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ASX Announcement

30 January 2019

FOCUS ADVANCES ITS KARRIDALE AND BURTVILLE PROJECTS

Focus Minerals wishes to advise its shareholders and the market that the Stage 2 resource extension drilling programmes located at the eastern and southern sides of Karridale and the southern side of Burtville have delivered successful results.

Karridale resource extensional drilling continued to perform with several significant shallow intersections

- **18KARC065 – 4m @ 3.53g/t Au from 40m, including 1m @ 10.77g/t from 41m**
- **18KARC080 – 8m @ 2.68g/t Au from 77m, including 2m @ 7.55g/t from 78m**
- **18KARC080 – 1m @ 73.72g/t Au from 161m + Visible Gold**
- **18KARC081 – 8m @ 7.28g/t Au from 65m, including 5m @ 10.57g/t from 66m**
- **18KARC105 – 13m @ 2.74g/t Au from 167m, including 1m @ 22.45g/t from 169m + Visible Gold**

Infill of the +1.6km strike Burtville South to 80m x 160m spacing continued to deliver significant Intersections.

- **18KARC061 – 3m @ 12.31g/t Au from 142m, including 1m @ 29.98g/t from 143m**
- **18KARC129 – 1m @ 23.30g/t Au from 130m**

For clarity, the aforementioned intersections have been calculated using 0.5g/t Au cut off and up to 2m Internal dilution.

“The successful results from our Karridale-Burtville project continue to prove the potential of a significant gold system in the area”, says Zhaoya Wang, Focus’ CEO, “Focus remains committed to the project, which could potentially have a long mine life and follow-up drilling programmes have been planned and intended to be carried out later in 2019.”

THE ANNOUNCEMENT CONTINUES

Karridale Resource Extension

Stage 2 Resource Extension RC drilling has successfully extended Karridale mineralisation into previously undrilled areas and areas of unclassified resource. Most of the holes completed in the reporting period intersected mineralisation exceeding 0.5g/t and, many holes contained multiple intersections including high-grade intersections with visible gold.

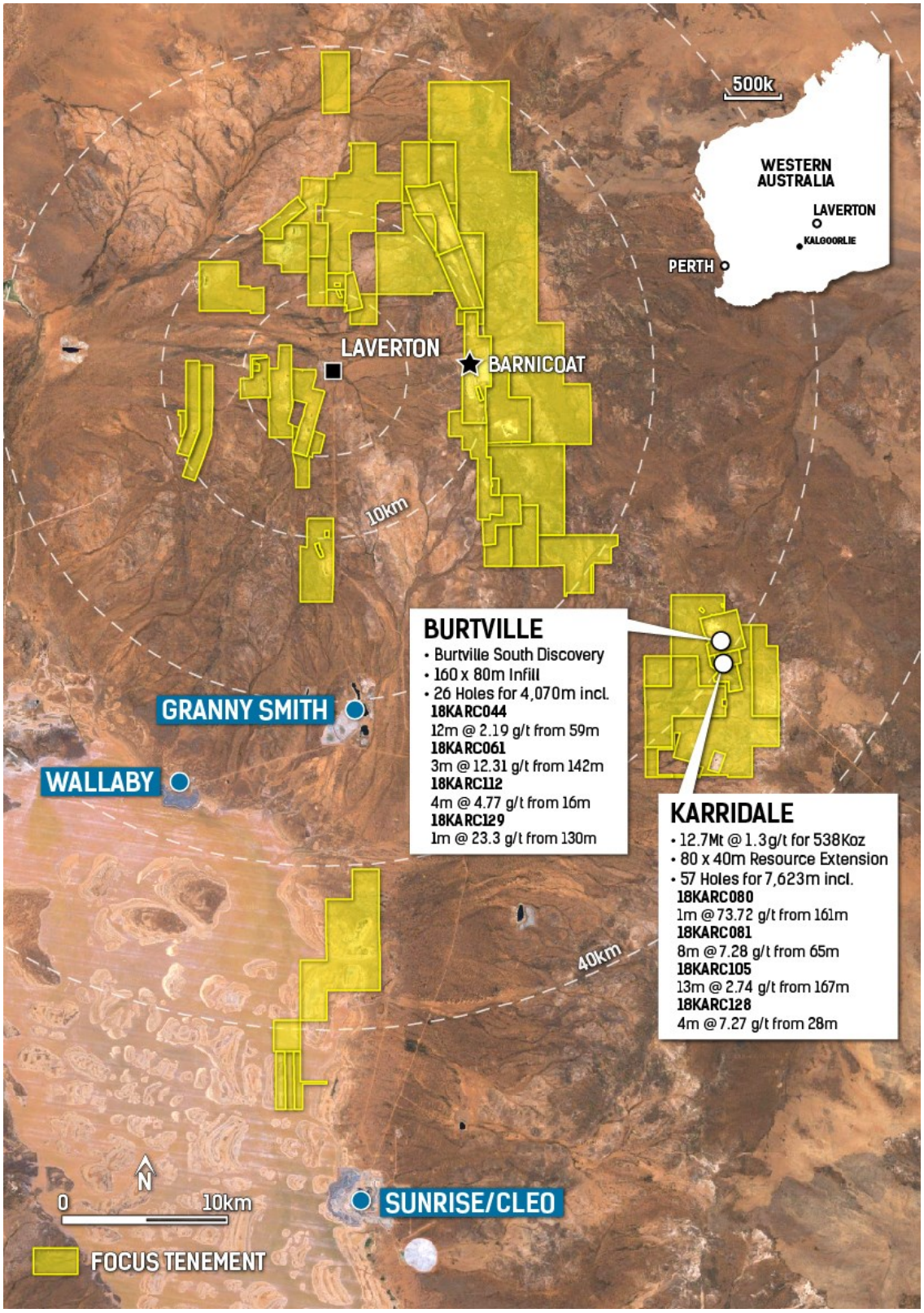

Figure 1 Project Locations

Significant results from Karridale calculated using 0.5g/t cut off and up to 2m internal dilution

- 18KARC065 – 4m @ 3.53g/t Au from 40m,
  including 1m @ 10.77g/t from 41m
- 18KARC068 – 6m @ 1.58g/t from 64m
- 18KARC077 – 4m @ 3.01g/t Au from 84m
- 18KARC080 – 7m @ 2.27g/t Au from 42m,
  including 2m @ 6.09g/t from 42m
- 18KARC080 – 8m @ 2.68g/t Au from 77m,
  including 2m @ 7.55g/t from 78m
- 18KARC080 – 1m @ 73.72g/t Au from 161m, with visible gold in chips
- 18KARC081 – 8m @ 7.28g/t Au from 65m,
- including 5m @ 10.57g/t from 66m
- 18KARC082 – 12m @ 1.31g/t Au from 65m,
  including 3m @ 3.04g/t from 65m
- 18KARC083 – 5m @ 2.56g/t Au from 82m
- 18KARC084 – 4m @ 2.28g/t Au from 147m
- 18KARC084 – 4m @ 1.78g/t from 217m
- 18KARC085 – 3m @ 6.65g/t Au from 190m, including 1m @ 14.35g/t from 190m
- 18KARC105 – 5m @ 1.96g/t Au from 71m
- 18KARC105 – 13m @ 2.74g/t Au from 167m,
  including 1m @ 22.45g/t from 169m with visible gold in chips
- 18KARC119 – 2m @ 4.09g/t Au from 108m
- 18KARC128 – 4m @ 7.27g/t Au from 28m (4m Composite Sample awaiting results from 1m Samples)

Figure 2 18KARC080 161-162m visible gold, grading 1m @ 73.72g/t

Furthermore, a limited number of 160m x 80m step out holes were completed to the NE of Karridale and have successfully extended the footprint of Karridale by more than 500m to the NE.

Geological modelling and follow up resource modelling will be completed in 2019 ahead of a resource update.

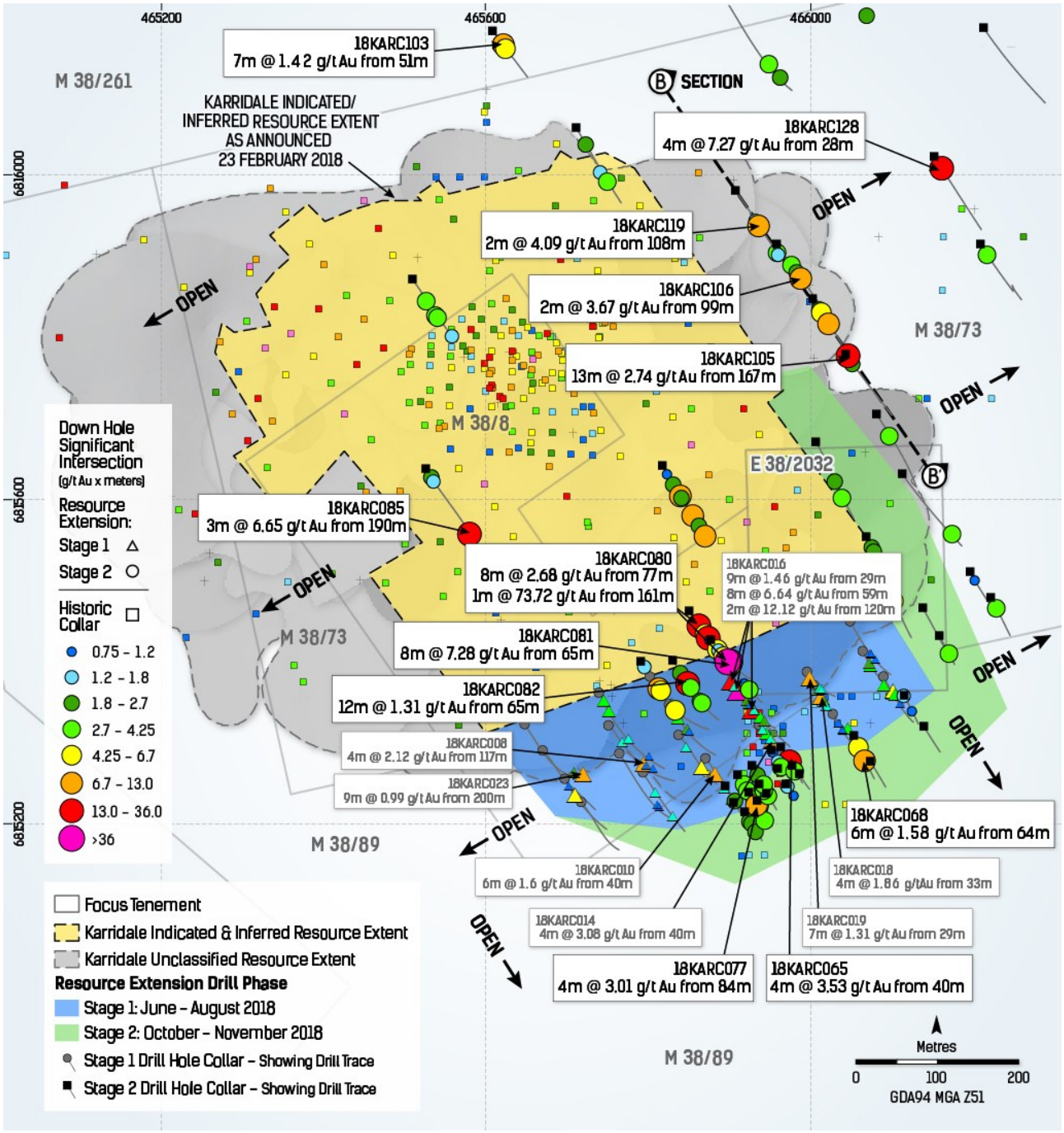

Figure 3 Karridale Extension Stage 2 drilling (circles coloured by GxM/bold labels) also showing Stage 1 significant intersection locations (triangles coloured by GxM/grey labels) and Section B-B' location with respect to the February 2018 Maiden Resource Area

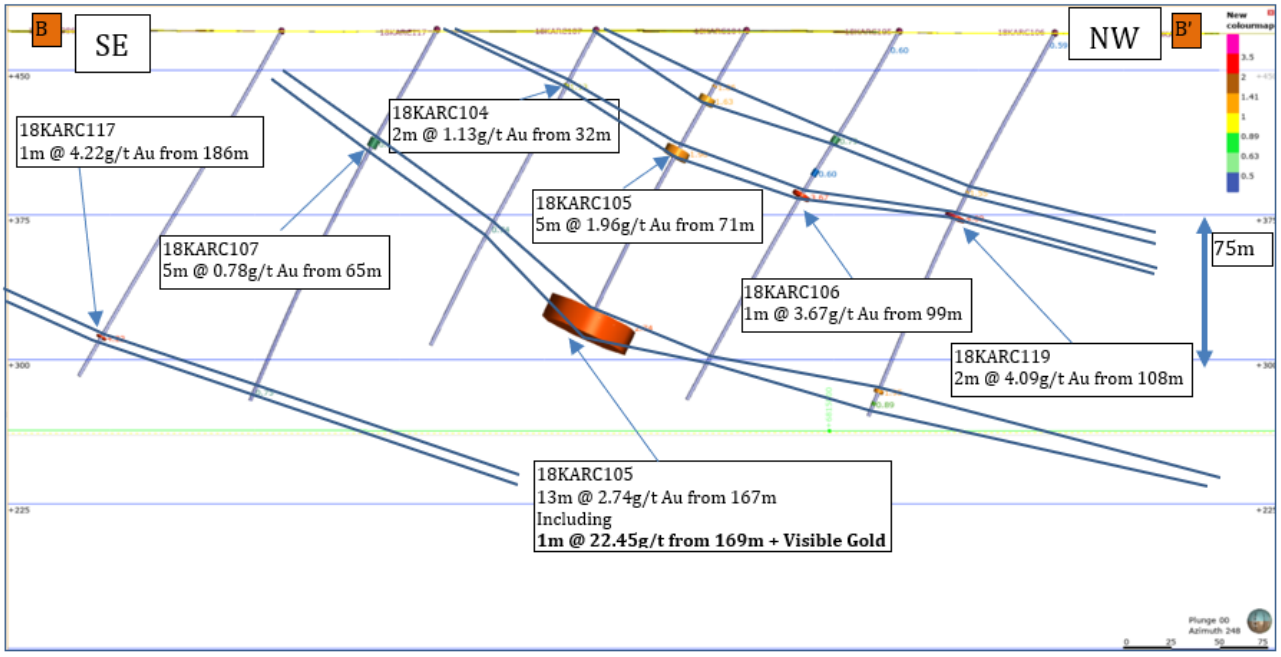

Figure 4 Karridale Stage 2 Resource Extension Section B-B' (±30m clipping) looking southwest. Interpreted structural control on mineralisation comprising multiple shallow NW dipping lodes

Burtville South

Stage 2 exploration at Burtville South was completed as a preliminary phase of extension using 160m x 160m to expand the mineralised footprint to about 1,600m x 450m (plan map Figure 5 and section

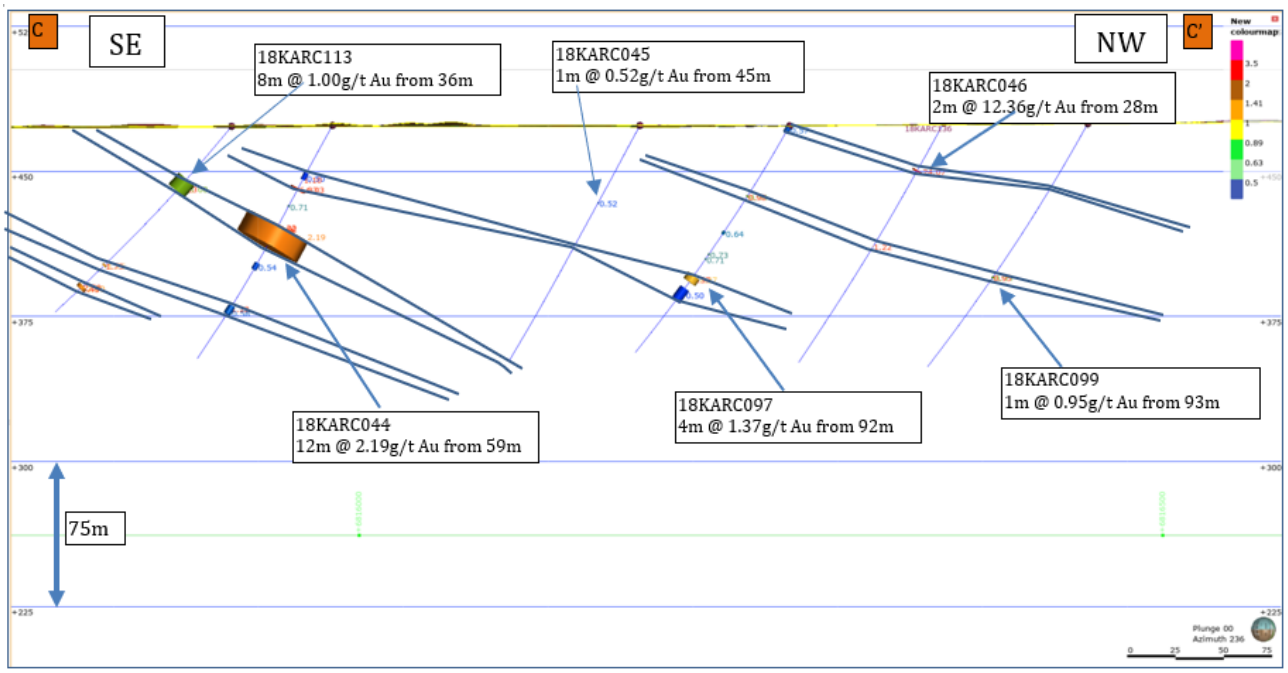

Figure 6). This was followed by the first phase of infill at 160m x 80m over selected areas.

Overall the results have been very encouraging with infill holes improving on results from wide spaced footprint drilling. Mineralisation at Burtville South comprises multiple stacked gold mineralised shears hosted by granodiorite. The shears have the same dip as Karridale and Burtville. The Mineralisation at Burtville south is probably located on the up dip extension of mineralised shears plunging under the shallow Burtville open pit located 350m to the north.

Significant results from Burtville South calculated using 0.5g/t cut off and up to 2m internal dilution

- 18KARC044 – 12m @ 2.19g/t Au from 59m,
  including 3m @ 6.02g/t from 60m
- 18KARC061 – 3m @ 12.31g/t Au from 142m,
  including 1m @ 29.98g/t from 143m
- 18KARC112 – 4m @ 4.77g/t Au from 16m
- 18KARC114 – 4m @ 3.15g/t Au from 36m
- 18KARC129 – 1m @ 23.30g/t Au from 130m
- 18KARC139 – 1m @ 9.12g/t Au from 133m

It is planned to expand the relogging and geological modelling exercise completed at Karridale in 2018 to the north covering the Burtville Pit. This will allow the Karridale, Burtville South and Burtville bulk gold mineralisation projects to be incorporated into a consistent model.

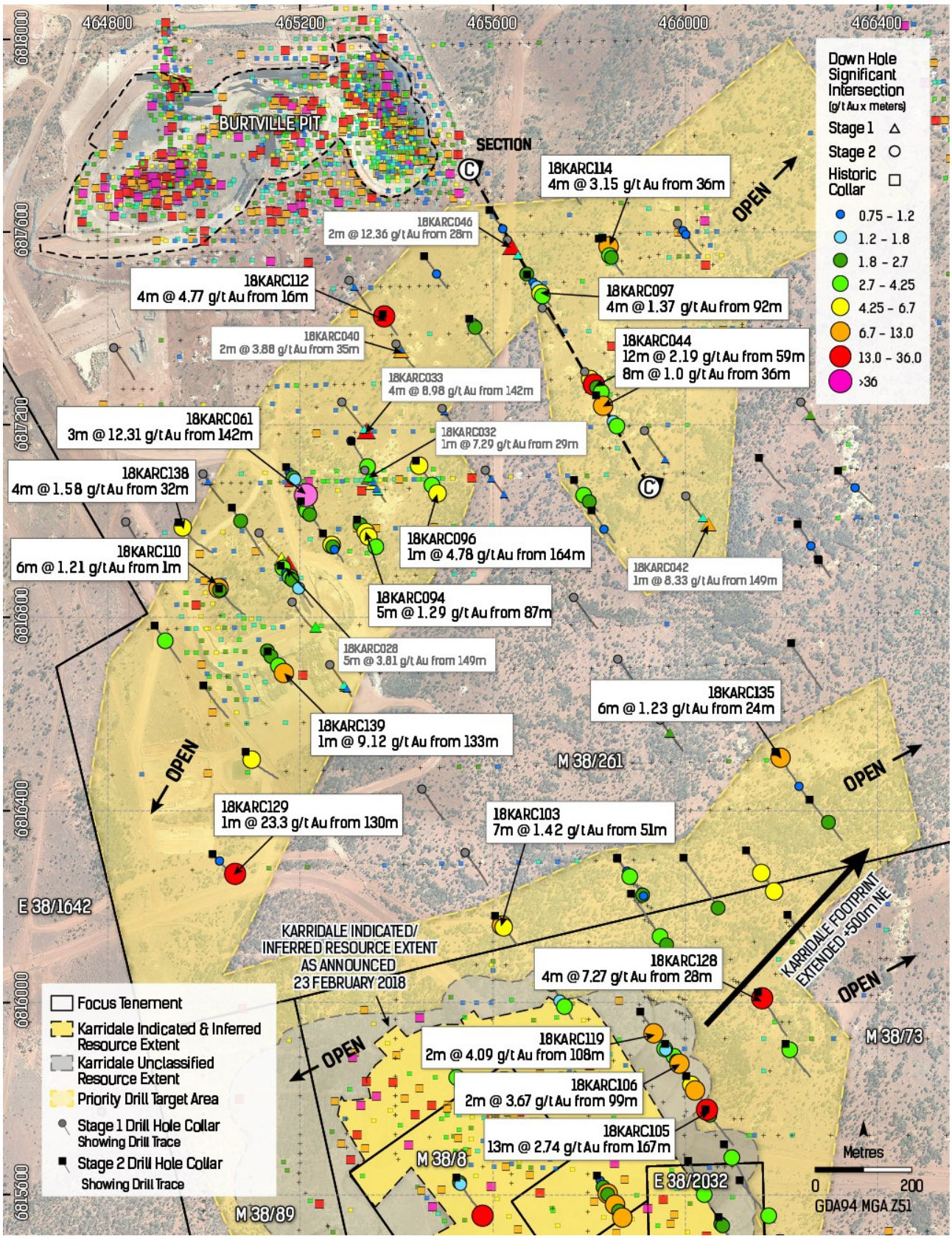

Figure 5 Burtville South/Karridale footprint drilling coverage map (yellow polygon). Footprint holes were nominally drilled to the SE at -60 dip to a depth of 150m. Significant intersections from the footprint drilling calculated at 0.5ppm Au cut off and up to 2m internal dilution are labelled on this map (Stage 1 GxM triangles /grey labels, Stage 2 GxM circles/bold labels). Stage 2 Drilling has improved confidence in the continuity and grade of the Burtville South with strike of about 1,600m and width of about 450m. Location of Section C-C' Shown on plan.

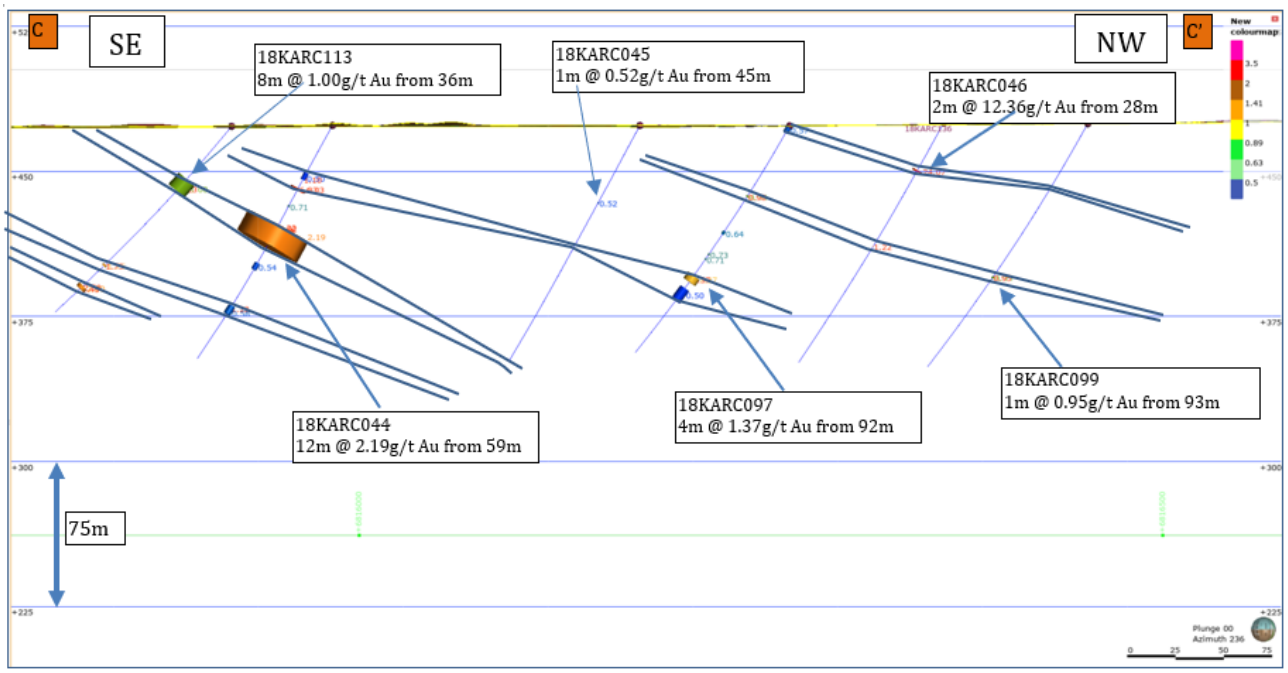

Figure 6 Burtville South Footprint Drilling Section C-C' (±30m clipping) looking SW with interpreted mineralised structure comprising multiple lodes dipping shallowly NW

Table A: Significant Intersections

JORC Code, 2012 Edition – Table 1 Report

Hole ID	Easting	Northing	RL	Depth	Dip	Azimuth	From	To	Interval	Grade	Comments
	(MGA 94 Zone 51)			(m)		(MGA94)	(m)	(m)	(m)	(g/t Au)	
Karridale Resource Extension RC											
18KARC065	465964.03	6815295.06	469.36	63	-60.0	150.04	40	44	4	3.53	
						including	41	42	1	10.77	
18KARC068	466053.81	6815308.60	469.51	108	-59.7	155.47	64	70	6	1.58	
18KARC077	465910.88	6815260.61	469.34	96	-59.3	147.10	84	88	4	3.01	
18KARC080	465850.25	6815462.34	469.04	210	-60.2	144.38	42	49	7	2.27	
						including	42	44	2	6.09	
							77	85	8	2.68	
						including	78	80	2	7.55	
							161	162	1	73.72	Visible Au
18KARC081	465877.71	6815427.42	468.88	186	-60.0	143.68	65	73	8	7.28	
						including	66	71	5	10.57	
18KARC082	465830.51	6815401.53	468.88	192	-60.6	145.19	65	77	12	1.31	
						including	65	68	3	3.04	
18KARC083	465791.60	6815400.27	468.78	174	-60.8	146.33	82	87	5	2.56	
18KARC084	465817.41	6815641.87	470.52	228	-59.9	148.16	147	151	4	2.28	
							217	221	4	1.78	
18KARC085	465525.79	6815637.94	468.01	210	-56.6	149.39	190	193	3	6.65	
						including	190	191	1	14.35	
18KARC104	466043.62	6815779.45	470.77	186	-59.9	145.23	32	34	2	1.13	
18KARC106	465958.99	6815914.52	470.14	222	-60.0	145.04	99	101	2	3.67	
18KARC105	466002.89	6815847.00	470.59	180	-60.1	146.67	71	76	5	1.96	
							167	180	13	2.74	
						including	169	170	1	22.45	Visible Au
18KARC107	466082.00	6815706.00	471.00	216	-60.7	149.56	65	70	5	0.78	
18KARC117	466113.98	6815632.07	470.24	210	-60.0	144.49	186	187	1	4.22	
18KARC119	465908.39	6815981.02	469.19	222	-59.9	145.74	108	110	2	4.09	
18KARC128*	466153.21	6816022.25	470.41	159	-50.6	148.18	28	32	4	7.27	

Karridale Intersections are length-weighted averages with minimum cut-offs of 0.5g/t Au and up to 2m internal dilution.

** Intersections containing 4m composite samples awaiting results of 1m split sample analysis*

Hole ID	Easting	Northing	RL	Depth	Dip	Azimuth	From	To	Interval	Grade	Comments
	(MGA 94 Zone 51)			(m)		(MGA94)	(m)	(m)	(m)	(g/t Au)	
Burtville South RC											
18KARC044	465793.61	6817307.49	473.74	140	-60.9	144.80	59	71	12	2.19	
						including	60	63	3	6.02	
18KARC061	465171.11	6817110.45	472.36	150	-60.2	143.84	142	145	3	12.31	
						including	143	144	1	29.98	
18KARC094	465318.27	6817002.75	471.16	150	-60.4	144.71	87	92	5	1.29	
18KARC096	465440.66	6817123.83	471.55	167	-60.0	145.00	164	165	1	4.78	
18KARC097	465673.26	6817511.77	473.52	142	-59.8	143.66	92	96	4	1.37	
18KARC099	465594.29	6817644.7	474.67	151	-60.4	145.04	93	94	1	0.95	
18KARC103	465606.16	6816180.21	467.27	150	-60.9	141.97	51	58	7	1.42	
18KARC110	465031.72	6816859.75	474.76	150	-60.6	144.21	1	7	6	1.21	
18KARC112*	465372.07	6817429.07	474.5	106	-60.0	145.00	16	20	4	4.77	
18KARC113*	465816.52	6817260.08	473.27	133	-49.8	146.47	36	44	8	1.00	
18KARC114*	465828.68	6817588.12	474.71	85	-50.0	145.00	36	40	4	3.15	
18KARC129	465019.56	6816308.66	468.02	139	-59.8	145.50	130	131	1	23.30	
18KARC135	466189.29	6816521.12	471.87	210	-50.9	145.36	24	30	6	1.23	
18KARC138*	464947.68	6816996.92	473.42	191	-60.1	142.93	32	36	4	1.58	
18KARC139	465132.68	6816729.99	477.33	192	-59.6	143.62	133	134	1	9.12	
Burtville South Intersections are length-weighted averages with minimum cut-offs of 0.5g/t Au and up to 2m internal dilution.											
** Intersections containing 4m composite samples awaiting results of 1m split sample analysis*											

Section 1 Sampling Techniques and Data

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

Criteria	Explanation
Sampling techniques	*This report relates to results from Reverse Circulation (RC) and diamond core drilling.* *Conventional (Dry) RC Sampling* • *RC percussion drill chips were collected through a cone splitter from the drill rig. The bulk sample from drilling was placed in neat rows directly on the ground (not bagged) with the nominal 2-3kg calico split sub-sample placed on top of the corresponding pile.* • *RC chips were passed through a cone splitter to achieve a nominal sample weight of approximately 3kg. The splitter was levelled at the beginning of each hole. Geological logging defined whether a sample was to be submitted as a 1m cone split sample or a 4m spear composite sample. Split samples (1m) were transferred to sample numbered calico bags for submission to the laboratory. Composite samples were spear sampled using a scoop to obtain a small representative sample and deposited into numbered sample bags.*
Drilling techniques	• *RC drilling was conducted using a 5 3/8 or 4 1/2 inch face sampling hammer for RC drilling.* • *At hole completion, downhole surveys for RC holes were completed at a 10m interval by using True North Seeking Gyro tool.*
Drill sample recovery	• *RC sample recovery was recorded by a visual estimate during the logging process.*

Criteria	Explanation
Logging	• *All RC samples were geologically logged to record weathering, regolith, rock type, colour, alteration, mineralisation, structure, texture and any other notable features that are present. All data is entered directly into validating digital software directly.* • *Logging was qualitative, however the geologists often recorded quantitative mineral percentage ranges for the sulphide minerals present.* • *The logging information was transferred into the company's drilling database once the log was complete.* • *The entire length of all holes is geologically logged.*
Sub-sampling techniques and sample preparation	• *All samples were collected in a pre-numbered calico bag bearing a unique sample ID.* • *At the assay laboratory, all samples were oven dried, crushed to a nominal 10mm using a jaw crusher (core samples only) and weighed. Samples in excess of 3kg in weight were riffle split to achieve a maximum 3kg sample weight before being pulverized to 90% passing 75µm.* • *Gold analysis was by 40g Fire Assay with an AAS Finish.* • *Jinning Testing & Inspection completed the assay testing, with sample preparation completed in Kalgoorlie or Perth and analysis completed in Perth.* • *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.* • *QAQC checks involved inserting standards 1:20 samples (with minimum 3 standards every submission). Duplicate samples for RC were achieved by producing 2 samples for each metre one hole every 20th hole drilled and submitting all produced samples. The remaining bulk sample was also bagged to plastic bags for retention and further checks. Diamond core field duplicates were not taken.* • *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 appropriate for the type, style and consistency of mineralisation encountered during this phase of exploration.*
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.* • *No geophysical tools, spectrometers or handheld XRF instruments were used for assay determination.* • *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 and where they didn't further analysis was conducted as appropriate.* • *Umpire samples were collected from RC holes in December and will be submitted to independent ISO certified labs in 2019* • *Additional bulk mineralised RC samples have also been collected and retained for follow up QAQC, metallurgical and sample characterisation purposes*
Verification of sampling and assaying	• *Significant intervals were visually inspected by company geologists to correlate assay results to logged mineralisation. Consultants were not used for this process.* • *Primary logging data is sent in digital format to the company's Database Administrator (DBA) as often as was practicable. The DBA imports 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.*
Location of data points	• *Drill collars are surveyed after completion using a DGPS instrument. Where possible, all drill core was oriented by the drilling contractor using an ACT III electronic system.* • *A True North Seeking Gyro for RC end of holes surveys* • *All coordinates and bearings use the MGA94 Zone 51 grid system.* • *FML utilises Landgate sourced regional topographic maps and contours as well as internally produced survey pick-ups produced by the mining survey teams utilising DGPS base station instruments.* • *After completion the drill hole locations were picked up by DGPS with accuracy of +/- 20cm.*

Criteria	Explanation
Data spacing and distribution	• *Karridale drilling was completed at approximately 40x80m spacing and step out 160m x 80m spacing* • *Burtville South drilling was completed as exploratory 160mx160m and follow up 160mx80m and some limited 80mx80mspacing* • *Spacing for both programs is deemed to be appropriate for the stage of exploration of the targets*
Orientation of data in relation to geological structure	• *Drilling was designed based on known/developing geological models, field mapping, verified historical data, cross-sectional and long-sectional interpretation.* • *Where achievable, drill holes were oriented at right angles to strike of deposit, with dip optimised for drill capabilities and the dip of the ore body.* • *True widths have not been calculated for reported intersections. However, drill orientation was consistently optimised to approximate true width of mineralisation.*
Sample security	• *All samples were reconciled against the sample submission with any omissions or variations reported to FML.* • *All samples were bagged in a tied numbered calico bag. The bags were placed into plastic green bags with a sample submission sheet and delivered directly from site to the Kalgoorlie laboratories by FML personnel at completion of each hole.*

Section 2 Reporting of Exploration Results

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

Criteria	Explanation
Mineral tenement and land tenure status	• *The majority of drilling was conducted on tenements 100% owned by Focus Minerals (Laverton) Pty Ltd.* • *33 RC holes at Karridale for 3,813m were completed on M38/073 & M38/089 - Merolia JV tenements in which Focus held a 91%* interest and were diluting Goldfields' 9%* interest who were not contributing (* as of 2017 current interest needs to be recalculated)* • *All tenements are in good standing.* • *There are currently no registered Native Title claims over the Laverton project areas.*
Exploration done by other parties	• *The Burtville/Karridale area is the site of numerous historic workings including the "Burtville Open Pit" and "Boomerang/Karridale" historical underground workings. Modern exploration/mining has been conducted by Sons of Gwalia, Crescent and FML.*

Geology	• *The Karridale mineralisation is hosted in an interpreted half graben on the SE side of a large Granodiorite intrusion. The half graben is composed from NW to SE and up sequence by:*
	  • *Gabbro overlain by basalt,*
	  • *overlain by structurally thrust stacked intermediate volcanic tuff and interbedded sandstone-black shale.*
	  • *The thrusts have shallow NW dip and have been locally intruded by gabbro and feldspar-hornblende porphyry sills.*
	  • *The mineralisation is hosted primarily by the shallow NW dipping shears and by some N-S subvertical veins.*
	• *Burtville South Mineralisation has the same structural dip/style as Karridale and Burtville. Like Burtville, Burtville South is hosted by stacked shallow NW dipping shears in granodiorite. It is interpreted that Burtville South is located in the shallow up dip part of mineralised shears plunging under the shallow Burtville OP 350m to the north.*

Drill hole information	*See Table A*
Data aggregation methods	• *New RC exploration results - mineralised intersections are reported at a 0.5g/t Au cut-off with a minimum reporting width of 1m and up to 2m internal dilution. Some 4m composite samples are included in the reported intersections where results of 1m sub-sampling is still awaited. Intersections containing composite sample have been marked with an * Asterix.*
Relationship between mineralization widths and intercept lengths	• *Holes were drilled orthogonal to mineralisation as much as possible, however the exact relationship between intercept width and true width cannot be estimated exactly in all cases.* • *Furthermore, no intersections are represented as calculated true widths in this report*
Diagrams	• *Accurate collar plans are included in this announcement. 3D perspective views and schematic cross-sections are included to illustrate the distribution of grade*
Balanced reporting	• *Drilling results are reported in a balanced reporting style. The ASX announcement shows actual locations of holes drilled, and representative sections as appropriate.*

Criteria	Explanation
Other substantive exploration data	• *There is no other material exploration data to report at this time.*
Further work	• *FML anticipates additional drilling to follow up on encouraging results in Laverton.*

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Focus Minerals Limited

Focus owns two large gold projects in Western Australia's Eastern Goldfields. The company is the largest landholder in the Coolgardie Gold Belt, where it owns the 1.2Mtpa processing plant at Three Mile Hill. 250km to the northeast Focus has the Laverton Gold Project which comprises a significant portfolio of highly prospective tenure. Focus also owns the 1.45Mtpa Barnicoat mill in Laverton which has been on care and maintenance since 2009.

Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Alex Aaltonen MAUSIMM. Mr Aaltonen is employed by Focus Minerals Limited 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Aaltonen consents to the inclusion in this announcement of the matters based on the information compiled by him in the form and context in which it appears.

Forward Looking Statements

This release contains certain "forward looking statements". Forward-looking statements can be identified by the use of 'forward-looking' terminology, including, without limitation, the terms 'believes', 'estimates', 'anticipates', 'expects', 'predicts', 'intends', 'plans', 'propose', 'goals', 'targets', 'aims', 'outlook', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future, assumptions which may or may not prove correct, and may be beyond Focus' ability to control or predict which may cause the actual results or performance of Focus to be materially different from the results or performance expressed or implied by such forward-looking statements. Forward-looking statements are based on assumptions and contingencies and are not guarantees or predictions of future performance. No representation is made that any of these statements or forecasts will come to pass or that any forecast result will be achieved. Similarly, no representation is given that the assumptions upon which forward-looking statements may be based are reasonable. Forward-looking statements speak only as at the date of this document and Focus disclaims any obligations or undertakings to release any update of, or revisions to, any forward-looking statements in this document.