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ASX Announcement 23 February 2018

Maiden Mineral Resource for Karridale Deposit

Focus Minerals Ltd. (ASX: FML) is pleased to announce that an inaugural JORC 2012 reportable Mineral Resource estimate has been completed for the Karridale Deposit, located 30km south east of the township of Laverton.

The Mineral Resource is reported above a 0.6g/t cut-off and comprises:

- **Indicated Resource: 2.7 Mt @ 1.5 g/t Au for 135,000 contained ounces**
- **Inferred Resource: 10.0 Mt @ 1.3g/t Au for 403,000 contained ounces**
- **Total Resource: 12.7 Mt @ 1.3 g/t Au for 538,000 contained ounces**

The Mineral Resource is reported on a dry tonnage basis. See the attached JORC Table 1 for additional details.

The Karridale Project forms part of Focus Minerals' tenement portfolio in the highly prospective Laverton region of Western Australia. The deposit area formed part of the larger Burtville mining centre, and between 1899 and 1922 there was a recorded production of 6,315 tonnes at 80.6 g/t from the mining centres of Karridale, Roscommon and Bonds Find. The most extensive workings were those at Karridale, where between 1900 and 1905, 1,628 tonnes of ore were mined to produce 4,882oz of gold.

Various drill campaigns have been conducted over the years at Karridale, however only holes drilled by FML since 2013 were used in the estimate. A total of 154 drill holes were used, comprising: 129 Reverse Circulation (RC) holes and 25 diamond holes with an RC pre-collar (RCDD), totalling 39,038m. FML has drilled numerous campaigns at Karridale commencing in July 2013 through to June 2017.

The JORC 2012 Karridale Mineral Resource tabulation for Indicated and Inferred material above 0.6g/t Au cut-off is shown below:

Classification	Tonnes (M/t)	Grade (g/t Au)	Ounces ('000)
Indicated	2.7	1.5	135
Inferred	10.0	1.3	403
Total	12.7	1.3	538

Notes:
Discrepancies may occur due to rounding.
Historic mining depletion has been taken into account

Karridale mineralisation is open along strike and down dip. Further drilling is planned to test for extensions. Further, recent advancements in understanding host rock lithologies is expected to improve targeting of higher grade zones within the Mineral Resource.

JORC 2012 Mineral Resource Summary for Karridale Deposit

Background

The Karridale Project is located 30km south east of Laverton in the Eastern Goldfields of Western Australia with access via Merolia Road and occurs across five mining and exploration tenements within the Burtville district and some 2km south of the Burtville open cut owned by Focus Minerals (See Figure 1). M38/8, E38/2032 and E38/1642 are wholly owned by Focus. M38/73 and M38/89 are held under the Merolia Joint Venture between Focus Minerals (Laverton) Pty Ltd and GSM Mining Company Pty Ltd (a wholly owned subsidiary of Gold Fields). Focus holds a 91% interest in these joint venture tenements.

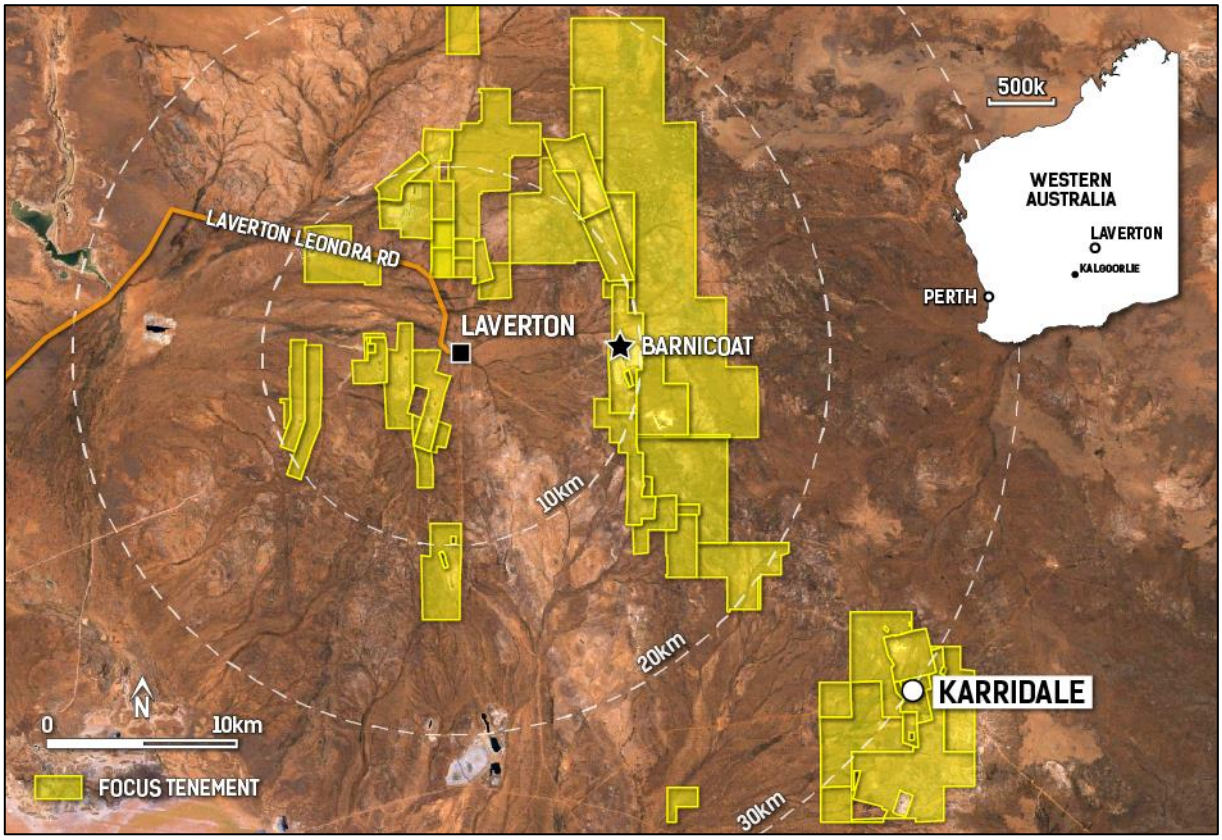

Figure 1: Karridale Project location

The Karridale Deposit has been historically mined as part of the Burtville mining centre. Gold was discovered in the area in 1897 and a Burtville town site existed; population rising to approx. 400 in the early 1900's. Between 1899 and 1922 there was a recorded production of 6,315 tonnes at 80.6 g/t from the mining centres of Karridale, Roscommon and Bonds Find. The most extensive workings were those at Karridale, where between 1900 and 1905, 1,628 tonnes of ore were mined to produce 4,882oz of gold. At Karridale, ore appears to have been stoped out to a depth of at least 21 meters vertical depth, although many of the shafts extend to at least 40m depth, where excess groundwater, diminishing gold grades and fresh rock appear to have made mining unprofitable. From aerial photography, the historical disturbance appears to extend over an area of at least 150m x 300m.

In modern exploration times various companies have run drilling campaigns at Karridale since the late 1970's through to 2017. The bulk of the drilling was by Sons of Gwalia (SOG) who also were open pit mining the nearby Burtville Deposit in the 1990's.

Geology and Geological Interpretation

Two kilometers to the north of Karridale, the Burtville granodiorite is interpreted to be at the core of a polyphase intrusive complex that is interpreted to include more mafic rocks such as gabbro and dolerite. The intrusives are focused within pelitic and arkosic sediments at the core of the Burtville syncline (covered largely by the Burtville tenements of Focus). Stratigraphically below the sediments are basalts and then ultramafics. The sequence appears to be repeated by early thrusts, now striking north – south.

Mineralisation styles identified at Karridale include:

- Flat (possible reverse thrust) northwest dipping shear zones with silica – sericite – carbonate – pyrite + arsenopyrite alteration and quartz carbonate veining.
- Steep dipping, narrow north trending quartz veins, with silica – sericite – carbonate + sulphide alteration and visible gold. Associated with strongly sheared selvages.
- Hydrothermal breccia of unknown morphology and orientation. Strong silica – carbonate – sericite – arsenopyrite – pyrite alteration. Visible gold in associated quartz carbonate vein.

The mineralisation is hosted by a package of generally fine grained felsic, intermediate and basic volcanics with flat to shallow northwest dipping contacts. The volcanics are overlain by quartz rich sediments. Thin interflow shale units within the volcanics act as marker horizons. The package is intruded by dolerite and gabbro / diorite units which are also mineralised. The Karridale Deposit is primarily associated with a 400m thick zone of stacked, gold mineralised, shear zones, dipping to the northwest at 30° to 40°. The shear zones display a distinct 'pinch and swell' effect down dip. Two of the interpreted mineralised zones appear to correspond to the historic Karridale and Boomerang underground mines. Drilling has traced the system over 800m strike, with mineralisation open along strike and down dip. Also observed in these mines from the Burtville District, are steep dipping, north-south striking high-grade narrow quartz veins that were the focus of historic (1900's) mining and were mined over hundreds of metres.

All available Focus drill holes (See Figure 2) and historic mining data was used to guide the geological interpretation of the mineralisation. Modelling of lithology contacts shows stratigraphy is dipping generally between 15 and 40 degrees towards the northwest (See Figures 3 and 4). The majority of gold bearing shears lie parallel to, or dip slightly steeper than, stratigraphy. Furthermore, some higher gold grades are associated with zones of changing (steepening) stratigraphy. Mineralisation interpretations were undertaken in Leapfrog Geo™ software, with envelopes digitised on a section by section basis using an approximate 0.5g/t Au cut-off grade and geological contacts. Vein sets, rather than individual veins were modelled together for a more "bulk lode" approach. Minor deviation of the lode geometry was noted between drill holes along strike and down-dip.

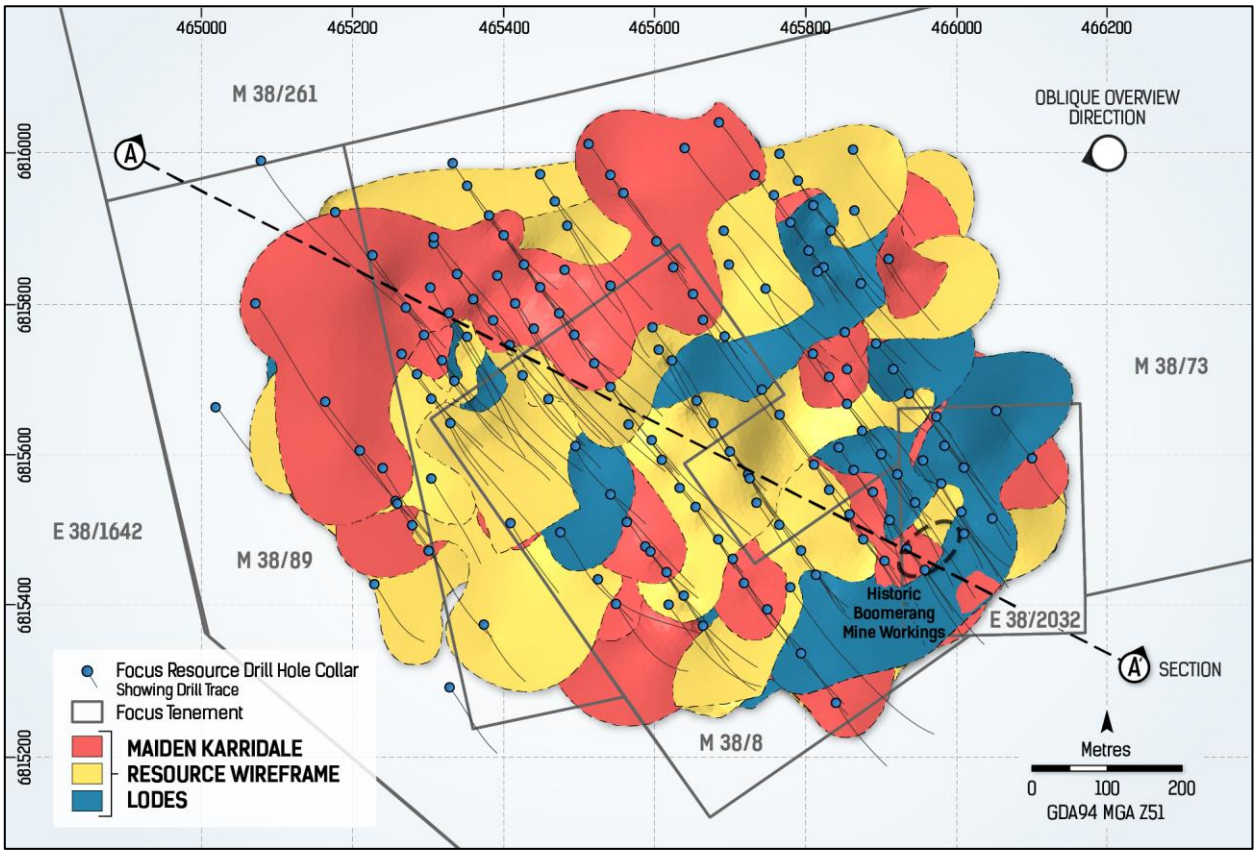

Figure 2: Plan View of Karridale Deposit with historic workings

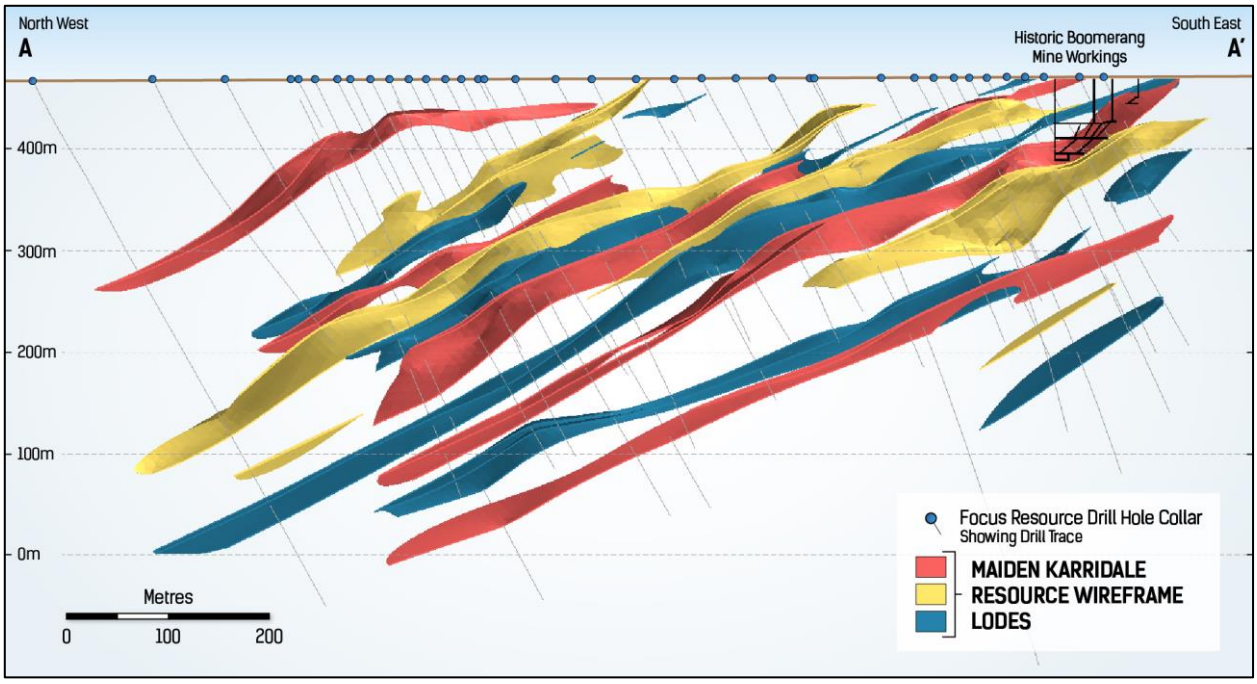

Figure 3: Section View of Karridale Deposit with Historic Workings

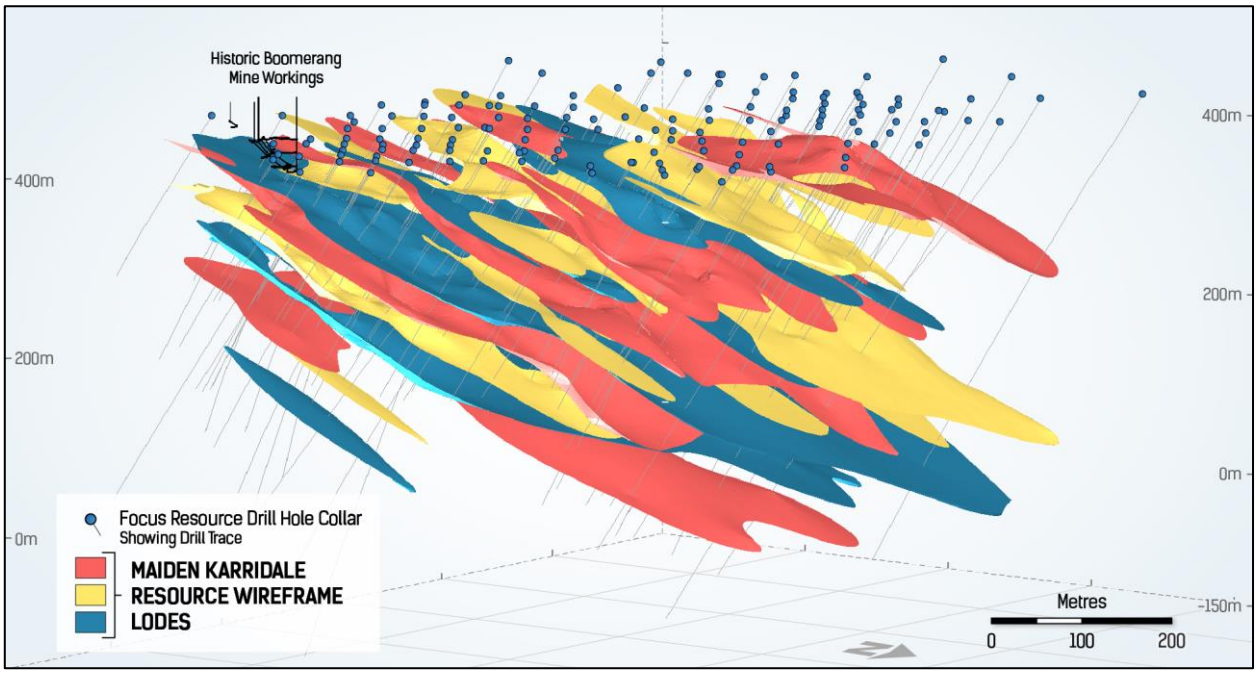

Figure 4: Oblique View of the Karridale Deposit Mineralisation

Mineralisation at the Karridale Deposit area has been interpreted over an 800m strike length trending NE and extends from near surface to a depth of 450m below surface. The thickness of the individual quartz veins varies from 0.25m to 6m thick with an average thickness of 2m. However, the wireframed lodes of vein sets varies from more than 30m to 0.25m thick, with an average thickness of 5m.

Sampling Techniques

Diamond core has been sampled in the mineralised zones to geological contacts up to 1m in length; core was ½ core sampled using an automatic core saw. RC percussion drill chips were collected through a cyclone and cone splitter. Samples were collected on a 1m basis with the bulk drill sample collected in plastic bags and stored on site pending programme completion. RC chips were passed through a cone splitter to achieve a sample weight of approximately 3kg. Samples were collected in uniquely numbered calico bags.

Drilling Techniques

All drilling at Karridale was completed using either a face sampling hammer (RC) or diamond core varying from HQ to NQ in size. All diamond holes had an RC pre-collar. Where ground conditions were good enough to allow, holes were surveyed by single shot on self-northing gyrocompass at 30m intervals during drilling, to the extent that ground conditions allowed. At hole completion, the gyrocompass was used to survey the entire hole from within the rods.

Sample Analysis Method

Samples were assayed for Au via nominal 40gm fire assay with either an AAS or ICP-OES Finish. Screen fire assay of 1kg of coarse reject was standard on samples that returned a fire assay of 10g/t or greater. In later drilling programmes, nominally each 4th to 6th pulp was analysed for a small selection of lithochemical and pathfinder elements using a mixed acid digest. The use of multi-element geochemistry has greatly improved the understanding of rock types and controls on mineralisation. Duplicate RC samples were taken across

zones of mineralisation identified in the assay results, with zones re-split by hand and submitted for the standard 40gm fire assay analysis. Duplicates were not taken on the diamond core samples.

Estimation Methodology

Only FML drilled RC and diamond samples were used in the estimation. Samples were composited to 1m, the dominant sample interval. After a review of the individual lode statistics, histogram, probability plot and mean/variance plot top-capping of outlier high grade values was carried out. Snowden Supervisor software was used for Variography and Kriging Neighbourhood analysis to help determine sample numbers, search distances. An elliptical search was used based on the ranges of the Variograms. Grade Estimation was by ordinary kriging using GEOVIA Surpac software. Four search passes were run, with decreasing minimum sample numbers and increasing range between each search pass. Further detail is provided in Table 1, Section 3.

Criteria Used for Classification

Mineral Resource Classification was based on the following criteria:

1. Confidence in the drillhole data: sampling, logging, surveying, analytical techniques and database compilation with appropriate QAQC checks.
2. Geological confidence in the continutity and geometry of the deposit.
3. Most of the deposit is drilled on a 40m x 80m spacing, although there is a small area drilled on a 40m x 40m spacing. If this 40m x 40m drilling is removed, and the estimate re-run with only the 40m x 80m drilling, then the difference in contained metal between the estimates is less than 15%. Therefore, a Mineral Resource classification of Inferred is considered appropriate for the 40m x 80m drilling.
4. The small area drilled at the 40m x 40m spacing has been classified as Indicated
5. Various output parameters from the ordinary kriging process, such as number and distance of samples, kriging and block variance, slope of regression and number of negative kriging weights assisted with the classification of Indicated and Inferred Mineral Resources.

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Jeff Ion, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Geoscientists (AIG). Mr Ion holds shares in Focus Minerals Limited and is a director of Jeffrey Geo Pty Ltd, under contract to Focus Minerals Limited. Mr Ion has sufficient experience that is relevant to the style of mineralization 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".

The Mineral Resource estimates were undertaken by Ms. Hannah Kosovich, an employee of Focus Minerals. Ms. Hannah Kosovich is a member of Australian Institute of Geoscientists and has sufficient experience 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".

Seequent (formerly ARANZ Geo) worked with and reviewed/critiqued FML's work on the geological interpretation, estimation methodology and parameters, and estimate validation. Michael Job from

Seequent is satisfied to act as the Competent Person for the Mineral Resource estimate as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Mr. Jeffery Ion, Ms. Hannah Kosovich and Mr. Michael Job consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 Karridale

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	• This report relates to results from Reverse Circulation (RC) drilling and diamond core drilling. The information of sampling techniques below applies to the drill holes drilled by Focus Minerals (FML) only. • RC percussion drill chips were collected through a cyclone and cone splitter. Samples were collected on a 1m basis. Diamond core was sampled across identified zones of mineralisation by site geologists, the sample widths varied between a minimum of about 0.2m and a nominal maximum of 1m. • Diamond core was collected into standard plastic core trays. Down hole depths were marked onto wooden core blocks and stored in the trays. • RC chips were passed through a cone splitter to achieve a sample weight of approximately 3kg. The splitter was levelled at the beginning of each hole using a bullseye level. At the assay laboratory all samples were oven dried, crushed to a nominal 6mm using a jaw crusher (core samples only) and weighed. Samples exceeding 3kg in weight were riffle split to achieve a maximum 3kg sample weight before being pulverized to 90% passing 75µm. The samples were then prepared for fire assay. • When visible gold was observed in RC chips, this sample was then flagged by the supervising geologist for the benefit of the laboratory. The diamond core was marked up for sampling by the supervising geologist during the core logging process, with sample intervals determined by the presence of mineralisation and/or alteration. Whenever possible the cut-line was drawn parallel to and close to the down hole core orientation line to ensure the cut-line was consistent over the hole. The core was cut in half using an automatic core saw, with half-core samples submitted to Kalgoorlie Assay Laboratories for fire assay analysis by a 50g fire assay with an ICP-OES or AAS Finish.
Drilling techniques	• All FML drilling was completed using an RC face sampling hammer or NQ2/HQ size diamond core. All drill core was oriented where competent by the drilling contractor using an Ezy-mark or similar system. Most holes were surveyed upon completion of drilling using a north-seeking gyroscope and holes were surveyed "in-rod". Otherwise a single shot Eastman camera downhole survey was used either "in-rod" or "open hole".
Drill sample recovery	• FML Sample recovery was recorded by a visual estimate during the logging process. • RC samples were usually dry and typically had good recovery. • DD sample recovery was measured and calculated (core loss) during the logging process. DD core had generally good to excellent recovery. • No formal study of grade verses recovery has been done. However, preferential loss of either mineralized or non-mineralised material was noted during logging.
Logging	• All core samples were oriented, marked into metre intervals and compared to the depth measurements on the core blocks. Any loss of core was noted and recorded

Criteria	Commentary
	in the drilling database. • All RC samples were geologically logged to record weathering, regolith, rock type, colour, alteration, mineralisation, structure and texture and any other notable features. • All diamond core was logged for structure, and geologically logged using the same system as that for RC. • The logging information was recorded into acQuire format using a Toughbook notepad and then transferred into the company's drilling database once the log was complete. • Logging was qualitative, however the geologists often recorded quantitative mineral percentage ranges for the sulphide minerals present. • Diamond core was photographed wet and dry one core tray at a time using a standardised photography jig. • Samples from RC holes were archived in standard 20m plastic chip trays and photographed. • The entire length of all holes has been logged.
Sub-sampling techniques and sample preparation	• Core samples were taken from half core, cut using an Almonte automatic core saw. The remainder of the core was retained in core trays tagged with a hole number and metre mark. • RC samples were cone split to a nominal 2.5kg to 3kg sample weight. The drilling method was designed to maximise sample recovery and delivery of a clean, representative sample into the calico bag. • Where possible all RC samples were drilled dry to maximise recovery. The use of a booster and auxiliary compressor provide dry sample for depths below the water table. Sample condition was noted (wet, dry or damp) at the time of sampling and recorded in the database. Sample recovery was visually estimated; poor = <50%, moderate = 50% to 75%, good = >75%. • The samples were collected in a pre-numbered calico bag bearing a unique sample ID. • Diamond core was crushed to 6mm prior to further preparation. • Samples were riffle split (if required) to a maximum 3kg sample weight. Gold analysis was determined by a 30g to 50g fire assay with an ICP-OES or AAS Finish. Other multi-element (not gold) analysis utilised 40gm subsamples. • Selected samples that returned gold values more than 10g/t Au were, as a precaution, routinely re-assayed using a screen fire assay technique that is designed to minimize the influence of any coarse gold particles. No concerns in repeatability of high grade gold were noted. • The assay laboratories' sample preparation procedures follow industry best practice, with techniques and practices that are appropriate for this style of mineralisation. Pulp duplicates were taken at the pulverising stage and selective repeats conducted at the laboratories' discretion. • In the field FML inserted 3-5 standards for every 100 samples (at regular sample number intervals) collected from the rig. Standards covering a wide range of gold values were used to check laboratory performance at differing gold concentrations. Initially field duplicates were collected at a rate of 5 per 100 samples (at regular intervals), directly from the rig cone splitter. Later field duplicates were collected post drilling by multi-tier riffle splitter from intervals known to be mineralised. Diamond core field duplicates were not taken, preference being given to retaining the half core archive sample for future geological study. • Blank samples were not used, rather a low concentration gold standard being used. This was considered more useful given the trend in modern laboratories away from treating samples consecutively. This also removed the issue of blank samples being inadvertently inserted into non-mineralised intervals. • Regular reviews of the sampling were carried out by the supervising geologist and senior field staff, to ensure all procedures were followed and best industry practice carried out. • The sample sizes were considered to be appropriate for the type, style and consistency of mineralisation encountered during this phase of exploration.

Criteria	Commentary
Quality of assay data and laboratory tests	• The assay method and laboratory procedures were appropriate for this style of mineralisation. The fire assay technique was designed to measure total gold in the sample. • Approximately every 6th RC sample hole was assayed for multi-element (typically Ag, As, Cd, Cr, Ni, Pb, Sb, Ti, Zn, Zr) by 4 acid digest or aqua regia and ICP-MS or ICP-OES finish. Digests such 4 acids were not considered complete for some elements but were sufficient for lithochemistry and mineralisation pathfinder purposes. • Selected diamond core samples were analyzed by multi-element geochemical techniques. • No geophysical tools, spectrometers or handheld XRF instruments were used. • All analytical work was carried out by a certified major laboratory with appropriate expertise • The QA/QC process described above was sufficient to establish acceptable levels of accuracy and precision. Focus routinely ran umpire pulps through other certified laboratories on occasion as a part of its standard practice. • The QA/QC process described above was sufficient to establish acceptable levels of accuracy and precision. All results from assay standards and duplicates were scrutinised to ensure they fell within acceptable tolerances, with appropriate follow-up if required.
Verification of sampling and assaying	• Significant intervals are routinely checked against geological logs and photographs by Focus geologists. • At Karridale, historic drill data was not used in these resource calculations, so no historic holes were twinned or otherwise field validated. • Primary data was sent in digital format to the company's Database Administrator (DBA) as often as was practicable. The DBA imported the data into an acQuire database, with assay results merged into the database upon receipt from the laboratory. Once loaded, data was extracted for verification by the geologist in charge of the project. • When reporting, no adjustments are made to any current or historic assay data. Where multiple assays exist for a sample, the most rigorous technique is given priority – e.g.; screen fire assay results are prioritized over fire assay results.
Location of data points	• FML drill collars were surveyed after completion, using a DGPS instrument. All drill core was oriented where competent by the drilling contractor using an Ezy-mark or similar system. • Most holes were surveyed upon completion of drilling using a north-seeking gyroscope and holes were surveyed "in-rod". Otherwise a single shot Eastman camera was used either "in-rod" or "open hole". • All coordinates and bearings use the MGA94 Zone 51 grid system. • For spatial control on historic drill collars, FML utilises Landgate sourced regional topographic maps and contours as well as AHD based topographic plans produced by the mining survey teams utilising DGPS base station instruments.
Data spacing and distribution	• Drill spacing at the Karridale Deposit varies from a 40m x 40m to 80m x 80m. Wider spaced collars exist outside the resource estimate volume.
Orientation of data in relation to geological structure	• Drilling was designed based on known geological models, field mapping, verified historical data and cross-sectional interpretation. • Drill holes were oriented at right angles to strike of deposit. At Karridale, drill azimuth and dip directions are considered close to optimum for mineralization flatly dipping to the northwest, but also acceptable for steep north striking mineralization.
Sample security	• All samples received by the laboratory were reconciled against the sample submission with any omissions or variations reported to FML. • All samples were bagged in a tied numbered calico bag, grouped into green plastic bags that were zip locked or wire tied. The bags were placed into bulka bags with a

Criteria	Commentary
	sample submission sheet ready for transportation to Kalgoorlie by courier. Consignment notes traced the courier sample delivery.
Audits or reviews	• A review of sampling techniques was carried out by an external consulting group in late 2013 as part of a database amalgamation project. No significant changes were recommended for the Focus Laverton system of sampling. All results are continually reviewed by experienced in-house geologists and the database administrator.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	• Tenements M38/73 and M38/89 are 91% beneficially held by Focus Minerals (Laverton) Pty Ltd under the Merolia JV with GSM Mining Company Pty Ltd. All other tenements worked in the drilling covered by this announcement are held 100% by Focus Minerals (Laverton) Pty Ltd. Privately held royalties exist. Refer to the Focus Minerals 2016 Annual Report released 6/04/2017. The tenements are in good standing and no impediments to future exploration or permitting are known.
Exploration done by other parties	• Karridale formed part of the larger Burtville mining centre, and between 1899 and 1922 there was a recorded production of 6,315 tonnes at 80.6 g/t from the mining centres of Karridale, Roscommon and Bonds Find. The most extensive workings were those at Karridale, where between 1900 and 1905, 1,628 tonnes of ore were mined to produce 4,882oz of gold. At Karridale, ore appears to have been stoped out to a depth of at least 21 meters vertical depth, although many of the shafts extend to at least 40m depth, where excess groundwater, diminishing gold grades and fresh rock appear to have made mining unprofitable. From aerial photography, the historical disturbance appears to extend over an area of at least 150m x 300m. • In more recent times numerous companies have held the tenements or precursor tenements and carried out drilling programs since 1977. • Sons of Gwalia, the previous tenement owners before FML carried out some, poorly documented, close spaced shallow drilling in the centre of the deposit and outlined in an in-house report, mineralization of 210,000t at 2.5g/t. • No historical data was used for grade interpolation in the Mineral Resource estimate but has been used to guide the geological interpretation. Only holes drilled by FML since 2013 have been used for grade interpolation.

Geology	• Two kilometers to the north of Karridale, the Burtville granodiorite is interpreted to be at the core of a polyphase intrusive complex that is interpreted to include more mafic rocks such as gabbro and dolerite. The intrusives are focused within pelitic and arkosic sediments at the core of the Burtville syncline (covered largely by the Burtville tenements of Focus). Stratigraphically below the sediments are basalts and then ultramafics. The sequence appears to be repeated by early thrusts, now striking north – south. Karridale is located at the southern end of the Burtville syncline. Local geology at Karridale is a package of generally fine grained felsic, intermediate and basic volcanics with flat to shallow northwest dipping contacts. The volcanics are overlain by quartz rich sediments. Thin interflow shale units within the volcanics act as marker horizons. The package is intruded by dolerite and gabbro / diorite units which are also mineralised.
	• Mineralisation styles identified at Karridale include:
	  ○ Flat (possible reverse thrust) northwest dipping shear zones with silica – sericite – carbonate – pyrite + arsenopyrite alteration and quartz carbonate veining.
	  ○ Steep dipping, narrow north trending quartz veins, with silica – sericite – carbonate + sulphide alteration and visible gold. Associated with strongly sheared selvages.
	  ○ Hydrothermal breccia of unknown morphology and orientation. Strong silica –

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>carbonate – sericite – arsenopyrite – pyrite alteration. Visible gold in associated quartz carbonate vein.</td></tr>
<tr><td>Drill hole Information</td><td>
All but 4 drill holes have been previously reported. See table below for:
<table>
<tr><th>Drill Hole Number</th><th>ASX Release Title</th><th>ASX Release Date</th></tr>
<tr><td>KARC207, 216, 220, 227, 235, 278, 279, 280, 282, 283, 284
KARD202, 281</td><td>Operational Update</td><td>16 January 2018</td></tr>
<tr><td>KARC241 – 280
KARD281
KARC282 - 284</td><td>Operational Update</td><td>25 July 2017</td></tr>
<tr><td>KARC228, 230 - 240</td><td>Drilling Update Karridale RC Programme</td><td>28 April 2017</td></tr>
<tr><td>KARC194 – 201, 203 – 227, 229</td><td>Progress Report for Coolgardie and Laverton</td><td>25 January 2017</td></tr>
<tr><td>KARC169 - 193</td><td>Focus Minerals Ltd Exploration Update</td><td>28 April 2016</td></tr>
<tr><td>KARD155
KARC156 – 157
KARD158
KARC159
KARD160 - 168</td><td>Evidence Grows for Significant Gold System at Karridale</td><td>27 January 2016</td></tr>
<tr><td>KARD154</td><td>Karridale Exploration Update: Exciting Signs</td><td>13 April 2015</td></tr>
<tr><td>KARC138 – 143
KARC145 – 146
KARC152 - 153</td><td>Laverton Exploration Update</td><td>30 January 2015</td></tr>
<tr><td>KARC123 – 126
KARC130 - 134</td><td>Quarterly Activities Report</td><td>30 October 2013</td></tr>
</table>
Collar details of the 4 drill holes from 2013 that have not been previously reported are given below:
<table>
<tr><th>Hole ID</th><th>East GDA94z51</th><th>North GDA94z51</th><th>RL AHD</th><th>Azimuth (Collar)</th><th>Dip (Collar)</th><th>Total Depth (m)</th><th>Tenement (Collar position)</th></tr>
<tr><td>KARC127</td><td>465302</td><td>6815472</td><td>467</td><td>145</td><td>-60</td><td>124</td><td>M38/89</td></tr>
<tr><td>KARC128</td><td>465257</td><td>6815537</td><td>467</td><td>145</td><td>-60</td><td>31</td><td>M38/89</td></tr>
<tr><td>KARC129</td><td>465211</td><td>6815603</td><td>466</td><td>145</td><td>-60</td><td>199</td><td>M38/89</td></tr>
<tr><td>KARC135</td><td>465687</td><td>6816038</td><td>467</td><td>145</td><td>-60</td><td>198</td><td>M38/73</td></tr>
</table>
Significant intercepts from KARC135 are listed below:
<table>
<tr><th>Hole ID</th><th></th><th>From (m)</th><th>To (m)</th><th>Width (m)</th><th>Grade (Au g/t)</th></tr>
<tr><td>KARC135</td><td></td><td>109</td><td>112</td><td>3</td><td>2.75</td></tr>
<tr><td></td><td>and</td><td>137</td><td>138</td><td>1</td><td>1.08</td></tr>
<tr><td></td><td>and</td><td>139</td><td>140</td><td>1</td><td>1.24</td></tr>
</table>
Average width weighted grade > 1g/t, minimum width 1m, maximum internal dilution 1m
No significant intercepts were recorded for holes KARC127 – 129.
</td></tr>
<tr><td>Data aggregation methods</td><td>Mineralised intersections are reported at a 0.50g/t Au cut-off with a minimum reporting width of 1m for RC holes and 0.2m for diamond holes, reported as length-weighted average grades.</td></tr>
<tr><td>Relationship between</td><td>Holes were drilled orthogonal to anticipated mineralisation as much as possible, however the exact relationship between intercept width and true width cannot be</td></tr>
</table>

Criteria	Commentary
mineralisation widths and intercept lengths	estimated exactly in all cases.
Diagrams	• Refer to Figures and Tables in body of this release and in prior ASX announcements covering drilling results since FML commenced RC drilling at Karridale in July 2013.
Balanced reporting	• Focus Minerals drill hole data is available in the previous drill hole information table.
Other substantive exploration data	• There is no other material exploration data to report.
Further work	• The company is further reviewing exploration results, and follow-up drilling is intended to be both of an infill and extensional nature. The work will be undertaken in stages and each stage dependent of prior results.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section)

Criteria	Commentary

Database integrity	• Data was geologically logged electronically; collar and downhole surveys were also received electronically as was the laboratory analysis results. These electronic files were loaded into an acQuire database by either consultants or the company in-house Database Administrator. Data was routinely extracted to Microsoft Access during the drilling program for validation by the geologist in charge of the project.
	• FML's database is a Microsoft SQL Server database (acQuire), which is case sensitive, relational and normalised to the Third Normal Form. Because of normalisation, the following data integrity categories exist:
	  • Entity Integrity: no duplicate rows in a table, eliminated redundancy and chance of error.
	  • Domain Integrity: Enforces valid entries for a given column by restricting the type, the format or a range of values.
	  • Referential Integrity: Rows cannot be deleted which are used by other records.
	  • User-Defined Integrity: business rules enforced by acQuire and validation codes set up by FML.
	• Additionally, in-house validation scripts are routinely run in acQuire on FML's database and they include the following checks:
	  • Missing collar information
	  • Missing logging, sampling, downhole survey data and hole diameter
	  • Overlapping intervals in geological logging, sampling, down hole surveys
	  ○ Checks for character data in numeric fields
	• Data extracted from the database were validated visually in GEOVIA Surpac software and ARANZ Geo Leapfrog software. Also, when loading the data any errors regarding missing values and overlaps are highlighted.

Site visits	• Jeff Ion, the Competent Person for Sections 1 and 2 of Table 1 is FML's Principal Geologist via his contracting company Jeffrey Geo Pty Ltd, and conducts regular site visits. • Michael Job, the Competent Person for Section 3 of Table 1 is Senior Principal Consultant with Seequent, an independent mineral industry consulting group. He visited FML's Coolgardie operations in September 2012.
Geological interpretation	• All Focus drill holes and historic mining data was used to guide the geological interpretation of the mineralisation. • Multi-element geochemistry on sample pulps has allowed a more rigorous 3D geological model to be built. This has improved the understanding of geological controls on gold mineralisation and is guiding future extensional drilling. Lithologies hosting mineralisation include intermediate volcanics, mafic volcanics and shale units. Arsenopyrite has been logged in some gold bearing intersections accompanied by an arsenic and antimony geochemical halo. The logging of quartz

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>veining guided the interpretation particularly of the higher-grade lode, but mineralisation was not restricted to the presence of large scale quartz veining.
• The mineralised geological interpretation was completed using Leapfrog software on a section by section basis. The wireframes were created to capture a “bulked” mineralised vein sets then individual mineralised veins. An approximate 0.5g/t Au value was used to guide the interpretation.
• Minor deviation only of the lode geometry was noticed between drill holes along strike and down-dip.
•</td></tr>
<tr><td>Dimensions</td><td>• Mineralisation at the Karridale Project area has been interpreted over an 800m strike length trending NE and extends from near surface to a depth of 450m below surface. The thickness of the individual quartz veins varies from 0.25m to 6m thick with an average thickness of 2m. However, the wireframed lodes of vein sets varies from more than 30m to only 0.25m thick, with an average thickness of 5m.</td></tr>
<tr><td>Estimation and modelling techniques</td><td>• Only RC and Diamond holes drilled by FML were used in the estimation. In total 154 holes were used, 129 RC holes and 25 RC pre-collar with diamond tail (RCDD) holes were used.
• The drill hole samples were composited to 1m within each domain. This is the dominant sampling interval.
• Composited assay values of each domain were exported to a text file (.csv) from Leapfrog and imported into Snowden Supervisor for geostatistical analysis.
• A review of histograms, probability plots and mean/variance plots for each domain revealed some outlier sample values.
• Top-capping of higher Au values within each domain was carried out with Au values above the cut-off grade reset to the cut-off grade.
• Different caps were used for the lodes, an average of 9g/t Au was used; the largest cap was 13g/t Au.
• Variograms were modelled for all lodes except 2, which had too few sample numbers and shared the variogram of a similar orientated lode. A normal scores transformation was applied to the negatively skewed data in each lode. A back-transformation was applied to the variogram model before exporting the variograms in a Surpac readable format.
• GEOVIA Surpac Software was used for the estimation. An Ordinary Kriging (OK) technique was selected using the variograms modelled in Supervisor. Each domain was estimated separately using only its own sample values. No samples were shared between domains (hard boundaries).
• Minimum (6) and maximum (20) sample numbers were selected based on a Kriging Neighbourhood analysis in Supervisor.
• An elliptical search was used based on range of the Variograms (see table below).
<table>
<tr><th rowspan="2">Search Pass</th><th colspan="3">Search Radius Dimensions (m)</th><th rowspan="2">Minimum samples</th><th rowspan="2">Maximum samples</th><th rowspan="2">Maximum samples per hole</th></tr>
<tr><th>Major</th><th>Semi-Major</th><th>Minor</th></tr>
<tr><td>1</td><td>80</td><td>80</td><td>27</td><td>6</td><td>20</td><td>7</td></tr>
<tr><td>2</td><td>120</td><td>120</td><td>40</td><td>6</td><td>20</td><td>7</td></tr>
<tr><td>3</td><td>160</td><td>160</td><td>53</td><td>4</td><td>20</td><td>7</td></tr>
<tr><td>4</td><td>240</td><td>240</td><td>80</td><td>2</td><td>20</td><td>7</td></tr>
</table>
• Four search passes were run to fill the block model with estimated Au values. For the core and surrounding main lode, 75% of the blocks were filled on the first pass, 11% on the second and 10% on the third and 4% on the fourth.
• Block sizes for the model were 20m in Y, 20m in X and 5m in Z direction. Sub celling of the parent blocks was permitted to 5m in the Y direction, 2.5m in the X direction and 1.25m in the Z direction. Sub-blocking was used to best fill the wireframes and inherit the grade of the parent block. No rotation was applied to the orientation of the blocks.
• Block size is approximately ½ of the average drill hole spacing.
• The estimate was validated by several methods. An initial visual review was done</td></tr>
</table>

Criteria	Commentary
	by comparing estimated blocks and raw drill holes. • Tonnage weighted mean grades were compared for all lodes with the raw and top-capped drill hole values. There were no major differences. • Swath plots of drill hole values and estimated Au grades by northing, easting and RL were done for the core and surrounding main lodes and showed that the estimated grades honoured the trend of the drilling data.
Moisture	• Tonnages are estimated on a dry basis.
Cut-off parameters	• The Mineral Resource for Karridale have been reported above a 0.6g/t Au cut-off and above the 290mRL for open pit, and above 3g/t Au cut-off beneath the 290mRL. This is based on a gold price of AUD $1600/oz., mining and processing costs of AUD $50 per tonne, and an Au recovery of 99%. • These operating costs were based on a small processing facility being built near the deposit.
Mining factors or assumptions	• The Karridale Deposit would be mined by open pit extraction using a moderate sized mining fleet.
Metallurgical factors or assumptions	• While no metallurgical test work has been carried out specifically at Karridale, previous production and processing records for the nearby Burtville Pit exist.
Environmental factors or assumptions	• Karridale Deposit sits near the previously mined Burtville Pit, with numerous historic workings in the area, including minor underground development at Boomerang.
Bulk density	• Density values were assigned based on the weathering category. The same density values used in nearby Burtville Pit were applied to the oxide and transitional material. These values were the averages of SG test work that was ongoing over the life of the open cut mining activities. A value of 1.8 was assigned to oxidised blocks and 2.45 for transitional material. An updated value of 2.86 was used in the fresh rock. This figure is the average of all readings taken from 42 diamond core samples at Karridale (mainly basalt, felsic volcanic and volcanic). • The water immersion technique was used for these determinations.
Classification	• The Mineral Resource have been classified as Inferred based primarily on drilling spacing and geological confidence in the geometry and continuity of the lodes. In addition, various estimation output parameters such as number of samples, search pass, kriging variance, and slope of regression have been used to assist in classification. • Most of the deposit is drilled on an 40m x 80m spacing, although there is a small area drilled on a 40m x 40m spacing. If this 40m x 40m drilling is removed, and the estimate re-run with only the 40m x 80m drilling, then the difference in contained metal between the estimates is less than 15%. Therefore, a resource classification of Inferred for the 40m x 80m drilling is considered appropriate. • The small area drilled at the 40m x 40m spacing has been classified as Indicated.
Audits or reviews	• Seequent worked with and reviewed/critiqued FML's work on the geological interpretation, estimation methodology and parameters, and estimate validation. Michael Job from Seequent is satisfied to act as the Competent Person for the Mineral Resource estimate.
Discussion of relative accuracy/ confidence	• This is addressed in the relevant paragraph on Classification above. • The Mineral Resource relates to global tonnage and grade estimates