

ASX ANNOUNCEMENT

10 October 2011

TINDALS DRILL RESULTS HIGHLIGHT POTENTIAL FOR FURTHER EXPANSION AROUND PERSEVERANCE

- Focus Pours 200,000th Ounce of Gold at Coolgardie -

Potential For Further Expansion

Australian gold producer Focus Minerals (ASX: FML) is pleased to announce that drilling at its flagship Tindals Mining Centre underground operation has produced a series of high-grade gold intercepts, highlighting the potential for further expansion around the prolific Perseverance deposit (*Figure 1*)

Exploration drilling at Perseverance has targeted previously identified mineralisation to the north of the existing reserve (Table 1), the Perseverance North deposit, where it has outlined a 150m strike length of high-grade mineralisation.

Recent drilling of the main lode at Perseverance (4.5m @ 21.6g/t, 2.3m @ 12.3g/t, and 2m @ 7.8g/t) has also confirmed the existence of a mineralised diorite lode west of, and running parallel to, the current Perseverance Ore Reserve.

High-Grade Drill Results

High grade intercepts at the Perseverance North deposit include (*Table 1*):

- 6m @ 20.2g/t
- 2.4m @ 16.3g/t
- 2.8m @ 10.8g/t; and
- 2.7m @ 10.0g/t

High-grade intercepts in the diorites include (*Table 1*):

- 16.9m @ 16.0g/t;
- 6.1m @ 7.0g/t;
- 3m @ 12.4g/t; and
- 9m @ 3.5g/t

“These results point to the potential for further expansion around the Perseverance ore body and, when you put them together with other work we’ve been doing across the wider underground operation, we are clearly in a very strong position to continue to deliver solid production from the Tindals underground month after month,” said Focus Minerals Chief Executive Campbell Baird.

200,00th Ounce Poured

Mr Baird said Focus has just poured its 200,000th ounce of gold since it started production from the Tindals Underground operation in April 2008, significantly with approximately 125,000oz of that production having been mined from Perseverance.

“Perseverance has been an important ore body for Focus over the years and its production has been exceptional when you consider we only started there with a 76,000 ounces reserve,” he said.

Drill Program Detail

The Perseverance North discovery (see ASX release 16/09/10) was targeted to assess the southern strike potential as well as infill around previous high-grade results. This drilling has also delivered extremely encouraging intersections including: 6m @ 20.2g/t, 2.4m @ 16.3g/t, 2.8m @ 10.8g/t; (Figure 2) and 2.7m @ 10.0g/t and has now identified a 150m strike length of high-grade mineralisation which remains open to the north and down dip. In addition, the drilling result appears to indicate that the Perseverance North deposit has a moderate-steep southerly plunge, similar to the main quartz-sulphide ore body at Perseverance.

Drill holes that targeted the Main Lode within the Ore Reserve at Perseverance were extended to the west to test the position where mineralised diorites were known to exist, and had previously being successfully mined, at higher levels in the mine. The mineralised diorites intersected in the drilling are located 20-50m west of the Ore Reserve, which is currently being mined. The mineralisation exhibits similar characteristics (alteration, veining and mineralisation) as that mined previously within diorites higher in the mine. The drilling intersected excellent widths and grades including: 16.9m @ 16.0g/t, 6.1m @ 7.0g/t, 3.0m @ 12.4g/t, 7m @ 3.5g/t; and 6.3m @ 4.1g/t. Further drilling is being planned to determine the extent of the diorite mineralisation at this depth

About Focus Minerals:

Focus Minerals is an aggressively expanding gold producer based in Western Australia's Eastern Goldfields. The company holds the mineral rights to 449km² of tenements and is the largest landholder in the Coolgardie Gold Belt, 35km west of the 'Super Pit' in Kalgoorlie. Focus is currently in production from underground and open pit operations at its flagship Tindals Mining Centre in Coolgardie, adjacent to its 1.2Mtpa Three Mile Hill processing plant. It also recently opened a new high-grade underground mine 85km south of the plant, The Mount. Focus has an 81.57% shareholding interest in Crescent which owns the Laverton Gold Project, located 250km northeast of Kalgoorlie in Western Australia.

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Figure 1. Perseverance long section with recent significant intersections. The blue drill holes indicate where the diorite intersections are located, albeit 20-50m to the west of the Main Lode (and reserve) shown in this long section.

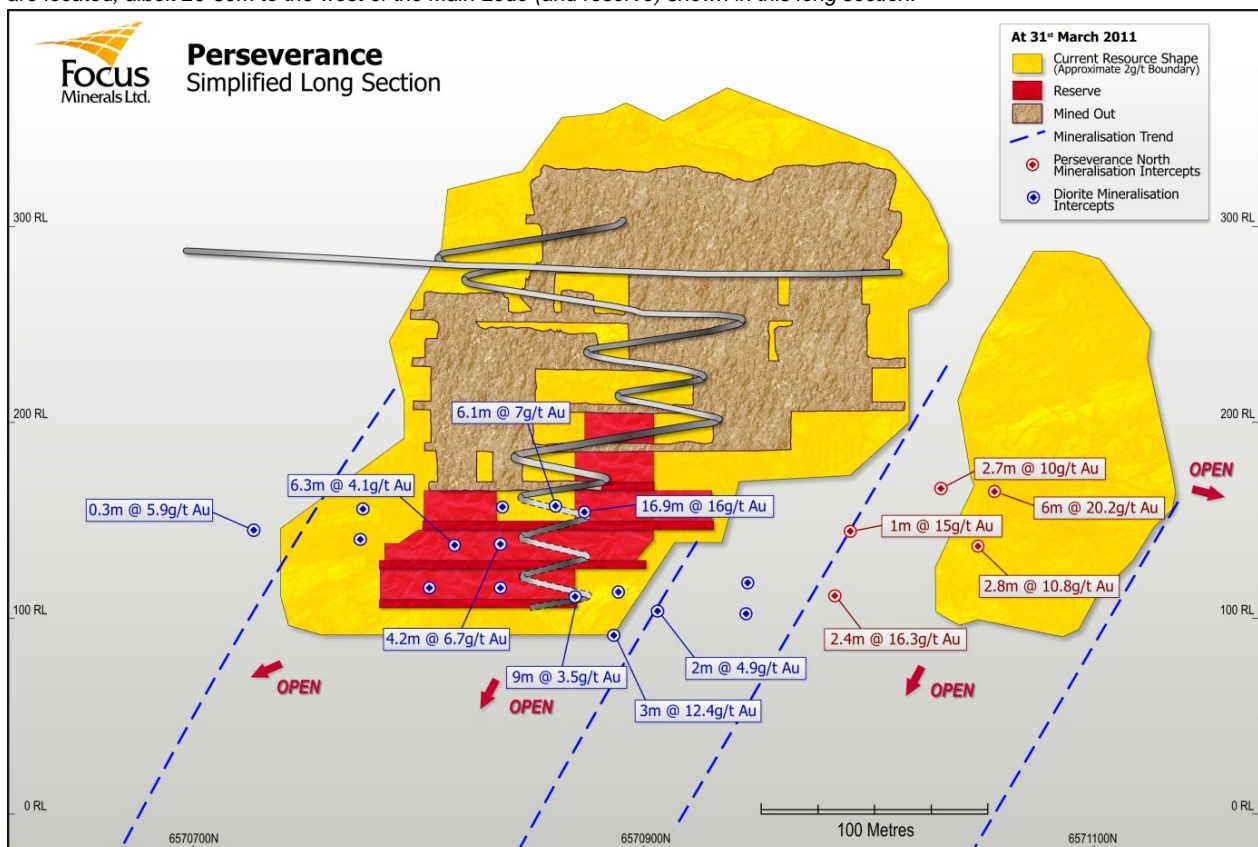


Figure 2. Perseverance North mineralisation (part of the intercept in PED116 - 2.8m @ 10.8g/t)

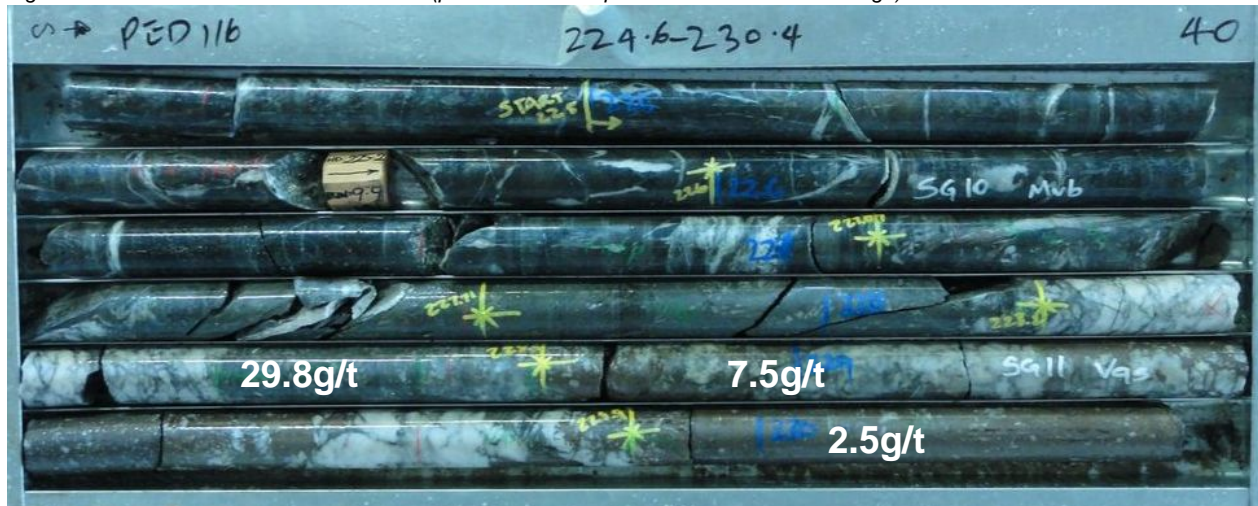


Table 1: Drill intercepts from recent Perseverance drilling

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)	Comment
PED053	6570827	325715	312	-10	167.85	126.00	132.00	6.00	3.10	Diorite
						140.00	142.00	2.00	2.38	Diorite
PED055	6570828	325722	334	-8	166.22	NSR				
PED056	6570828	325722	347	-6	187.15	162.66	164.00	1.34	3.51	Quartz-sulphide vein
PED057	6570827	325716	292	-17	139.30	95.60	97.66	2.06	4.90	
						103.67	105.03	1.36	22.14	Quartz-sulphide vein
						118.21	121.00	2.79	4.24	Diorite
						127.00	135.95	8.95	3.51	Diorite
PED058	6570827	325715	302	-20	138.20	103.00	105.00	2.00	2.52	
						118.00	120.00	2.00	4.17	Quartz-sulphide vein
PED059	6570827	325716	310	-19	168.08	137.00	139.00	2.00	4.87	Diorite
						143.42	145.00	1.58	2.47	Diorite
PED061	6570828	325722	327	-16	159.22	NSR				
PED062	6570828	325722	341	-14	174.50	35.55	36.35	0.80	1.70	
						69.17	70.00	0.83	1.59	
PED063	6570784	325653	329	-2	129.55	67.56	70.96	3.40	4.86	Quartz-sulphide vein
						79.74	86.00	6.26	4.13	Diorite
						96.29	103.00	6.71	1.81	Diorite
						115.19	116.50	1.31	13.03	
PED064	6570784	325653	342	-3	132.30	76.76	78.94	2.18	4.49	Quartz-sulphide vein
						105.80	110.00	4.20	6.74	Diorite
PED065	6570776	325648	239	-10	164.80	72.32	72.98	0.66	2.50	
						82.00	85.00	3.00	2.61	Quartz-sulphide vein
						129.23	129.55	0.32	5.92	Diorite
PED067	6570778	325648	267	-17	125.66	50.20	50.52	0.32	2.02	Quartz-sulphide vein
PED069	6570781	325650	315	-18	155.39	66.00	66.84	0.84	8.73	Quartz-sulphide vein
						82.00	82.54	0.54	2.51	Diorite
PED096	6570827	325716	302	-19	176.89	100.21	100.76	0.55	10.60	
						107.92	110.20	2.28	12.33	Quartz-sulphide vein
						121.00	124.00	3.00	12.40	Diorite
PED104	6570828	325722	318	2	164.70	96.00	97.00	1.00	1.70	
PED105	6570827	325716	311	3	170.80	98.90	99.90	1.00	2.10	
						103.00	105.00	2.00	7.80	Quartz-sulphide vein
						114.00	115.00	1.00	2.90	
						129.00	131.56	2.56	3.57	Diorite

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)	Comment
						142.00	143.00	1.00	6.66	Diorite
PED107	6570784	325653	314	-4	102.18	56.58	56.89	0.31	58.80	
						60.98	65.46	4.48	21.61	Quartz-sulphide vein
PED108	6570783	325652	275	-2	126.21	70.52	71.06	0.54	13.00	
						93.52	94.00	0.48	2.00	Quartz-sulphide vein
PED109	6570778	325648	270	-3	128.93	56.70	59.10	2.40	1.55	
						76.95	79.10	2.15	6.34	Quartz-sulphide vein
PED111	6570828	325721	351	10	249.64	75.00	76.00	1.00	48.10	Diorite
						72.00	74.00	2.00	4.93	Diorite
PED112	6570828	325721	359	9	279.19	165.36	166.17	0.81	1.60	
						234.48	237.14	2.66	9.96	Perseverance North
PED113	6570828	325721	353	1	254.64	186.00	187.00	1.00	2.40	
						189.00	189.38	0.38	2.20	
						192.96	193.92	0.96	14.95	Perseverance North
PED114	6570828	325721	357	1	289.65	240.93	246.94	6.01	20.17	Perseverance North
						256.56	260.30	3.74	5.04	
PED115	6570828	325721	353	-10	245.37	57.00	58.00	1.00	1.30	
						176.00	176.99	0.99	1.10	
						187.21	189.61	2.40	16.29	Perseverance North
PED116	6570828	325721	358	-4	272.36	75.36	75.68	0.32	4.40	
						228.20	231.00	2.80	10.80	Perseverance North
PED118	6570840	325644	342	12	71.78	38.81	43.00	4.19	4.03	Quartz-sulphide vein
						57.00	60.00	3.00	1.58	Diorite
PED119	6570846	325628	341	10	105.33	14.90	21.00	6.10	6.99	Diorite
						62.00	63.00	1.00	1.50	
PED120	6570854	325608	328	18	44.46	5.22	8.04	2.82	4.84	Diorite
						24.10	41.00	16.90	15.98	Diorite
PED121	6570853	325607	300	18	48.19	19.00	20.00	1.00	1.80	
						39.13	39.70	0.57	2.50	
PED122	6570778	325648	267	13	126.07	70.23	71.95	1.72	1.85	
PED124	6570779	325649	277	15	120.92	61.09	65.00	3.91	2.34	
						69.43	71.00	1.57	3.26	Quartz-sulphide vein

Note to accompany Drill Results Table: Diamond drill holes are sampled to geological intervals. Assay method is 40 gram fire assay. All mineralised intersections are quoted as down-hole lengths with uncut gold values. The true thickness is approximately 50% of the down-hole length for Perseverance North drill holes, 85% of down-hole width for PED118-121 and 70% for all other drill holes. Gold grades are reported at a nominal cut-off grade of 1g/t Au. NSR = "no significant result" (above 1g/t).

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Minerals Resources is based on information compiled by Dr Garry Adams who is a member of the Australasian Institute of Mining and Metallurgy. Dr Adams is a full time employee of Focus Minerals and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Adams consents to the inclusion in the report of the matters based on the information in the form and content in which it appears.