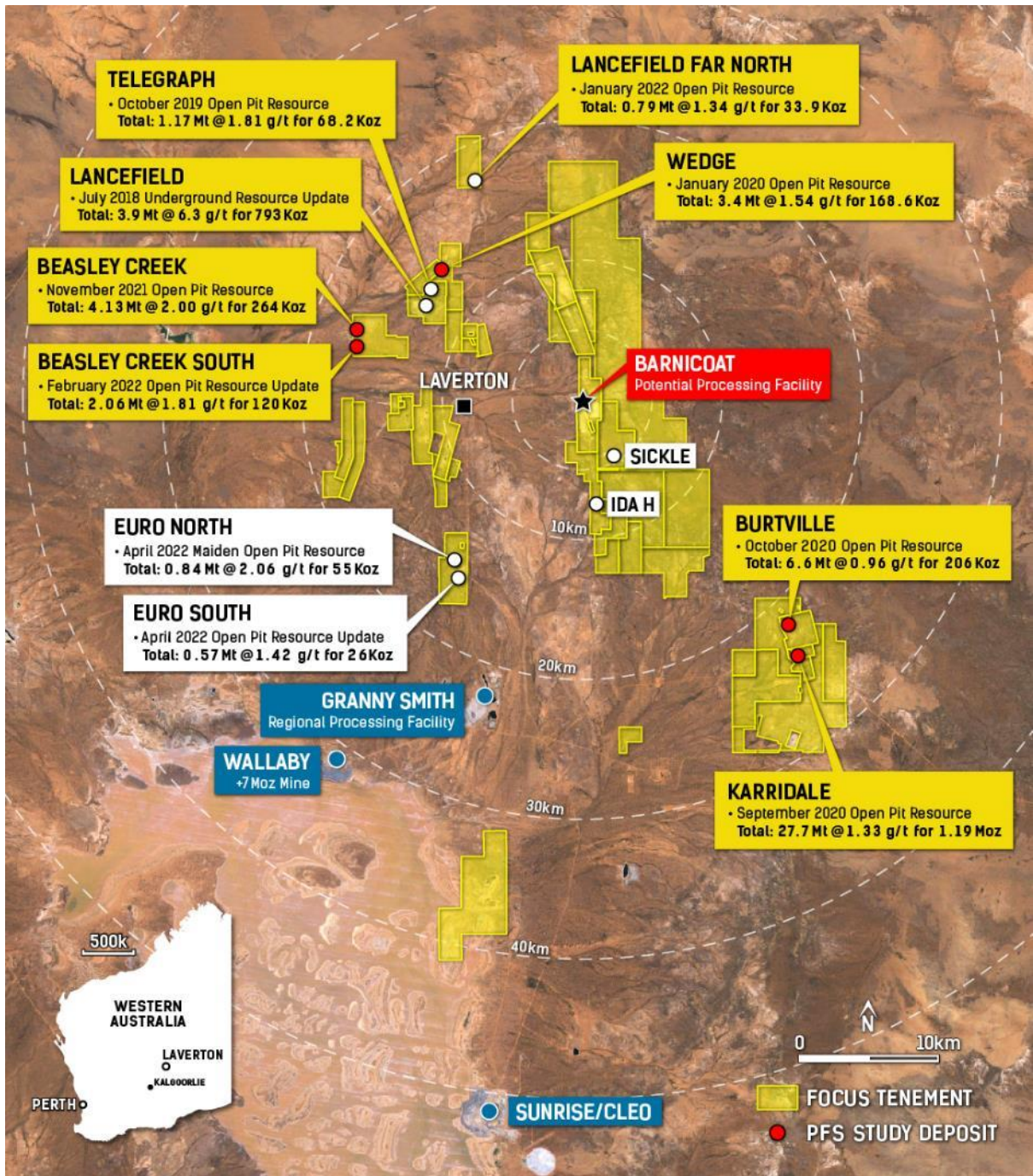


Figure 2: Key Laverton deposits under review and Stage 1 PFS progressive results.

Corporate

Focus received approximately \$3.06M from the proceeds of sale of gold in January 2023, which is not reflected in this December 2022 quarterly cashflow report. The proceeds will be recorded in the March 2023 quarterly cashflow report instead.

Focus has entered into a loan facility agreement with its major shareholder, Shandong Gold International Mining Co., Limited, for a US\$35 million unsecured loan to fully fund the Coolgardie Gold Project operations (**Loan Facility**).

The key terms of the Loan Facility are:

- **Term:** 3 years from draw down, principal payable at the end of the term
- **Interest:** 3% per annum over 3-month forward-looking term rate based on the Secured Overnight Financing Rate, payable quarterly in arrears
- **Representations, warranties, undertakings and events of review / default:** generally on common terms for unsecured loan agreements.

Focus spent \$1.62M on exploration during the quarter, including on drilling, assays and payments to consultants and exploration personnel.

As per ASX Listing Rule 5.3.5, Focus paid \$216,000 to related parties of the Company and their associates, which included Executive Directors' salaries, non-Executive Directors' fees, superannuation and rent for the Directors.

As at 31 December 2022, the Company's cash position is as follows:

Cash at Bank and Deposits	\$18.898m
Cash held on bond	\$13.535m
Total Cash and Equivalents	\$32.433m

Tenement Movements during the Quarter

Coolgardie Gold Project

Tenement	Location	Percentage as at 01 July 2022	Percentage as at 30 September 2022	Note
M15/0150	Bayleys	100%	100%	
M15/0630	Bayleys	100%	100%	
M15/1434	Bayleys	100%	100%	
M15/1788	Bayleys	100%	100%	
P15/5717	Bayleys	100%	100%	
P15/5995	Bayleys	100%	100%	
P15/6254	Bayleys	100%	100%	
P15/6256	Bayleys	100%	100%	
M15/0277	Bonnie Vale	100%	100%	
M15/0365	Bonnie Vale	100%	100%	
M15/0595	Bonnie Vale	100%	100%	
M15/0662	Bonnie Vale	100%	100%	
M15/0711	Bonnie Vale	100%	100%	
M15/0770	Bonnie Vale	100%	100%	
M15/0852	Bonnie Vale	100%	100%	
M15/0857	Bonnie Vale	100%	100%	
M15/0877	Bonnie Vale	100%	100%	
M15/0981	Bonnie Vale	100%	100%	
M15/1384	Bonnie Vale	100%	100%	
M15/1444	Bonnie Vale	100%	100%	
M15/1760	Bonnie Vale	100%	100%	
M15/1853	Bonnie Vale	0%	0%	Under application
P15/5159	Bonnie Vale	100%	100%	
P15/5702	Bonnie Vale	100%	100%	
P15/5703	Bonnie Vale	100%	100%	
P15/5704	Bonnie Vale	100%	100%	
P15/6598	Bonnie Vale	100%	100%	
P15/6670	Bonnie Vale	100%	100%	
G15/0007	Infrastructure	100%	100%	
G15/0046	Infrastructure	0%	0%	Under application
L15/0027	Infrastructure	100%	100%	
L15/0028	Infrastructure	100%	100%	
L15/0034	Infrastructure	100%	100%	
L15/0042	Infrastructure	100%	100%	
L15/0051	Infrastructure	100%	100%	
L15/0059	Infrastructure	100%	100%	
L15/0063	Infrastructure	100%	100%	
L15/0077	Infrastructure	100%	100%	
L15/0078	Infrastructure	100%	100%	
L15/0088	Infrastructure	100%	100%	
L15/0090	Infrastructure	100%	100%	
L15/0095	Infrastructure	100%	100%	
L15/0096	Infrastructure	100%	100%	
L15/0114	Infrastructure	100%	100%	
L15/0116	Infrastructure	100%	100%	
L15/0119	Infrastructure	100%	100%	
L15/0122	Infrastructure	100%	100%	

Tenement	Location	Percentage as at 01 July 2022	Percentage as at 30 September 2022	Note
L15/0123	Infrastructure	100%	100%	
L15/0126	Infrastructure	100%	100%	
L15/0127	Infrastructure	100%	100%	
L15/0130	Infrastructure	100%	100%	
L15/0161	Infrastructure	100%	100%	
L15/0164	Infrastructure	100%	100%	
L15/0168	Infrastructure	100%	100%	
L15/0169	Infrastructure	100%	100%	
L15/0171	Infrastructure	100%	100%	
L15/0172	Infrastructure	100%	100%	
L15/0173	Infrastructure	100%	100%	
L15/0174	Infrastructure	100%	100%	
L15/0175	Infrastructure	100%	100%	
L15/0177	Infrastructure	100%	100%	
L15/0179	Infrastructure	100%	100%	
L15/0186	Infrastructure	100%	100%	
L15/0193	Infrastructure	100%	100%	
L15/0194	Infrastructure	100%	100%	
L15/0200	Infrastructure	100%	100%	
L15/0211	Infrastructure	100%	100%	
L15/0283	Infrastructure	100%	100%	
L15/0294	Infrastructure	100%	100%	
L15/0371	Infrastructure	100%	100%	
L15/0403	Infrastructure	0%	0%	Under application
L15/0405	Infrastructure	0%	0%	Under application
L15/0421	Infrastructure	0%	0%	Under application
E15/0986	Lake Cowan	100%	100%	
G15/0043	Lake Cowan	0%	0%	Under application
L15/0408	Lake Cowan	0%	0%	Under application
M15/1882	Lake Cowan	0%	0%	Under application
P15/5964	Londonderry	100%	100%	
P15/5966	Londonderry	100%	100%	
P15/5967	Londonderry	100%	100%	
P15/5968	Londonderry	100%	100%	
P15/5969	Londonderry	100%	100%	
P15/5970	Londonderry	100%	100%	
P15/5971	Londonderry	100%	100%	
P15/5972	Londonderry	100%	100%	
P15/6118	Londonderry	100%	100%	
P15/6119	Londonderry	100%	100%	
P15/6120	Londonderry	100%	100%	
P15/6121	Londonderry	100%	100%	
P15/6122	Londonderry	100%	100%	
P15/6123	Londonderry	100%	100%	
P15/6176	Londonderry	100%	100%	
P15/6177	Londonderry	100%	100%	
P15/6178	Londonderry	100%	100%	
M15/0385	Lord Bob	100%	100%	
M15/1789	Lord Bob	100%	100%	
P15/5712	Lord Bob	100%	100%	
P15/5939	Lord Bob	100%	100%	

Tenement	Location	Percentage as at 01 July 2022	Percentage as at 30 September 2022	Note
P15/6102	Lord Bob	100%	100%	
M15/0384	Norris	100%	100%	
M15/0515	Norris	100%	100%	
M15/0761	Norris	100%	100%	
M15/0791	Norris	100%	100%	
M15/0871	Norris	100%	100%	
M15/1153	Norris	100%	100%	
M15/1422	Norris	100%	100%	
M15/1793	Norris	100%	100%	
P15/6002	Norris	100%	100%	
P15/6033	Norris	100%	100%	
P15/6605	Norris	100%	100%	
M15/0154	Three Mile Hill	100%	100%	
M15/0636	Three Mile Hill	100%	100%	
M15/0645	Three Mile Hill	100%	100%	
M15/0781	Three Mile Hill	100%	100%	
M15/0827	Three Mile Hill	100%	100%	
M15/1341	Three Mile Hill	100%	100%	
M15/1357	Three Mile Hill	100%	100%	
M15/1358	Three Mile Hill	100%	100%	
M15/1359	Three Mile Hill	100%	100%	
M15/1432	Three Mile Hill	100%	100%	
M15/0023	Tindals	100%	100%	
M15/0237	Tindals	100%	100%	
M15/0410	Tindals	100%	100%	
M15/0411	Tindals	100%	100%	
M15/0412	Tindals	100%	100%	
M15/0646	Tindals	100%	100%	
M15/0660	Tindals	100%	100%	
M15/0675	Tindals	100%	100%	
M15/0958	Tindals	100%	100%	
M15/0966	Tindals	100%	100%	
M15/1114	Tindals	100%	100%	
M15/1262	Tindals	100%	100%	
M15/1293	Tindals	100%	100%	
M15/1294	Tindals	100%	100%	
M15/1433	Tindals	100%	100%	
M15/1461	Tindals	100%	100%	
P15/5949	Tindals	100%	100%	
P15/5987	Tindals	100%	100%	
P15/6251	Tindals	100%	100%	
P15/6252	Tindals	100%	100%	
P15/6253	Tindals	100%	100%	
P15/6257	Tindals	100%	100%	
P15/6333	Tindals	0%	0%	Under application
M15/1874	Nepean	0%	0%	Royalty Rights
P15/5574	Nepean	0%	0%	Royalty Rights
P15/5575	Nepean	0%	0%	Royalty Rights
P15/5739	Nepean	0%	0%	Royalty Rights

Laverton Gold Project

Tenement	Location	Percentage as at 01 July 2022	Percentage as at 30 September 2022	Note
E38/1864	Admiral Hill - Barnicoat	100%	100%	
E38/3232	Admiral Hill - Barnicoat	100%	100%	
E38/3238	Admiral Hill - Barnicoat	100%	100%	
E38/3565	Admiral Hill - Barnicoat	100%	100%	
E38/3661	Admiral Hill - Barnicoat	100%	100%	
E38/3691	Admiral Hill - Barnicoat	0%	0%	Under application
E38/3693	Admiral Hill - Barnicoat	0%	0%	Under application
M38/0264	Admiral Hill - Barnicoat	100%	100%	
M38/0318	Admiral Hill - Barnicoat	100%	100%	
M38/0376	Admiral Hill - Barnicoat	100%	100%	
M38/0377	Admiral Hill - Barnicoat	100%	100%	
M38/0387	Admiral Hill - Barnicoat	100%	100%	
M38/0401	Admiral Hill - Barnicoat	100%	100%	
M38/0507	Admiral Hill - Barnicoat	100%	100%	
M38/1032	Admiral Hill - Barnicoat	100%	100%	
M38/1042	Admiral Hill - Barnicoat	100%	100%	
P38/4519	Admiral Hill - Barnicoat	100%	100%	
E38/1642	Burtville	100%	100%	
E38/2032	Burtville	100%	100%	
E38/3050	Burtville	100%	100%	
E38/3051	Burtville	100%	100%	
E38/3088	Burtville	100%	100%	
E38/3217	Burtville	100%	100%	
E38/3659	Burtville	0%	0%	Under application
E38/3739	Burtville	0%	0%	Under application
M38/0008	Burtville	100%	100%	
M38/0073	Burtville	91%	91%	
M38/0089	Burtville	91%	91%	
M38/0261	Burtville	100%	100%	
M38/1281	Burtville	100%	100%	
P38/4547	Burtville	0%	0%	Under application
E38/3424	Central Laverton	100%	100%	
M38/0143	Central Laverton	100%	100%	
M38/0236	Central Laverton	100%	100%	
M38/0270	Central Laverton	100%	100%	
M38/0342	Central Laverton	100%	100%	
M38/0345	Central Laverton	100%	100%	
M38/0363	Central Laverton	100%	100%	
M38/0364	Central Laverton	100%	100%	
M38/1187	Central Laverton	100%	100%	
E38/3639	Chatterbox	100%	100%	
M38/0049	Chatterbox	100%	100%	
M38/0101	Chatterbox	100%	100%	
M38/0535	Chatterbox	100%	100%	
M38/0693	Chatterbox	100%	100%	
G38/0020	Infrastructure	100%	100%	
G38/0024	Infrastructure	100%	100%	
G38/0025	Infrastructure	100%	100%	

Tenement	Location	Percentage as at 01 July 2022	Percentage as at 30 September 2022	Note
G38/0033	Infrastructure	100%	100%	
L38/0034	Infrastructure	100%	100%	
L38/0052	Infrastructure	100%	100%	
L38/0053	Infrastructure	100%	100%	
L38/0054	Infrastructure	100%	100%	
L38/0055	Infrastructure	100%	100%	
L38/0056	Infrastructure	100%	100%	
L38/0057	Infrastructure	100%	100%	
L38/0063	Infrastructure	100%	100%	
L38/0075	Infrastructure	100%	100%	
L38/0076	Infrastructure	100%	100%	
L38/0078	Infrastructure	100%	100%	
L38/0092	Infrastructure	100%	100%	
L38/0101	Infrastructure	100%	100%	
L38/0108	Infrastructure	100%	100%	
L38/0152	Infrastructure	100%	100%	
L38/0153	Infrastructure	100%	100%	
L38/0160	Infrastructure	100%	100%	
L38/0165	Infrastructure	100%	100%	
L38/0166	Infrastructure	100%	100%	
L38/0173	Infrastructure	100%	100%	
L38/0177	Infrastructure	100%	100%	
L38/0179	Infrastructure	100%	100%	
L38/0183	Infrastructure	100%	100%	
L38/0231	Infrastructure	100%	100%	
L38/0335	Infrastructure	100%	100%	
L38/0336	Infrastructure	100%	100%	
L38/0337	Infrastructure	100%	100%	
L38/0338	Infrastructure	100%	100%	
L38/0339	Infrastructure	0%	0%	Under application
E38/2873	Lake Carey	100%	100%	
E38/3604	Lake Carey	0%	0%	Under application
E38/3186	Lancefield	100%	100%	
M38/0037	Lancefield	100%	100%	
M38/0038	Lancefield	100%	100%	
M38/0159	Lancefield	100%	100%	
M38/0547	Lancefield	100%	100%	
M38/1272	Lancefield	100%	100%	
P38/4347	Lancefield	100%	100%	
P38/4348	Lancefield	100%	100%	
P38/4349	Lancefield	100%	100%	
E38/1725	Prendergast	100%	100%	
E38/1869	Prendergast	100%	100%	
E38/2862	Prendergast	100%	100%	
P38/4551	Prendergast	0%	100%	Granted
M38/0425	Murrin Murrin	0%	0%	Au Rights
M38/0505	Murrin Murrin	0%	0%	Au Rights

The release of this ASX announcement was authorised by
Mr Wanghong Yang, Executive Chairman of Focus Minerals Ltd.

**For further information
please contact:**

Nicholas Ong

Company Secretary

Focus Minerals Ltd.

Phone: +61 8 9215 7888

Email: info@focusminerals.com.au

About Focus Minerals Limited (ASX: FML)

Focus Minerals is a Perth-based, ASX-listed gold exploration company focused on delivering shareholder value from its 100%-owned Coolgardie Gold Project and Laverton Gold Project, in Western Australia's Goldfields.

Focus is committed to delivering shareholder value from the Coolgardie Gold Project, a 138km² tenement holding that includes the 1.2Mtpa processing plant at Three Mile. The LOM plan dated 24 October 2022 optimises the 2020 PFS announced in September 2020 utilising the updated Ore Reserve Estimate at Coolgardie which was announced to ASX on 12 October 2022. The LOM plan indicates the return to mining at Coolgardie with an NPV_{7.5%} of \$152 million based on a gold price of A\$2,200 per ounce. The Company's efforts are now focused on refurbishing and commissioning the Three Mile Hill plant for mid-2023.

The Laverton Gold Project covers 362km² area of highly prospective ground that includes the historic Lancefield and Chatterbox Trend mines. Focus' priority target is to confirm sufficient gold mineralisation at the Beasley Shear Zone, Lancefield-Wedge Thrust, Karridale and Burtville to support a Stage 1 production restart at Laverton. In parallel, Focus is working to advance key Laverton resource growth targets including Sickle, Ida-H and Burtville South. Focus has delivered first results from a progressive Pre-Feasibility Study (Pre-Tax NPV_{5.0%} A \$132M) and is advancing study work utilising Laverton's expanded Mineral Resource position.

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Alex Aaltonen, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaltonen is an employee of Focus Minerals Limited. Mr Aaltonen 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 2012 Edition of *the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*.