

ASX ANNOUNCEMENT

21 March 2012

## TREASURE ISLAND DRILLING UPDATE

Focus Minerals Ltd. (ASX:FML), a leading Australian gold producer and explorer, is pleased to update the market with preliminary results from its recent infill drilling program at its 100% owned Treasure Island Gold Project on Lake Cowan.

Assay results for 105 infill holes have been received to date, with approximately 50% of the holes returning anomalous gold. In the original regional reconnaissance program only 2-3% of the holes returned anomalous gold.

The results from the infill data indicate that Focus is beginning to define the position of a mineralised system beneath the lake, with two targets already chosen for preliminary diamond drill testing that is expected to start next week.

“The aircore program on the lake has been testing a potential thrust repeat of the Treasure Island stratigraphy,” said Treasure Island Principal Geologist Dean Goodwin.

“What we have been doing with the infill is to drill down to the base of oxidation through the lake sediment looking for gold as it spreads out away from the primary deposit in the bedrock below (Figure 1).

“A hyper-saline environment like the lake is a perfect place to look for this supergene effect where over time the gold spreads out at the base of the water table creating a blanket. What we achieved in the regional reconnaissance aircore is to find where these blankets are, and now with the infill we are starting to pinpoint where we think the primary ore bodies might be.”

Mr Goodwin said the detailed aeromagnetics show that the structural framework in this area looks very similar to what you see at St Ives.

“There’s a lot of structural complexity evident on the eastern zone, and this level of complexity along with the favourable geology increases the chance of finding gold.

“One of the holes LCAC593 returned a 4m composite grading 1.07g/t gold (part of a 9m end of hole intersection grading 416ppb), which is a significant amount of gold for an aircore program. This is a strong indicator that we are possibly close to the primary structure.” (Figure 2)

Data is required back from the whole infill drilling program before an assessment can be made of the full potential of the area. The remaining assays for the infill aircore program are expected in the coming weeks.

A lake based diamond drill rig will be on site in the last week of March.

The Treasure Island Gold Project on Lake Cowan is located 35km south-south east along strike from the major gold camp of Kambalda St Ives in Western Australia, where over 15Moz of gold has been discovered over the last 22 years.

A reconnaissance aircore program completed in November 2011 identified a continuous 4km anomalous zone 3km east of Treasure Island, This was subject to infill aircore drilling on an 80m x 40m pattern through January and February.

**About Focus Minerals:** Focus Minerals is a leading Australian gold producer operating two significant production centres in Western Australia's Eastern Goldfields. The company is the largest landholder in the Coolgardie Gold Belt, 35km west of 'Super Pit' in Kalgoorlie, where it operates 3 mines: The Tindals Underground; Tindals Open Pits; and The Mount underground. Gold is processed at Focus' 1.2Mtpa processing plant, Three Mile Hill, which is adjacent to the town of Coolgardie. Focus also operates, through its 81.57% majority shareholding in Crescent Gold, the Laverton Gold Project, located 250km northeast of Kalgoorlie in Western Australia. Laverton comprises a significant portfolio of large scale open pit mines, with ore being processed under an OPA at the nearby Barrick Granny Smith mill.

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Figure 1: Cross Section showing initial planned stratigraphy diamond drill hole.

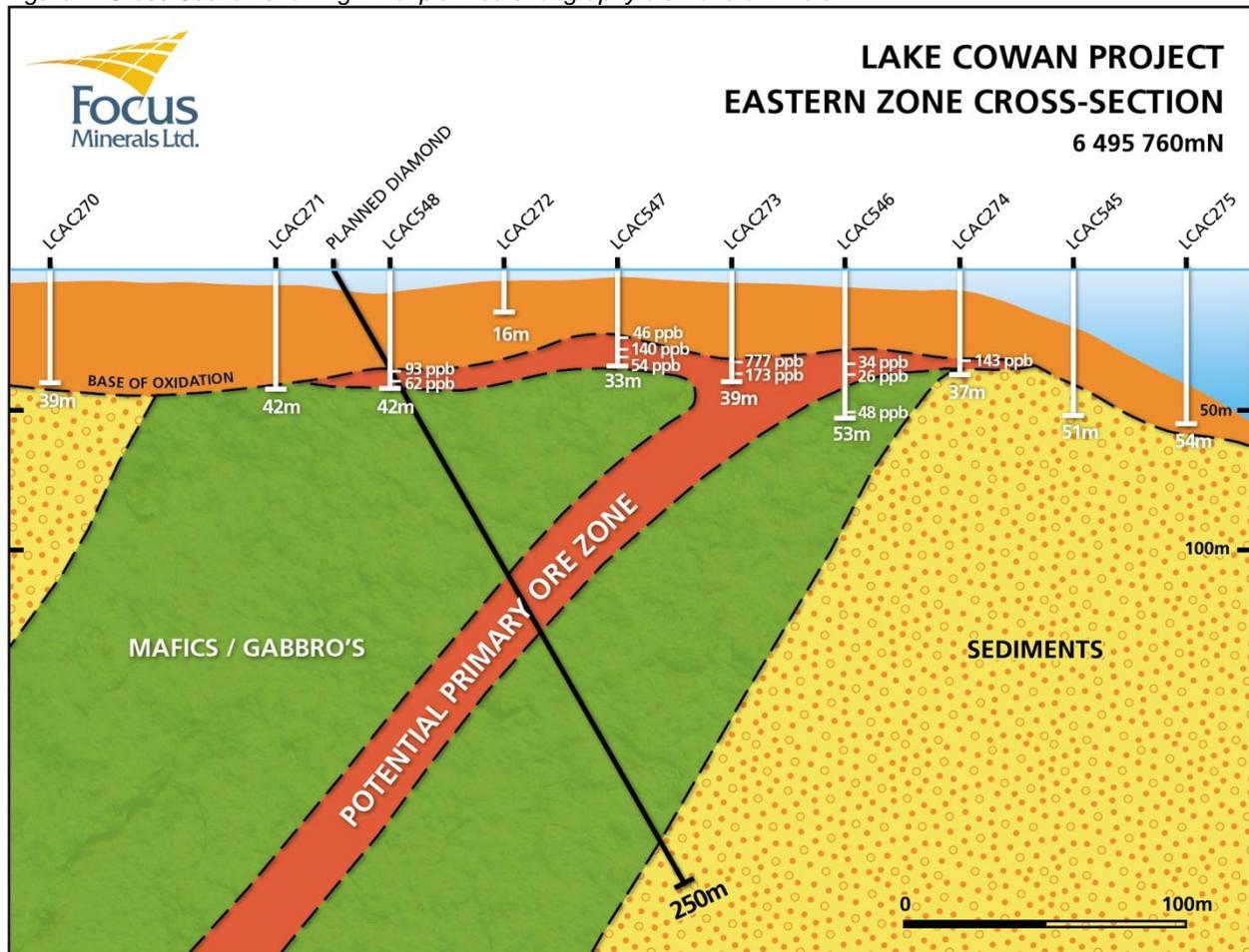
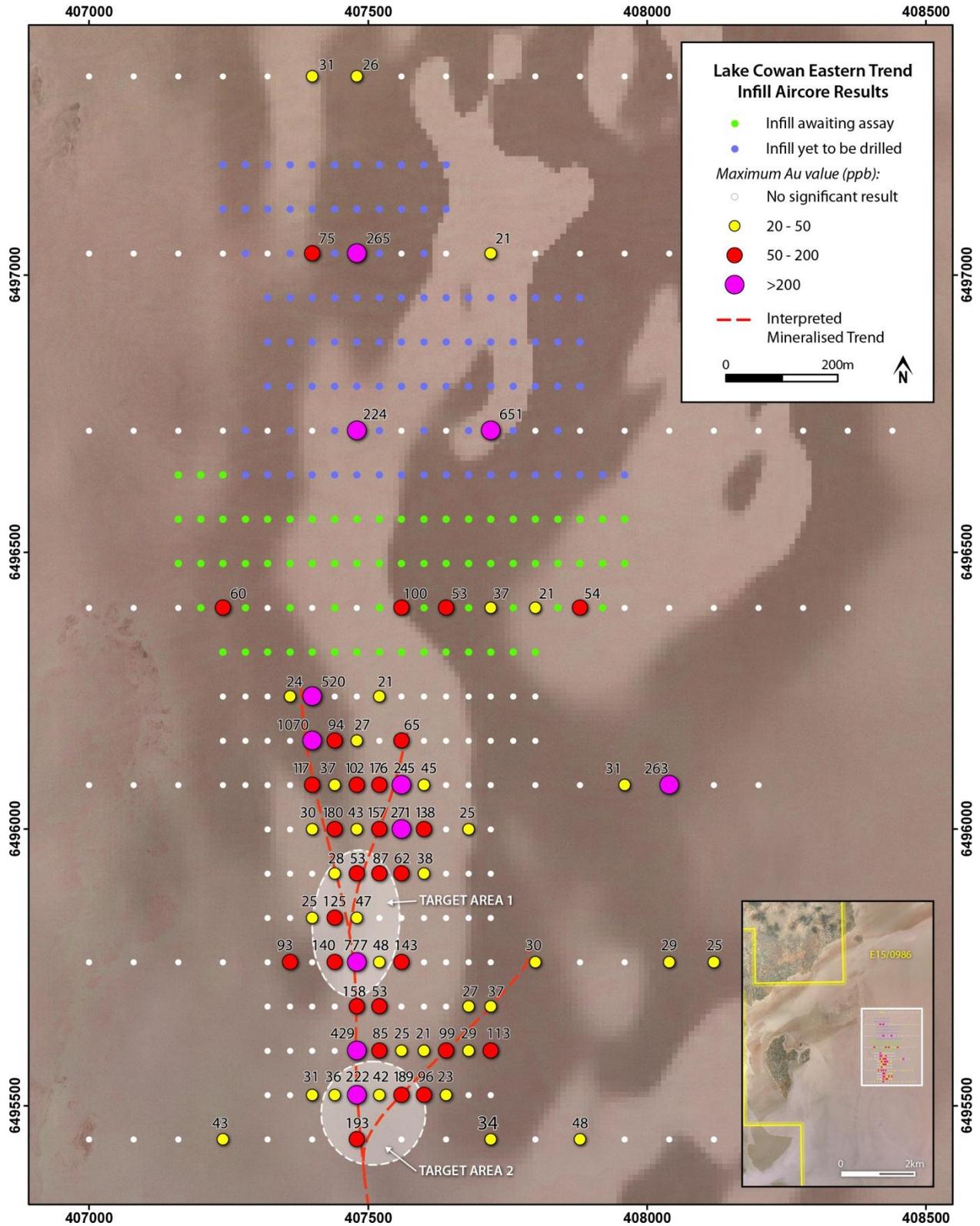


Figure 2: Highlighting diamond drilling target areas on significant intersections as part of the aircore drilling 3km east of Treasure Island showing the interpreted mineralised trend.



**COMPETENT PERSON'S STATEMENT:**

The information in this report that relates to Exploration Results and Minerals Resources across the Coolgardie region is based on information compiled by Mr Dean Goodwin who is a member of the Australian Institute of Geoscientists. Mr Goodwin 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". Mr Goodwin consents to the inclusion in the report of the matters based on the information in the form and content in which it appears.

**NOTE FOR DRILL RESULTS TABLES BELOW:**

All aircore holes are sampled as 4m composites. Intervals at the end of each hole are varied so that the last interval is a minimum of 2m. Assay method is 10 gram aqua regia assay to ppb. All mineralised intersections are quoted as down-hole lengths with uncut gold values. All gold grades are reported with a nominal cut-off grade of 20ppb Au. NSR = "no significant result" (above 20ppb). EOH = "end of hole".

*Table 1: Assay Results from Aircore Drilling 3km to the East of Treasure Island.*

Hole Number	Northing	Easting	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole width (m)	Grade ppb (Au)
LCAC511	6495520	407320	360	-90	67	NSR			
LCAC512	6495520	407360	360	-90	75	NSR			
LCAC513	6495520	407400	360	-90	79	56	60	4	31
LCAC514	6495520	407440	360	-90	80	79	81	2	36
LCAC515	6495520	407480	360	-90	79	40	72	32	52
LCAC516	6495520	407520	360	-90	78	56	60	4	42
LCAC517	6495520	407560	360	-90	60	52	60	8	145
LCAC518	6495520	407600	360	-90	67	52	67	15	77
LCAC519	6495520	407640	360	-90	69	56	60	4	23
LCAC520	6495520	407680	360	-90	72	NSR			
LCAC521	6495520	407720	360	-90	69	NSR			
LCAC522	6495600	407720	360	-90	73	48	60	12	83
LCAC523	6495600	407680	360	-90	65	60	63	3	29
LCAC524	6495600	407640	360	-90	68	52	64	12	60
LCAC525	6495600	407600	360	-90	65	56	60	4	21
LCAC526	6495600	407560	360	-90	84	36	40	4	25
LCAC527	6495600	407520	360	-90	59	40	52	12	53
LCAC528	6495600	407480	360	-90	54	36	48	12	215
LCAC529	6495600	407440	360	-90	59	NSR			
LCAC530	6495600	407400	360	-90	63	NSR			
LCAC531	6495600	407360	360	-90	61	NSR			
LCAC532	6495600	407320	360	-90	59	NSR			
LCAC533	6495680	407320	360	-90	55	NSR			
LCAC534	6495680	407360	360	-90	39	NSR			
LCAC535	6495680	407400	360	-90	34	NSR			
LCAC536	6495680	407440	360	-90	50	NSR			
LCAC537	6495680	407480	360	-90	61	48	61	13	125
LCAC538	6495680	407520	360	-90	63	40	44	4	53
LCAC539	6495680	407560	360	-90	61	NSR			
LCAC540	6495680	407600	360	-90	62	NSR			
LCAC541	6495680	407640	360	-90	62	NSR			
LCAC542	6495680	407680	360	-90	79	60	64	4	27

LCAC543	6495680	407720	360	-90	72	56	73	17	28
LCAC544	6495760	407680	360	-90	68	NSR			
LCAC545	6495760	407600	360	-90	51	NSR			
LCAC546	6495760	407520	360	-90	53	48	51	3	48
LCAC547	6495760	407440	360	-90	33	24	33	9	80
LCAC548	6495760	407360	360	-90	42	36	42	6	78
LCAC549	6495840	407320	360	-90	45	NSR			
LCAC550	6495840	407360	360	-90	25	NSR			
LCAC551	6495840	407400	360	-90	22	20	22	2	25
LCAC552	6495840	407440	360	-90	30	20	30	10	62
LCAC553	6495840	407480	360	-90	45	40	45	5	37
LCAC554	6495840	407520	360	-90	47	NSR			
LCAC555	6495840	407560	360	-90	50	NSR			
LCAC556	6495840	407600	360	-90	45	NSR			
LCAC557	6495840	407640	360	-90	67	NSR			
LCAC558	6495840	407680	360	-90	62	NSR			
LCAC559	6495840	407720	360	-90	64	NSR			
LCAC560	6495920	407720	360	-90	70	NSR			
LCAC561	6495920	407680	360	-90	58	NSR			
LCAC562	6495920	407640	360	-90	46	NSR			
LCAC563	6495920	407600	360	-90	40	24	32	8	32
LCAC564	6495920	407560	360	-90	47	16	20	4	62
LCAC565	6495920	407520	360	-90	48	36	48	12	49
LCAC566	6495920	407480	360	-90	51	40	44	4	53
LCAC567	6495920	407440	360	-90	47	44	47	3	28
LCAC568	6495920	407400	360	-90	15	NSR			
LCAC569	6495920	407360	360	-90	24	NSR			
LCAC570	6495920	407320	360	-90	42	20	24	4	20
LCAC571	6496000	407320	360	-90	30	NSR			
LCAC572	6496000	407360	360	-90	12	NSR			
LCAC573	6496000	407400	360	-90	38	36	40	4	30
LCAC574	6496000	407440	360	-90	54	36	44	8	110
LCAC575	6496000	407480	360	-90	64	60	64	4	43
LCAC576	6496000	407520	360	-90	45	40	43	3	157
LCAC577	6496000	407560	360	-90	41	16	20	4	271
LCAC578	6496000	407600	360	-90	39	24	28	4	138
LCAC579	6496000	407640	360	-90	46	NSR			
LCAC580	6496000	407680	360	-90	49	24	28	4	25
LCAC581	6496000	407720	360	-90	49	NSR			
LCAC582	6496080	407760	360	-90	66	NSR			
LCAC583	6496080	407680	360	-90	54	NSR			
LCAC584	6496080	407600	360	-90	43	8	12	4	45
LCAC585	6496080	407520	360	-90	39	36	39	3	176
LCAC586	6496080	407440	360	-90	64	32	36	4	37
LCAC587	6496080	407360	360	-90	19	NSR			
LCAC588	6496080	407280	360	-90	42	NSR			

LCAC589	6496160	407240	360	-90	48	NSR			
LCAC590	6496160	407280	360	-90	40	NSR			
LCAC591	6496160	407320	360	-90	49	NSR			
LCAC592	6496160	407360	360	-90	61	NSR			
LCAC593	6496160	407400	360	-90	73	52	60	8	163
						64	73	9	416
LCAC594	6496160	407440	360	-90	60	20	36	16	50
LCAC595	6496160	407480	360	-90	42	20	32	12	24
LCAC596	6496160	407520	360	-90	54	NSR			
LCAC597	6496160	407560	360	-90	57	32	36	4	65
LCAC598	6496160	407600	360	-90	44	NSR			
LCAC599	6496160	407640	360	-90	47	NSR			
LCAC600	6496160	407680	360	-90	63	NSR			
LCAC601	6496160	407720	360	-90	66	NSR			
LCAC602	6496160	407760	360	-90	57	NSR			
LCAC603	6496160	407800	360	-90	66	NSR			
LCAC604	6496240	407800	360	-90	62	NSR			
LCAC605	6496240	407760	360	-90	65	NSR			
LCAC606	6496240	407720	360	-90	61	NSR			
LCAC607	6496240	407680	360	-90	57	NSR			
LCAC608	6496240	407640	360	-90	55	NSR			
LCAC609	6496240	407600	360	-90	56	NSR			
LCAC610	6496240	407560	360	-90	53	NSR			
LCAC611	6496240	407520	360	-90	66	32	36	4	21
LCAC612	6496240	407480	360	-90	54	NSR			
LCAC613	6496240	407440	360	-90	47	NSR			
LCAC614	6496240	407400	360	-90	63	44	63	19	142
LCAC615	6496240	407360	360	-90	79	NSR			