

## ACTIVITIES REPORT FOR THE QUARTER ENDED 31 March 2010

### Summary

#### **Record 27,793 ounces produced**

Focus' Three Mill Gold Plant officially commenced operation on the 24<sup>th</sup> December 2009. The first significant gold pour occurred on the 13<sup>th</sup> January 2010. With the start up of the mill, Focus produced a record 27,793 ounces for the Quarter. The March 2010 Quarter was exceptionally successful for Focus and has laid the foundation for the Company to reach forecast gold production of 80,000 ounces for the 2010 calendar year.

#### **Pipeline of organic growth**

The successful refurbishment and commissioning of the Three Mile Hill Gold Plant cannot be overstated in its importance to the future growth of Focus Minerals. Focus now has the flexibility to begin developing and unlocking the pipeline of its 1.9 million ounce resource base. This guaranteed and secure milling capacity has already had benefits with the fast tracking of development at The Mount project during the March Quarter, creating a second operational centre at Widgiemooltha, 80km south of Coolgardie.

#### **Fast tracking the Mount to full Production**

The Mount has advanced from an early exploration project to a potential 60,000 ounce per annum stand alone operation. Exceptional development grades continued to be delivered over two levels with over 7,200 tonnes of ore at 9.2 g/t delivered to Three Mile Hill and in March, Focus announced a maiden Probable Reserve of 69,000 tonnes at 8.6 g/t Au. The Mount is considered a potential company making deposit and ongoing exploration and development work will determine the best scenarios for its anticipated acceleration into full-scale production.

#### **Decline & level development at Tindals**

Since commencing decline development at the Tindals Mining Centre in late 2009, Focus has significantly increased the rate of its capital and level development. During the March Quarter, over 632 metres of decline and lateral development was completed in the Empress and Perseverance Declines and over 705 metres of ore level development was completed in Empress, Countess, Perseverance and Tindals.

#### **Strong Exploration Push**

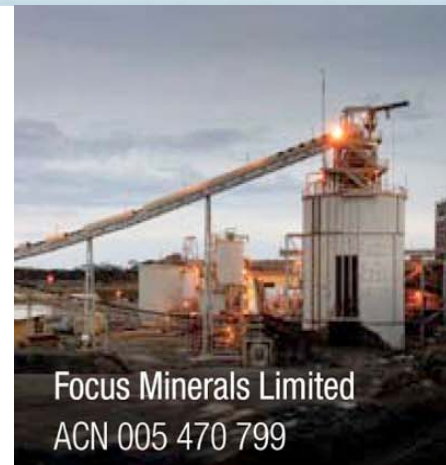
The Company continued its strong exploration push with over 12,600 metres of diamond and RC drilling undertaken during the Quarter, along with the updating and expansion of six Resources and five Reserves.

#### **Reserves Expand to 186,600 ounces**

Since October 2009, Focus has added over 90,000 ounces into its Reserves in addition to ongoing depletion and during the March Quarter was able to expand its Reserves and stocks inventory, net of depletions to 186,600 ounces.

#### **Mill Ramp up successful**

Commissioning and ramp-up of Three Mile Hill (TMH) has run smoothly and was nearing completion by the end of the March Quarter. With mill availability of 90% recorded for the Quarter, recoveries improved from 83% in January to an average of 90% for the Quarter and throughput rates steadily increasing from 110t/hr in January to a 128t/hr in March, Three Mile Hill is expected to achieve full 1.2 Mtpa per annum capacity by May 2010.



**Focus Minerals Limited**  
ACN 005 470 799

Australian Securities Exchange

**Code: FML**

Frankfurt Stock Exchange

**Code: FZA**

#### **Board of Directors**

Mr Donald Taig  
*Executive Chairman*

Mr Chris Hendricks  
*Non-Executive Director*

Mr Phil Lockyer  
*Non-Executive Director*

#### **Senior Management**

Mr Campbell Baird  
*Chief Executive Officer*

Mr Peter Williams  
*Chief Operating Officer*

Mr Jon Grygorcewicz  
*Company Secretary*

Mr Brad Valiukas  
*Principal Mining Engineer*

Dr Garry Adams  
*Exploration Manager*

Mr Peter Cash  
*Investor Relations Manager*

Mr Chuck McCormick  
*Business Development Manager*

#### **Share Registry**

Computershare Investor Services Pty Ltd

#### **Investor Enquiries**

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**Cash costs satisfactory A\$820 ounce**

Given the high levels of activity for the March Quarter, cash costs were a satisfactory A\$820 per ounce (year to date cash costs are A\$725 per ounce). From the sale of 25,835 ounces, record revenue of \$31.8m was generated at an average gold price of A\$1,230/oz.

**Solid foundation for growth**

Overall, the March 2010 Quarter was exceptionally successful on all fronts and has laid a very solid foundation not only for the remainder of the 2010 Financial Year, but also for 2011 and beyond.

### Record Production and Revenue

A record 27,793 ounces of gold was produced by Focus during the Quarter, including;

- 16,438 ounces from Three Mile Hill; and
- 11,356 ounces from the final toll treating campaign at Greenfields.

Revenue for the Quarter was A\$31.8 million from the sale of 25,835 ounces of gold at an average price of A\$1,230/oz.

Total quarterly cash costs were A\$820/ounce, reflecting the higher cost of toll treating at Greenfields, lower-grade material processed at Three Mile Hill during commissioning and an overall higher level of activity across the site as the Three Mile Hill Mill commenced operation (Table 1).

**Table 1 - Gold Production - March 2010 Quarter**

		Quarter Ended 31 March 2010 <sup>1</sup>	Quarter Ended 31 December 2009	Quarter Ended 30 September 2009	Quarter Ended 30 June 2009
Ore Mined	(tonnes)	81,200	86,418	67,476	116,970
Mined Grade	g/t	4.57	3.84	7.42	6.38
Milled Tonnes	(tonnes)	299,445	47,574	57,942	85,277
Head Grade	g/t	3.21	8.22	6.02	7.38
Gold Recovery	%	89.8	95.3	88	95.0
Gold Produced *	(oz)	27,793	11,983	9,858	19,226
Cash Operating Cost #	(A\$/oz)	\$820	\$602	\$551	\$695
Development and Capex	(A\$)	\$7,456,000	\$2,187,000	\$2,750,000	\$1,836,000
Gold Sold	(oz)	25,835	13,024	8,178	21,815
Average Price Received	(A\$/oz)	\$1,230	\$1,147	\$985	\$1,068

# Cash operating cost refers to the cost of refined gold and includes all expenditures directly incurred on mining, crushing and processing including site administration cost including royalties.



As Focus builds towards a production target of 100,000 ounces in 2011, the Tindals Mining centre is undergoing a rapid increase in development at four separate deposits; Countess, Empress, Tindals and Perseverance.

Total capital development at Tindals for the Quarter was 672 metres (spread over two declines) in addition to total ore and waste level development of 705 metres for 1,377 metres of total development for the Quarter.

Importantly, ore development was well above planned reserve grades in Countess and Empress to date with:

- Countess development production of 20,000 tonnes @ 4.2 g/t vs. reserve grade of 3.7 g/t; and
- Empress development production of 28,000 tonnes @ 3.76 g/t vs. reserve grade of 3.0 g/t.

At this early stage of the Tindals Mining Centre, the priority remains firmly on development. Stopping from Perseverance, Empress and Countess will be undertaken in the June Quarter as the Tindals Mining Centre is ramped up to steady state production during the 3rd Quarter of 2010.

As the ramp up to full production continues over the next two quarters, it is expected that at least 20% of milled tonnes will come from stockpiled low-grade material. This material has an average gold grade of 1.3 g/t @ 93% recovery with approximately 1.2 million tonnes of this material stockpiled close to the Mill.

During the months of April and September, Focus is contracted to toll treat two parcels of 100,000 tonnes through Three Mile Hill for La Mancha Resources.

### **Three Mile Hill Mill Commissioning**

The Three Mile Hill Mill was commissioned on the 10<sup>th</sup> January 2010 and completed its first significant gold pour on Wednesday 13<sup>th</sup> January. The commissioning was a special event in the history of Focus Minerals and allows the Company to move into a new era. With an annual capacity of 1.2 million tonnes, Three Mile Hill will enable Focus to work through its pipeline of projects in a measured and competitive way.

Ore feed for the mill for the large part of the March Quarter was stockpiled low grade ore while the mills operating characteristics were streamlined for optimum efficiency. The mill performed very well with average availabilities (as a percentage of overall time the mill was running effectively) of 90% averaged during the Quarter.

Importantly, the trend for mill availability has been positive with January 84%, February 90% and March 95%. Recoveries improved from 83% for January to an average of 90% for the Quarter and throughput rates increased from 110t/hr in January to a 128t/hr in March.

These are excellent results considering the duration that the plant has been operating to date and with continual refinement to the mill and its processes, Focus expects these key indicators to improve further in the June Quarter.



## The Mount Project

The Mount, which is situated at Widgiemooltha, approximately 80km south of Coolgardie and Focus' Tindals Mining Centre, is the first example of the organic growth pipeline that the Three Mile Hill Mill provides to Focus. Focus commenced an exploration decline at The Mount in September 2009 with the intention of determining and confirming the continuity of the German lodes along strike.

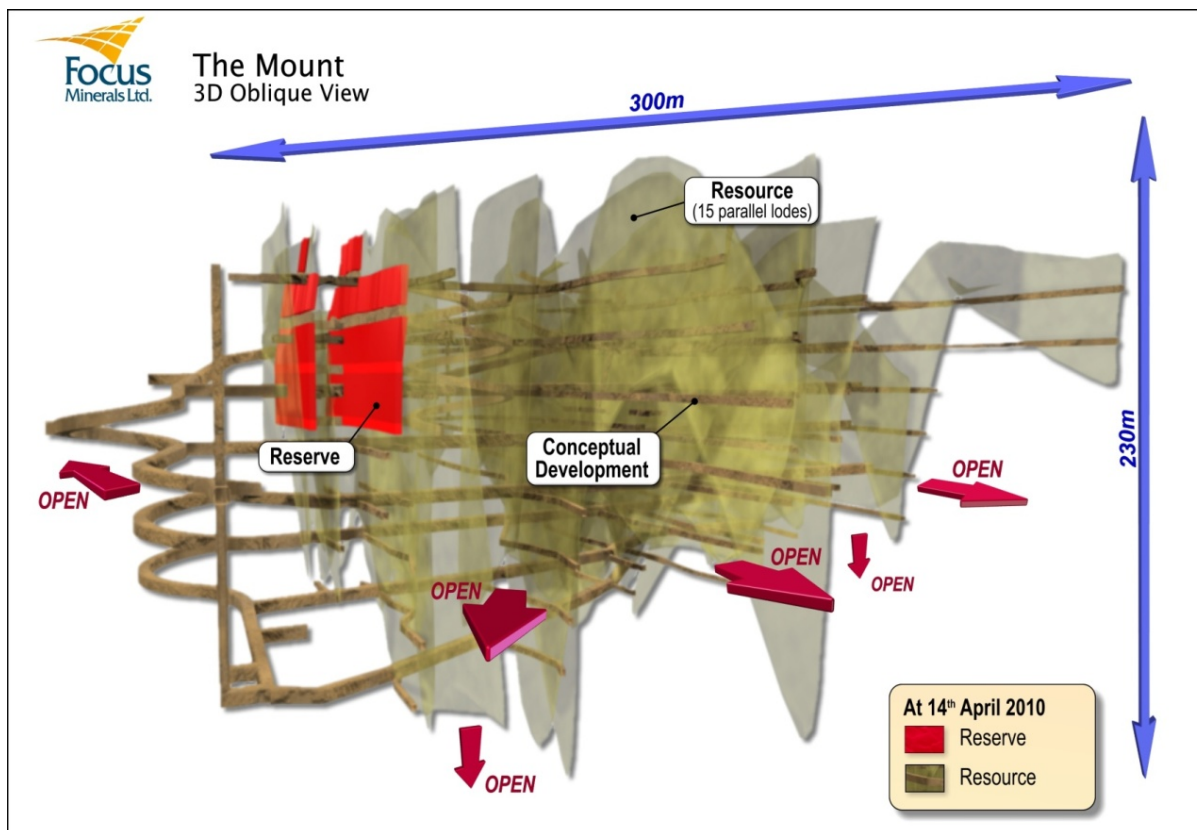
Development to date based solely on the German Main and West lodes has yielded 400 ounces per vertical metre and has produced in excess 7,200 tonnes @ 9.2 g/t from trial mining over the past four months. This has enabled production to date of some 2,150 ounces, with production expected to grow to 10,000 ounces for the 2010 calendar year.

A Maiden JORC estimated Probable Reserve of 68,000 tonnes at 8.6 g/t for 19,200 ounces was delivered in early April as a direct result of the successful exploration development and associated historical drilling.

Importantly, the underground trial mining to date has been based only on the German lodes. The Mount is made up of some 15 parallel sub-vertical lodes that are open in all directions and at depth opening the door for significant upside in additional high-grade reserves. (See Figure 1)

### The success of the development to date (

Figure 2) has given Focus confidence to move forward and begin to evaluate more aggressive mining models. These models will be aimed at rapidly increasing production by expanding further into the presently known 300 metre footprint of The Mount complex and enabling access to the full 370,000 ounce Resource base.



**Figure 1: 3D view of The Mount**



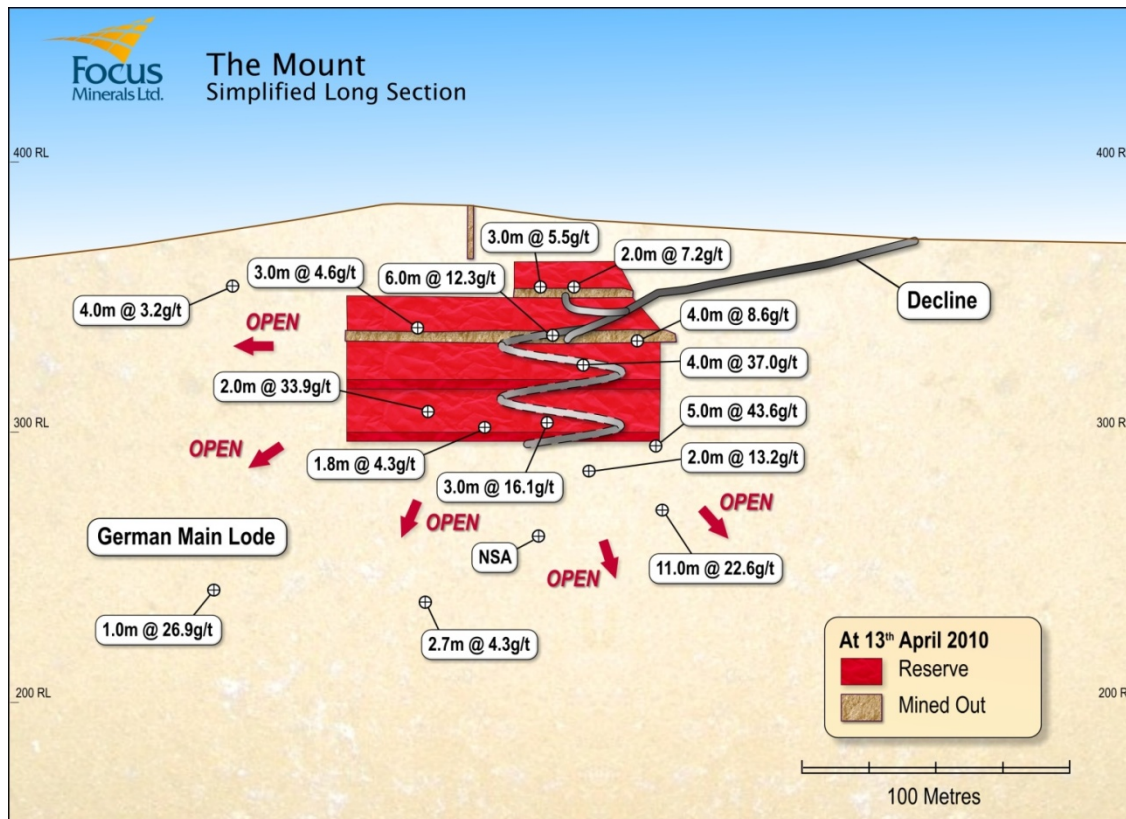


Figure 2: Simplified Mount Long Section

## **GOLD RESERVES AND STOCKS**

Ongoing technical work and in-fill resource drilling during the Quarter has led to a total Reserve increase to **2.2 million tonnes @ 2.6g/t** for 186,600 contained ounces as at the end of March 2010 (Table 2). This represents a 19% increase from last Quarter's position of 2.0mt @ 2.4g/t for 157,000 contained ounces and represents the addition of 90,000 ounces into Reserves since October 2009. Work is ongoing to convert additional surface and underground resources to reserve in the coming Quarter.

### Perseverance

Following completion of a new resource model and recent drilling at the Perseverance project, the Perseverance Reserve was updated from 167,000t @ 4.05g/t for 21,300 contained ounces to an estimated **Proven and Probable Reserve of 250,000t @ 3.82g/t for 30,700 contained ounces**. This 9,400 ounce increase is in addition to the 36,000t @ 4.2g/t for 4,900 ounces that was mined during the Quarter.

There are now **six or more levels in Reserve** at Perseverance, Empress and Countess. This will provide the core production for the Tindals Mining Centre over the next two years. Underground Proven and Probable Reserves at the Tindals Mining Centre currently stand at 874,000t @ 3.5g/t for 97,600 contained ounces. Resources and Reserve drilling is ongoing at Countess, Empress, Tindals and Perseverance, with all deposits still open at depth.



Table 2 – Reserve and Stocks position (as at 31 March 2010)

Coolgardie Underground Reserves:		Tonnes:	Grade:	Ounces:
Proven:	Perseverance:	54,000	3.7	6,300
	Empress:	12,000	5.5	2,000
	<b>Sub Total:</b>	<b>65,000</b>	<b>4.0</b>	<b>8,300</b>
Probable:	Perseverance:	197,000	3.9	24,400
	Countess:	309,000	3.5	35,000
	Empress:	235,000	3.0	22,800
	Tindals:	68,000	3.2	7,000
	<b>Sub Total:</b>	<b>808,000</b>	<b>3.4</b>	<b>89,200</b>
<b>Total:</b>		<b>874,000</b>	<b>3.5</b>	<b>97,600</b>

Coolgardie Surface Reserves:		Tonnes:	Grade:	Ounces:
Probable:	Greenfields:	1,101,000	1.7	59,900
	Big Blow:	63,000	2.2	4,500
	Dreadnought North:	54,000	1.8	3,100
<b>Total:</b>		<b>1,218,000</b>	<b>1.7</b>	<b>67,400</b>

The Mount Underground Reserves:		Tonnes:	Grade:	Ounces:
Probable:	German Lodes:	69,000	8.6	19,100
<b>Total:</b>		<b>69,000</b>	<b>8.6</b>	<b>19,100</b>

Total Reserves:		Tonnes:	Grade:	Ounces:
		<b>2,160,000</b>	<b>2.7</b>	<b>184,100</b>

Surface Stocks:		Tonnes:	Grade:	Ounces:
		<b>44,000</b>	<b>1.8</b>	<b>2,600</b>

Reserves and Stocks:		Tonnes:	Grade:	Ounces:
		<b>2,204,000</b>	<b>2.6</b>	<b>186,600</b>

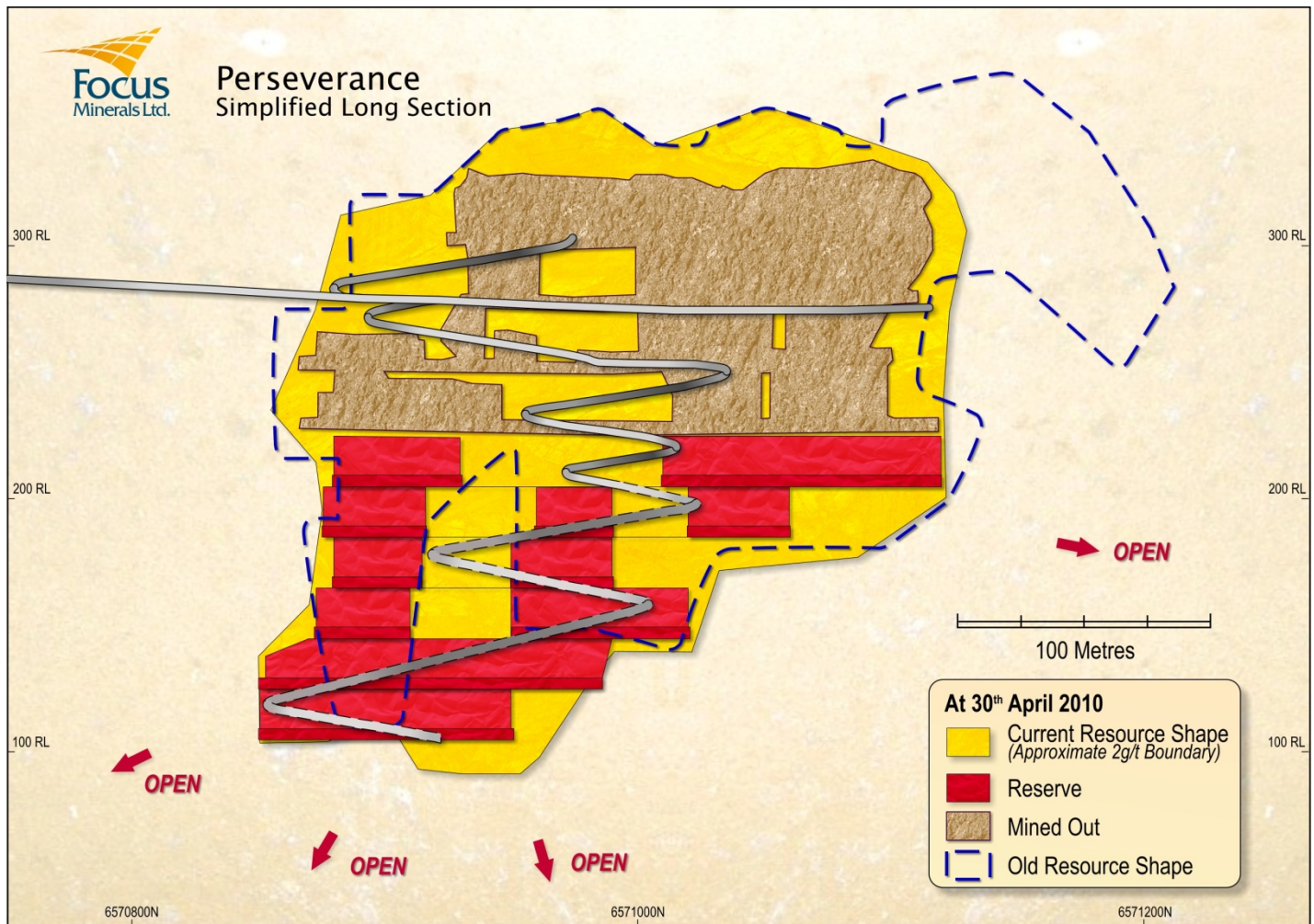


Figure 3: Perseverance Long Section – Updated Reserve 30<sup>th</sup> April, 2010.

### Tindals

During the Quarter, Focus Minerals released a maiden Probable Reserve on the Tindals deposit of **68,000t @ 3.2g/t for 7,000 ounces**. The resource adds to the tonnes and ounces available per vertical metre at the Tindals Mining Centre and further enhances the returns from the ongoing capital development at the Countess and Empress deposits. The Tindals deposit will add further flexibility to the operations and will be the fourth to be mined by Focus Minerals at the Tindals Mining Centre.

### The Mount

As discussed in the previous section, a maiden estimated **Probable Reserve of 69,000 tonnes at 8.6 g/t for 19,100 ounces** has been generated at The Mount. This Reserve represents only the small part of The Mount that has been tested with development on the German Main and West Lodes. Development is still being advanced to the south and Focus Minerals will continue the process of confirming Resources and expanding Reserves in the coming Quarter.





## **EXPLORATION**

Drilling continued during the March Quarter underground and on the surface as part the Company's aggressive resource definition, extensional and exploration programs aimed at defining new mineral deposits and extending existing resource and reserve inventories. During the Quarter over 12,600 metres of diamond and reverse circulation drilling was undertaken at Big Blow, Cookes and the Tindals Mining Centre both from surface and underground.

Highlights from the recent drilling include:

- **13.52m @ 9.31g/t Au (including 0.50m @ 130g/t Au)** at Empress (Table 6);
- **3m @ 10.19g/t, 3.45m @ 9.25g/t, 7.85m @ 4.19g/t, 3.35m @ 4.92 g/t & 6m @ 4.04 g/t** at Tindals (Table 8);
- **1.1m @ 23.3g/t and 0.3m @ 129.5g/t (with visible gold)** at Big Blow (Table 10);
- **2.28m @ 5.77g/t and 1.88m @ 10.94g/t** at Cookes (Table 12); and
- **7m @ 5.55g/t, 2m @ 17.29g/t and 2m @ 15.81g/t** at Empress/Alicia.

## **Resource Updates**

During the ongoing underground drilling at The Tindals Mining Centre, the resources for Perseverance, Countess, Empress and Tindals were updated to reflect information from new drilling and mining and ongoing depletion from mining (Table 3). The resource for Cookes was also updated to reflect the new drilling information (Table 11)

## **Tindals**

A maiden Focus Minerals Resource for the Tindals deposit was completed during the Quarter. This was based on drill holes that were extended past Countess, and ongoing validation of historical data. The resource at Tindals is **182,000t @ 3.7g/t** for approximately **21,600 contained ounces** (Table 7).

This is comprised of:

- An estimated Indicated Resource of **99,000t @ 4.0g/t** for approximately **12,900 contained ounces**; and
- An approximate Inferred Resource of **83,000t @ 3.3g/t** for approximately **8,700 contained ounces**.





### Drilling

Underground drilling at Empress during the Quarter returned excellent results including a high-grade down-hole intercept of **13.52m @ 9.31g/t** (including **0.51m at 130.00g/t**).

Importantly, this high-grade intersection was outside of the current Reserve and is over **50 metres below** the current Empress workings. The drilling at Empress continues to verify the structure and grade below the current mining levels.

At Tindals underground drilling targeted an area near existing underground workings where an ongoing geological review had indicated a possible target. The excellent results, including **3m @ 10.19g/t**, from the drilling indicate that there is potential in and around the old workings and highlights the excellent geological work being done in unlocking the structural controls of the Tindals system (Figure 4).

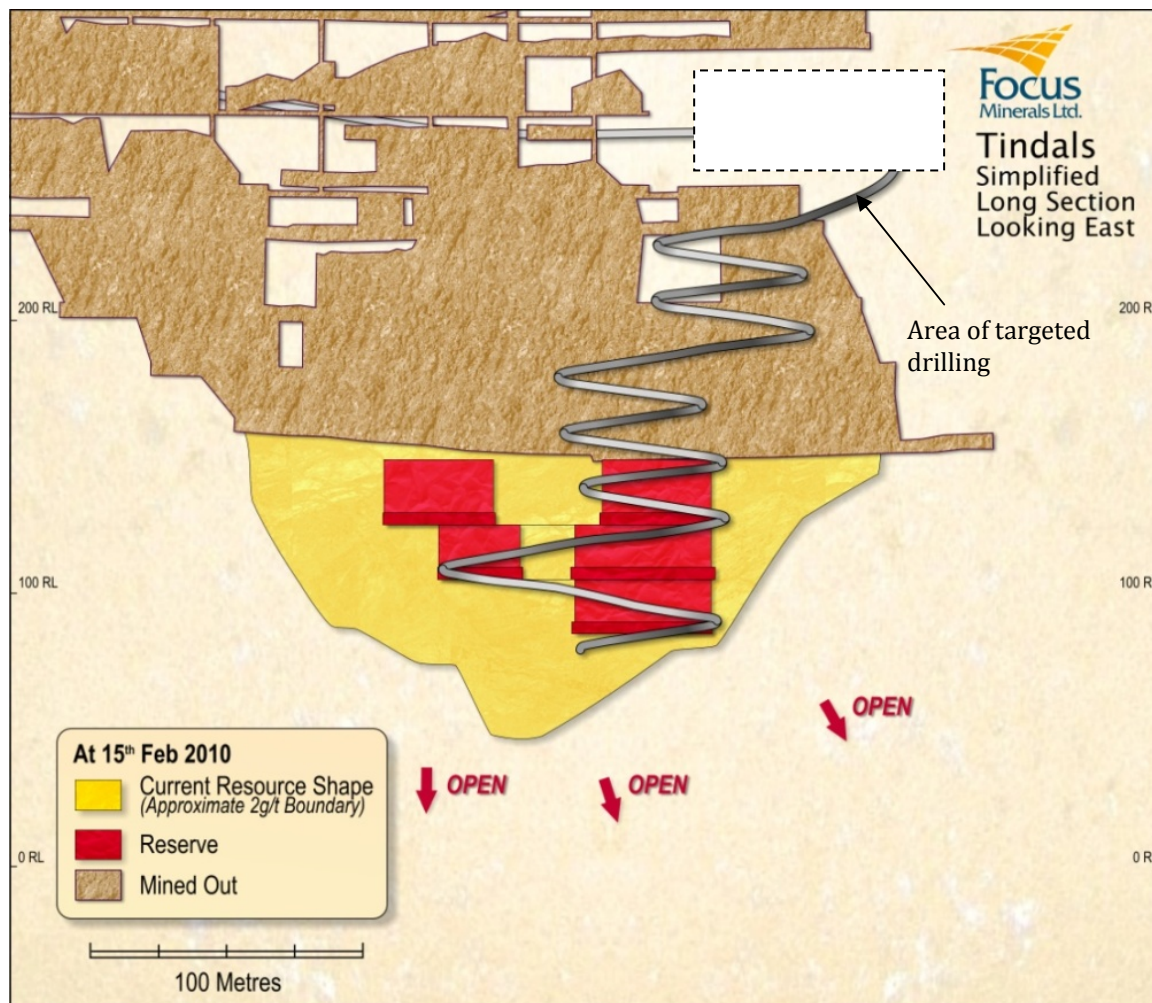


Figure 4: Tindals Resource and Reserve, indicating recent areas of underground drilling (3m @ 10.19 g/t)

### Big Blow

Surface drilling at Big Blow during the Quarter targeted electromagnetic (EM) anomalies as well as depth and strike extensions of known mineralisation.

The drilling that targeted the EM anomalies intersected 1.5m of sheared and brecciated massive pyrrhotite and quartz-carbonate veining. While the grade of the structure was low, it resembled some of the core seen in the Perseverance orebody, and was in close proximity to the mineralised Big Blow structure. The drilling of these



anomalies has identified a Perseverance style target that lies within close proximity to the mineralised Big Blow structure, and highlights the usefulness of EM as a tool in targeting Perseverance mineralisation in the greater Tindals Area.

The Big Blow mineralisation close to surface has a known strike length of 300 metres and the recent drilling has extended the depth extent to 250 vertical metres. The mineralisation is hosted within sheared and brecciated quartz carbonate veins, with two other structures identified parallel to the Big Blow structure. One of the drill holes intersected visible gold (**0.3m @ 129.5g/t**) which highlights the high-grade potential of the Big Blow structures at depth (Figure 4).

The drilling was completed on 80m spaced centres to assess the potential of the Big Blow structure, and showed that Big Blow remains open at depth and along strike with excellent underground potential (as shown in Figure 4). As part of the ongoing exploration programme, drilling will target strike extensions and infill with the view to increasing the known resource at Big Blow.

Due to the wide spaced drill pattern the recent drilling also intersected the Happy Jack structure (in the upper sections of the holes) 140m to the east of Big Blow, with intercepts of **1m @ 10.5g/t** and **5m @ 1.66g/t** at a vertical depth of 40m. The drilling intersected the Happy Jack structure 150m along strike to the south of the current Happy Jack resource, and has increased the strike length of this structure to 600m. Drilling will also be planned to target the strike length of the Happy Jack structure.

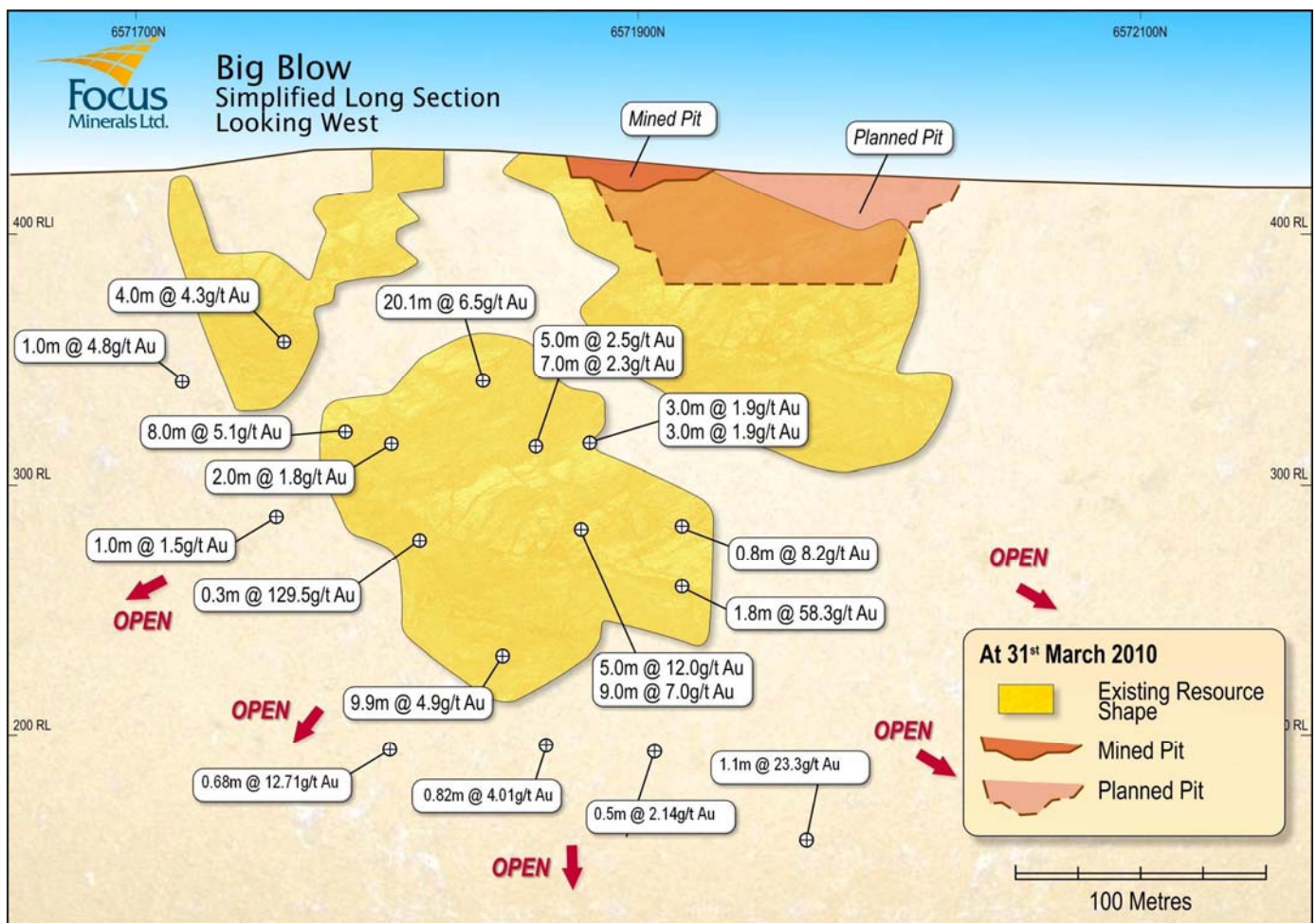


Figure 4 - Big Blow Long Section





### Cookes

A preliminary drill program was completed at Cookes early in the Quarter. The drilling was done to target for potential open pit resources.

The drilling highlighted wide zones of mineralisation within two zones. The southern zone comprises three mineralised lodes hosted in diorite with an average width of 10m at an average grade of 2.5g/t. The northern mineralised zone consists of two mineralised lodes also hosted within diorite with comparable widths and grades to that seen in the southern zone (Figure 5). Both mineralised zones remain open at depth and along strike.

The Cookes is a very prospective and exciting area, and while the initially focus was on targeting the area given its potential for small, high-grade open pit resources, the area also possesses considerable lines of old shafts and old workings. Recent geological, structural and geophysical investigations have identified the area as a target of considerable interest. The work highlighted the area as it exhibited similar characteristics to the deposits in the Tindals Mining Centre (Countess, Tindals and Cyanide), 900m to the southeast. This work is ongoing with the aim of identifying any other areas in the greater Tindals area that exhibit similar structural, geological and geophysical characteristics.

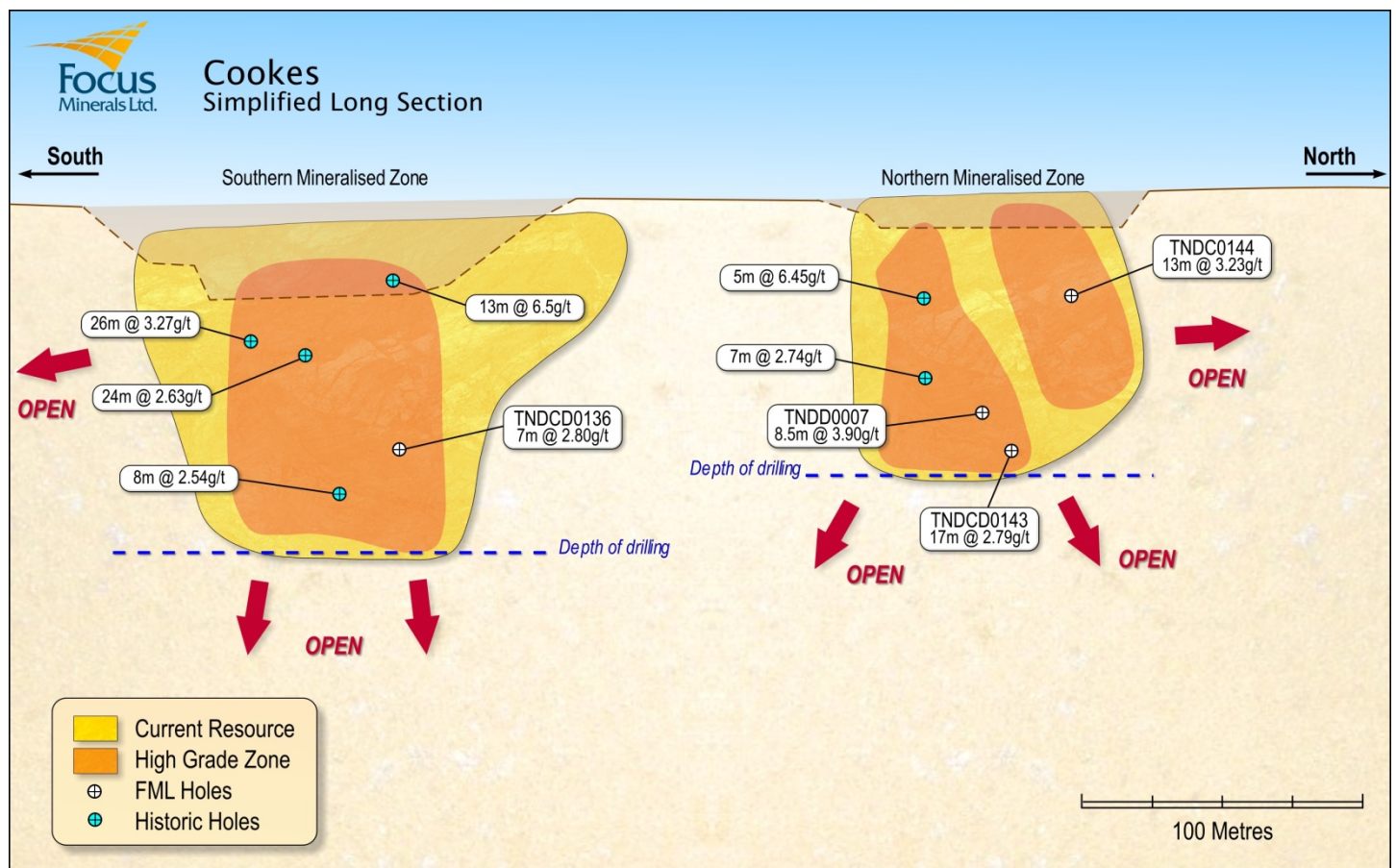


Figure 5 – Cookes Long Section





## **CORPORATE**

### ***Cash and Bullion***

Revenue for the Quarter was **A\$31.8M million** generated from the sale of **25,835 ounces** of gold at an average price received of **A\$1,230/oz.**

Operating cash flow contributed a net \$6,685,000 after allowing for exploration costs of \$2,356,000 and capital and operating development of \$7,456,000. Western Australian gold royalties for the Quarter totalled \$798,000.

Expenditure on the purchase of additional spares, the balance of refurbishment and commission expenses totalled \$3,125,000 resulting in Cash at bank and deposits increasing during the March Quarter by \$4,167,000.

At 31 March, 2010, Focus had the following Australian dollar amounts available;

Cash at Bank	\$11.7 million
Bullion on Hand	\$1.7 million
Total Cash and Equivalents	\$13.4 million

**Excludes \$800,000 held in secured deposit accounts supporting bank guarantees and bonds required under mining tenement conditions.**

### ***Share Capital***

On 5 March 2010, 10,000,000 options with an exercise price of 4.5 cents per option were exercised and converted into 10,000,000 ordinary fully paid shares raising \$450,000.

On 15 March 2010 a total of 50,848,464 share options were granted to key management and project personnel in accordance with the implementation of the Company's Long Term Incentive scheme. The scheme has been designed to provide performance incentives to key personnel and to retain key members of management as the Company continues to build its presence as key Eastern Goldfields gold producer.

The granted options will vest in two annual tranches subject to the achievement of specified performance criteria and continuing employment. Conversion of the options will be at exercise prices of 7.5 cents per share and 7.8 cents per share and will vest equally on 1 July 2011 and 1 July 2012. The options will expire on 31 December 2012.

**- ENDS -**

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Table 3: FOCUS MINERALS RESOURCES at 31 March 2010

Prospect	Classification	Tonnes	Grade (g/t)	Contained Ounces
<b>OPEN PITS</b>				
Big Blow	Indicated	279,000	3.7	32,900
	Inferred	94,000	5.8	17,500
Brilliant	Indicated	1,928,000	2.2	136,400
	Inferred	1,146,000	2.9	106,800
Cokes	Indicated	113,000	2.2	8,000
	Inferred	5,000	1.7	300
Dreadnought	Indicated	3,024,000	2.0	196,400
	Inferred	435,000	1.8	24,600
Empress/Alicia	Inferred	875,000	1.8	49,800
Friendship	Inferred	100,000	1.4	4,600
Greenfields	Indicated	1,386,000	1.9	86,500
	Inferred	138,000	3.0	13,300
Happy Jack	Inferred	198,000	1.7	10,900
Hillside	Inferred	672,000	3.1	65,900
Lord Bob	Inferred	820,000	1.6	42,200
Lindsays	Indicated	4,350,000	1.7	237,800
	Inferred	1,490,000	1.6	76,600
King Solomon/Queen Sheba	Inferred	1,400,000	2.0	90,000
Norris - Grosmont	Inferred	1,050,000	2.4	82,000
<b>Total Indicated Resource - Open Pits</b>		<b>11,080,000</b>	<b>2.0</b>	<b>698,000</b>
<b>Total Inferred Resource - Open Pits</b>		<b>8,423,000</b>	<b>2.2</b>	<b>584,500</b>
<b>Total Resource - Open Pits</b>		<b>19,503,000</b>	<b>2.0</b>	<b>1,282,500</b>
<b>UNDERGROUND</b>				
Countess	Measured	80,000	4.5	11,500
	Indicated	320,000	4.5	45,800
	Inferred	127,000	3.4	13,800
Cyanide	Inferred	367,000	5.5	65,400
Empress	Measured	53,000	5.4	9,200
	Indicated	178,000	4.1	23,200
	Inferred	42,000	5.2	7,000
The Mount	Inferred	2,090,000	5.5	369,600
Perseverance	Measured	134,000	6.3	26,900
	Indicated	196,000	6.0	38,000
	Inferred	54,000	5.3	9,200
Tindals	Indicated	99,000	4.0	12,900
	Inferred	83,000	3.3	8,700
<b>Total Measure Resource - Underground</b>		<b>267,000</b>	<b>5.5</b>	<b>47,600</b>
<b>Total Indicated Resource - Underground</b>		<b>793,000</b>	<b>4.7</b>	<b>119,900</b>
<b>Total Inferred Resource - Underground</b>		<b>2,763,000</b>	<b>5.3</b>	<b>473,700</b>
<b>Total Resource - Underground</b>		<b>3,823,000</b>	<b>5.2</b>	<b>641,200</b>
<b>Total Measured &amp; Indicated Resource</b>		<b>12,140,000</b>	<b>2.2</b>	<b>865,500</b>
<b>Total Inferred Resource</b>		<b>11,186,000</b>	<b>2.9</b>	<b>1,058,200</b>
<b>Grand Total</b>		<b>23,326,000</b>	<b>2.6</b>	<b>1,923,700</b>



Table 4 - Perseverance Resource (Reported at a 2g/t lower cut-off).

	Lode	Tonnes	Grade (g/t)	Ounces
	<b>Sub-Total Measured Resource</b>	<b>134,000</b>	<b>6.3</b>	<b>26,900</b>
	<b>Sub-Total Indicated Resource</b>	<b>196,000</b>	<b>6.0</b>	<b>38,000</b>
	<b>Sub-Total Inferred Resource</b>	<b>54,000</b>	<b>5.3</b>	<b>9,200</b>
	<b>Total Resource</b>	<b>384,000</b>	<b>6.0</b>	<b>74,100</b>

Table 5 - Empress Resource (Reported at a 2g/t lower cut-off).

	Lode	Tonnes	Grade (g/t)	Ounces
<b>Measured</b>	Main West	45,000	5.5	8,000
	Empress North & Splay	8,000	4.7	1,200
	<b>Sub-Total Measured Resource</b>	<b>53,000</b>	<b>5.4</b>	<b>9,200</b>
<b>Indicated</b>	Main West	106,000	3.6	12,400
	Main Diorite	66,000	4.7	10,000
	Empress South & Splay	6,000	4.1	800
	<b>Sub-Total Indicated Resource</b>	<b>178,000</b>	<b>4.1</b>	<b>23,200</b>
<b>Inferred</b>	Main West	17,000	3.6	2,000
	Main Diorite	25,000	6.2	5,000
	<b>Sub-Total Inferred Resource</b>	<b>42,000</b>	<b>5.2</b>	<b>7,000</b>
	<b>Total Resource</b>	<b>273,000</b>	<b>4.5</b>	<b>39,400</b>





Table 6 - Empress Diamond Drill Results, March Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
EMXP0003	6570298	325416	124	341	-37	121.11	87.00	88.00	1.00	2.06
							89.37	102.89	13.52	9.31
							89.37	89.88	0.51	130.00
EMXP0004	6570297	325411	124	283	-25	218.5	49.77	50.12	0.35	7.37
							80.30	81.00	0.70	2.36
							84.11	87.31	3.20	2.62
							92.13	92.68	0.55	3.86
							93.17	93.70	0.53	5.60
EMXP0005	6570297	325411	124	283	-35	130	57.18	57.79	0.61	12.60
							58.13	58.48	0.35	5.38
							90.50	90.80	0.30	10.70
							102.68	105.47	2.79	2.60
EMXP0006	6570297	325411	124	294	-43	210	47.34	47.82	0.48	2.27
							87.63	88.00	0.37	7.41
							88.00	89.24	1.24	5.59
							90.10	92.33	2.23	4.26
							92.72	93.27	0.55	2.59
EMXP0007	6570298	325412	124	312	-43	110.4	32.88	33.19	0.31	5.82
							80.97	81.52	0.55	4.26
							86.34	86.64	0.30	2.27
EMXP0010	6570293	325408	125	249	-9	260	40.85	41.62	0.77	4.67
							56.69	57.41	0.72	2.28
							193.57	194.36	0.79	2.00
							197.17	198.08	0.91	4.43
EMXP0011	6570294	325409	124	249	-37	290.5	242.51	242.81	0.30	13.55
							47.40	47.82	0.42	4.74
							59.57	61.04	1.47	3.82
							214.26	215.24	0.98	1.17
							285.20	285.98	0.78	1.41

Table 7 - Tindals Resource (Reported at a 2g/t lower cut-off).

	Lode	Tonnes	Au g/t	Ounces
<b>Indicated</b>	West	45,000	5.0	7,200
	East	54,000	3.2	5,700
<b>Sub-Total Indicated Resource</b>		<b>99,000</b>	<b>4.0</b>	<b>12,900</b>
<b>Inferred</b>	West	7,000	4.5	1,000
	East	76,000	3.2	7,700
<b>Sub-Total Inferred Resource</b>		<b>83,000</b>	<b>3.3</b>	<b>8,700</b>
<b>Total Resource</b>		<b>182,000</b>	<b>3.7</b>	<b>21,600</b>



Table 8 - Tindals Diamond Drill Results, March Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TUD001	6570252	325618	259	33	22	89.5	48.85	52.00	3.15	0.83
TUD002	6570252	325619	258	31	7	103.8	51.00	53.85	2.85	1.98
							61.35	64.35	3.00	10.19
							77.77	81.15	3.45	9.25
							86.30	94.15	7.85	4.19
TUD003	6570251	325618	259	42	25	122.52	70.25	73.25	3.00	1.29
							79.20	88.40	9.20	1.70
							92.90	94.65	1.75	4.22
							116.60	118.15	1.55	2.97
TUD004	6570252	325619	258	43	9	111	27.50	28.50	1.00	2.55
							35.40	40.40	5.00	2.11
							68.35	71.10	3.35	4.92
							77.60	79.60	2.00	2.66
TUD005	6570251	325618	259	57	29	101.9	87.25	96.40	9.15	1.86
TUD008	6570249	325620	259	74	30	96	54.70	55.70	1.00	4.27
							66.50	69.50	3.00	1.22
							50.60	56.60	6.00	4.04

Table 9 – Countess Resource (Reported at a 2g/t lower cut-off).

	Lode	Tonnes	Au g/t	Ounces
<b>Measured</b>	West	62,000	4.9	9,700
	East - South	18,000	3.1	1,800
<b>Sub-Total Measured Resource</b>		<b>80,000</b>	<b>4.5</b>	<b>11,500</b>
<b>Indicated</b>	West	208,000	4.9	32,400
	East - South	45,000	3.9	5,700
	East - North	64,000	3.6	7,400
	Gamma	3,000	3.2	300
<b>Sub-Total Indicated Resource</b>		<b>320,000</b>	<b>4.5</b>	<b>45,800</b>
<b>Inferred</b>	East - North	20,000	4.2	2,800
	Alpha HW	11,000	3.3	1,200
	Beta	7,000	3.7	800
	Delta	89,000	3.2	9,000
<b>Sub-Total Inferred Resource</b>		<b>127,000</b>	<b>3.4</b>	<b>13,800</b>
<b>Total Resource</b>		<b>527,000</b>	<b>4.2</b>	<b>71,100</b>

Table 10 – *Big Blow Deeps Drill Results, March Quarter.*

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TNDCD0127	6571970	325465	428	90	-60	205.5	122.37	123.19	0.82	2.50
							137.64	139.50	1.86	2.19
							159.17	159.67	0.50	3.50
TNDCD0129	6571910	325726	421	270	-50	339	68.00	69.00	1.00	10.50
							288.49	288.97	0.48	2.14
TNDCD0130A	6571950	325602	421	270	-65	228.8	73.97	74.75	0.78	1.63
							151.75	154.85	3.10	1.46
TNDCD0131	6571970	325727	421	265	-55	351.8	80.00	81.00	1.00	1.50
							268.90	270.00	1.10	23.30
							285.00	286.00	1.00	2.31
TNDCD0132	6572030	325737	419	270	-60	395.4	101.00	102.00	1.00	1.46
							107.58	107.88	0.30	2.07
							210.09	211.55	1.46	2.05
TNDCD0133	6571870	325712	421	270	-50	330	32.00	37.00	5.00	1.66
							289.00	290.00	1.00	1.53
							300.00	300.82	0.82	4.01
TNDCD0134	6571810	325595	424	270	-60	230	191.03	191.33	0.30	4.97
							146.61	146.91	0.30	129.50
TNDCD0135A	6571810	325686	420	270	-50	340	181.32	182.45	1.13	1.01
							279.84	280.52	0.68	12.71
							295.03	295.77	0.74	2.28

Table 11 – *Cookes Resource (Reported at a 1g/t lower cut-off).*

	Category	Tonnes	Au g/t	Ounces
<b>Indicated</b>	Oxide			
	Transitional	52,500	2.4	4,000
	Fresh	60,500	2.1	4,000
<b>Sub-Total Indicated Resource</b>		<b>113,000</b>	<b>2.2</b>	<b>8,000</b>
<b>Inferred</b>	Oxide			
	Transitional	4,000	1.7	200
	Fresh	1,000	1.6	100
<b>Sub-Total Inferred Resource</b>		<b>5,000</b>	<b>1.7</b>	<b>300</b>
<b>Total Resource</b>		<b>118,000</b>	<b>2.2</b>	<b>8,300</b>





Table 12 – Cookes Drill Results, March Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TNDCD0136	6571240	326764	419	270	-45	96.7	57.82	60.10	2.28	5.77
							70.62	71.00	0.38	1.85
							76.44	77.24	0.80	5.60
							79.80	80.15	0.35	2.07
							82.30	83.10	0.80	1.45
TNDC0139	6571320	326772	420	270	-60	48	35.00	37.00	2.00	1.81
TNDCD0143	6571360	326780	423	270	-60	99	53.45	55.33	1.88	10.94
							56.29	56.77	0.48	2.56
							60.52	61.94	1.42	6.90
							61.80	62.22	0.42	3.75
							63.04	63.46	0.42	1.76
TNDCD0147A	6571400	326720	422	270	-50	50	65.29	65.98	0.69	2.05
							73.79	74.61	0.82	1.33
							76.15	77.00	0.85	2.41
							78.55	79.55	1.00	1.05
							82.86	83.33	0.47	1.00
TNDC0154	6571380	326711	422	270	-60	60	no significant intercept			

Table 12– Dreadnought Drill Results, March Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TNDC0157	6569640	325275	415	90	-60	30	10.00	11.00	1.00	2.75
TNDC0158	6569665	325265	415	90	-50	50	no significant intercepts			
TNDC0159	6569720	325288	417	90	-60	40	11.00	12.00	1.00	1.01
							31.00	32.00	1.00	1.97
TNDC0160	6569740	325285	417	90	-60	60	26.00	42.00	16.00	3.59
TNND0009	6569705	325318	418	270	-50	80	52.70	57.13	4.43	2.44
TNDD0010	656970	325276	417	90	-50	70	42.35	43.14	0.79	1.99
							48.11	49.08	0.97	1.92
							51.17	51.82	0.65	8.11
							53.61	56.07	2.46	2.12
							58.70	59.60	0.90	1.75



Table 13 – Empress/Alicia Drill Results, March Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TNDC0076	6570068	325268	419	90	-60	34	31.00	34.00	3.00	3.73
TNDC0077	6570068	325277	420	90	-50	60	14.00	18.00	4.00	2.22
							20.00	21.00	1.00	1.21
							37.00	39.00	2.00	6.29
TNDC0079	6570088	325292	419	90	-60	46	6.00	9.00	3.00	2.90
							11.00	13.00	2.00	2.62
							18.00	19.00	1.00	2.11
							21.00	24.00	3.00	3.39
TNDC0080	6570088	325295	419	90	-45	45	1.00	3.00	2.00	17.29
							6.00	10.00	4.00	1.93
							24.00	25.00	1.00	1.63
TNDC0081	6570107	325282	420	90	-60	60	20.00	23.00	3.00	1.50
							28.00	29.00	1.00	1.77
							34.00	35.00	1.00	1.05
							37.00	39.00	2.00	15.81
							42.00	43.00	1.00	1.23
TNDC0082	6570107	325285	420	90	-45	28	49.00	50.00	1.00	1.70
TNDC0083	6570127	325272	421	90	-50	100	21.00	25.00	4.00	1.56
							18.00	19.00	1.00	1.00
							26.00	27.00	1.00	1.38
							45.00	52.00	7.00	5.55
							58.00	59.00	1.00	2.41
TNDC0084	6570126	325292	421	90	-50	34	74.00	75.00	1.00	2.71
TNDC0085	6570129	325343	424	270	-50	40	0.00	2.00	2.00	1.28
TNDC0087	6570149	325351	424	270	-45	45	14.00	23.00	9.00	1.05
							no significant intercept			
TNDC0088	6570168	325321	423	90	-45	57	19.00	21.00	2.00	3.39
							30.00	36.00	6.00	4.35
							11.00	13.00	2.00	1.58
TNDC0090	6570188	325340	423	90	-65	36	20.00	30.00	10.00	3.10
TNDC0091	6570208	325320	422	90	-60	30	37.00	38.00	1.00	1.43
							29.00	30.00	1.00	1.08
							0.00	1.00	1.00	1.29
							6.00	7.00	1.00	8.77
TNDC0092	6570091	325480	420	90	-60	48	11.00	12.00	1.00	2.26
							26.00	27.00	1.00	1.18
							12.00	13.00	1.00	2.47
TNDC0094	6570111	325478	421	90	-60	66	20.00	29.00	9.00	1.27
							36.00	37.00	1.00	5.52
							9.00	10.00	1.00	1.10
							31.00	32.00	1.00	2.03
							38.00	39.00	1.00	1.42
TNDC0096	6570130	325463	422	90	-60	78	46.00	47.00	1.00	1.01
TNDC0097	6570131	325476	422	90	-60	60	59.00	60.00	1.00	1.50
							49.00	50.00	1.00	1.33
TNDC0099	6570131	325476	422	90	-60	60	63.00	64.00	1.00	1.36
							24.00	25.00	1.00	1.48
TNDC0097	6570131	325476	422	90	-60	60	31.00	33.00	2.00	3.41



							37.00	46.00	9.00	1.39
							5.00	6.00	1.00	3.14
							17.00	23.00	6.00	3.44
TNDC0098	6570151	325479	422	90	-55	57	28.00	46.00	18.00	2.28
TNDC0099	6570191	325479	424	90	-60	52	9.00	23.00	14.00	1.37
							2.00	8.00	6.00	1.70
TNDC0100	6570211	325482	424	90	-60	57	39.00	40.00	1.00	1.25
							0.00	2.00	2.00	1.23
							21.00	23.00	2.00	1.70
							26.00	27.00	1.00	1.90
TNDC0102	6570251	325483	426	90	-60	52	29.00	30.00	1.00	2.83
TNDC0103	6570271	325489	430	90	-60	42	34.00	35.00	1.00	1.18
							4.00	5.00	1.00	1.17
TNDC0104	6570290	325463	431	90	-60	45	31.00	38.00	7.00	2.25
							0.00	1.00	1.00	1.36
TNCD0104A	6570290	325463	431	90	-60	66	33.00	40.00	7.00	3.00
							1.00	4.00	3.00	1.15
TNDC0105	6570290	325476	430	90	-60	42	10.00	11.00	1.00	1.66
							2.00	3.00	1.00	1.41
							5.00	6.00	1.00	3.47
TNDC0106	6570290	325489	430	90	-60	30	27.00	28.00	1.00	1.04
							2.00	3.00	1.00	1.13
TNDC0107	6570310	325482	429	90	-60	24	6.00	11.00	5.00	2.27
TNDC0108	6570044	325359	420	90	-50	76	no significant intercept			
							0.00	1.00	1.00	3.08
							39.00	43.00	4.00	2.03
TNDC0109	6570064	325360	421	90	-50	80	76.00	77.00	1.00	1.12
TNDC0110	6570059	325400	420	90	-50	55	31.00	33.00	2.00	11.53
							34.00	36.00	2.00	3.61
							38.00	39.00	1.00	1.73
							41.00	42.00	1.00	1.47
							49.00	50.00	1.00	1.08
TNDC0111	6570079	325399	420	90	-50	55	52.00	53.00	1.00	3.51
TNDC0114	6570391	325501	428	90	-50	85	1.00	3.00	2.00	1.35
							2.00	3.00	1.00	1.35
TNDC0115	6570391	325534	428	90	-50	125	33.00	34.00	1.00	1.34
							4.00	5.00	1.00	1.37
TNDC0117	6570426	325494	428	90	-45	150	37.00	38.00	1.00	1.03
							65.00	66.00	1.00	1.07
							68.00	69.00	1.00	1.21
TNDC0120	6570060	325150	423	90	-55	165	82.00	83.00	1.00	1.01
TNDC0122	6570025	325130	421	90	-55	130	68.00	69.00	1.00	1.33
TNDC0125	6569940	325110	420	90	-55	165	126.00	128.00	2.00	1.58
TNDC0163	6570057	325349	421	180	-60	50	33.00	36.00	3.00	1.82
TNDC0166	6570055	325369	420	180	-60	55	4.00	5.00	1.00	2.60
TNDC0167	6570066	325369	421	180	-60	54	28.00	31.00	3.00	2.77
							20.00	21.00	1.00	1.00
TNDC0168	6570076	325368	421	180	-60	66	36.00	37.00	1.00	2.94
TNDC0169	6570045	325389	420	180	-50	52	no significant intercept			
TNDC0170	6570057	325389	420	180	-60	45	25.00	27.00	2.00	4.38
TNDC0171	6570069	325388	420	180	-60	54	32.00	34.00	2.00	3.48
TNDC0172	6570081	325388	421	180	-60	56	24.00	25.00	1.00	13.40





							30.00	33.00	3.00	5.17
TNDC0172A	6570081	325388	421	180	-60	74	30.00	31.00	1.00	1.35
TNDC0175	6570083	325408	420	180	-60	64	no significant intercept			
TNDC0176	6570095	325408	421	180	-60	42	35.00	36.00	1.00	1.20
TNDC0177	6570062	325429	419	180	-50	35	15.00	16.00	1.00	1.00
TNDC0178	6570074	325428	420	180	-60	42	22.00	24.00	2.00	1.10
							38.00	39.00	1.00	4.26
TNDC0179	6570086	325428	420	180	-60	50	41.00	42.00	1.00	1.07
							0.00	2.00	2.00	2.53
TNDC0180	6570089	325448	421	180	-60	30	23.00	28.00	5.00	1.53
							29.00	30.00	1.00	1.20
TNDC0181	6570101	325448	421	180	-60	54	37.00	39.00	2.00	1.55
							43.00	44.00	1.00	5.83
							63.73	64.79	1.06	3.47
							66.76	67.45	0.69	1.61
TNDCD0086	6570148	325286	421	90	-60	100	69.68	70.22	0.54	2.34
TNDD0003	6570148	325301	422	90	-60	75	50.80	60.42	9.62	1.50
							66.00	68.00	2.00	1.80
							69.00	70.70	1.70	3.01
							76.00	76.40	0.40	2.60
TNDD0004	6570210	325437	428	90	-50	105	101.00	102.00	1.00	1.08
TNDD0005	6570271	325476	431	90	-60	54	36.00	38.20	3.20	1.72



### **COMPETENT PERSON'S STATEMENT**

The information in this report relating to Resources is based on work supervised by Dr Garry Adams who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr. Adams has the relevant experience as a "Competent Person" as defined in the 2004 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves in relation to the mineralisation being reported. Dr. Adams is Exploration Manager of Focus Minerals Ltd and consents to the inclusion of the material in the form and content in which it appears.

The information in this report that relates to Underground Ore Reserves is based on information compiled by Mr Bradley Valiukas, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Valiukas has sufficient experience which 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 Surface Ore Reserves is based on information compiled by Mr Gary McCrae of Minecomp Pty Ltd who are Corporate Members of The Australasian Institute of Mining and Metallurgy. Mr McCrae has sufficient experience which 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 McCrae consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### **Notes to accompany the Mineralised Resource Statements**

The notes below are for the Perseverance, Empress, Countess and Cookes Resource updates which have not been previously released to the ASX.

Perseverance is a series of quartz-sulphide veins with highly variable sulphide content of <1% to 100% hosted in basalt and garnetiferous diorite intrusions. Mineralisation occurs where a diorite unit is offset by the fault on which the deposit lies. The brecciated Main Lode East occurs along the fault zone within the basalt unit with a number of thinner Sulphide Lodes to the west. All of the lodes strike 030° and dip 80°W with the average thickness of Main Lode East being 3 to 5m and the Sulphide Lodes being less than 2m thick. The Sherlaw Lodes are a series of relatively close spaced narrow (<2m) lodes running sub-parallel to the main lodes. Mineralisation in these lodes is patchy and higher grades may be related to linking structures between the various lodes. Dextral movement along the fault zone has resulted in a mineralised linking structure below the 250mRL. This mineralised structure has high sulphide content and extends from the Main Lode East striking 230° and dips 80°W with an average thickness of 2 to 6m. There are numerous sub-parallel lodes within the fold nose of the diorite on the western side of the fault zone. The shape of the mineralised lodes suggests that there is a structural control (the dextral movement along the fault zone) and a geological control (the brittle nature of the diorite unit) on mineralisation. The western diorite lodes vary in thickness from 1 to 5m and trend away from the Main Lode East at 185°.

Countess is hosted within tightly folded silica altered ("bleached") diorite intrusions within an ultramafic sequence. The fold axis plunge steeply (70-80°) to the south. Countess consists of 6 lodes (West, East, Alpha, Beta, Gamma and Delta). The West Lode strikes 350° and dips 60°W, and has an average width of 3-16m, while the East Lode strikes 005° and dips 65-75°E, with widths of between 2-6m. The Delta Lode strikes 000° and dips 80°W, with widths between 2-7m. With the minor lodes Alpha and Beta Lodes both strike 020° and dip 80°E with average widths of 0.5-6m, while the Gamma Lode strikes 350° and dips 80°W, with averages widths of 0.5-4m. Mineralisation consists of quartz/sulphide micro-veinlets, disseminated pyrrhotite and albitic alteration of the diorites. No visible gold has been seen at Countess.

The Empress underground deposit is hosted predominantly in two different trending graphitic shales (the West Lode and the Empress Reef) which have been sheared and intruded by quartz / sulphide veining. The West Lode is within the basalt sequence and generally strikes 030° dipping steeply to the east (80° to 85°) with an average width of 0.5 to 5m. This mineralised trend is cross-cut below 160mRL by a garnetiferous diorite intrusion. The diorite intrusion is within the basalt sequence and generally strikes 015° with an average width of 3 to 6.5m. The Main Diorite (southern section) dips steeply to the west (80° to 85°), while the northern section of the Main Diorite dips steeply to the east (80° to 85°). Mineralisation consists of quartz / sulphide micro-



veinlets and disseminated pyrrhotite. The Empress South and Empress North mineralised graphitic shale (historically labelled the Empress Reef) is within the ultramafic sequence and generally strikes  $021^{\circ}$  with an average width of 0.5 to 5.5m. The southern section of this mineralised trend dips steeply to the west ( $80^{\circ}$  to  $85^{\circ}$ ), while the northern section of this mineralised trend dips steeply to the east ( $80^{\circ}$  to  $85^{\circ}$ ). Movement along the 5 to 10m thick shear zones creating the main lodes has resulted in mineralisation along the numerous sub-parallel graphitic shales in both the basalt and ultramafic sequences. The mineralisation in these lodes is patchy, can be traced between the Main Lodes, and in some cases are modelled as splays running off the Main lodes.

The Cookes deposit is hosted within diorite intrusions within an ultramafic/basaltic sequence. The deposit is divided into 5 lodes that sit within bends on an interpreted dilational jog. Mineralisation consists of quartz/sulphide micro-veinlets, disseminated pyrrhotite and albitic alteration of the diorites. No visible gold has been seen at Cookes. The lodes strike  $340-360^{\circ}$  and dip  $75^{\circ}$ E with average widths of 10m for the southern lodes, while the northern lodes strike  $330^{\circ}$  and dip  $75^{\circ}$ NE with average widths also of 10m.

The resource update at Perseverance is the result of drilling done in the December 2009 and March 2010 Quarters. The resource upgrade at Empress is a result of drilling done in the December 2009 and March 2010 Quarters. The resource upgrade at Countess is a result of drilling done in the December 2009 Quarter, and the resource update at Cookes is the result of drilling done in the December 2009 and March 2010 Quarters.

The updated interpretations were then used to create new resource models for the deposits.

#### **Drilling Information**

The Perseverance Resource was calculated from a total of 282 diamond and 48 RC holes for a total of 43,407.12m. Drill spacing is generally 15m x 15m in the core of the resource, and this widens to 50m x 50m outside of this. The Empress Resource was calculated from a total of 67 Diamond holes (6 with RC pre-collars) for a total of 10,962.36m. Drill spacing is generally 20m x 20m in the indicated resource area, which widens to 80m x 80m outside of this area. The Countess Resource was calculated from a total of 94 Diamond (5 with RC pre-collars) for a total of 16,295.55m. Drill spacing is generally 25m x 25m in over the majority of the resource, which is indicated and measured, to 80m x 80m outside of this area. The Cookes Resource was calculated from a total of 6 diamond and 77 RC holes for a total of 3,896.40m. Drill spacing is generally 20m x 10m in the core of the resource, stepping out to 80m x 80m outside of this area. All drill collars for Perseverance, Empress and Countess have been surveyed in local Tindals grid co-ordinates and converted to GDA94 co-ordinates. All drill collars at Cookes were surveyed in GDA94 co-ordinates.

The drill holes at Perseverance, Empress, Countess and Cookes have either been down hole surveyed by Eastman single-shot camera, Reflex Ezi-shot, electronic multi-shot (EMS) or gyroscope methods. All recent drill holes that were surveyed at Perseverance, Empress, Countess and Cookes were done so in GDA94 coordinates.

All drilling has been logged (lithology, alteration, structure, veining and mineralisation) in detail and stored in electronic databases after been validated.

Diamond core is sampled to geological boundaries for the Focus drilling, and to a combination of geology or metre intervals for pre-Focus drilling. The core was cut in half, with only half submitted for assaying.

All samples (Focus and pre-Focus drilling) have been assayed using the Fire Assay method at Analabs, ALS Chemex or Kalgoorlie Assay Laboratory in Kalgoorlie. For drilling since 2006 a 30g Fire Assay with AAS finish was used at ALS Chemex, while a 40g Fire Assay with ICP-MS finish method at the Kalgoorlie Assay Laboratories. Check assaying of sample pulps and quarter core was conducted at Genalysis Laboratory in Perth for independent auditing of the assaying process.

#### **Geological Model**

The geological interpretation (geology and mineralisation) and the resource estimation were conducted internally. The mineralised interpretation at Perseverance, Empress and Countess was digitised to either geological boundaries or a nominal 1g/t cut-off grade where the geological contact was obscure. No mining dilution has been incorporated into the resource interpretation, although some low grade zones (<1g/t) have been included to allow for continuity of the interpretation. At Cookes the mineralised interpretation was digitised to either geological boundaries or a nominal 0.5g/t cut-off grade with no more than 2m of internal dilution allowed. All interpretations were extrapolated either 20m past the last drill hole, or half way to the next drill hole closing off the mineralisation (which ever was the smallest distance).



Samples within individual wireframes at Perseverance, Countess, Empress and Cookes were composited to 1m intervals. The composites were used to determine the necessary top cuts. For Perseverance the top cuts used for the resource were 65g/t for the Main Lode East and East Lode Splays, 75g/t for the Sulphide Lodes, 48g/t for the Sherlaw Lodes, 65g/t for the South Diorite Lodes and 20g/t for the West Diorite and Linking Structure Lodes. For Empress the top cuts used for the resource were 80g/t for all Lodes. For Countess the top cuts used for the resource were 24g/t for all Lodes. Likewise at Cookes a single top cut of 18g/t was used for all Lodes.

Surpac block models were created for Perseverance, Empress, Countess and Cookes on the Tindals Mine Grid co-ordinates, with the Greenfields block model created on a GDA94 grid. The models were generated using the Ordinary Kriging (OK) estimation method.

Different values for bulk density were applied to the various lodes at Perseverance based on test work. A density of 2.9t/m<sup>3</sup> was used for the sulphides lodes, 2.7t/m<sup>3</sup> was used for the Main Lode East and its Splay Lodes, 2.78t/m<sup>3</sup> was used for the West and South Diorite Lodes and a value of 2.8t/m<sup>3</sup> was used for the Sherlaw Lodes. For Empress a bulk density of 2.78t/m<sup>3</sup> was applied to the Diorite Lodes while 2.85t/m<sup>3</sup> was applied to the Main and Splay Lodes. Bulk density of 2.72t/m<sup>3</sup> was applied to the Lodes in the Countess model. For Cookes bulk densities of 2.2t/m<sup>3</sup> and 2.62t/m<sup>3</sup> were used for the oxide-transitional and fresh zones respectively. These values were based on values determined from test work conducted on Perseverance, Empress, Countess and Cookes drilling.

The reported grades, tonnages and contained ounces are rounded to appropriate levels of precision in accordance with the recommendations of the JORC code.

Perseverance, Empress and Countess Resources have been reported at a 2g/t lower cut-off grade, while the Cookes Resource has been reported at a 1g/t lower cut-off grade.

#### **Note on Open Pit Reserve Estimates**

All reserves are a subset of the reported resources, that is; the resources are not in addition to the ore reserves. Tables are subject to rounding of significant figures.

#### Greenfields

The Greenfields probable reserve estimate is based on the resource model tabled in the quarterly report. The reserves represent extensions to the existing pit along known mineralisation and at depth. The open pit extension design is considered to be practical, workable and safe.

Mining dilution of 10% at 0.00g/t and a mining recovery of 95% have been incorporated into the probable mining reserve estimate.

#### Big Blow

The Big Blow probable reserve estimate is based on the resource model tabled in the quarterly report. The reserves represent a small open pit, situated on and around some small historical underground workings. The open pit design is considered to be practical, workable and safe.

Mining dilution of 10% at 0.00g/t and a mining recovery of 95% have been incorporated into the probable mining reserve estimate.

#### Dreadnought North

The Dreadnought North probable reserve estimate is based on the resource model tabled in the quarterly report. The reserves represent a small, from surface open pit. The open pit design is considered to be practical, workable and safe.

This open pit will in addition to providing probable reserves, enable additional geological, mining and metallurgical information to be obtained for use in the assessment of the entire Dreadnought resource.

Mining dilution of 10% at 0.00g/t and a mining recovery of 95% have been incorporated into the probable mining reserve estimate.

#### **NOTE ON ORE RESOURCE AND RESERVE ESTIMATES.**

All reserves are a subset of the reported resources, that is; the resources are not in addition to the ore reserves. Tables and





statements are subject to rounding of significant figures.

#### The Mount

The localised indicated resource has been generated on the German Main and German West lodes. This resource is a subset of the larger inferred resource that Focus has previously published.

The localised indicated resource has been generated from the mapping and sampling of the current ore development and has been projected up and down where there is sufficient evidence of geological and grade continuity from drilling and other indicators such as surface mapping.

The localised indicated resource includes current mining dilution that has been incurred with the development.

The resource is 66,000t @ 9.6g/t for 20,200 contained ounces.

The reserve is the resource, which already includes mining dilution, and an allowance for unplanned recovery (95%) and unplanned dilution factors (11%).