

RECOMMENDED TAKEOVER OF CRESCENT GOLD BY FOCUS MINERALS

- *Transaction to make Focus one of Australia's Top 5¹ Gold Producers with a 230,000oz production target in 2012 from multiple open pit and underground operations*
- *Focus offering one share for every 1.18 Crescent shares in an off-market bid*
- *Offer represents 30.5% premium to Crescent's last close price of \$0.05 per share²*
- *Crescent Directors unanimously recommend shareholders accept the offer, in the absence of a Superior Proposal*
- *Pre Bid Agreement in favour of Focus for 19.9% of Crescent from Deutsche Bank group*
- *Increased management depth and operational experience to maximise the value of Crescent's assets*
- *Combined group will have a JORC Resource inventory of 4.3Moz of gold³*
- *Strong rerating potential with the merged proforma EV/Resource multiple at a 39% discount to the current peer average of A\$107/oz*
- *Significant synergies in combining two major West Australian mining regions: Focus' established Coolgardie operations with Crescent's significant open pit operations at the Laverton Gold Project*
- *Combined group will have the financial strength to unlock Crescent's extensive exploration upside across 1,400km² of tenements*

Focus Minerals Limited ("Focus") [ASX: FML] and Crescent Gold Limited ("Crescent") [ASX: CRE] are pleased to jointly announce that they have agreed to merge the companies by way of a conditional off-market takeover bid by Focus for all of the issued shares in Crescent ("Offer").

The Crescent Board **unanimously recommend the Offer**, and intend to accept the Offer in respect of their Crescent holdings, in the absence of a Superior Proposal.

The transaction will make Focus one of Australia's Top 5¹ gold producers with targeted annual production of 230,000oz, a combined JORC resource base of 4.3Moz of gold³, and outstanding growth potential across two major Western Australian mining regions.

OFFER DETAILS

Focus and Crescent have executed a Bid Implementation Agreement ("BIA"), under which Focus agreed to make the Offer. The consideration being offered to Crescent Shareholders is one Focus share for every 1.18 Crescent shares, which represents a premium of 30.5% to Crescent's closing price on 17 June 2011⁴.

¹ Top 5 based on forecast production volume comparing annual production targets in CY12 of 100,000oz for Crescent and 130,000oz for Focus, as compared to CY11 production targets of other ASX primary listed gold producers.

² Based on Focus' last close price of 7.7 cents per share on 17 June 2011.

³ Combined JORC Resource of 4.3Moz, based on latest Resource statements from both Companies. As at 31 March 2011, Focus had a reported JORC Resource of 26.5Mt @ 2.6g/t for 2.25Moz. As at 30 June 2010, Crescent had a reported JORC Resource of 30.5Mt @ 2.08g/t for 2.08Moz

⁴ Based on Focus' last close price of 7.7 cents per share on 17 June 2011.

The Offer is subject to customary conditions, including the following:

- Minimum acceptance of 90%;
- No Material Adverse Change; and
- No prescribed occurrences.

The Offer conditions are set out in Schedule 2 of the BIA in Annexure C. Full particulars of the Offer will be provided in the Bidder's Statement.

The transaction has the support of Crescent's major shareholder, Deutsche Bank AG who has agreed to accept the Offer in respect of a 19.9% stake in Crescent pursuant to a Pre-Bid Agreement with Focus.

At the closing price of Focus shares on 17 June 2011 of 7.7 cents per share, the Offer represents an offer price of 6.5 cents per Crescent share, representing a premium of 30.5% on the closing price of Crescent shares on 17 June 2011 of 5 cents per share, a 29.10% premium to the 5 day volume weighted average price ("VWAP") of Crescent shares of 5.1 cents per share and a 20.75% premium to the 30 day VWAP of Crescent shares of 5.4 cents per share.

The Offer will be extended to any Crescent shares that are issued during the Offer period as a result of the exercise of Crescent options or conversion of convertible notes on issue before the Offer opens. However, Focus also intends to enter into private treaty arrangements with Crescent option holders to acquire their options in exchange for Focus shares on a ratio determined by reference to the respective exercise price and expiry date of their options.

TRANSACTION HIGHLIGHTS

The Boards of Focus Minerals and Crescent Gold consider that the combination of the two companies will provide significant strategic and financial benefits to both sets of shareholders:

Mr Campbell Baird, Chief Executive Officer of Focus Minerals said: *"The merger of Crescent Gold and Focus Minerals provides a unique opportunity for both businesses to fast track their growth aspirations making Focus one of Australia's Top 5 gold producers."*

"Once this transaction is complete this creates a strong platform for both companies' shareholders to benefit from a substantial value uplift from a significant increase in combined production, a doubling of gold resources, and the ability to step up exploration within Crescent's extensive landholding", Mr Baird said.

Mr Mark Tory, Managing Director of Crescent Gold said: *"The Board of Crescent Gold considers the transaction to be a compelling opportunity for Crescent Shareholders to capture a premium for their shareholding and become part of a major new Australian gold producer. Post-acquisition, Crescent shareholders will be part of an entity with an exciting production and exploration growth profile, strong balance sheet, diversified asset portfolio, and a strong track record in mine operations."*

Key compelling benefits for both Focus Minerals and Crescent Gold shareholders include:

- **Creates a Top 5 Australian Gold Producer** – With a targeted annual production of 230,000oz in 2012 and outstanding growth potential across two major Western Australian mining regions, the combined company will become a top 5¹ Australian gold producer.
- **Proven Track Record of Mine Operation** – Focus has a deep management team with proven development and mine operation capabilities, having recommissioned the Three Mile Hill processing plant 18 months ago and opened two new mining operations in the last three months. Focus will use this operational expertise to maximise the value of Crescent's assets.

- **Significant Resource Growth Potential** – The combined group will have a very significant JORC Resource inventory of 4.3Moz³. Both the Laverton and Coolgardie regions have demonstrated the opportunity for significant resource growth on targeted exploration programmes. Focus brings the immediate funds to accelerate exploration at Laverton, with strong group revenues providing a basis to fund further exploration to expand group resources.
- **Strong Operating Cash Flows** – The transaction will create a combined group with very strong anticipated operating cash flow.
- **Valuation Uplift** – The implied EV/Resource ratio of the combined entity is A\$66/oz which is a 39% discount to the ASX listed gold producers average of A\$107/oz, implying a significant opportunity for a revaluation of the combined group.

EXCLUSIVITY ARRANGEMENTS AND PRE-BID WITH CRESCENT SHAREHOLDER

The Board of Directors of Crescent has unanimously recommended that, in the absence of a Superior Proposal all Crescent shareholders accept the Offer, and all directors intend to accept the offer.

Pursuant to the BIA, Focus and Crescent have agreed customary exclusivity arrangements, including “no shop” and “no talk” provisions. The BIA also confers a matching right on Focus. See Annexure C for a copy of the BIA.

Focus has entered into a pre-bid acceptance agreement with Crescent's major shareholder, Deutsche Bank group, which through its wholly owned subsidiary Gulara Pty Ltd owns 29.23% of Crescent. The pre-bid agreement is in respect of 19.9% of Crescent. Separately, Focus has also been informed by Deutsche that its present intention is to accept the Offer in respect of the remaining 9.33% of Crescent shares it holds, no later than five days prior to the end of the Offer period, subject to there being no Superior Proposal. Deutsche Bank has no obligation to accept the Offer in respect of the remaining 9.33% stake and may dispose of these shares to a third party at any time.

LOAN & WORKING CAPITAL FACILITY ARRANGEMENTS

In May 2011 Focus provided a \$3 million secured loan to Crescent which upon shareholder approval will turn into a convertible note. Once approved, that convertible note will be convertible into Crescent shares at the conversion price of the lower of \$0.05 and 85% of 5 day VWAP of Crescent shares, with 1 free attaching option for each two shares provided.

In addition, on 17 June 2011, Focus provided a \$10 million working capital facility to Crescent, which subject to shareholder approval, may be converted into convertible notes. These convertible notes will be convertible to Crescent shares on substantially the same terms as the May 2011 convertible note.

INDICATIVE TIMETABLE

The indicative timetable in relation to the Offer is set out below.

Monday, 20 June 2011	Announcement of Transaction
Monday, 4 July 2011	Focus lodges its Bidder's Statement with ASIC and ASX and serves it on Crescent
Monday, 4 July 2011	Crescent lodges its Target's Statement with ASIC and ASX and serves it on Focus
Thursday, 7 July 2011	Joint despatch of Bidder's Statement and Target's Statement
Thursday, 7 July 2011	Offer Opens
Monday, 8 August 2011	Close of Offer (unless extended)



OTHER MATTERS

Focus' corporate adviser is Hartleys Limited and its legal advisor is Mallesons Stephen Jaques. Crescent's corporate adviser is Gryphon Partners and its legal advisor is Blakiston & Crabb.

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Background of Crescent

Crescent Gold Limited (ASX: CRE) is an Australian gold producer and explorer based in Perth, Western Australia. With a primary focus on gold mining and exploration, the Company is actively advancing its flagship asset, the Laverton Gold Project, located 250km northeast of Kalgoorlie in Western Australia. Crescent maintains a dominant land position of more than 1,400km² of highly prospective tenements in a world recognised and well-endowed mineralised geological domain. Crescent has 30Mt of Measured, Indicated and Inferred Mineral Resources that contain more than 2.1Moz of gold, and a Probable Ore Reserve position of 445,000 ounces (both as at 30 June 2010). A statement of ore reserves and mineral resources of Crescent at Laverton are set out in Annexure B

Background of Focus

Focus Minerals Ltd (ASX: FML) is a gold producer based in Western Australia's Eastern Goldfields. The company holds the mineral rights to more than 420km² of tenements and is the largest landholder in the Coolgardie Gold Belt located 560km east of Perth and 35km west of the 'Super Pit' in Kalgoorlie-Boulder. Focus is currently in production from underground and open pit mining at its flagship Tindals Mining Centre operation in Coolgardie, adjacent to its 1.3Mtpa Three Mile Hill processing plant, and from The Mount, a new high-grade underground mine, located 85km to the south of the processing plant. In addition Focus recently acquired 100% ownership in the highly prospective Treasure Island Gold Project, situated at Lake Cowan at the southern end of the Boulder-Lefroy fault. A statement of Focus Minerals resources, and reserves and stocks as at 31 March 2011 is set out in Annexure A.

ANNEXURE A

Focus Minerals resources at 31st March 2011

	Measured Resources			Indicated Resources			Inferred Resources			Total Resources			Change
	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	Tonnes '000t	Grade Au g/t	Ounces	
Tindals Project - UG	524	5.1	87,000	1,987	4.4	278,000	566	4.5	81,000	3,077	4.5	446,000	+18%
Tindals Project - Surface				7,345	2.2	517,000	2,689	2.6	223,000	10,034	2.3	740,000	+22%
Tindals Project Total	524	5.1	87,000	9,332	2.7	795,000	3,255	2.9	304,000	13,111	2.8	1,186,000	+20%
Mount Project							2,090	5.5	370,000	2,090	5.5	370,000	n/c
Lindsays Project				4,350	1.7	238,000	3,562	2.0	233,000	7,912	1.8	471,000	n/c
Three Mile Hill Project				1,386	1.9	86,000	138	3.0	13,000	1,524	2.0	99,000	n/c
Norris Project							1,870	2.1	124,000	1,870	2.1	124,000	n/c
Total	524	5.1	87,000	15,068	2.3	1,119,000	10,915	3.0	1,044,000	26,507	2.6	2,250,000	+10%

Focus Minerals reserves and stocks at 31st March 2011

Reserves:	Proven Reserves:			Probable Reserves:			Total Reserves:		
	Tonnes:	Grade (g/t):	Ounces:	Tonnes:	Grade (g/t):	Ounces:	Tonnes:	Grade (g/t):	Ounces:
Tindals Project Underground:	257,000	4.0	33,100	763,000	3.2	79,500	1,020,000	3.4	112,600
Tindals Project Open Pits:	-	-	-	505,000	2.1	34,700	505,000	2.1	34,700
Three Mile Hill Project Open Pits:	-	-	-	1,101,000	1.7	59,900	1,101,000	1.7	59,900
The Mount Project Underground:	-	-	-	61,000	7.9	15,500	61,000	7.9	15,500
Reserve Totals:	257,000	4.0	33,100	2,431,000	2.4	189,600	2,687,000	2.6	222,700

Stocks:

Stocks Total:

Reserves and Stocks:

Total:

Stocks:		
Tonnes:	Grade (g/t):	Ounces:
838,000	0.9	24,600

Reserves and Stocks:		
Tonnes:	Grade (g/t):	Ounces:
3,525,000	2.2	247,300

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.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Brad Valiukas who is a Member of the Australian Institute of Mining and Metallurgy. Mr Valiukas is a full time employee of Focus Minerals and has sufficient exploration 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'. Mr Valiukas consents to the inclusion in the report of the matters based on the information in the form and context in which it appears

ANNEXURE B

Crescent Ore Reserves and Mineral Resources

Laverton Ore Reserves as at 30 June 2010*			
Category	Tonnes ('000)	Grade (g/t)	Contained Gold ('000)
Proved	-	-	-
Probable	6,500	2.1	445
Total	6,500	2.1	445

Laverton Mineral Resources as at 30 June 2010*			
Category	Tonnes ('000)	Grade (g/t)	Contained Gold ('000)
Measured	431	1.7	23
Indicated	19,200	2.2	1,357
Inferred	11,000	2.0	695
Total	30,631	2.1	2,075

** Does not include maiden JORC Reserve of 54,000 oz and Resource upgrade to 179,000 oz on the Apollo deposit, announced to ASX on 7 June 2011*

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves of the Laverton Gold Project is based on information compiled by Jeff Ion, who is a Member of the Australian Institute of Geoscientists. Jeff Ion 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" and a Qualified Person under "Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects". Jeff Ion consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Jeff Ion is employed by Crescent Gold Limited.

MALLESONS STEPHEN JAQUES

ANNEXURE C

Bid Implementation Agreement

Dated June 2011

Focus Minerals Limited (ACN 005 470 799) ("**Focus**")

Crescent Gold Limited (ACN 087 360 996) ("**Crescent**")

Mallesons Stephen Jaques

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Bid Implementation Agreement

Details

Parties	Focus and Crescent	
Focus	Name	Focus Minerals Limited
	ACN	56 005 470 799
	Address	Level 30, St Martins Tower, 44 St Georges Terrace Perth WA 6000
	Fax	(08) 9215 7889
	Attention	Company Secretary
Crescent	Name	Crescent Gold Limited
	ACN	087 360 996
	Address	Level 2, 40-48 Subiaco Square
	Fax	Subiaco WA 6008
	Attention	Company Secretary
Recitals	A	Focus is proposing to acquire all of the Crescent Shares by way of a Takeover Bid.
	B	Crescent and Focus have agreed to co-operate with each other in relation to the Takeover Bid on the terms of this agreement.
Governing law	Western Australia	
Date of agreement	See Signing page	

Bid Implementation Agreement

General terms

1 Definitions and interpretation

The following words have these meanings in this agreement unless the contrary intention appears.

ACCC means the Australian Competition and Consumer Commission.

Advisers means, in relation to an entity, its legal, financial and other expert advisers.

AIFRS means the Australian International Financial Reporting Standards.

Amount of the Consideration means:

- (a) the amount of any payment in connection with a supply; and
- (b) in relation to non-monetary consideration in connection with a supply, the GST exclusive market value of that consideration as reasonably determined by the supplier.

Announcement means the announcement substantially in the form of Schedule 8.

Announcement Date means the date the Takeover Bid is announced in accordance with clause 12 and the Timetable.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the Australian Securities Exchange, as appropriate.

Authorised Officer means, in respect of a party, a director or secretary of the party or any other person appointed by a party to act as an Authorised Officer under this agreement.

Bidder's Statement means the bidder's statement to be issued by Focus in respect of the Takeover Bid.

Budget has the meaning given to it in clause 9.

Business Day means a business day as defined in the Listing Rules.

Business Hours means from 9.00am to 5.00pm on a Business Day.

Compensating Amount means an amount equal to \$720,000.

Competing Transaction means a transaction or proposed transaction notified to the Crescent Board which, if completed, would mean a person (other than Focus or its Related Bodies Corporate) would:

- (a) directly or indirectly, acquire an interest or relevant interest in or become the holder of:

- (i) 20% or more of all Crescent Securities; or
- (ii) all or a substantial part or a material part of the business conducted by Crescent,

including by way of takeover bid, scheme of arrangement, capital reduction, sale of assets, sale of shares or joint venture, but not as a custodian, nominee or bare trustee;

- (b) acquire control of Crescent, within the meaning of section 50AA of the Corporations Act; or
- (c) otherwise acquire or merge (including by a reverse takeover bid or dual listed company structure) with Crescent.

Conditions means the conditions to the Offer which are set out in Schedule 2.

Confidential Information means Focus Confidential Information or Crescent Confidential Information.

Convertible Notes means all the convertible notes issued by Crescent in May 2011 and any convertible notes to be issued on conversion of loans provided to Crescent in May 2011 (following shareholder approval for such conversion), which convert into Crescent Shares at a price of the lower of \$0.05 and 85% of the 5 day VWAP of Crescent Shares.

Corporations Act means the Corporations Act 2001 (Cwlth).

Crescent Board means the board of directors of Crescent.

Crescent Confidential Information means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties before, on or after the date of this agreement relating to the business, technology or other affairs of Crescent.

Crescent Due Diligence Material means the information (including in written, oral and electronic form) about the Crescent Group and its businesses, assets and liabilities disclosed by or on behalf of Crescent, including in response to requests for information, to Focus (or any of its Representatives) prior to the date of this agreement.

Crescent Group means Crescent and its Subsidiaries.

Crescent Material Adverse Change means any event or circumstance occurring, or being discovered or becoming public which has or could reasonably be expected to have a materially adverse effect on the:

- (a) assets, liabilities, financial position, performance, profitability or prospects of the Crescent Group; or
- (b) status or terms of (or rights attaching to) any material approvals from government authority applicable to the Crescent Group,

including without limitation:

- (c) in any three months rolling period Crescent exceeding the expenditure for that period as set out in the Budget by an amount in excess of 20% ;

- (d) any person accelerating or adversely modifying the performance of any material obligations of Crescent or any of its Subsidiaries under any material agreements, contracts or other legal arrangements,

but does not include:

- (e) an event or circumstance which does not of itself result in the scenario described in paragraph (d) of this definition;
- (f) those events or circumstances required to be done or procured by Crescent pursuant to this agreement;
- (g) those events or circumstances relating to changes in business conditions affecting the industry in which Crescent and Focus operate; or
- (h) an event, circumstance, matter or information that is fairly disclosed, or that is reasonably apparent on its face as potentially to flow from the event, occurrence, matter or information that is fairly disclosed, in information provided by Crescent to Focus or its Representatives, or is otherwise known to Focus or its Representatives on or prior to the date of this agreement or otherwise disclosed in public filings by Crescent with ASIC or provided to ASX on or prior to the date of this agreement.

Crescent Material Contract means a contract or commitment requiring total payments by, or providing revenue to, Crescent in excess of \$1,000,000.

Crescent Option means an option to subscribe for Crescent Shares.

Crescent Prescribed Occurrence means any of the events listed in Schedule 4.

Crescent Share means a fully paid ordinary share in Crescent.

Crescent Shareholder means a holder of one or more Crescent Shares.

Details means the section of this agreement headed "Details".

Effective Control when used in relation to the Takeover Bid, means the acquisition by Focus of a relevant interest in more than 90% of the Crescent Shares.

Encumbrance means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential right or trust arrangement, claim, covenant, profit a prendre, easement or any other security arrangement or any other arrangement having the same effect.

End Date means the earliest of:

- (a) date of termination of this agreement in accordance with its terms; and
- (b) 31 March 2012.

Excluded Information means Confidential Information which:

- (a) is in or becomes part of the public domain other than through a breach of this agreement or an obligation of confidence owed to the party providing the Confidential Information;

- (b) the recipient of the Confidential Information can prove by contemporaneous written documentation was already known to it at the time of disclosure by the party providing the Confidential Information (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality); or
- (c) the recipient of the Confidential Information acquires from a source other than the party providing the Confidential Information or any Related Body Corporate or Representative of the party providing the Confidential Information where such source is entitled to disclose it.

Exclusivity Period means the period commencing on the date of this agreement and ending on the End Date.

Focus Board means the board of directors of Focus.

Focus Confidential Information means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties before, on, or after the date of this agreement relating to the business, technology or other affairs of Focus.

Focus Group means Focus and its Subsidiaries.

Focus Prescribed Occurrence means any of the events listed in Schedule 3.

Focus Share means a fully paid ordinary share in Focus.

Foreign Crescent Shareholder means a Crescent Shareholder:

- (a) who is (or is acting on behalf of) a citizen or resident of a jurisdiction other than residents of Australia and its external territories; or
- (b) whose address shown in the Register is a place outside Australia and its external territories or who is acting on behalf of such a person,

unless Focus determines that:

- (c) it is lawful and not unduly onerous or unduly impracticable to issue that Crescent Shareholder with Focus Shares on completion of the Offer; and
- (d) it is lawful for that Crescent Shareholder to participate in the Offer by the law of the relevant place outside Australia and its external territories.

GST means a goods and services or similar tax imposed in Australia.

GST Act means the A New Tax System (Goods and Services Tax) Act 1999 (Cwlth).

Integration Committee means a committee formed pursuant to clause 2.2.

Input Tax Credit has the meaning it has in the GST Act.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or

- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a controller appointed to any part of its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Listing Rules means the Listing Rules of ASX Limited.

Lodgement Date means the date Focus lodges the Bidder's Statement with ASIC.

New Focus Shares means the Focus Shares to be issued as Share Consideration.

Offer means each offer to acquire Crescent Shares to be made by Focus to each Crescent Shareholder under the Takeover Bid on terms consistent with this agreement.

Offer Date means:

- (a) the date which is 15 days after the Lodgement Date, unless the parties otherwise agree on an earlier despatch date for the Offers following lodgement of the Bidder's Statement with ASIC, in which case the Offer Date will be the earlier despatch date agreed by the parties; or
- (b) such other date agreed on in writing by the parties.

Offer Period means the period during which the Offer is open for acceptance.

Officers means, in relation to an entity, its directors, officers, partners and employees.

Performance Rights means the rights to acquire or be issued a Crescent Share for no consideration in accordance with the terms of the Performance Rights Plan approved at the Annual General Meeting of the Crescent held on 23 November 2010.

Permitted Encumbrance means any Encumbrance recorded on the register maintained by the Director General of Mines or on the publicly available registers maintained by ASIC and includes any unregistered charges granted to Focus as at the date of this agreement.

Register means the share register and option register of Crescent (as appropriate) and Registry has a corresponding meaning.

Register Date means the date set by Focus pursuant to section 633(2) of the Corporations Act.

Regulatory Approval means:

- (a) any consent, authorisation, registration, filing, lodgement, permit, franchise, agreement, notarisation, certificate, permission, licence, approval, direction, declaration, authority, ruling or exemption from, by or with a Regulatory Authority; or
- (b) in relation to anything that would be fully or partly prohibited or restricted by law if a Regulatory Authority intervened or acted in any way within a specified period after lodgment, filing, registration or notification, the expiry of that period without intervention or action,

as may be necessary to enable a party to fulfill its obligations under this agreement.

Regulatory Authority includes:

- (a) ASX, ACCC and ASIC;
- (b) a government or governmental, semi-governmental or judicial entity or authority;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Related Bodies Corporate has the meaning given in the Corporations Act.

Representatives of a party includes:

- (a) a Related Bodies Corporate of the party; and
- (b) each of the Officers and Advisers of the party or any of its Related Bodies Corporate.

Share Consideration has the meaning given in clause 3.2.

Subsidiaries has the meaning given in the Corporations Act.

Superior Proposal means a publicly announced Competing Transaction which following consideration of advice from Advisers (including advice of Queen's Counsel or Senior Counsel) is:

- (a) reasonably capable of being completed taking into account all aspects of the Competing Transaction; and

- (b) more favourable to Crescent Shareholders than the Takeover Bid, taking into account all terms and conditions of the Competing Transaction.

Takeover Bid means the off-market takeover bid by Focus for all Crescent Shares to be implemented in accordance with Chapter 6 of the Corporations Act.

Target's Statement means the target's statement to be issued by Crescent in respect of the Takeover Bid.

Tax means any tax, levy, impost, charge or duty (including stamp and transaction duties) that is assessed, levied, imposed or collected by any imposed by any Regulatory Authority together with any related interest, penalties, fines and expenses in connection with them.

Timetable means the timetable set out in Schedule 1.

VWAP means the volume weighted average price for Crescent Shares or Focus Shares, as the case may be, traded on the ASX over a specified period.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in this agreement to:

- (a) **(variations or replacement)** a document (including this agreement) includes any variation or replacement of it;
- (b) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this agreement;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Regulatory Authority;
- (g) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (h) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (i) **(dollars)** Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;

- (j) **(Calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (l) **(accounting terms)** an accounting term is a reference to that term as it is used in accounting standards under the Corporations Act, or, if not inconsistent with those standards, in accounting principles and practices generally accepted in Australia;
- (m) **(meaning not limited)** the words “include”, “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- (n) **(time of day)** time is a reference to Perth, Western Australia time.

1.3 Next day

If an act under this agreement to be done by a party on or by a given day is done after 5.00 pm on that day, it is taken to be done on the next day.

1.4 Next Business Day

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

1.5 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this agreement.

2 Co-operation

2.1 General obligations

Crescent and Focus must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (b) procure that its Representatives work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing such records and information as the other party reasonably requires),

to implement the Takeover Bid.

2.2 Integration Committee

- (a) The parties must establish an Integration Committee as soon as possible after the date of this agreement. The role of the Integration Committee will be to act as a forum for consultation and planning by parties to implement the Takeover Bid.
- (b) The business to be conducted at the first meeting of the Integration Committee will be to decide upon the Integration Committee’s own

procedures and its scope of work, outline work programmes and a timetable for carrying out those work programmes.

- (c) The Integration Committee may comprise executives of each party and Advisers of each of the parties.
- (d) Subject to this agreement, nothing in this clause requires either party to act at the direction of the other or compromise the ability of each party to conduct its business as it sees fit. The business of each party will continue to operate independently from the other until Focus acquires Effective Control. The parties agree that nothing in this agreement constitutes the relationship of a partnership or a joint venture between the parties.

2.3 No independent expert required

The parties agree that an independent expert's report for the Target's Statement is not required by section 640 of the Corporations Act. The parties acknowledge and agree that Crescent will not commission the preparation of an independent expert's report for the Target's Statement.

Crescent may commission the preparation of an independent expert's report for the Target's Statement if there is a material change in circumstances and in the opinion of a Queen's Counsel or Senior Counsel an independent expert's report is required by law .

The Crescent Board will consult with Focus and take into account the views of Focus and its advisers before deciding to commission the preparation of an independent expert's report.

For the avoidance of doubt nothing in this clause 2.3 requires the directors of Crescent to take any action, or not take any action (as the case may be) which would result in a breach of fiduciary duty.

2.4 Access to people and information

Between the date of this agreement and the earlier of the end of the Offer Period and the date this agreement is terminated, Crescent must to the extent reasonably required to implement the Takeover Bid and to ensure that the Crescent Group is integrated in an orderly and timely manner:

- (a) as soon as reasonably practicable provide Focus and its Representatives with any documents, records, and other information (subject to any existing confidentiality obligations owed to third parties, or applicable privacy laws) reasonably requested by them; and
- (b) provide Focus and its officers and advisers with reasonable access within normal business hours to Crescent's officers and advisers (provided that such access does not impose an undue burden on Crescent) which Focus reasonably requires for the purposes of:
 - (i) further understanding Crescent's financial position (including its cashflow and working capital position), trading performance and management control systems;
 - (ii) implementing the Takeover Bid;

- (iii) preparing for carrying on the business of Crescent following implementation of the Takeover Bid; and
- (iv) any other purpose which is agreed in writing between the parties.

2.5 Implementation obligations of Crescent

Crescent must:

- (a) provide all necessary information about the Register to Focus which Focus requires in order to assist Focus to solicit acceptances under the Takeover Bid;
- (b) provide all necessary directions to the Registry promptly to provide any information that Focus reasonably requests in relation to the register, including any sub-register, and, where requested by Focus, Crescent must procure such information to be provided to Focus in such electronic form as is reasonably requested by Focus; and
- (c) undertake regular beneficial shareholder analysis using the services of Orient Capital Pty Ltd and promptly exercise its powers under section 672A of the Corporations Act if requested to do so by Focus, acting reasonably, subject to Focus meeting 50% of the costs of such services.

2.6 Appointment of directors

As soon as practicable after the Offer becomes unconditional and Focus acquires a relevant interest in at least 75% of the issued shares in Crescent, Crescent must use its best endeavours to cause the appointment to the Crescent Board of persons nominated by Focus, provided that Focus will procure that its Representatives (excluding any independent directors appointed by Focus pursuant to this clause 2.6) do not participate in decisions of Crescent in relation to the Bid and that the Crescent Board maintains an appropriate number of independent directors.

3 The Offer

3.1 Offer by Focus

Focus must, by no later than the Offer Date, and in any event as soon as reasonably practicable, make Offers to all Crescent Shareholders in respect of all of their Crescent Shares on the terms of this agreement and otherwise in accordance with all applicable provisions of the Corporations Act.

3.2 Consideration

The consideration offered by Focus to a Crescent Shareholder will be 1 New Focus Share for every 1.18 Crescent Shares held as at the Register Date (“**Share Consideration**”).

3.3 Fractional entitlements

If the number of Crescent Shares held by a Crescent Shareholder means that their aggregate entitlement to New Focus Shares is not a whole number, then any fractional entitlement will be rounded up to the nearest whole number.

3.4 Foreign Crescent Shareholders

Focus will, unless satisfied that the laws of a Foreign Crescent Shareholder's country of residence (as shown in the Register) permit the issue of New Focus Shares to the Foreign Crescent Shareholder (either unconditionally or after compliance with conditions which Focus regards as acceptable and not unduly onerous and not unduly impracticable), issue the New Focus Shares to which a Foreign Crescent Shareholder would otherwise become entitled, to a nominee appointed by Focus who will sell those New Focus Shares and pay to that Foreign Crescent Shareholder the proceeds received, after deducting any applicable brokerage, taxes and charges in accordance with the Offer.

3.5 Conditions of the Offer

- (a) The Offer and any contract which results from its acceptance will be subject to the Conditions.
- (b) Each party must use all reasonable endeavours to satisfy the Conditions as soon as practicable after the date of this agreement.
- (c) Crescent must use all reasonable endeavours to ensure that the Conditions in paragraphs (b) (No Crescent Prescribed Occurrence), (e) (No material acquisitions, disposals or new commitments), and (h) (Crescent approvals) of Schedule 2 are not breached prior to the end of the Offer Period, provided that nothing in this clause requires the directors of Crescent to take any action which would result in a breach of a fiduciary duty.
- (d) Focus may waive the satisfaction of the Conditions in its sole discretion.

3.6 Offer Period

The parties intend that the Offer Period will be one month, but acknowledge and agree that the Offer Period may be extended by Focus at its discretion or automatically, in each case in accordance with the Corporations Act.

4 Other securities

4.1 Crescent Options

Prior to the Offer being declared free of the Conditions Focus must make an offer to each holder of the Crescent Options to acquire all Crescent Options:

- (a) for a price agreed between the parties prior to the execution of this agreement which will be determined using the Black/Scholes option pricing model and payable in Focus Shares and notified to the holder;
- (b) conditional upon the Offer being declared free of the Conditions (except for the condition in paragraph (b) of schedule 2 (Crescent Prescribed Occurrences), and to be effective at the end of the Offer Period; and
- (c) substantially in the form set out in Schedule 9.

Crescent will seek a waiver of ASX Listing Rule 6.23.4 to the extent required to effect the acquisition noted above.

4.2 Convertible Notes and other convertible debt

- (a) Upon the Offer being declared free of the Conditions (except for the condition in paragraph (b) of schedule 2 (Crescent Prescribed Occurrences)) Crescent must use best endeavours to procure that each holder of the Convertible Note (other than Focus) exercise their rights to convert their Convertible Note in accordance with its terms and accepts the Offer in respect of those Crescent Shares being issued on conversion of the Convertible Note.
- (b) Upon the Offer being declared free of the Conditions (except for the condition in paragraph (b) of schedule 2 (Crescent Prescribed Occurrences)) Crescent must use best endeavours to procure that each party (**Lender**) to any loan to Crescent which may be converted into any convertible securities of Crescent at the request of the Lender exercise their right to such conversion,. Clause 4.2(a) applies to any convertible securities issued as contemplated by this clause 4.2(b) as if they were Convertible Notes.

4.3 Performance Rights plan

All unvested Performance Rights will, in accordance with their terms of issue, vest upon Focus attaining more than 50% voting power in Crescent Shares and may then be exercised (and Crescent Shares issued) at the election of the holder. Holders of these new Crescent Shares will then be able to accept the Offer.

4.4 Extension of Takeover Bid

The Takeover Bid will extend to all Crescent Shares that are issued during the Offer Period due to conversion of any other Crescent securities or exercise of Performance Rights (vested or unvested) that exist at the date to be set by Focus under section 633(2) of the Corporations Act.

5 Recommendation and documentation

5.1 Focus's obligations to prepare documentation

- (a) Focus will prepare:
 - (i) the Bidder's Statement; and
 - (ii) an acceptance form for the Offer,

in each case consistent with clauses 3.2 to 3.6. The Bidder's Statement must not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and must comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides, practice notes and other guidelines and requirements of ASIC

- (b) Focus agrees to do and to procure its Officers to do such things as are reasonably necessary to prepare the Bidder's Statement, its lodgement with ASIC and despatch to Crescent Shareholders in accordance with the Timetable, subject to Crescent granting any necessary consents and ASIC granting any necessary modifications.

5.2 Crescent's obligations to prepare documentation

- (a) Crescent must prepare the Target's Statement in response to the Offer in accordance with the Corporations Act. The Target's Statement must not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides, practice notes and other guidelines and requirements of ASIC
- (b) Crescent agrees to do and to procure its Officers to do such things as are reasonably necessary to prepare the Target's Statement, its lodgement with ASIC and despatch to Crescent Shareholders in accordance with the Timetable.

5.3 Provision of Information

Each party agrees that it will provide to the other such information (including Confidential Information on the terms set out in this agreement) as is reasonably required by the other party in order to enable the other party to fulfil its obligations under this agreement, including, but not limited to, the preparation of the Bidder's Statement and Target's Statement.

5.4 Directors' recommendations

Crescent has been informed by each of its directors that they intend:

- (a) to recommend the Offer to Crescent Shareholders subject to there being no Superior Proposal; and
- (b) to accept the Offer within 48 hours of the Offer becoming open for acceptance in respect of all Crescent Shares owned or controlled by that director, subject to:
 - (i) there being no Superior Proposal; and
 - (ii) there being no Focus Prescribed Occurrence,prior to that director accepting the Offer.

5.5 Joint Despatch

Focus agrees that it will provide a draft of its Bidder's Statement to Crescent and Crescent agrees that it will provide a draft of its Target's Statement to Focus as soon as reasonably practicable and in any event not less than 4 Business Days before the statement is due to be dispatched for printing. Each party agrees to consider in good faith all reasonable and timely comments received from the other and its Advisers and make such changes to its statement as are reasonably required by the other. Each party agrees that it will take prompt action to ensure that the Bidder's Statement and Target Statement can be mailed together to Crescent Shareholders in accordance with the Timetable.

5.6 Timetable

Each party agrees to use its reasonable endeavours to comply with the Timetable.

5.7 Consent to early dispatch of Bidder's Statement

Crescent agrees (by authority of its directors) that the offers and accompanying documents to be sent by Focus under the Takeover Bid under item 6 of section 633(1) of the Corporations Act may be sent up to 14 days earlier than the earliest date for sending under item 6 of section 633(1) of the Corporations Act.

6 Conduct of business

6.1 Overview

From the date of this agreement up to the earlier of the end of the Offer Period and the date this agreement is terminated, Crescent must:

- (a) conduct its business in the ordinary and proper course and in substantially the same manner as previously conducted; and
- (b) regularly consult with Focus on the manner of conduct of the business, including on any matters that may have an adverse impact on the integration of the businesses of Focus and Crescent following implementation of the Takeover Bid.

6.2 Specific obligations

Without limiting clause 6.1 and other than with the prior approval of Focus (which approval must not be unreasonably withheld or delayed) or as required by this agreement, Crescent must, during the period contemplated by clause 6.1, use all reasonable endeavours to:

- (a) **(business and assets)** maintain the condition of its business and assets in accordance with the ordinary course of its business, allowing for fair wear and tear;
- (b) **(officers and employees)** keep available the services of its officers and employees;
- (c) **(relationships)** use reasonable endeavours to preserve its relationships with customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings;
- (d) **(change of control provisions)** identify any change of control provisions in any Crescent Material Contracts to which any member of the Crescent Group is a party or any joint venture documentation to which any member of the Crescent Group is a party and obtain the consents of relevant persons who have rights in respect of those provisions to the transactions contemplated by the Takeover Bid; and
- (e) **(cash)** ensure there is no material decrease in the amount of cash in Crescent other than:
 - (i) a decrease that does not deviate from the cash balance set out in the Budget by an amount in excess of 20% at that time as may be shown in the Budget expenditure; or
 - (ii) as a result of reasonable costs incurred directly in relation to the transactions contemplated by the Takeover Bid (such costs will not result in a breach of clause 6.2(e)(i) if they satisfy this clause).

6.3 Prohibited actions

Other than with the prior approval of Focus (which approval must not be unreasonably withheld or delayed) or as required by this agreement, Crescent must not, during the period referred to in clause 6.1:

- (a) **(Crescent Material Contracts)** enter into or terminate a Crescent Material Contract, provided that Crescent may renew the appointment of Mining and Civil Australia Pty Ltd as mining contractors on terms acceptable to Focus (acting reasonably);
- (b) **(employment agreements)** increase the remuneration of or pay any bonus (including under any existing or proposed employee performance bonus policy or retention bonus policy) or issue or agree to issue any securities or options (other than the issue of any Crescent Shares, grant of Crescent Options and the issue of Convertible Notes in connection with, the exercise of Crescent Options, the conversion of loans or working capital facilities made available by Focus the conversion of Convertible Notes or, exercise of Performance Rights, issued or granted prior to the date of this agreement, or as contemplated in the notice of general meeting of Crescent dated 9 June 2011) to, or otherwise vary the employment agreements with, any of its directors or employees;
- (c) **(accelerate rights)** accelerate the rights of any of its directors or employees to benefits of any kind;
- (d) **(termination payments)** pay a director or executive a termination payment, other than as provided for in an existing employment contract in place as at the date of this agreement and a copy of which has previously been provided to Focus;
- (e) **(financial arrangements)** amend in any material respect any arrangement with its financial advisers in respect of the transactions contemplated by this agreement;
- (f) **(dividends)** announce, declare or pay any dividends;
- (g) **(Crescent Prescribed Occurrence)** take any action which would be reasonably expected to give rise to a Crescent Prescribed Occurrence;
- (h) **(information technology)** take any action in respect of its information technology systems which would have a material impact on those systems; or
- (i) **(agreement)** agree to do any of the matters set out above.

6.4 Financial accommodation to Crescent

Crescent must comply with the provisions of schedule 6.

6.5 Focus obligations

From the date of this agreement up to the earlier of the end of the Offer Period and the date this agreement is terminated, Focus must operate its business in the usual and ordinary course and in accordance with its usual business practices.

7 Exclusivity

7.1 No existing discussions

Crescent represents and warrants that, other than the discussions with Focus in respect of the Takeover Bid, it is not currently in negotiations or discussions in respect of any Competing Transaction with any person.

7.2 No-shop

During the Exclusivity Period, Crescent must ensure that neither it nor any of its Related Bodies Corporate or Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or
- (b) communicates any intention to do any of these things,

with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction.

Nothing in this clause 7.2 prevents Crescent from continuing to make normal presentations to, and respond to queries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Takeover Bid or its business generally.

7.3 No-talk

Subject to clause 7.5, during the Exclusivity Period, Crescent must ensure that neither it nor any of its Related Bodies Corporate or Representatives:

- (a) negotiates or enters into; or
- (b) participates in negotiations or discussions with any other person regarding,

a Competing Transaction, even if:

- (c) that person's Competing Transaction was not directly or indirectly solicited, invited, encouraged or initiated by Crescent or any of its Related Bodies Corporate or Representatives; or
- (d) the person has publicly announced the Competing Transaction.

7.4 Notice of approach

During the Exclusivity Period, Crescent must promptly inform Focus in writing if it or any of its Related Bodies Corporate or Representatives:

- (a) receives any approach with respect to any Competing Transaction and, must disclose to Focus all material details of the Competing Transaction, including details of the proposed bidder or acquirer;
- (b) receives any request for information relating to Crescent or any of its Related Bodies Corporate or any of their businesses or operations or any request for access to the books or records of Crescent or any of its Related Bodies Corporate, which Crescent has reasonable grounds to suspect may relate to a current or future Competing Transaction; and

- (c) provides any information relating to Crescent or any of its Related Bodies Corporate or any of their businesses or operations to any person in connection with or for the purposes of a current or future Competing Transaction,

other than to the extent doing so would be (as determined by the Crescent Board in good faith and acting reasonably and after receiving the advice of Queen's Counsel or Senior Counsel) reasonably likely to constitute a breach of the Crescent Board's fiduciary or statutory obligations.

Any information given under this clause 7.4 must give details of the relevant event, including the identity of the person or persons (and who they are representing) taking any action referred to in clause 7.4(a), the terms and conditions of the relevant Competing Transaction or proposed Competing Transaction (to the extent known) and details of any discussions in respect of the Competing Transaction.

7.5 Notification and Matching Offer

- (a) During the Exclusivity Period, Crescent must notify Focus immediately if a Competing Transaction is or becomes a Superior Proposal.
- (b) Crescent must not enter into or publicly announce an intention to enter into an agreement in relation to a Competing Transaction and Crescent must not make, and must procure that no Crescent director makes, any public announcement in which Crescent, or any one or more of the directors of Crescent, recommend a Superior Proposal or change or withdraw their recommendation of the Offer without having given Focus three clear Business Days notice (such notice to be in writing) of such intention, and having provided to Focus the identity of the person who made the Superior Proposal and all material terms of the Superior Proposal, including details of the proposed price (including details of the consideration if not simply cash), conditions, timing and break fee (if any).
- (c) During the period of three clear Business Days referred to in clause 7.5(b), Focus will have the right to propose an amendment to the terms of the Offer or propose any other transaction (a "**Matching Offer**") so that the Offer (as amended) would provide at least the same value for the Crescent Shareholders as the Superior Proposal.
- (d) If a Matching Offer which complies with clause 7.5(c) is made within the period set out in clause 7.5(c), the Crescent Board must consider the Matching Offer and if the Crescent Board, acting reasonably, determines that the Matching Offer would provide an outcome which is not less favourable for the Crescent Shareholders than the Superior Proposal, Focus and Crescent must use their best endeavours to agree the amendments to this agreement, the Offer and the contents of the supplementary bidder's statement and supplementary target's statement which are necessary or desirable to reflect the Matching Offer, and to enter into an appropriate amended agreement or agreements to give effect to those amendments and to implement the Matching Offer, in each case as soon as reasonably practicable.
- (e) If any part of the consideration proposed under the Competing Transaction is non-cash, then that consideration proposed will be valued for the purposes of this clause 7.5 at 90% of its prevailing market value

at the close of business on the date that such Competing Transaction is first notified to Focus.

- (f) Clause 7.5(b) and 7.5(c) will have repeat applications so that if any further proposal is made after Focus has made a Matching Offer, Focus will again have the right to match the further proposal.

7.6 Exceptions to no-talk

Clause 7.3 does not apply to the extent that it restricts Crescent or the Crescent Board from taking or refusing to take any action with respect to a bona fide Competing Transaction (which was not solicited, invited, encouraged or initiated by Crescent in contravention of clause 7.2) provided that the Crescent Board has determined, in good faith and acting reasonably that:

- (a) after consultation with its Advisors, such a bona fide Competing Transaction has been provided in writing and could reasonably be considered to become a Superior Proposal; and
- (b) after receiving written advice from a Queen's Counsel or Senior Counsel, that failing to respond to such a bona fide Competing Transaction would be reasonably likely to constitute a breach of the Crescent Board's fiduciary or statutory obligations.

7.7 Compliance with law

This agreement does not impose any obligation on the parties if the performance of that obligation would:

- (a) involve a breach of statutory, fiduciary or other duty of a director of either party;
- (b) otherwise be unlawful; or
- (c) constitute unacceptable circumstances (as declared by the Takeovers Panel or a court).

7.8 Legal advice

Crescent acknowledges that it has received legal advice on this agreement and the operation of this clause 6.5.

8 Reimbursement of costs

8.1 Rationale

Crescent acknowledges and agrees, for the purposes of this clause 8 as follows.

- (a) Focus has required the inclusion of clause 8.2, in the absence of which it would not have entered into this agreement or otherwise agreed to implement the Takeover Bid.
- (b) Crescent and the Crescent Board believe that the Takeover Bid will provide significant benefits to it and its members and that it is reasonable and appropriate that it agrees to the inclusion of clause 8.2, in order to secure Focus's execution of this agreement and its agreement to implement the Takeover Bid.

- (c) The amount payable by Crescent pursuant to clause 8.2 is an amount to compensate Focus for the following:
 - (i) reasonable advisory costs (including costs of Advisers other than success fees) relating to the Takeover Bid;
 - (ii) cost of management and directors' time; and
 - (iii) reasonable out-of-pocket expenses relating to the Takeover Bid.

8.2 Payment of Compensating Amount

Crescent agrees to pay Focus a Compensating Amount if, at any time after making of the announcement referred to in clause 12, any of the following circumstances occur:

- (a) a third party acquires or agrees with Crescent to acquire the whole or a substantial part of the assets of Crescent;
- (b) any director of Crescent does not recommend accepting the Takeover Bid to Crescent Shareholders or, having recommended it, withdraws or adversely modifies his or her recommendation of the Takeover Bid or approves or recommends or makes an announcement in support of a Competing Transaction or announces an intention to do any of these acts unless:
 - (i) this agreement has already been terminated by Crescent under clause 11.1(a); or
 - (ii) a Focus Prescribed Occurrence has occurred;
- (c) this agreement is terminated by Focus in accordance with clause 11 because:
 - (i) an event or circumstance under the control of Crescent occurs which constitutes a Crescent Material Adverse Change; or
 - (ii) a Crescent Prescribed Occurrence occurs;
- (d) Focus terminates this agreement in accordance with clause 11.1(a).
- (e) Crescent is in breach of clause 7 and does not cease the conduct which caused the breach within one Business Day following written notice from Focus outlining the nature of the breach;
- (f) where the Takeover Bid does not proceed because of a Superior Proposal (without prejudice to any other provision of this clause 8.2); and
- (g) Crescent or any of its directors does (or omits to do) anything (whether or not it may be permitted by the terms of this agreement) which results in any of the Conditions in paragraphs (e) and (h) of schedule 2 being breached, that breach is not remedied within three Business Days following written notice from Focus outlining the nature of the breach and Focus does not declare the Offer free of the breached condition (which Focus is under no obligation to do).

8.3 Payment

The payment of the Compensating Amount to Focus as provided for in clause 8.2, must be made:

- (a) if there is no Superior Proposal, within 10 Business Days after the occurrence of the event referred to in clause 8.2; or.
- (b) if there is a Superior Proposal, within 30 Business Days after the occurrence of the event referred to in clause 8.2(f).

8.4 Exclusive Remedy

Notwithstanding any other provision under this agreement, where a Compensating Amount becomes payable to Focus (or would be payable if a demand was made), Focus cannot make any claim against Crescent in relation to an event referred to in clause 8.2 or for any material breach of this agreement other than for payment of the Compensating Amount.

For the avoidance of doubt nothing in this clause prevents Focus from making demands or claims against Crescent in relation with loans or working capital facilities made available to Crescent.

8.5 Refund

If, notwithstanding the occurrence of any of the events referred to in clause 8.2, Focus ultimately declares the Offer to be unconditional and becomes the holder of not less than 50% of Crescent's share capital as a result of the Takeover Bid, Focus must repay to Crescent any amount received by it under this clause 8.

8.6 Compliance with law

If it is finally determined following the exhaustion of all reasonable avenues of appeal to the Takeovers Panel, a Court or any other Regulatory Authority that all or any part of the amount payable under clause 8.2 ("**Impugned Amount**"):

- (a) is unlawful;
- (b) involves a breach of the duties of the Crescent Board; or
- (c) constitutes unacceptable circumstances within the meaning of the Corporations Act,

then:

- (d) Crescent's obligation to pay the amount payable under clause 8.2 does not apply to the extent of the Impugned Amount; and
- (e) if Crescent has received an Impugned Amount, it must refund it within ten Business Days of the final determination being made.

8.7 Survival

Any accrued obligations under this clause 8 survive termination of this agreement.

9 Budget

- (a) Each of Focus and Crescent acknowledge and agree that:
 - (i) the budget for the Crescent business for the 9 month period commencing on the date of this agreement has been determined and was the one presented to Focus in the week beginning 6 June 2011, as may be amended by agreement between the parties from time to time (“**Budget**”); and
 - (ii) Crescent must not during the period covered by the Budget deviate from, nor amend or vary, the expenditure in the Budget (over a rolling period of three months) by an amount in excess of 20% of expenditure for that period without obtaining the prior written consent of Focus (not to be unreasonably withheld or delayed).
- (b) Crescent will be released from any obligation under this clause 9 upon the earlier of the end of:
 - (i) the date this agreement is terminated; and
 - (ii) the Offer Period.
- (c) For the 9 month period commencing on the date of this agreement, Crescent agrees it will not, nor will any subsidiary of Crescent, dispose, offer to dispose or agree to dispose of, or create, or offer to create an equity interest in, any mineral asset (including any geological data) or an interest in any such asset (excluding those contemplated by the Budget) without prior consultation with Focus.

10 Warranties

10.1 Focus Warranties

Focus represents and warrants to Crescent that as at the date of this agreement:

- (a) it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Focus has been properly authorised by all necessary corporate action and Focus has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors’ rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Focus’s constitution or any agreement or deed or writ, order or injunction, rule or regulation to which Focus or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency except for the Regulatory Approvals;
- (d) the Focus Shares to be offered as consideration under clause 3 will be duly authorised and validly issued, fully paid, not liable to the imposition

of any duty and be free of all encumbrances, security interests and third party rights and will rank equally with all other Focus Shares;

- (e) it has complied with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act and its accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of AIFRS requires a change to past practices) and in accordance with all relevant accounting standards;
- (f) to the best of Focus' knowledge, Focus and its Subsidiaries have complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over them and have all material licenses, permits and franchises necessary for them to conduct their respective businesses as presently being conducted;
- (g) neither Focus nor any of its Subsidiaries is in material default under any material document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party thereto a termination right or right to accelerate any right or obligation, under any such document or agreement with such an effect;
- (h) schedule 7 accurately records the total number and details of Focus Securities on issue as at the date of this agreement. There are no other shares, options, notes or other securities of Focus and no rights to be issued such shares, options, notes or other securities;
- (i) there is no current, pending or threatened dispute between any member of the Focus Group and any Regulatory Authority which would have a material adverse effect on the Focus Group and, to the best of Focus' knowledge, no such dispute is anticipated, nor is there any current, pending or threatened Tax audit or investigation of any member of the Focus Group; and
- (j) there is no material claim, action or proceeding pending or in progress or threatened against or relating to any member of the Focus Group.

10.2 Focus indemnity

Focus agrees with Crescent to indemnify Crescent and keep Crescent indemnified against all claims liabilities and losses which it may suffer or incur by reason of any breach of any of the warranties in clause 10.1.

10.3 Crescent Warranties

Crescent represents and warrants to Focus as at the date of this agreement that subject to the matters fairly disclosed in the Crescent Due Diligence Material:

- (a) each member of the Crescent Group is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Crescent has been properly authorised by all necessary corporate action and Crescent has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;

- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Crescent's constitution or any agreement or deed or writ, order or injunction, rule or regulation to which Crescent or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency except for the Regulatory Approvals;
- (d) so far as it is aware, Crescent has, prior to the date of this agreement, fairly disclosed all information reasonably required to enable Focus to undertake due diligence enquiries into Crescent for the purpose of determining whether to enter into this agreement and all information provided by Crescent to Focus under this agreement, including, but not limited to information provided under clause 5.3 is complete and accurate in all material respects;
- (e) it has provided all material information in relation to all royalties, and contingent future payments related to production, in connection, with the Crescent Group's tenements or the Crescent Group's business
- (f) subject to release of the Announcement contemplated by clause 12.1, it has complied with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act and is not relying on Listing Rule 3.1A to withhold any information from disclosure other than as disclosed in writing to Focus or its Representatives on or before the date of this agreement;
- (g) Crescent Group's accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of AIFRS requires a change to past practices) and in accordance with all relevant accounting standards;
- (h) to the best of Crescent's knowledge, Crescent and its Subsidiaries have complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over them and have all material licenses, permits and franchises necessary for them to conduct their respective businesses as presently being conducted;
- (i) neither Crescent nor any of its Subsidiaries is in default under any document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party thereto a termination right or right to accelerate any right or obligation, under any such document or agreement with such an effect;
- (j) schedule 5 accurately records the total number and details of Crescent Securities on issue as at the date of this agreement. There are no other shares, options, notes or other securities of Crescent and no rights to be issued such shares, options, notes or other securities;
- (k) other than for the Permitted Encumbrances, there is no Encumbrance over all or any of the assets or revenues of any member of the Crescent Group;

- (l) all material Tax, levies, assessments, contributions, fees, rates, duties and other governmental or municipal charges or impositions including all material royalties (other than those that may still be paid without penalty or interest) for which any member of the Crescent Group are liable, including any penalty or interest, having been paid;
- (m) other than as provided for in Crescent's financial statements for the financial year ended 30 June 2010, the half yearly report for the year ended 31 December 2010 or the quarterly report for the quarter ended 31 March 2011, no material additional liability for Tax has, or will accrue to any member of the Crescent Group otherwise than as a result of the trading activities in the ordinary course of business;
- (n) there is no current, pending or threatened dispute between any member of the Crescent Group and any Regulatory Authority which would have a material adverse effect on the Crescent Group and, to the best of Crescent's knowledge, no such dispute is anticipated, nor is there any current, pending or threatened Tax audit or investigation of any member of the Crescent Group;
- (o) there has been no amendment (whether in writing or verbally) to the terms of the Ore Purchase Agreement - Barrick Granny Smith provided to Focus by Crescent prior to the date of this agreement which is materially adverse to the current or reasonably foreseeable future business of Crescent; and
- (p) there is no material claim, action or proceeding pending or in progress or threatened against or relating to any member of the Crescent Group.

10.4 Crescent indemnity

Crescent agrees with Focus to indemnify and keep Focus indemnified against all claims, liabilities and losses which it may suffer or incur by reason of any breach of any of the warranties in clause 10.3.

11 Termination

11.1 Termination rights

This agreement may be terminated by either party by notice to the other party:

- (a) if the other party is in material breach of this agreement and that breach is not remedied by that other party within 10 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;
- (b) if Focus withdraws the Takeover Bid as permitted by the Corporations Act for any reason including non-satisfaction of a Condition;
- (c) if there is a material breach of a representation or warranty contained in clause 10.1 or 10.3 (as the case may be);
- (d) if a Court or other Regulatory Authority has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Takeover Bid; or
- (e) if the other party or any of their Related Bodies Corporate becomes Insolvent.

11.2 Termination by Focus

This agreement may be terminated by Focus by notice in writing to Crescent if:

- (a) a Superior Proposal is made or publicly announced for Crescent by a third party;
- (b) any director of Crescent does not recommend the Takeover Bid be accepted by Crescent Shareholders or having recommended the Takeover Bid, withdraws or adversely modifies his or her recommendation of the Takeover Bid;
- (c) a person (other than Focus or its associates) has a relevant interest in more than 20% of the Crescent Shares on issue (other than existing Crescent Shareholders who at the date of this agreement hold a relevant interest in more than 20% of the Crescent Shares on issue); or
- (d) a Crescent Material Adverse Change or a Crescent Prescribed Occurrence occurs.

11.3 Termination by Crescent

This agreement may be terminated by Crescent by notice in writing to Focus if a Focus Prescribed Occurrence has occurred.

11.4 Effect of termination

If this agreement is terminated by another party under this clause 11:

- (a) each party will be released from its obligations under this agreement except its obligations under clauses 8, 13, 15 and 16.12;
- (b) each party will retain the rights it has or may have against the other party in respect of any past breach of this agreement; and
- (c) in all other respects, all future obligations of the parties under this agreement will immediately terminate and be of no further force or effect, including, without limitation, any further obligations in respect of the Takeover Bid.

For the avoidance of doubt nothing in this clause prevents Focus from making demands or claims against Crescent in relation with loans or working capital facilities made available to Crescent.

12 Announcement of Takeover Bid

12.1 Public announcement of Takeover Bid

Immediately after signing this agreement, the parties must procure the issue of the Announcement.

12.2 Required Disclosure

Where a party is required by law, the Listing Rules to make any announcement or make any disclosure relating to a matter the subject of the Takeover Bid, it may do so only after it has given the other party as much notice as reasonably practicable having regard to its disclosure obligations and has consulted with the other party to the extent reasonably practicable having regard to its disclosure obligations

12.3 Other Announcements

Subject to clause 12.2 and 12.3, no party, may make any public announcement or disclosure in connection with the Takeover Bid (including disclosure to a Regulatory Authority) other than in a form approved by the other party (acting reasonably). Each party will use all reasonable endeavours to provide such approval as soon as practicable.

13 Confidential Information obligations

13.1 Disclosure of Focus Confidential Information

No Focus Confidential Information may be disclosed by Crescent to any person except:

- (a) Representatives of Crescent or its Related Bodies Corporate requiring the information for the purposes of this agreement;
- (b) with the written consent of Focus;
- (c) if Crescent is required to do so by law or by a stock exchange; or
- (d) if Crescent is required to do so in connection with legal proceedings relating to this agreement.

13.2 Use of Focus' Confidential Information

Crescent must use the Focus' Confidential Information exclusively for the purpose of preparing the Target's Statement and for no other purpose (and must not make any use of any Focus' Confidential Information to the competitive disadvantage of Focus or any of its Related Bodies Corporate).

13.3 Disclosure of Crescent Confidential Information

No Crescent Confidential Information may be disclosed by Focus to any person except:

- (a) Representatives of Focus or its Related Bodies Corporate requiring the information for the purposes of this agreement;
- (b) with the written consent of Crescent;
- (c) if Focus is required to do so by law or by a stock exchange; or
- (d) if Focus is required to do so in connection with legal proceedings relating to this agreement.

13.4 Use of Crescent Confidential Information

Focus must use the Crescent Confidential Information exclusively for the purpose of preparing the Bidder's Statement and for no other purpose (and must not make any use of any Crescent Confidential Information to the competitive disadvantage of Crescent or any of its Related Bodies Corporate).

13.5 Disclosure by recipient of Confidential Information

Any party disclosing information under clause 13.1(a) or 13.1(b) or 13.3(a) or 13.3(b) must use all reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the information except in the circumstances permitted in clause 13.1 or 13.3

13.6 Excluded Information

Clauses 13.1, 13.2, 13.3, 13.4 and 13.5 do not apply to the Excluded Information.

13.7 Return of Confidential Information

A party who has received Confidential Information from another under this agreement must, on the request of the other party, immediately deliver to that party all documents or other materials containing or referring to that information which are in its possession, power or control or in the possession, power or control of persons who have received Confidential Information from it under clause 13.1(a) or 13.1(b) or 13.3(a) or 13.3(b).

13.8 Termination

This clause 13 will survive termination (for whatever reason) of this agreement.

13.9 Termination of existing Confidentiality Agreement

The terms of this clause 13 supercede and replace the obligations of confidentiality set out in the agreements between the parties dated 6 May 2011 and 12 May 2011.

14 Notices and other communications

14.1 Form - all communications

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be:

- (a) in writing;
- (b) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- (c) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

14.2 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details;
- (c) sent by fax to the fax number set out or referred to in the Details;
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or fax number, then communications must be to that address or fax number.

14.3 When effective

Communications take effect from the time they are received or taken to be received under clause 14.4 (whichever happens first) unless a later time is specified.

14.4 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent.

14.5 Receipt outside business hours

Despite clauses 14.3 and 14.4, if communications are received or taken to be received under clause 14.4 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

15 Goods and services tax (GST)

15.1 Consideration does not include GST

The consideration specified in this agreement does not include any amount for GST.

15.2 Recovery of GST

If a supply under this agreement is subject to GST, the recipient must pay to the supplier an additional amount equal to the Amount of the Consideration multiplied by the applicable GST rate.

15.3 Time of payment

The additional amount is payable at the same time as the consideration for the supply is payable or is to be provided. However, the additional amount need not be paid until the supplier gives the recipient a Tax Invoice.

15.4 Adjustment of additional amount

If the additional amount differs from the amount of GST payable by the supplier, the parties must adjust the additional amount.

15.5 Reimbursement

If a party is entitled to be reimbursed or indemnified under this agreement, the amount to be reimbursed or indemnified does not include any amount for GST for which the party is entitled to an Input Tax Credit.

15.6 Survival

This clause 15 will survive termination of this agreement.

16 Miscellaneous

16.1 Discretion in exercising rights

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.

16.2 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

16.3 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

16.4 Approvals and consents

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

16.5 Conflict of interest

The parties' rights and remedies under this agreement may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

16.6 Remedies cumulative

The rights and remedies in this agreement are in addition to other rights and remedies given by law independently of this agreement.

16.7 Variation and waiver

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

16.8 No merger

The warranties, undertakings and indemnities in this agreement do not merge on completion of any transaction contemplated by this agreement.

16.9 Indemnities

The indemnities in this agreement are continuing obligations, independent from the other obligations of the parties under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

16.10 Further steps

Each party agrees, at its own expense, to do anything the other party asks (such as obtaining consents, signing and producing documents and getting documents completed and signed):

- (a) to bind the party and any other person intended to be bound under this agreement; or
- (b) to show whether the party is complying with this agreement.

16.11 Construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

16.12 Costs

The parties agree to pay their own legal and other costs and expenses in connection with the preparation, execution and completion of this agreement and other related documentation except for stamp duty.

16.13 Stamp duty

Focus agrees to pay all stamp duty (including fines and penalties) payable and assessed on this agreement or in respect of a transaction evidenced by this agreement.

16.14 Entire agreement

This agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

16.15 Assignment

A party may not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied in each case, without the prior written consent of the other party.

16.16 No representation or reliance

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this agreement, except for representations or inducements expressly set out in this agreement;
- (b) it does not enter into this agreement in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this agreement; and
- (c) clauses 16.16(a) and 16.16(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with ASIC or ASX.

16.17 Governing law

This agreement is governed by the law in force in the place specified in the Details. Each party submits to the non-exclusive jurisdiction of the courts of that place.

16.18 Counterparts

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

16.19 Knowledge and belief

Any statement made by a party on the basis of its knowledge, information, belief or awareness, is made on the basis that the party has, in order to establish that the statement is accurate and not misleading in any material respect, made all reasonable enquiries of its officers, managers and employees who could reasonably be expected to have information relevant to matters to which the statement relates.

EXECUTED as an agreement.

Bid Implementation Agreement

Schedule 1 - Timetable

Date	Event
Monday 20 June 2011	Announcement Date
Monday 27 June 2011	Focus provides an advanced draft Bidder's Statement to Crescent. Crescent provides an advanced draft Target's Statement to Focus
Monday 4 July 2011	Lodgement Date Date Focus lodges Bidder's Statement with ASIC and serves it on Crescent and ASX Date Crescent lodges Targets Statement with ASIC and serves it on Focus and ASX
Monday 4 July 2011	Register Date Date set by Focus pursuant to section 633(3) of the Corporations Act
Thursday 7 July 2011	Offer Date Focus and Crescent despatch the Bidder's Statement and the Target's Statement to Crescent Shareholders
Monday 8 August 2011	Offer Period ends Unless extended in accordance with the Corporations Act

Bid Implementation Agreement

Schedule 2 - Conditions to the Offer

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

- (a) **(90% minimum acceptance condition)** Focus receiving acceptance of the Offer in respect of 90% of the Crescent Shares;
- (b) **(no Crescent Prescribed Occurrences)** there not occurring a Crescent Prescribed Occurrence during the Offer Period;
- (c) **(no Crescent Material Adverse Changes)** there not occurring a Crescent Material Adverse Change during the Offer Period;
- (d) **(no restraining orders)** that between the Announcement Date and the end of the Offer Period:
 - (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
 - (ii) no application is made to any Regulatory Authority (other than by any member of the Focus Group), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than a determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:

- (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of Focus in respect of Crescent and the Crescent Shares to be acquired under the Offer; or
 - (iv) requires the divestiture by Focus of any Crescent Shares, or the divestiture of any assets of Crescent or its Related Bodies Corporate, Focus or its Related Bodies Corporate or otherwise;
- (e) **(no material acquisitions, disposals or new commitments)** except for any proposed transaction publicly announced by Crescent before the Announcement Date or disclosed in writing to Focus or its Representatives prior to the Announcement, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period:
 - (i) Crescent or any Subsidiary of Crescent acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount in aggregate greater than \$250,000 or

makes an announcement in relation to such an acquisition, offer or agreement;

- (ii) Crescent or any Subsidiary of Crescent disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than \$250,000 or makes an announcement in relation to such a disposition, offer or agreement;
 - (iii) Crescent or any Subsidiary of Crescent enters into, or offers to enter into or agrees to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment which would require expenditure, or the foregoing of revenue, by Crescent and/or its Subsidiaries of an amount which is, in aggregate, more than \$250,000, other than in the ordinary course of business, or makes an announcement in relation to such an entry, offer or agreement, provided that Crescent may renew the appointment of Mining and Civil Australia Pty Ltd as mining contractors on terms acceptable to Focus (acting reasonably); and
 - (iv) Crescent or any Subsidiary of Crescent disposes of, offers to dispose of or agrees to enter into any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment involving the disposal of any legal, beneficial or economic interest or right to or in connection with any mining tenements held by Crescent and/or any of its Subsidiaries or applications therefor, provided that Crescent may renew the appointment of Mining and Civil Australia Pty Ltd as mining contractors on terms acceptable to Focus (acting reasonably);
- (f) **(no persons exercising rights under certain agreements or instruments)** after the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any agreement or other instrument to which Crescent or any Subsidiary of Crescent is a party, or by or to which Crescent or any Subsidiary of Crescent or any of its assets may be bound or be subject, which results, or could result, to an extent which is material in the context of Crescent or Crescent and its Subsidiaries taken as a whole, in:
- (i) any monies borrowed by Crescent or any Subsidiary of Crescent being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
 - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
 - (iii) the interest of Crescent or any Subsidiary of Crescent in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or

- (iv) the business of Crescent or any Subsidiary of Crescent with any other person being adversely affected,

as a result of the acquisition of Crescent Shares by Focus except for any rights under any provision of any agreement or other instrument disclosed in writing to Focus or its Representatives prior to the Announcement;

- (g) **(non-existence of certain rights)** that no person has any right (whether subject to conditions or not) as a result of Focus acquiring Crescent Shares to:
 - (i) acquire, or require Crescent or a Subsidiary of Crescent to dispose of, or offer to dispose of, any material asset of Crescent or a Subsidiary of Crescent; or
 - (ii) terminate or vary or exercise any right under any material agreement with Crescent or a Subsidiary of Crescent,

except for any rights under any provision of any agreement or other instrument disclosed in writing to Focus or its Representatives prior to execution of this agreement;

- (h) **(Crescent approvals)** that between the Announcement Date and the end of the Offer Period all material approvals, licences, permits, consents, notifications, declarations or other authorisation required for the lawful operation of the business (including the occupation or use of any land and the conduct of any enterprise on or in connection with any land) conducted by Crescent or any Subsidiary of Crescent remain in force (including by renewal);
- (i) **(No regulatory action)** that between the Announcement Date and the end of the Offer Period:
 - (i) there is not in effect any preliminary or final decision, order or decree issued by a public authority; and
 - (ii) no application is made to any public authority, or action or investigation is announced, threatened or commenced by a public authority in consequence of or in connection with the Offer,

(other than an application to or a determination by ASIC or the Takeovers Panel in the exercise of the powers and discretions conferred by the Corporations Act), which restrains, impedes or prohibits (or if granted could restrain, impede or prohibit), or otherwise materially adversely impacts upon, the making of the Offer or any transaction contemplated by the Bidder's Statement (including, without limitation, full, lawful and effectual implementation of the intentions set out in the Bidder's Statement), the Offer (whether subject to conditions or not) or the rights of Focus;

- (j) **(No break fees)** that between the Announcement Date and the end of the Offer Period the Crescent (nor any Subsidiary) not paying or agreeing to provide any payment or benefit in the nature of a break fee in connection with any person making or agreeing to participate in a takeover offer for Crescent (or any Subsidiary of Crescent); and

- (k) **(No force majeure event)** that between the Announcement Date and the end of the Offer Period no event or series of events beyond the reasonable control of Crescent occurs which materially affects the assets, liabilities, profitability or prospects of the Crescent or its Subsidiaries.

The above conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Focus to rescind any contracts resulting from acceptance of the Offer.

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Schedule 3 - Focus Prescribed Occurrences

- 1 **(Conversion)** Focus converts all or any of its shares into a larger or smaller number of shares.
- 2 **(Reduction of share capital)** Focus resolves to reduce its share capital in any way or reclassifies, combines, splits or redeems or repurchases directly or indirectly any of its shares.
- 3 **(Buy-back)** Focus:
 - (a) enters into a buy-back agreement; or
 - (b) resolves to approve the terms of a buy-back agreement under the Corporations Act.
- 4 **(Distribution)** Focus makes or declares, or announces an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).
- 5 **(Constitution)** Focus adopts a new constitution or modifies or repeals its constitution or a provision of it.
- 6 **(Disposals)** Focus or any of its Subsidiaries disposes, or agrees to dispose of the whole or a substantial part of the Focus Group's business or property.
- 7 **(Tenements)** Any material mining tenement held by Focus or any Subsidiary of Focus is forfeited or becomes liable to forfeiture or any material condition of any material mining tenement is not complied with.
- 8 **(Insolvency)** Focus or any of its Related Bodies Corporate becomes Insolvent.

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Schedule 4 - Crescent Prescribed Occurrences

- 1 **(Conversion)** Crescent converts all or any of its shares into a larger or smaller number of shares.
- 2 **(Reduction of share capital)** Crescent resolves to reduce its share capital in any way or reclassifies, combines, splits or redeems or repurchases directly or indirectly any of its shares.
- 3 **(Buy-back)** Crescent:
 - (a) enters into a buy-back agreement; or
 - (b) resolves to approve the terms of a buy-back agreement under the Corporations Act.
- 4 **(Distribution)** Crescent makes or declares, or announces an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).
- 5 **(Issuing or granting shares or options)** Crescent or any of its Subsidiaries:
 - (a) issues shares;
 - (b) grants an option over its shares; or
 - (c) agrees to make such an issue or grant such an option,

(other than the issue of any Crescent Shares, grant of Crescent Options and the issue of Convertible Notes in connection with:
 - (d) the exercise of Crescent Options;

the conversion of loans or working capital facilities made available by Focus or the conversion of Convertible Notes; or
 - (e) the exercise of Performance Rights,

issued or granted prior to the date of this agreement, or as contemplated in the notice of general meeting of Crescent dated 9 June 2011, in each case to a person outside the Crescent Group).
- 6 **(Securities or other instruments)** Crescent or any of its Subsidiaries:
 - (a) issues securities or other instruments convertible into shares or debt securities; or
 - (b) agrees to issue securities or other instruments convertible into shares or debt securities,

in each case to a person outside the Crescent Group.

- 7 **(Constitution)** Crescent adopts a new constitution or modifies or repeals its constitution or a provision of it.
- 8 **(Disposals)** Crescent or any of its Subsidiaries disposes, or agrees to dispose of the whole or a substantial part of the Crescent Group's business or property.
- 9 **(Tenements)** Other than as disclosed by Crescent to Focus prior to the date of this agreement, any mining tenement held by Crescent or any Subsidiary of Crescent (which tenement is material as determined by Focus acting reasonably) is forfeited or surrendered (other than for surrenders required by law) or becomes liable to forfeiture or surrender or any material condition of any mining tenement is not complied with.
- 10 **(Acquisitions, disposals or tenders)** Crescent or any of its Subsidiaries:
- (a) acquires or disposes of;
 - (b) agrees to acquire or dispose of;
 - (c) offers, proposes, announces a bid or tenders for,
- any business, assets, entity or undertaking the value of which exceeds \$1,000,000.
- 11 **(Encumbrances)** other than in the ordinary course of business and consistent with past practice Crescent or any of its Subsidiaries creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or property.
- 12 **(Employment arrangements)** other than in the ordinary course of business and consistent with past practice Crescent or any of its Subsidiaries:
- (a) increases the remuneration of, or otherwise varies the employment arrangements with, any of its directors or employees;
 - (b) accelerates the rights of any of its directors or employees to compensation or benefits or any kind (including under any Crescent executive or employee share plans); or
 - (c) pays any of its directors or employees a termination or retention payment (otherwise than in accordance with an existing contract in place at the date of this agreement).
- 13 **(Commitments and settlements)** other than in the ordinary course of business and consistent with past practice Crescent or any of its Subsidiaries: without the prior written approval of Focus (not to be unreasonably withheld):
- (a) enters into any contract or commitment involving revenue or expenditure of more than \$500,000 over the term of the contract or commitment (other than a renewal of the appointment of Mining and Civil Australia Pty Ltd as mining contractors on terms acceptable to Focus (acting reasonably));
 - (b) terminates or amends in a material manner any contract material to the conduct of the Crescent Group's business or which involves revenue or expenditure of more than \$500,000 over the term of the contract;
 - (c) waives any material third party default; or

- (d) accepting as a settlement or compromise of a material matter (relating to an amount in excess of \$500,000) less than the full compensation due to Crescent or a Subsidiary of Crescent.
- 14 **(Crescent Material Contract)** Crescent enters into or agrees to enter into a Crescent Material Contract without the prior written consent of Focus, provided that Crescent may renew the appointment of Mining and Civil Australia Pty Ltd as mining contractors on terms acceptable to Focus (acting reasonably).
- 15 **(Insolvency)** Crescent or any of its Related Bodies Corporate becomes Insolvent.

Bid Implementation Agreement

Schedule 5 - Crescent Securities

Crescent Shares: 1,100,789,687

Note - proposal to issue 1,500,000 Crescent shares to Peter Nesveda as outlined in resolution 5 of Crescent's notice of general meeting dated 15 June 2011

Employee/Director Options:

Issue date	Number of Options	Expiry Date	Exercise Price
19/9/2008	9,600,000	16/9/2011	\$0.12
16/6/2009	6,600,000	16/6/2012	\$0.165
16/6/2009	1,000,000	16/6/2012	\$0.15
TOTAL	17,200,000		

Financier Options:

Issue date	Number of Options	Expiry Date	Exercise Price	Holders
2010	13,307,500	15/1/2013	\$0.29	Various
30 May 2011	3,000,000	31/12/2012	\$0.05	Oracle Securities
TOTAL	16,307,500			

Contingent options (attached to Convertible Notes and to be issued if Convertible Notes converted): 80 million

Convertible Notes:

Issue date	Number of Notes	Expiry Date	Conversion Price	Options
30 May 2011	160,000,000	30/6/2012	\$0.05/85% of the 5 day VWAP	1 for 2 (80 million)

Bid Implementation Agreement

TOTAL	160,000,000			
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Performance Rights:

Vesting Date	Maximum number of performance rights outstanding
On date of grant **	3,153,637
1 January 2012	11,888,411
1 January 2013	11,888,411
TOTAL	26,930,459

Shares that do not vest until after the date of grant will immediately vest in the event of a takeover if the bidder becomes entitled to voting power of 50% or more.

** 9,887,198 Performance rights vested

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Schedule 6 - Financial accommodation to Crescent

Other than with the prior approval of Focus (which approval will not be unreasonably withheld) Crescent must not, during the period from the date of this agreement up to the earlier of the end of the Offer Period and the date this agreement is terminated, obtain or agree to obtain any financial accommodation from any person other than Focus.

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Schedule 7 – Focus Securities

Focus Shares: 3,440,515,431

Options:

Number of Options	Expiry Date	Exercise Price
22,180,385	31/12/2012	\$0.075
22,180,385	31/12/2012	\$0.078
33,500,000	30/06/2014	\$0.123
778,60,770	TOTAL	

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Schedule 8 – Announcement

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Schedule 9 – Option Deed

Bid Implementation Agreement

Signing page

DATED: 17th June 2011

EXECUTED by **FOCUS**)
MINERALS LIMITED in accordance)
with section 127(1) of the Corporations)
Act 2001 (Cwlth) by authority of its)
directors:)

.....)
Signature of director)

.....)
Name of director (block letters)

.....)
Signature of director/company)
secretary*)
*delete whichever is not applicable)

.....)
Name of director/company secretary*)
(block letters))
*delete whichever is not applicable)

EXECUTED by **CRESCENT GOLD**)
LIMITED in accordance with section)
127(1) of the Corporations Act 2001)
(Cwlth) by authority of its directors:)

.....)
Signature of director)

.....)
Name of director (block letters)

.....)
Signature of director/company)
secretary*)
*delete whichever is not applicable)

.....)
Name of director/company secretary*)
(block letters))
*delete whichever is not applicable)