

ASX ANNOUNCEMENT

27 June 2012

NEW RESULTS HIGHLIGHT POTENTIAL OF NEAR-PLANT TARGETS IN COOLGARDIE

- ***New Mineral Resource of 48,000oz established at CNX***
- ***High-grade assays returned from targets along Three Mile Hill sill including:***
 - o ***10m at 21.0g/t Au from 51m (including 1m @ 196g/t)***
 - o ***4m at 10.5g/t Au from 113m (including 1m @ 34.5g/t), and***
 - o ***4m at 6.7g/t Au from 118m (including 1m @ 21.9g/t)***
- ***Focus continuing to develop near-plant targets to bolster mid-term production schedule***

Focus Minerals Ltd. (ASX: FML) , a leading Australian gold producer and explorer, is pleased to announce some exciting results from its latest round of exploration drilling in Coolgardie, Western Australia, testing the potential of a number of gold targets that are close to its Three Mile Hill processing plant.

Focus is on track to produce 175,000oz of gold from its mining operations in Laverton and Coolgardie in FY 2012. In Coolgardie, Focus is currently in production from two underground mines and one open pit operation, processing ore through its 100% owned 1.2Mtpa Three Mile Hill gold plant. It is due to commence production from another open pit operation – Greenfields -- through the September Quarter.

This latest drilling program has focused on a series of targets that run along a key historic production corridor in Focus' Greater Coolgardie northern tenements (Figure 1) where a dolerite rock package hosts a number of different deposits including the historic mines of Three Mile Hill, Greenfields, Mystery Mint and Patricia Jean (total historic production of 458,000oz).

Following the drilling program, Focus has now outlined a new 48,000oz Mineral Resource at CNX and confirmed a highly prospective target to the south of the Patricia Jean pit. All of the targeted deposits are less than 10km trucking distance from Focus' processing plant.

The goal of the exploration program has been to test and develop identified targets close to the existing Three Mile Hill plant for inclusion into Focus' mid-term production schedule.

"We have a significant portfolio of assets at varying stages of development across 450sq km in the Coolgardie region which enable us to deliver a stable and reliable ore feed to our Three Mile Hill plant that is sustainable over a very long period of time," said Focus Minerals Chief Executive Campbell Baird.

"This latest drill program has been all about identifying projects that will sit in our mid-term life of mine plan with a specific emphasis on securing deposits that are within a close trucking distance to our Three Mile Hill plant."

Consistent with this near-plant development strategy, Focus will move the historic Greenfields pit (1.0Mt @ 1.7g/t) back into production in the September quarter following a 12 month program of exploration and economic review. Furthermore, significant deposits at Lindsays, Brilliant, and Patricia Jean are the subject of ongoing exploration and assessment.

The latest drilling program saw a combination of diamond and RC holes focused around three key targets along the Three Mile Hill dolerite sill. This has delivered the following results:

CNX: New 48,000oz Mineral Resource

A new 48,000oz Mineral Resource (930,000t @ 1.6g/t) has been established at CNX (Table 1 & Figures 2 & 3). CNX sits just 1.5km to the north-west of Focus' Three Mile Hill plant.

Drilling was undertaken to validate historic data from the early 90's and the latest diamond drill results have confirmed the sub-horizontal dip of the quartz veins, including a hole of 6m @ 6.2g/t from 106m (Table 1 & Figure 2 & 3). CNX was last mined in 1991 and produced 196,000 tonnes at 1.9g/t. The project is undergoing evaluation for its potential inclusion into the future mining schedule.

High-Grade Results Between Patricia Jean & Jolly Britons

RC drilling over a 500m strike between the Jolly Britons prospect and Patricia Jean pit (Table 2 & Figures 2, 4 & 5) has delivered a series of high-grade intercepts near a hinge zone of the Three Mile Hill Dolerite sill.

These results are important as they are interpreted to be associated with a significant mineralised fault structure extending from two major pits along a 6km strike to the south (Brilliant and Lindsays – total production 374,000oz) (Figure 6). The geological complexities created by a known gold producing regional structural fault intersecting with a hinge zone in the dolerite rock are advantageous for gold discovery elevating this area in Focus' regional exploration plans. Open pit mining at Patricia Jean in 1990's produced 175,000 tonnes at 2.8g/t, while historical mining at Jolly Britons is limited to shallow old timer workings.

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 runs The Tindals Mining Centre underground and open pit operations, and The Mount underground, 85km to the south. Gold is processed at Focus' 1.2Mtpa processing plant, Three Mile Hill, which is adjacent to the town of Coolgardie. 250km to the northeast Focus also operates, the Laverton Gold Project which comprises a significant portfolio of large scale open pit mines, with ore being processed under an OPA at the nearby Barrick Granny Smith plant.

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Figure 1: Northern Greater Coolgardie location plan.

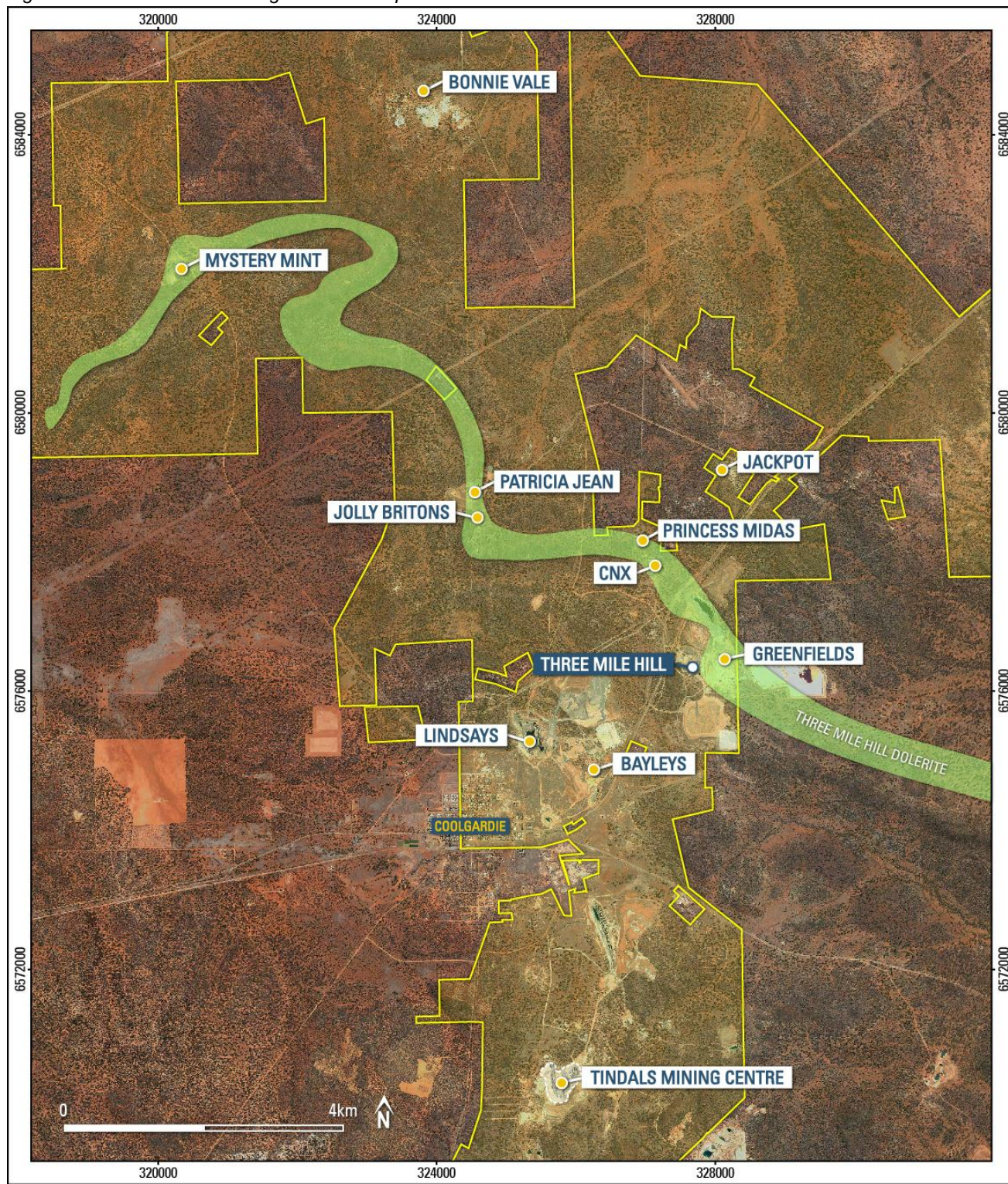


Figure 2: Drill hole collar locations for Patricia Jean, Jolly Britons and CNX. Locations of the long sections for each area are also shown.

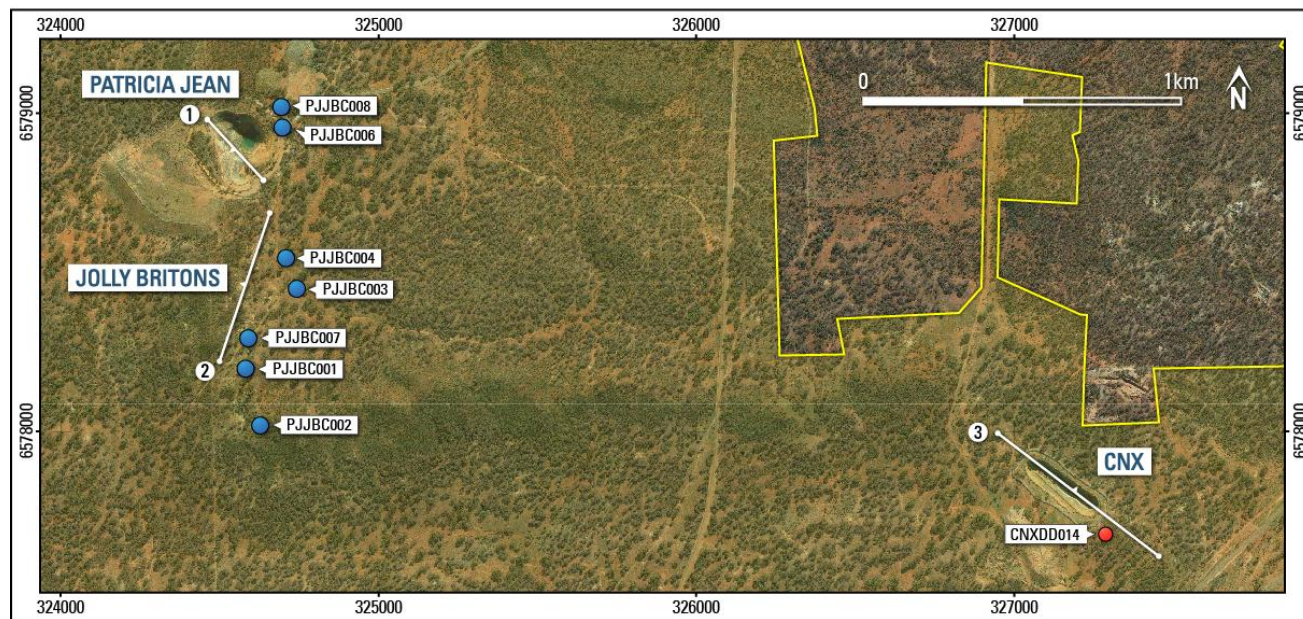


Figure 3: Long Section from CNX showing the recent drill intersections.

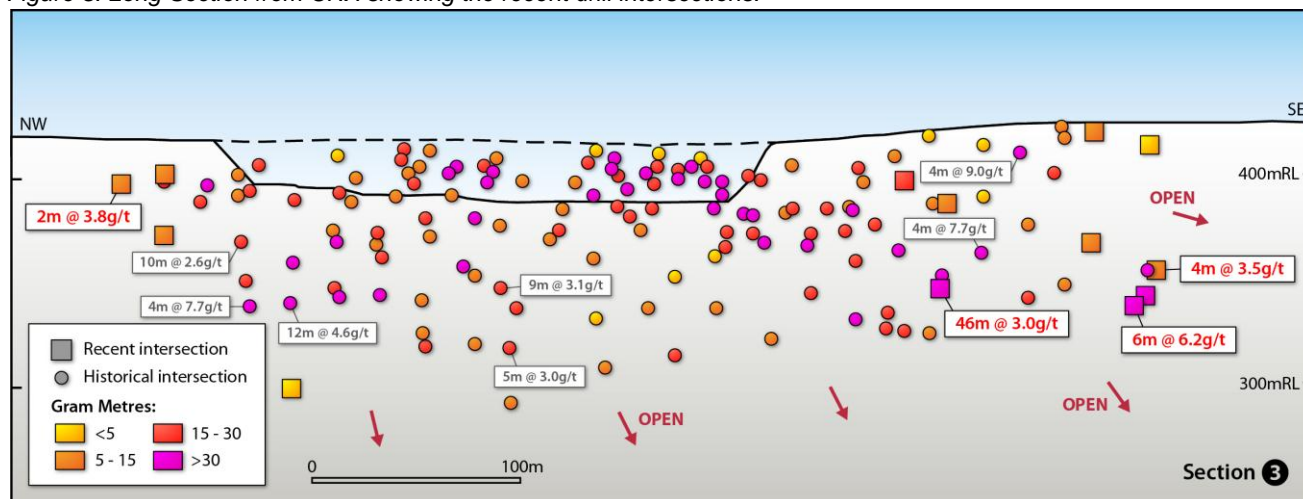


Figure 4: Long Section from Patricia Jean showing the recent drill intersections, location of long section shown on Figure 2.

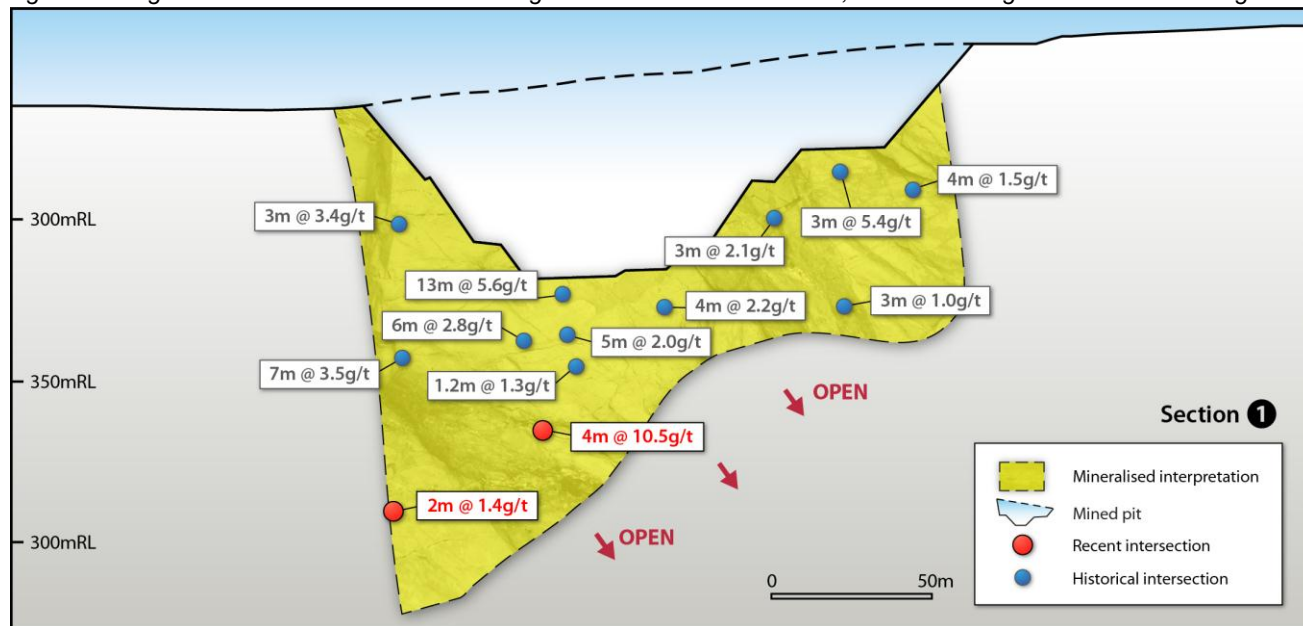


Figure 5: Long Section from Jolly Britons showing the recent drill intersections, location of long section shown on Figure 2.

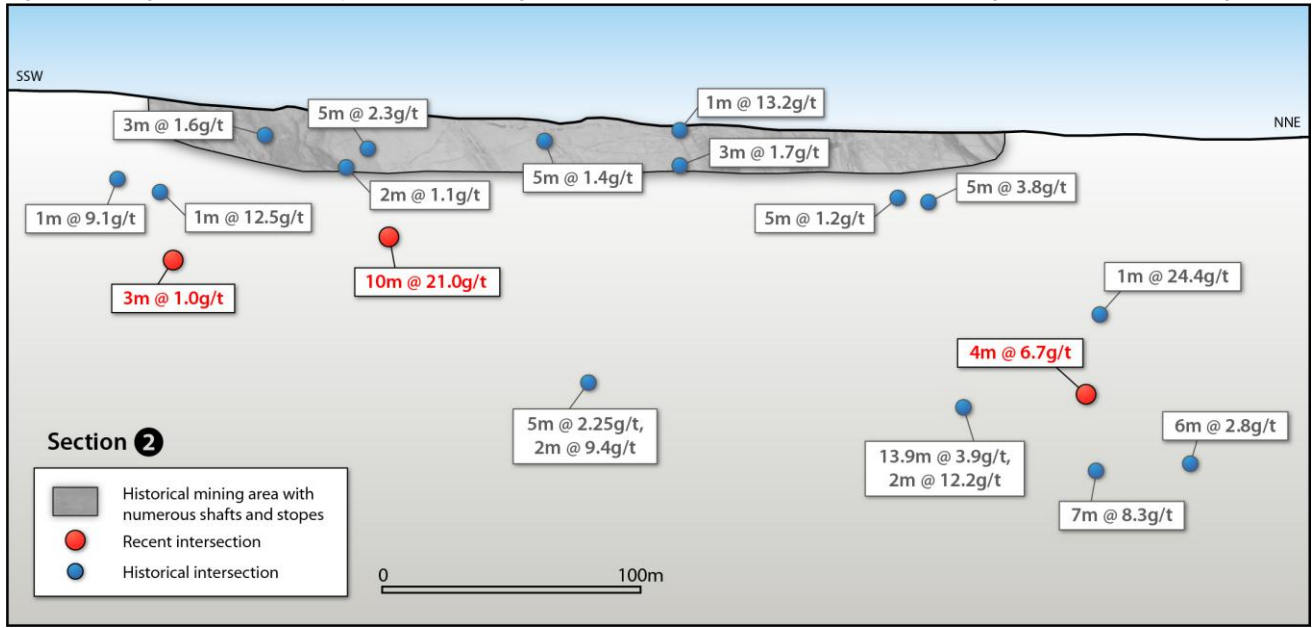
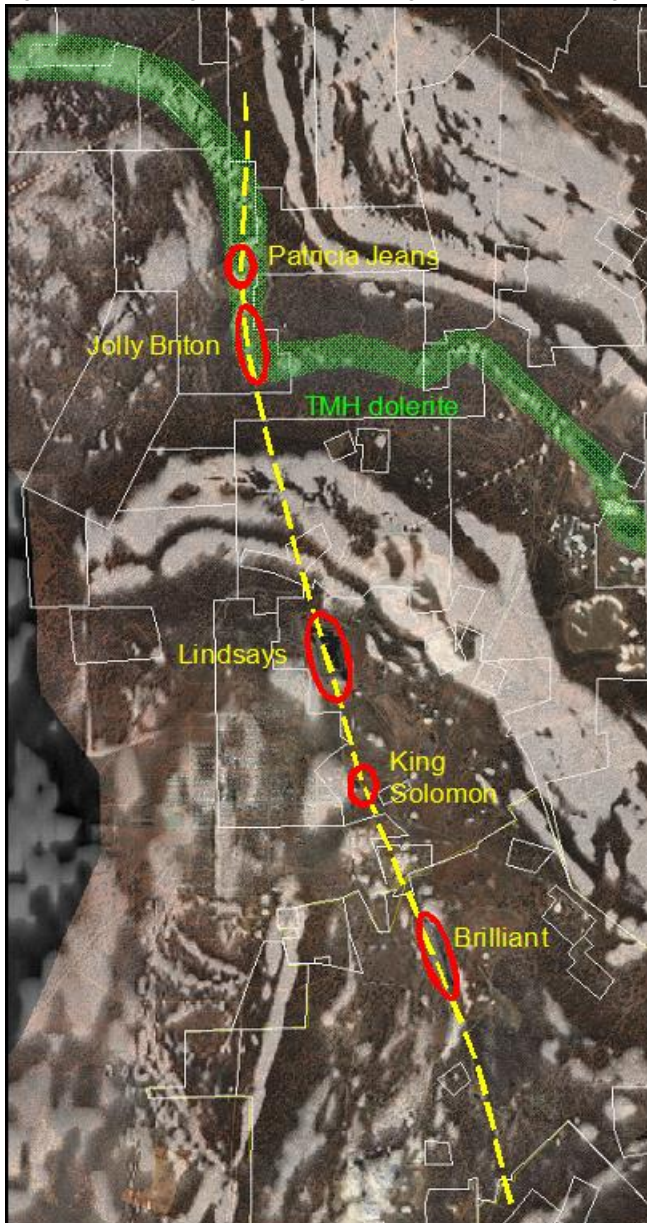


Figure 6: Aeromagnetic image of Coolgardie area showing the interpreted mineralised structure.



Note for Drill Results Table below: All RC drill holes (Patricia Jean and Jolly Britons) are sampled to 1m intervals. The diamond hole at CNX is sampled to geological intervals. Assay method is 40 gram fire assay. All mineralised intersections are quoted as down-hole lengths with uncut gold values. For the Patricia Jean drilling (PJJBC006 & 008) the intersections are approximately 90% of true thickness, while the Jolly Britons drilling (PJJBC001-004 & 007) the intersections are approximately 70% of true thickness. At CNX the intersections are approximately 70% of true thickness. All gold grades are reported with a nominal cut-off grade of 1g/t Au. NSR = "no significant result" (above 1g/t).

Table 1: CNX Mineral Resource.

	Indicated			Inferred			Total		
Class	Tonnes T	Grade Au g/t	Ounces	Tonnes T	Grade Au g/t	Ounces	Tonnes T	Grade Au g/t	Ounces
Oxide									
Transition	45,000	1.5	2,000	68,000	1.7	4,000	113,000	1.7	6,000
Fresh	425,000	1.6	22,000	392,000	1.6	20,000	817,000	1.6	42,000
Total	470,000	1.6	24,000	460,000	1.6	24,000	930,000	1.6	48,000

NOTE: Some errors may result due to rounding

Table 2: Assay Results from Drilling at Patricia Jean, Jolly Britons and CNX.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
Patricia Jean & Jolly Britons										
PJJBC001	6578200	324580	450	300	-60	101.00	74.00	77.00	3.00	1.02
PJJBC002	6578020	324630	462	275	-70	70.00	50.00	54.00	4.00	1.67
PJJBC003	6578450	324740	434	302	-60	168.00	NSR, hole missed target			
PJJBC004	6578546	324709	433	300	-60	160.00	118.00	122.00	4.00	6.74
								includes	1.00	21.90
PJJBC006	6578957	324698	431	225	-60	149.00	142.00	144.00	2.00	1.39
PJJBC007	6578295	324590	442	295	-65	65.00	51.00	61.00	10.00	21.02
								includes	1.00	196.00
PJJBC008	6579021	324694	431	225	-60	155.00	113.00	117.00	4.00	10.46
								includes	1.00	34.50
CNX										
CNXDD014	6577677	327288	420	50	-60	131.05	17.00	18.00	1.00	12.10
							27.66	30.00	2.34	3.92
							53.18	55.10	1.92	1.50
							68.00	74.00	6.00	1.88
							76.27	77.33	1.06	5.37
							81.00	82.00	1.00	2.53
							100.01	105.96	5.95	6.17

Table 3: FML Mineral Resource Table. **NOTE:** Some errors may result due to rounding

	Measured Resources			Indicated Resources			Inferred Resources			Total Resources		
	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
COOLGARDIE GOLD PROJECT												
Tindals Project Total	739	4.7	112,000	9,143	2.6	766,000	3,354	2.8	298,000	13,236	2.8	1,176,000
Mount Project							2,090	5.5	370,000	2,090	5.5	370,000
Lindsays Project				4,350	1.7	238,000	3,562	2.0	233,000	7,912	1.8	471,000
Three Mile Hill Project				1,856	1.8	110,000	598	1.9	37,000	2,454	2.0	147,000
Norris Project							1,870	2.1	124,000	1,870	2.1	124,000
Total Coolgardie	739	4.7	112,000	15,349	2.3	1,114,000	11,474	2.9	1,062,000	27,562	2.6	2,288,000
LAVERTON GOLD PROJECT												
Laverton - UG				2,037	6.5	426,000	619	7.1	141,000	2,656	6.6	567,000
Laverton - Surface	1,619	2.2	113,000	12,093	2.0	759,000	10,171	1.8	589,000	23,883	1.9	1,461,000
Total Laverton	1,619	2.2	113,000	14,130	2.6	1,185,000	10,790	2.1	730,000	26,539	2.4	2,028,000
TOTAL COMBINED RESOURCES	2,358	3.0	225,000	29,479	2.4	2,299,000	22,264	2.5	1,792,000	54,101	2.5	4,316,000

Coolgardie Mineral Resource (as at 30 September 2011) with inclusion of CNX
Laverton Mineral Resource (as at 30 June 2011)

COMPETENT PERSON'S STATEMENT: The information in this report that relates to Exploration Results and Minerals Resources based on information compiled by Mr Dean Goodwin who is a member of the Australian Institute of Geoscientists. Mr Goodwin is employed by 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.

Notes to accompany the Mineralised Resource Statement

The Caledonia North Extended Deposit (CNX), consists of a large number of interpreted lodes, and is hosted within a sheared altered (granophytic) dolerite sill. The lodes vary in width from 1-16m. Gold mineralisation appears to be mainly associated with multiple sub-horizontal quartz veins in the dolerite. Silica and carbonate alteration also appears to be associated with gold mineralisation. Sulphides in the deposit are mainly pyrite and pyrrhotite. A recent interpretation of the mineralised zone proposes a number of sub-parallel, sub-vertical lodes with NW trend that extends both to the north and south of the current pit. Zones of strong foliation, with 300-325° strike, occur close to the centre of the pit. NNW shear zones as identified in aeromagnetic data appear to be traceable across the pit from NE to SW walls and maybe attributable to the foliation. The shear zone is approximately 20 metres wide. Visible gold has been identified at CNX.

The resource upgrade is a result of drilling completed in the March 2012 Quarter by Focus Minerals.

The updated interpretations were then used to create a new resource model for the deposit.

Drilling Information

The CNX area has been drilled from the mid 1980's with a total of 8 Diamond holes for a total of 697m, and 176 RC drill holes for a total of 14,085m. Drill spacing is generally 20m x 10m in the core of the resource, and widens to 40m x 20m at the margins of the resource areas.

The Focus Minerals drill holes at CNX have either been down hole surveyed by Eastman single-shot camera or electronic multi-shot (EMS). All drill holes that were surveyed at CNX were done so historically in the CNX Mine Grid coordinates which have subsequently been converted to GDA94 co-ordinates, with recent drilling surveyed in GDA94. All Focus survey work was completed in GDA94 coordinates.

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

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

All samples (Focus and pre-Focus drilling) have been assayed using the Fire Assay method at Analabs, ALS Chemex or Kalgoorlie Assay Laboratory in Kalgoorlie. For Focus drilling a 30g Fire Assay with AAS finish was used at ALS Chemex. Stringent QAQC measures are in place with the use of control samples to monitor laboratory performance.

Geological Model

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

Samples within individual wireframes were composited to 1m intervals. The composites were used to determine the necessary top cuts. The composites were used to determine the necessary top cut, which were done by a combination of Skree Plot and Cumulative Frequency Plot analysis. A top cut value of 12g/t Au and was applied to all lodes which is lower than the previous estimate of 15g/t Au.

A Surpac block model was created in GDA grid co-ordinates. The estimation was completed using the Ordinary Kriging (OK) method.

A bulk density of 2.8t/m³ was applied to fresh rock and 2.4t/m³ to transitional material in the ore zones within the model. These values are assumed based on values determined from test work conducted on TMH and Greenfields drilling nearby.

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

The Resource has been reported at a 1g/t lower cut-off grade and is depleted by using the current open pit survey pick up.