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Focus to report 28% rise in interim profit to \$6.2m

- **Half-year pre-tax profit expected to be a record \$6.2m**
- **EBITDA up 51% to \$14.6m**
- **On track to produce from two new mines in next 3 months**
- **Approvals received to start drilling at Treasure Island**

Focus Minerals (ASX: **FML**) is pleased to advise that it expects to report a 27.7% increase in pre-tax profit to \$6.2 million for the six months to December 31, 2010. .

The record result stems from strong gold production of 36,339oz, which underpinned revenue of \$48.9 million. It is a significant increase from 21,841 ounces produced and \$23.0 million of revenue recorded in the previous corresponding period of 2009.

Focus advises that this profit guidance is unaudited and has been based on draft financial accounts which are subject to the completion of the Group's financial audit review, currently in progress. Table 1 provides an unaudited summary of Focus' key financial and operating performance for the 2010 and 2009 half-yearly periods.

Focus Chief Executive Campbell Baird said the results reflected the Company's solid production and strong cashflow – attributes which positioned the company for further growth.

"Focus is now a significant mid-tier gold producer with robust cashflow, a 2.2 million ounce Resource Inventory, the 1.2 million tonne per annum gold plant and immense exploration upside," Mr Baird said.

"The Company is now ideally positioned for the next stage of growth, which will see a significant increase in production with the high-grade mine at The Mount commencing production of Ore in March as well as a series of new open pits at the Tindals Mining Centre commencing production starting in April".

March will also see Focus start drilling at its highly prospective Treasure Island project, situated at Lake Cowan on the southern end of the Boulder-Lefroy fault. The Company has recently received approvals for this program.

Treasure Island has already delivered some exceptional results from surface rock chip sampling, with grades as high as 59g/t over outcropping strikes of more than 200 metres in several areas.

"Treasure Island has one of the best addresses in Australian gold mining so we are eagerly awaiting the commencement of this exploration program," Mr Baird said.

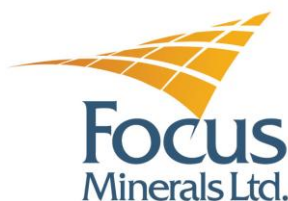


Table 1: unaudited financial results for the December 2010 half year.

	Unaudited	Actual	
	31 December 2010 Six Months \$'000	31 December 2009 Six Months \$'000	Change
Production Summary			
Gold production - ozs	36,339	21,841	66.4%
Gold sold - ozs	34,335	21,202	61.9%
Financial Summary			
Revenue	48,888	23,001	112.5%
EBITDA	14,602	9,662	51.1%
Depreciation & Amortisation	(8,372)	(4,784)	75.0%
Net profit before tax	6,230	4,878	27.7%

ENDS

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The information that relates to exploration targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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.

BACKGROUND INFORMATION – FOCUS MINERALS LTD

Focus Minerals Ltd (ASX: FML) is an Australian-based gold producer based in the Coolgardie-Kalgoorlie-Widgiemooltha region of Western Australia. The company holds the mineral rights to more than 305 km² of tenements and is the largest landholder in the Coolgardie Gold Belt located in Western Australia, 560km east of Perth and 35km west of the 'Super Pit' in Kalgoorlie-Boulder. More than 2.6 million ounces of gold has been produced from the Coolgardie gold belt alone since 1892. Focus is currently in production from its flagship Tindals Mining Centre operation in Coolgardie, adjacent to its 1.2mtpa Three Mile Hill processing plant. The Tindals Mining Centre comprises a major underground production operation and the business will commence open cut mining at Tindals in the first half of calendar 2011 from a series of deposits. In addition, Focus will also commence production from another new operation in the first half of 2011 at The Mount Underground Mine located 80km to the south.