

QUARTERLY ACTIVITIES REPORT: JUNE 2012

OVERVIEW

Highlights

- Record June Quarter gold production of 48,222oz, up from 47,489oz in the preceding Quarter and delivering on guidance.
- FY 2012 Group gold production 176,632oz, up 140% on FY 2011 (72,830oz) at a Group C1 cash cost of \$1,222/oz.
- June Quarter Group revenue of A\$77.3 million from gold sales of 48,514oz.
- Coolgardie Operations delivered one of its strongest production Quarters on record producing 24,766oz of gold, a 13% increase on the March Quarter.
- Laverton produced 23,456oz from 41 processing days, taking Laverton gold output to 49,092oz for the first six months of calendar 2012.
- Strong production at the Tindals underground, along with continued growth at the Tindals Open Pits and solid stoping production at The Mount underground resulted in the Coolgardie operations mining a total of 301,257t @ 2.99g/t containing 28,916oz of gold, a 30% increase on gold mined in the preceding Quarter.
- The Coolgardie Three Mile Hill plant turned out its 1,000th gold bar under Focus' management (3 July 2012).
- Laverton C1 cash operating costs were \$1,203/oz, down from \$1,554/oz in the September 2011 Quarter after which Focus took full control.
- Coolgardie C1 cash operating costs were \$1,189/oz.
- Under Focus' internal Value Enhancement Program, a number of cost reduction initiatives were introduced at both Laverton and Coolgardie during the Quarter which are expected to positively impact cash operating costs in the September and December Quarters.
- Capital investment and exploration expenditure was \$26.1M, comprising \$21.7M of mine capital development and \$4.4M in exploration.
- At the end of the Quarter total cash and bullion equivalents were \$19.5M.
- Subsequent to the end of the Quarter, Focus has produced 23,127oz from Coolgardie and Laverton for the Month of July.

GROUP PRODUCTION SUMMARY

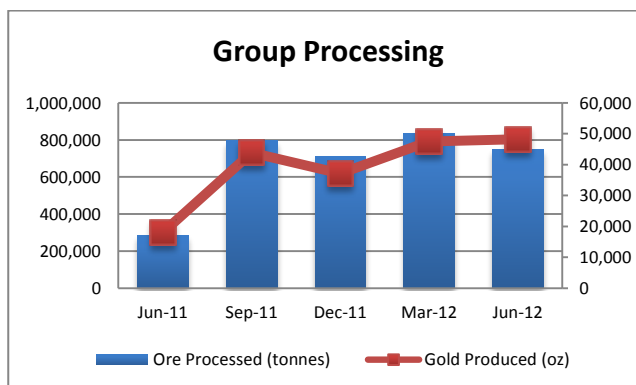
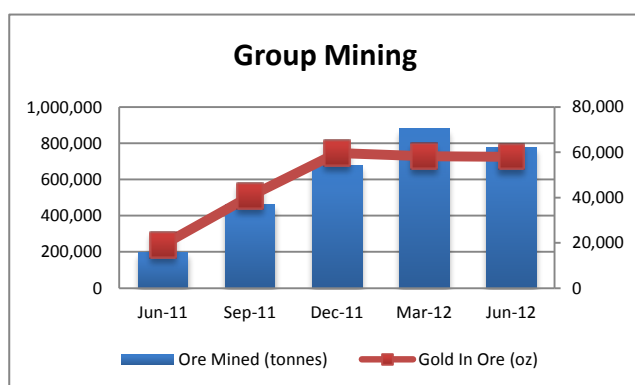
The Focus Group produced 48,222oz of gold for the June Quarter, up from 47,489oz in the March Quarter. This comprised 24,766oz from the Coolgardie operations and 23,456oz from the Laverton operations (on a 100% basis, with 19,133oz attributable to Focus). Group C1 cash operating costs were \$1,195/oz.

FY 2012 Group gold production was 176,632oz, up 140% on FY 2011 (72,830oz) at a Group C1 cash cost of \$1,222/oz.

Average processing head grade improved on the March Quarter by 8% to 2.11g/t with average mined grades improving 12% to 2.31g/t.

Group Results	Sep-11	Dec-11	Mar-12	Jun-12	FY12 YTD
Mining					
Ore Mined (tonnes)	463,561	676,998	879,814	778,495	2,798,868
Grade (g/t)	2.72	2.74	2.06	2.31	2.41
Gold In Ore (oz)	40,605	59,692	58,211	57,936	216,444
Processing					
Ore Processed (tonnes)	795,608	709,888	834,527	751,186	3,091,209
Head Grade (g/t)	1.75	1.67	1.95	2.11	1.78
Gold Produced (oz)	43,823	37,098	47,489	48,222	176,632
Attributable Gold Produced (oz)*	35,647	34,211	42,764	43,899	156,521
Sales					
Average price received	\$1,626	\$1,675	\$1,609	\$1,593	\$1,663
Total Revenue (\$ '000s)	\$70,543	\$59,585	\$76,181	\$77,292	\$283,601
Attributable Revenue (\$ '000s)	\$34,185	\$56,317	\$71,020	\$70,415	\$231,937
C1 Cash operating costs (A\$/oz)**	\$1,228	\$1,163	\$1,125	\$1,195	\$1,222

*Attributable production based on the Focus shareholding interest in Laverton Operations for the period applied to Laverton's quarterly production statistics. ** Moving forward, and in line with the market, Focus will report C1 Cash Operating costs which are ex-royalties.



Cash Operating Cost Savings

As part of the integration process of the Laverton operations into the Focus Group, management recently launched an internal Value Enhancement Program aimed at identifying sustainable cost savings across the group. During the Quarter this saw a number of new initiatives which are expected to positively impact cash operating costs in the September and December Quarters. These included:

- Consolidation of group assaying
- Negotiation of a new three year power contract in Coolgardie
- The reduction of the contract digging fleet in Laverton following the successful completion of waste development at the new Apollo complex.

OPERATIONS REVIEW

LAVERTON OPERATIONS

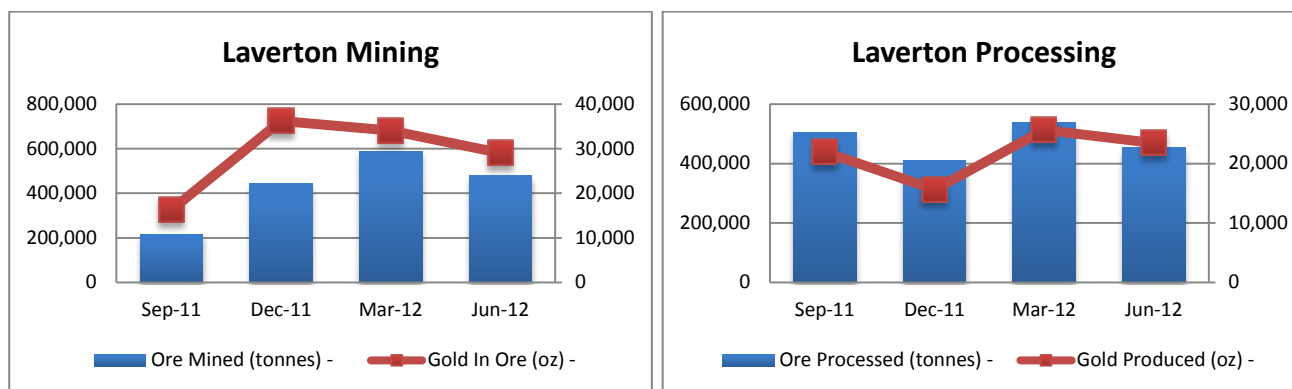
Focus Group's Laverton Gold Operations delivered a solid Quarter producing 23,456oz from 41 processing days at a C1 cash operating cost of \$1,203/oz. This takes gold production in Laverton to 49,902oz for the first six months of calendar 2012 at an average C1 cash cost of \$1,096/oz

The strong production rate was the result of higher feed grade (up 5% to 1.89g/t) and an improved recovery brought about by the installation of an oxygen feed system in the process.

Laverton Results	Sep-11	Dec-11	Mar-12	Jun-12	FY12 YTD
Mining					
Ore Mined (tonnes)	214,080	445,120	589,216	477,238	1,725,654
Grade (g/t)	2.37	2.53	1.8	1.89	2.08
Gold In Ore (oz)	16,286	36,229	34,082	29,020	115,617
Processing					
Ore Processed (tonnes)	504,288	411,012	537,693	455,237	1,908,230
Head Grade (g/t)	1.5	1.2	1.71	1.76	1.41
Gold Produced (oz)	21,915	15,666	25,636	23,456	86,673
Attributable Gold Produced (oz)*	13,739	12,779	20,911	19,133	66,562
C1 Cash Costs (A\$/oz)	\$1,554	\$1,333	\$1,034**	\$1,203	\$1,261

*Attributable production based on the Focus shareholding interest in Laverton Operations for the period applied to Laverton's quarterly production statistics.

** March Quarter cash operating cost number has reduced from that previously reported following a review of the development costs associated with the Apollo complex and the associated life of pit calculations and stripping ratios. This has seen some previously reported cash operating cost components transferred to capital development costs for that Quarter.



A total of 477,238t @ 1.89g/t for 29,020oz was mined during the Quarter from the Apollo (Figure 1), Fish and Lord Byron pits.

455,237t @ 1.76g/t was treated at the BGS mill. At the end of the Quarter a total of 400,478t was stockpiled comprising 220,000t @ 1.63g/t at the BGS ROM pad and a further 180,478t @ 1.08g/t at various pads throughout the operations.

For the September Quarter mining is targeted to be at circa 150,000tpm, whilst managing stockpiles to deliver gold production in line with the June Quarter. Campaign 12 at BGS is a 44 day campaign and commenced 9 July.

Cash Operating Cost Savings

A host of operational improvement initiatives were completed during the Quarter which are expected to reduce overall costs next Quarter. These were driven by Focus completing waste movement at the new Apollo complex and focusing on milling improvements during the campaign.

With the completion of waste movement at Apollo, Focus was able to reduce the contracting fleet from four diggers to two with the Apollo operations now able to sustain current ore production from just two diggers.

The move to two diggers enabled the business to reduce the number of contractors on site which has significantly reduced the cost of flights and camp charges. Mine productivity lifted in June/July from 400 BCM/hr to 600 BCM/hr with associated reductions in mining costs from \$9.00 BCM to \$7.00 BCM including drill and blast cost reductions of \$1.83 to \$1.23 BCM. The unit cost of mining for the month of June fell by 26% from the March Quarter.

On the milling front, technical expertise sharing from the Three Mile Hill processing team saw milling recoveries increase in Laverton by 4% during the April campaign.

Safety

Laverton Operations experienced no lost time injuries.

Figure 1: The southern end of the Apollo D pit shown above and in panoramic photo.



COOLGARDIE OPERATIONS

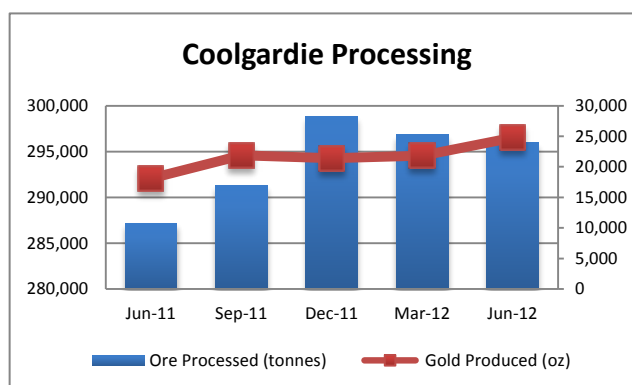
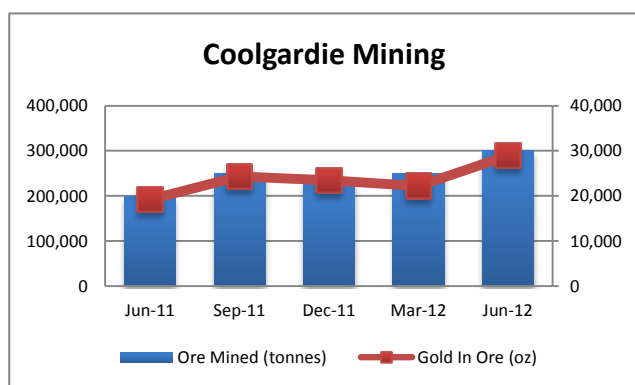
Focus' Coolgardie Operations, delivered one of its best Quarter's on record producing 24,766oz of gold, a 13% increase in production on the March Quarter. C1 Cash operating costs for Coolgardie were \$1,189/oz, a 3% reduction on the preceding Quarter.

Strong production at the Tindals underground, along with continued growth at the Tindals Open Pits and solid stopping production at The Mount underground resulted in the Coolgardie operations mining a total of 301,257t @ 2.99g/t containing 28,916oz of gold, a 30% increase in gold mined on the preceding Quarter.

The Three Mile Hill mill continued to process at a stable rate of 145t/hour, milling 295,949t @ 2.75g/t for 24,766oz of gold. Production at Coolgardie for the September Quarter is expected to be in line with the March Quarter.

Notably, on 3 July Three Mile Hill produced its 1,000th gold bar under Focus' management (Figure 2).

Coolgardie Results	Sep-11	Dec-11	Mar-12	Jun-12	FY12 YTD
Mining					
Ore Mined (tonnes)	249,481	231,878	249,066	301,257	1,031,682
Grade (g/t)	3.03	3.15	2.77	2.99	2.98
Gold In Ore (oz)	24,319	23,463	22,181	28,916	98,879
Processing					
Ore Processed (tonnes)	291,320	298,876	296,834	295,949	1,182,979
Head Grade (g/t)	2.45	2.34	2.41	2.75	2.49
Contained Gold (oz)	22,947	22,456	22,999	26,166	94,568
Recovery %	95.3	95.4	95.0	94.6	95.1
Gold Produced (oz)	21,908	21,432	21,853	24,766	89,959
C1 Cash Costs (A\$/oz)	\$902	\$1,039	\$1,231	\$1,189	\$1,194



Cash Operating Cost Savings

Similar to the Laverton operations, the Coolgardie management team continue to work on a range of operating initiatives that will deliver sustainable savings at an operating level moving forward. During the June Quarter this has included the negotiation of a new three year power contract and load shedding arrangement which will deliver circa \$1M per annum in savings. An ongoing focus on reagent consumption at Three Mile Hill has also seen strong savings that are positively impacting on the milling costs, with the June Quarter mill cost running at \$21/tonne.

Coolgardie Production Centres Summary

Mining Area		Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	FYTD
Tindals Open Pit							
Ore Mined	tonnes	17,000	68,137	56,187	110,172	132,552	367,048
Grade	g/t	1.67	1.81	2.21	2.03	2.00	2.00
Gold In Ore	ounces	910	3,968	3,996	7,181	8,515	23,660
Tindals Underground							
Ore Mined	tonnes	160,056	147,589	132,382	103,930	131,871	515,772
Grade	g/t	3.17	3.3	3.37	3.28	3.47	3.36
Gold In Ore	ounces	16,315	15,662	14,354	10,962	14,708	55,686
The Mount							
Ore Mined	tonnes	21,469	33,755	42,952	34,964	38,722	150,393
Grade	g/t	2.81	4.32	4.38	3.59	4.76	4.28
Gold In Ore	ounces	1,940	4,689	6,047	4,038	5,928	20,702

Tindals Underground

The Tindals Mining Centre Underground operations mined a total of 131,871 tonnes @ 3.47g/t containing 14,708oz of gold. With all current development at the underground now completed, stoping will continue through the coming two quarters from the Countess and Perseverance orebodies. After stoping is concluded the operation will be handed back to Focus' exploration and technical groups in order to determine the next phase of development for Tindals underground. Ore supply to the Three Mill Hill plant from the underground operations will be replaced by ore from the new Greenfields pit which will commence mining operations in the September Quarter.

Tindals Open Pits

Production from the open pits has remained consistently strong with 132,552t @ 2.00 g/t mined during the Quarter containing 8,515oz of gold compared with the budgeted production rate of 90,000 tonnes. The increase in production was as a result of the Dreadnought pit (Figure 3) where the main Dreadnought shear zone was exposed adding significantly to the ore inventory and further development in the eastern pit uncovered a new section of the ore zone. At Empress, the final cut was taken on 29 May bringing to an end its current phase of production. Since commencing development in April 2011, Empress has produced 191,000t @ 2.12g/t for 13,015oz of gold, delivering 16% above its Ore Reserve. In addition to Dreadnought, production at the Open Pits will be sourced during the Quarter from Big Blow and a new pit, Alicia, will be started.

The Mount

The Mount produced 38,722t @ 4.76g/t for 5,928oz for the June Quarter with a 70:30 split of stope ore to development ore. Development for the Quarter was focused on advancing five ore drives in preparation for stoping, and also commencing the 258 level access. Stopping was undertaken in three lode areas, with the three further lodes expected to commence stoping in the September Quarter. Mined grades improved 33% over the previous Quarter as a result of the resue mining method implemented through the March Quarter and the increased proportion of stoping tonnes.

Safety

Coolgardie Operations experienced two lost time injuries, none were serious. A serious potential incident occurred at the Coolgardie Three Mile Hill Mill with minor injuries involving a fall. As a consequence management implemented a safety intervention, shutting down the Three Mile Hill operation at the start of a morning shift for a 24 hour period to focus on bringing safety to be front and centre for our operations. This stand down day is to be repeated throughout the company's sites.

Figure 2: FML's 1,000th gold bar produced from Three Mile Hill.



Figure 3: Development work at the Tindals Open Pits Dreadnought operation. Inset visible gold currently being mined at Dreadnought



EXPLORATION & RESOURCE DEVELOPMENT

Laverton

Resource development drilling focused on Burtville, West Laverton and the Euro Main deposits with 11,736m of RC drilling completed during the Quarter.

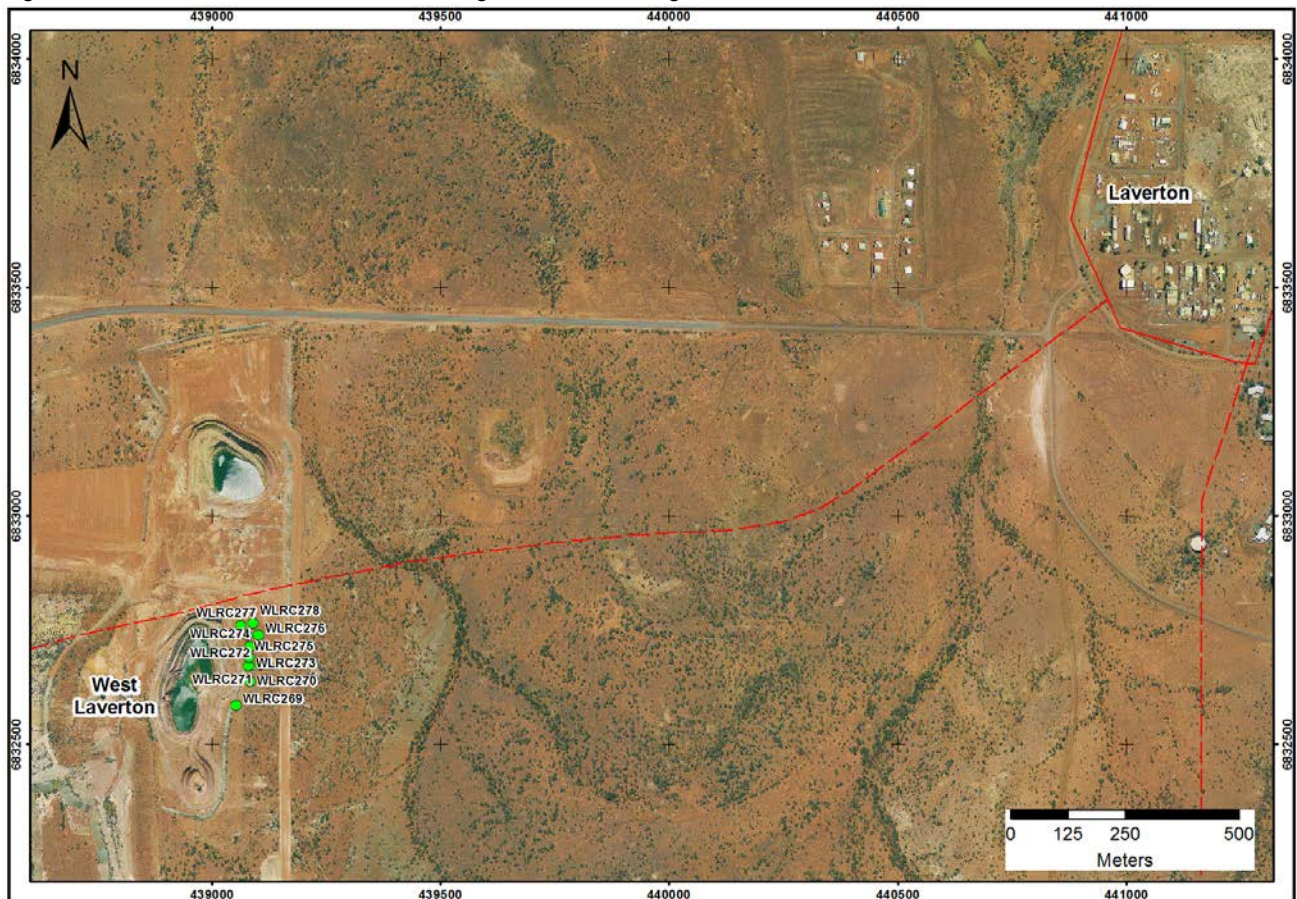
West Laverton

Drilling at West Laverton was designed to extend and infill a gap at depth between two identified high grade zones. Best intersections at West Laverton included: 1.0m @ 11.3g/t, 12.0m @ 2.2g/t, and 4.0m @ 4.4g/t (Table 1 and Figure 4). The drilling confirmed the continuation of the ore zone down dip.

Euro

Drilling at Euro Main was designed to test below historical underground prospector workings and to test along strike and down-dip of the known workings. At the end of the period, assays were still pending.

Figure 4: Plan view of West Laverton showing location of drilling.



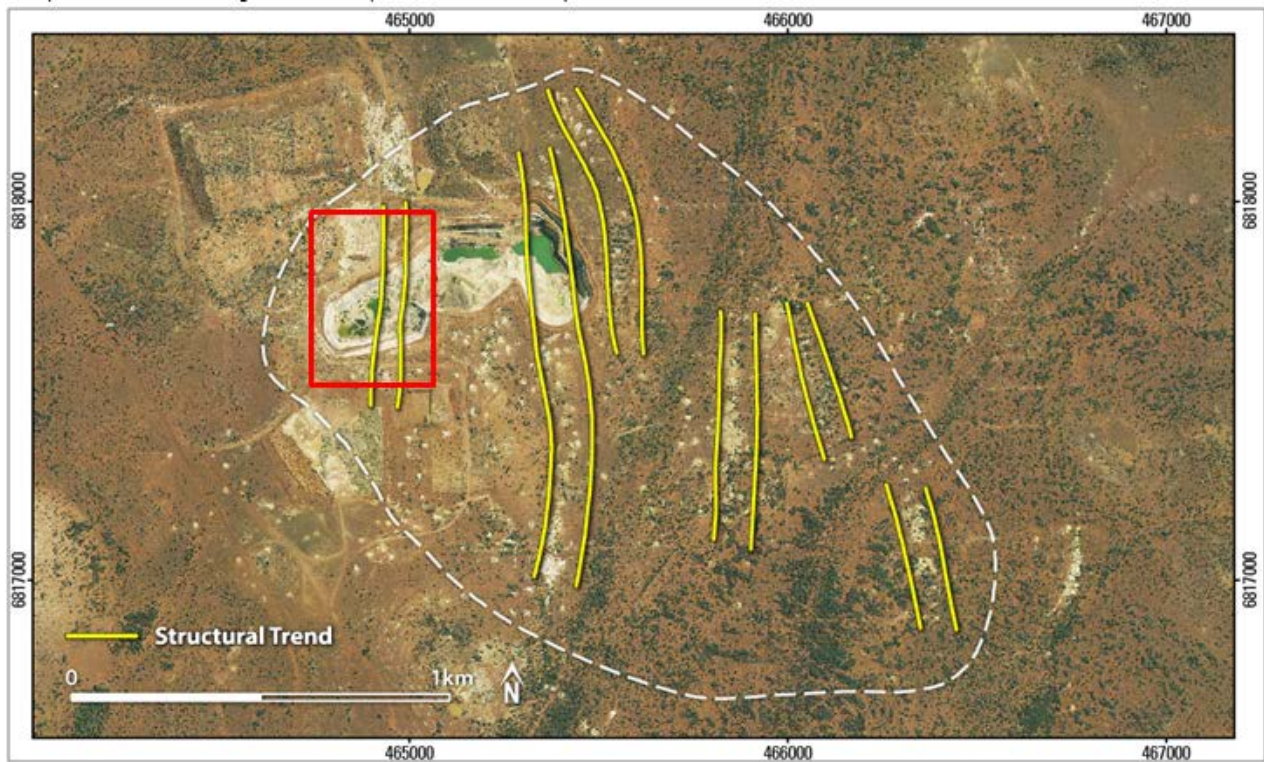
Burtville

The drilling at Burtville (see ASX announcement dated 31 July 2012) was designed to extend the known mineralisation to a vertical depth of 110m below natural surface (70m below base of historical open pit). High-grade results have confirmed depth extensions to the existing pit floor and expansion beyond the current pit shape. Drill results include:

- 6m @ 17.3g/t from 33m;
- 5m @ 19.3g/t from 90m;
- 4m @ 57.4g/t from 90m
- 1m @ 139.4g/t from 22m;
- 5m @ 16.0g/t from 22m
- 5m @ 21.5g/t from 85m;
- 1m @ 169.5g/t from 55m;
- 2m @ 84.2g/t from 72m;
- 8m @ 9.5g/t from 12m; and
- 12m @ 9.9g/t from 23m

Numerous historic shafts in the area indicate a substantial gold system across a 2km x 1km footprint (Figure 5). Technical work was underway by the end of the Quarter on updating the Burtville interpretation and resource model.

Figure 5: Plan view of the Burtville area, highlighting the focus of the current drilling (in red box). Numerous historical shafts and spoil heaps are evident. Interpreted structural trends are indicated (in yellow), along with the outline of the interpreted area of the granodiorite (white dashed lines).



Tindals Mining Centre

Surface exploration during the Quarter saw 5,554m of RC drilling completed across a number of surface targets at the Tindals Mining Centre, including Dreadnought, Melanie Anne, New Australasian, Adelaide Friendship and Golden Bar.

Dreadnought

The objective of the short Dreadnought resource development drill programme was to drill a few deeper holes below the current level of mining in the pit to determine whether the pit can be significantly expanded. Four holes were drilled just prior to the end of the Quarter. The mineralisation is hosted mainly on the contacts of folded and faulted diorites. The first 4 holes (Table 2 & Figure 6) have confirmed the presence of significant mineralisation beneath the western area of the current pit. Further drilling is being planned to expand the programme across the whole deposit.

Melanie Anne

The shallow drilling programme that commenced in the March Quarter was completed at Melanie Anne early into this Quarter. Melanie Anne sits within the Lindsays Dolerite package along strike from the historic Boundary open pit, which produced 5,000oz @ 3.5g/t in the 1990's. This first pass drilling produced encouraging intersections including 5m @ 5.1g/t and 4m @ 3.9g/t (Table 2 & Figure 6).

New Australasia

Drilling was conducted at New Australasia to test the potential below a small shallow narrow pit that had been mined historically. The mineralisation is hosted along a fault within a basaltic package of rocks. A programme of shallow drilling was conducted across the shallow narrow pit with intersections including 9m @ 19.2g/t and 3m @ 4.6g/t received (Table 2 and Figure 6).

Adelaide Friendship

A short shallow drill programme was conducted at Adelaide Friendship during the Quarter after a re-interpretation of the mineralisation in the area. The programme was conducted to test the new interpretation and produced a number of intersections including 18m @ 2.8g/t and 8m @ 2.8g/t (Table 2 and Figure 6).

Golden Bar

The Golden Bar area is an exploration target within the Tindals Mining Centre that lies on the Bayleys trend, approximately 3km along strike to the south-east from the historic Bayleys Mine along the mafic/ultramafic contact. Historical mining underground at Bayleys produced 558,000t @ 16.1g/t for approximately 289,000oz of gold and the trend has several historic holes with good intersections with the best being HVC008 (21m @ 39g/t).

A shallow reconnaissance twenty hole drill programme was conducted across the area to ascertain the potential of the area to host mineralisation. The drilling has confirmed the presence of high grade mineralisation with intercepts including 2m @ 40.7g/t (Table 2 and Figure 6). The results are currently being assessed with a follow up drill programme to be designed in order to pursue this along strike and down dip.

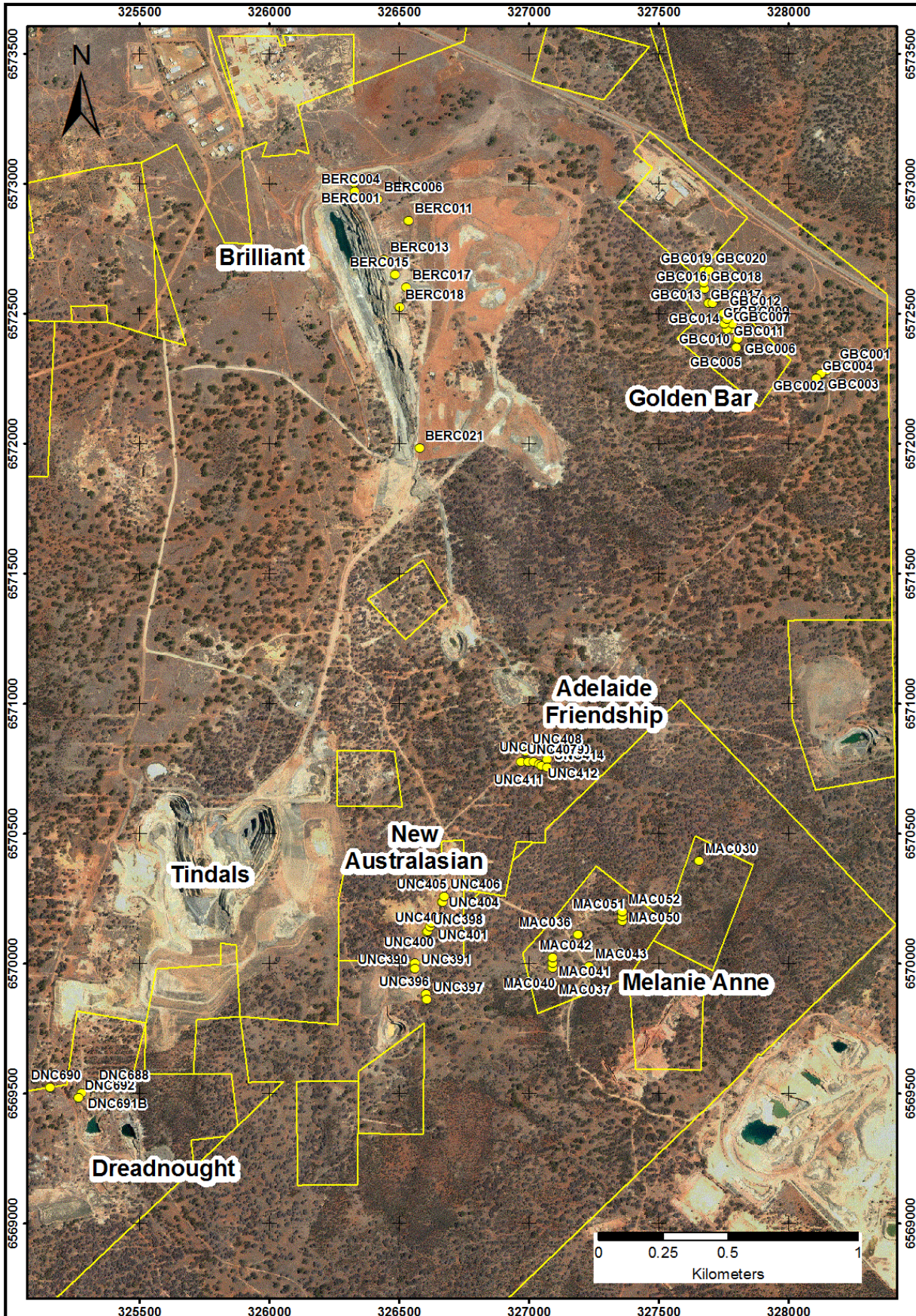
Underground

A total of 6,059m of drilling was completed at the Tindals underground at Cyanide and Bird in Hand areas. Results from Bird in Hand, which is accessed from the Cyanide decline, returned further encouraging grades, with drilling at Cyanide also showing potential between the 202mRL level and the 245mRL level. Best results (Table 3) included 2.6m @ 9.4g/t and 3.8m @ 5.3g/t at Bird in Hand and 2.2m @ 19.9g/t and 7.0m @ 9.8g/t at Cyanide.

The Mount

2,100m of diamond drilling was completed during the Quarter in and around existing workings to test for strike and depth extensions of the known mineralised zones. Encouraging results were received include 1.4m @ 21.3g/t, 2m @ 19.7g/t and 0.3m @ 129.3g/t (Table 4) highlighting the continuity of mineralisation across multiple working areas, enabling the business to plan future narrow stoping developments.

Figure 6: Plan view of Tindals Mining Centre showing location of drill holes at Dreadnought, Melanie Anne, New Australasian, Adelaide Friendship, Golden Bar and Brilliant.



REGIONAL EXPLORATION

During the Quarter the exploration group commenced a detailed targeting and ranking exercise across the company's entire tenement package. Target areas that were outside of inferred mineral resource were considered during this target identification and ranking process. All targets were ranked against an extensive set of favourable factors that were generated by the exploration management team. These factors were considered instrumental to the formation of gold deposits within the Eastern Goldfields and critical in the identification of mineral systems worthy of exploration follow up.

The aim of the targeting and ranking exercise is to direct exploration funding to the best possible areas within the company's tenement portfolio. Whilst conducting this review drilling has been put on hold and will be phased back in to the highest ranked targets in this current half of 2012.

Greater Coolgardie

During the June Quarter, the Greater Coolgardie exploration drilling programme has focussed on a series of targets that run along a key historic production corridor in the Coolgardie northern tenement package. An RC drilling program of 4,712m was conducted in the region including Bayleys North, Jolly Briton, Patricia Jean and Brilliant.

Results from the Bayleys North (Figure 7) and Jolly Briton/Patricia Jean programs (Figure 8) delivered a series of high-grade intercepts (See ASX releases 7 June 2012 and 27 June 2012) including:

Patricia Jean / Jolly Briton

- 10m at 21.0g/t Au from 51m
- 4m at 10.5g/t Au from 113m
- 4m at 6.7g/t Au from 118m

Bayleys North

- 6.0m @ 3.8g/t
- 8.0m @ 10.2g/t
- 21m @ 1.3g/t

Additionally, encouraging results were received at the Brilliant deposit is located 4km from the Three Mile Hill mill, within the Tindals Mining Centre. An RC program of 11 holes was drilled to test an eastern zone for a potential extension of the pit cut back. Significant assay results received from the programme include 9m @ 11.0g/t and 3m @ 5.6g/t (Table 5 and Figure 6).

Figure 7: Bayleys area (see ASX release 7 June 2012)

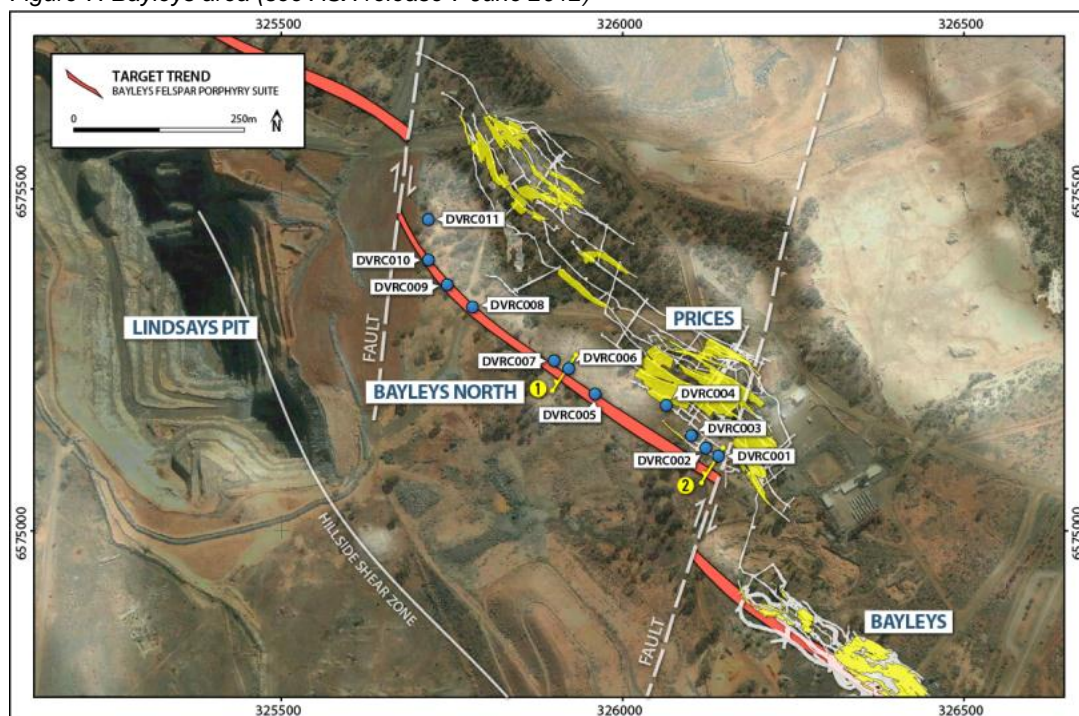
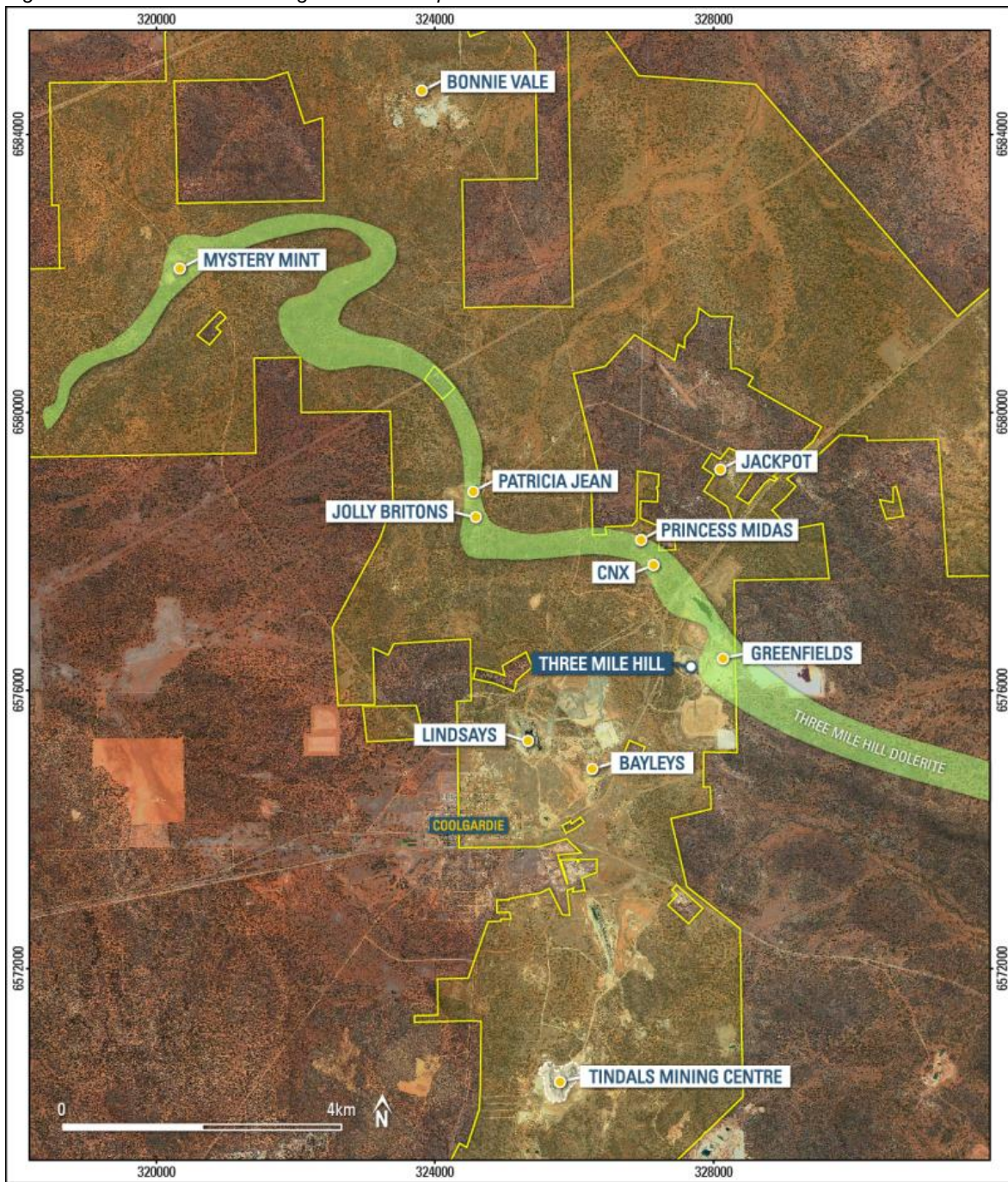


Figure 8: Northern Greater Coolgardie location plan.

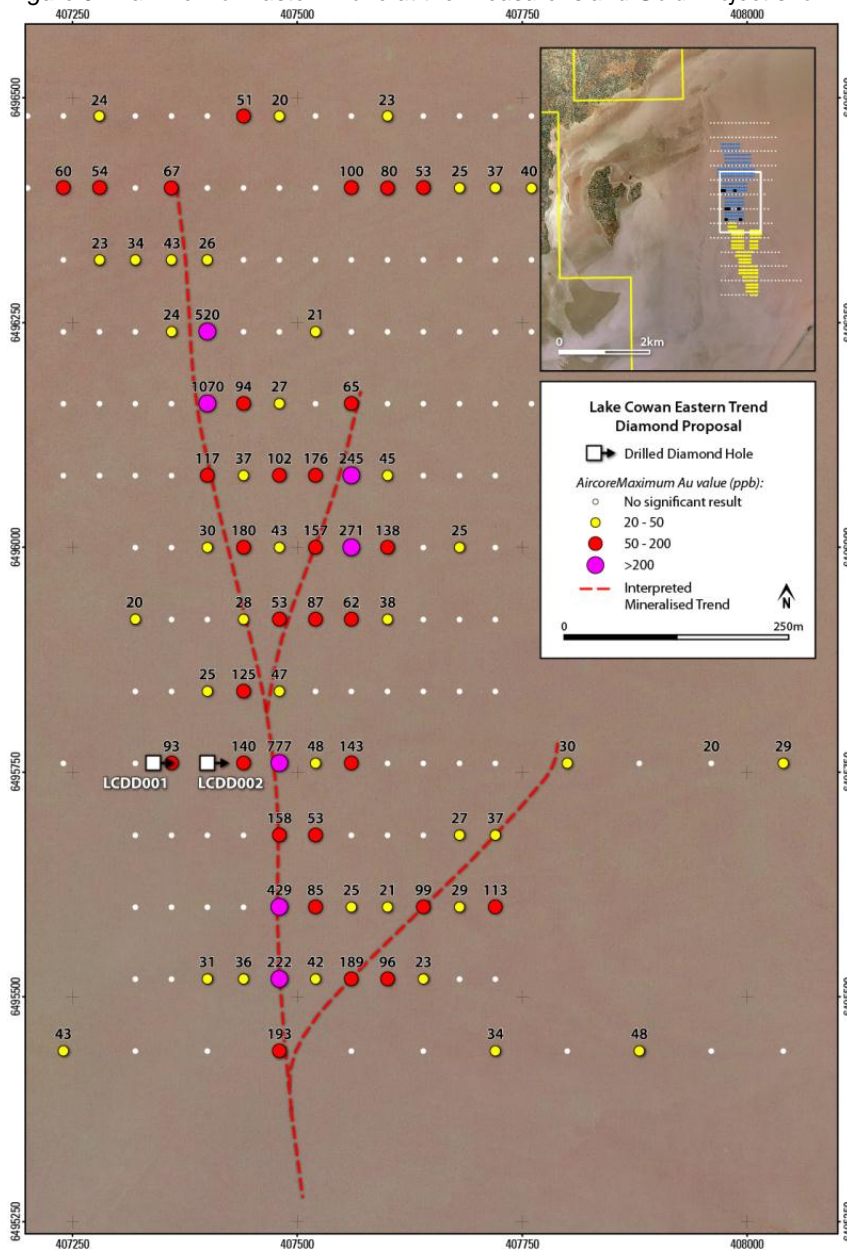


Treasure Island Gold Project

Two diamond holes, for a total of 561m, were drilled at the end of the Quarter across the eastern zone (Figure 9) package in order to gain an understanding of the stratigraphy and structure in the bed rock. The eastern zone is the priority target at the Treasure Island Gold Project based on the high resolution aeromagnetics and the recent broad spaced reconnaissance aircore drilling which has highlighted a 4,000m long low level supergene anomaly in oxidised Archaean rocks, 20-40m below the surface of Lake Cowan.

The two drill holes (Table 6) passed through sediments, high-Mg basalt, thin flow ultramafics and finally into footwall basalt. Some minor zones of quartz veining with alteration were noted. The strongest of these was adjacent to the sediment - high-Mg basalt contact (107-130m). This zone contains several quartz veins up to 1m thick, with minor sulphides including pyrite, pyrrhotite and galena. The zone is strongly sheared with abundant biotite and chlorite alteration. A significant result included 0.45m @ 2.1g/t at the sediment – basalt contact.

Figure 9: Plan view of Eastern Zone at the Treasure Island Gold Project showing location of the diamond drill holes.



It is fairly clear from the results and observations made from the second hole that the quartz veining and alteration intersected so far is not the source of the substantial anomalism in the earlier aircore drilling. It must be noted that all of the high-grade mineralisation intersected so far on Treasure Island is east dipping. The majority of the known deposits at St Ives to the north are also east dipping.

The first two diamond holes were primarily drilled to gain a good understanding of the geology of the eastern zone. Subsequent follow-up drilling will be drilled to the west targeting east dipping structures.

Laverton

Regional exploration in Laverton during the Quarter focused on greenfield style exploration methodologies of soil geochemical sampling and ground gravity geophysical surveys.

During the period, 3,883 geochemical samples were collected from 27 tenements. Assay results from this work are pending. In conjunction with the geochemical exploration, detailed ground gravity surveys were completed within 40 tenements. The raw data from 6,436 stations has been received and processing of the data is ongoing. This information will be utilised to assist with the planning and targeting of future drill programs.

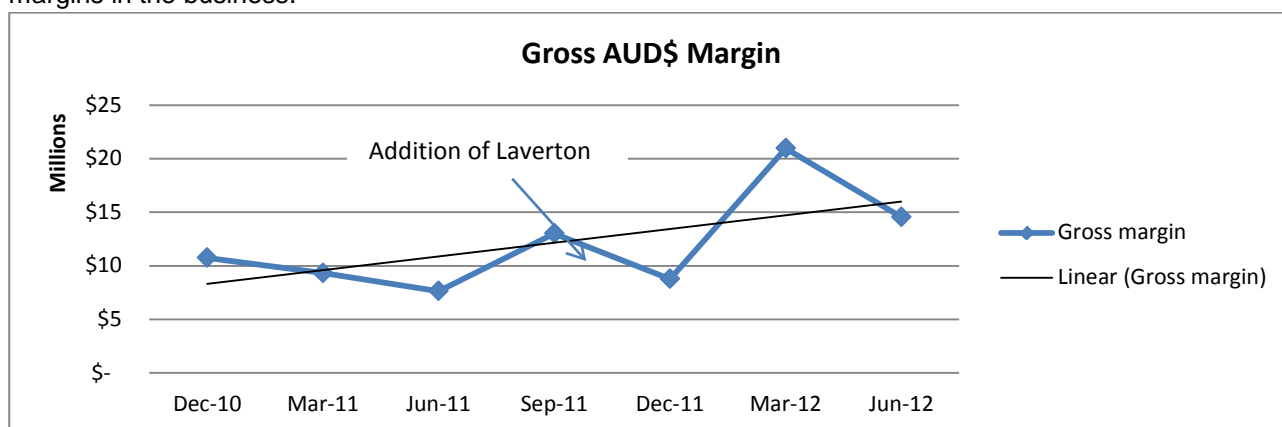
CORPORATE

Revenue

Focus Group sold 48,514oz of gold at an average price of A\$1,593/oz, to generate revenue of A\$77.3M for the Quarter.

During the Quarter, 8,000oz in forward sales were made at an average price of \$1618/oz. At 30 June, 4,000oz of hedges remain unsettled for delivery in July at an average price of \$1,613/oz; and 2,000oz at an average price of \$1,575/oz for August.

It is important to note that Focus is now delivering increasing gross margins as a result of achieving production scale over the past two Quarters. Processing costs at Coolgardie continue a positive downward trend reducing from \$30/t in the September 2011 Quarter to \$24/t in the June 2012 Quarter. Processing costs at Laverton have remained stable at \$25/t over the past two quarters. Both operations are expected to be positively impacted in the September Quarter by the ongoing work through Focus' Value Enhancement Program to improve operational efficiencies and reduce costs in the business, thereby increasing gross margins in the business.



* Gross Margin – (Gold Price – Cash Operating Costs) x Gold Production - achieved by FML through scale of production.

Gold royalties paid for the Quarter totalled \$3.0M which equates to \$43/oz for Coolgardie and \$82/oz for Laverton.

Expenditure

Focus Group mine development and exploration expenditure for the Quarter totalled \$26.1M. This comprised \$21.7M of mine capital development (of which \$15M was for waste movement at Apollo) and \$4.4M of exploration expenditure.

Cash

At 30 June 2012, the Focus Group held cash and bullion comprising:

Cash at Bank	\$2.8M
Bullion on Hand	\$3.5M
Cash held on bond	\$13.2M
Total Cash and Equivalents	\$19.5M

The working capital facility of \$10M was been drawn to \$8M as at the end of the Quarter with funds largely directed to development costs in moving waste at Apollo.

Crescent Gold takeover

Crescent Gold Ltd was removed from the official list of ASX on Monday, 21 May 2012. Subsequent to the end of the Quarter, shareholders voted to change the Crescent Gold Limited company name to Focus Minerals (Laverton) Ltd.

ENDS

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 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 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.

Note for Drill Results Tables below: All diamond drill holes are sampled to geological intervals. All RC drill holes are sampled to 1m intervals. Assay method is by a 40 gram fire assay at Amdel, ALS or KalAssay in Kalgoorlie, or by a 50 gram fire assay at Aurum in Perth, or by a 400 gram pulverise and leach (PAL) assay at Focus's onsite assay laboratory. All mineralised intersections are quoted as down-hole lengths with uncut gold values. For the underground drilling at Bird in Hand and the Mount the intersections are approximately equal to the true thickness, while at Cyanide the intersections are approximately 75% of the true thickness. For the Dreadnought, Melanie Anne, New Australasian, Adelaide Friendship, Golden Bar and Brilliant the intersections are approximately 70% of true thickness, while at West Laverton the intersections are approximately equal to the true thickness. All gold grades for RC and diamond drilling are reported with a nominal cut-off grade of 1g/t Au. NSR = "no significant result" (above 1g/t for RC and diamond).

Table 1: Intersections from RC drilling at West Laverton

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
WLRC269	6832585	439053	456	270	-60	145.00	111	113	2	1.45
							122	123	1	1.60
							133	134	1	2.59
							142	143	1	4.35
WLRC270	6832638	439084	456	270	-60	137	97	98	1	2.01
							127	133	6	1.73
WLRC271	6832676	439105	456	270	-60	155	93	94	1	1.71
							97	103	6	1.52
							129	130	1	1.54
WLRC272	6832672	439080	455	270	-60	140	66	67	1	1.66
							88	92	4	1.55
							113	114	1	1.19
							125	126	1	1.21
WLRC273	6832690	439082	456	270	-59	140	82	83	1	1.42
							85	86	1	1.92
							103	104	1	1.52
WLRC274	6832715	439083	455	270	-59	145	74	75	1	3.15
							82	83	1	11.27
WLRC275	6832740	439077	455	270	-60	140	72	84	12	2.17
WLRC276	6832740	439102	455	270	-59	150	82	83	1	1.16
WLRC277	6832760	439063	455	270	-60	108	64	68	4	4.39
WLRC278	6832765	439090	455	270	-60	145	69	70	1	1.20
							95	96	1	1.25

Table 2: Intercepts from RC drilling at the Tindals Mining Centre from Dreadnought (DNC), Melanie Anne (MAC), New Australasian and Adelaide Friendship (UNC), and Golden Bar (GBC)

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
DNC688	6569522	325321	395	89	-50	194	70	86	16	1.26
							89	94	5	2.92
							97	117	20	2.28
							130	137	7	3.22
DNC690	6569520	325158	417	90	-58	209	63	77	14	2.03
							80	89	9	4.16
							98	101	3	2.02
DNC691B	6569499	325278	395	90	-53	192	0	6	6	1.06
							47	54	7	7.91
							87	93	6	1.89
							129	133	4	1.32
DNC692	6569481	325268	395	86	-54	188	59	64	5	2.25
GBC001	6572294	328174	398	181	-51	48	28	29	1	11.04
GBC002	6572280	328149	399	179	-60	48	31	33	2	40.67
GBC003	6572268	328128	399	174	-60	48	32	34	2	2.17
GBC004	6572250	328108	400	179	-60	48	NSR			
GBC005	6572370	327800	405	84	-60	46	NSR			
GBC006	652403	327806	403	268	-60	48	NSR			
GBC007	6572440	327785	403	266	-60	48	16	17	1	1.39
GBC008	6572440	327765	404	270	-60	48	NSR			
GBC009	6572460	327785	403	270	-52	48	NSR			
GBC010	6572460	327755	404	271	-60	48	NSR			
GBC011	6572480	327765	403	270	-59	48	NSR			
GBC012	6572500	327750	403	264	-60	48	21	22	1	1.26
GBC013	6572539	327692	404	90	-60	48	24	25	1	1.32
							30	31	1	1.49
GBC014	6572539	327710	403	85	-60	48	NSR			
GBC015	6572560	327727	402	266	-60	48	NSR			
GBC016	6572593	327677	405	85	-60	48	1	4	3	1.63
							42	43	1	1.46
GBC017	6572620	327675	404	86	-60	48	43	44	1	1.56
GBC018	6572640	327678	404	87	-60	48	33	34	1	1.61
GBC019	6572663	327676	403	87	-60	48	33	34	1	2.40
GBC020	6572663	327696	402	86	-60	48	NSR			
MAC030	6570394	327656	451	339	-51	48	35	36	1	1.34
MAC036	6570111	327190	442	357	-50	48	33	34	1	1.11
MAC037	6569921	327092	451	359	-59	48	12	17	5	1.63
							incl. 12	14	2	3.05
							19	22	3	1.10
MAC040	6569980	327092	450	356	-60	48	23	24	1	1.32
MAC041	6569999	327092	450	355	-60	48	34	39	5	2.87
							43	48	5	5.08
MAC042	6570020	327092	452	346	-60	48	12	14	2	2.14
MAC043	6569989	327232	445	173	-61	48	5	6	1	1.12
MAC050	6570160	327360	445	359	-60	48	31	35	4	1.00
MAC051	6570179	327360	447	0	-60	48	36	47	11	1.95
							incl. 42	46	4	3.92
MAC052	6570199	327360	448	1	-60	48	21	23	2	2.41
UNC390	6570000	326562	449	85	-51	54	26	27	1	5.62
							32	34	2	1.75
							40	44	4	2.07
UNC391	6569978	326564	448	83	-52	54	49	51	2	1.31

UNC396	6569880	326604	448	266	-51	54	3	5	2	2.32
							25	27	2	1.51
							40	41	1	3.09
							49	51	2	1.13
UNC397	6569860	326609	449	270	-55	54	0	3	3	3.94
UNC398	6570120	326609	441	81	-84	36	6	8	2	1.16
							22	23	1	2.36
UNC399	6570120	326611	441	92	-79	36	15	18	3	4.60
UNC400	6570141	326621	443	0	-90	36	2	11	9	2.02
							27	33	6	1.54
UNC401	6570156	326626	444	91	-84	36	10	12	2	1.88
UNC403	6570236	326666	435	0	0	36	14	16	2	2.19
UNC404	6570235	326669	435	0	0	36	15	16	1	2.34
			435	0	0		27	36	9	19.22
UNC405	6570255	326676	435	0	0	36	9	11	2	1.49
			435	0	0		31	36	5	1.11
UNC406	6570255	326676	435	90	-70	36	2	4	2	1.23
UNC407	6570775	326970	425	170	-61	44	13	14	1	1.63
UNC408	6570815	326990	423	178	-50	48	42	47	5	2.15
UNC409	6570775	326997	424	181	-61	48	28	36	8	2.80
UNC410	6570775	327020	424	177	-61	48	6	10	4	1.05
							13	15	2	2.15
UNC411	6570765	327040	424	178	-60	48	18	24	6	1.54
UNC412	6570760	327050	424	175	-60	48	14	18	4	1.72
UNC413	6570782	327073	424	175	-51	48	21	39	18	2.76
UNC414	6570752	327073	425	178	-50	48	20	21	1	2.04

Table 3: Intercepts from underground diamond drilling at the Tindals Mining Centre from Bird in Hand (BID & PED) and Cyanide (CYD)

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
BID039	6570549	325853	196	274	-23	110.53	86.00	91.00	5.00	2.79
BID051	6570571	325854	199	273	-28	106.85	35.39	38.00	2.61	9.42
BID053	6570550	325853	196	275	-45	144.00	102.63	105.60	2.97	3.22
BID054	6570550	325853	195	272	-57	181.50	135.52	139.30	3.78	5.29
CYD043	6570563	325931	225	141	14	72.69	43.82	47.65	3.83	6.56
							52.62	55.60	2.98	9.76
CYD044	6570563	325931	225	152	11	94.53	54.69	56.85	2.16	19.93
							75.09	78.57	3.48	3.87
CYD048	6570528	325982	214	244	14	74.40	66.65	68.15	1.50	6.34
CYD055	6570528	325981	214	277	1	38.22	23.05	24.73	1.68	6.81
CYD057	6570528	325982	213	241	-40	128.60	24.33	25.07	0.74	16.50
							29.98	35.25	5.27	2.91
							39.00	41.86	2.86	12.33
CYD058	6570528	325982	214	211	9	83.90	34.92	44.96	10.04	7.07
							48.53	54.78	6.25	7.33
CYD059	6570528	325982	213	212	-27	101.10	44.43	50.73	6.30	6.94
							52.53	56.00	3.47	9.80
							57.93	64.94	7.01	9.53
							90.02	97.12	7.10	3.40
PED133	6570528	325853	195	-54	294	587.98	95.72	101.00	5.28	3.22

Table 4: Intersections from underground diamond drilling at the Mount

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
TMD064	6510743	364244	273	38	33	140.60	52.34	52.72	0.38	18.06
							54.70	56.55	1.85	4.95
							86.79	87.48	0.69	10.70
							116.82	117.14	0.32	41.98
TMD065	6510741	364247	273	53	32	156.44	56.20	57.58	1.38	21.28
							155.34	155.64	0.30	5.65
TMD067	6510741	364247	271	53	-7	113.70	22.38	22.68	0.30	4.26
							55.00	55.30	0.30	3.52
TMD075	6510771	364203	271	59	4	152.30	111.60	112.00	0.40	9.10
TMD077	6510771	364203	270	60	-22	190.06	21.60	22.06	0.46	3.51
							44.80	45.19	0.39	18.04
							63.40	64.40	1.00	3.50
							86.80	87.80	1.00	6.75
TMD080	6511024	364216	318	17	14	114.62	127.70	128.70	1.00	16.45
							98.45	99.05	0.60	4.55
TMD085	6511030	364207	318	3	12	136.15	112.52	113.72	1.20	6.83
TMD090	6510789	364263	333	20	-16	92.00	129.30	131.30	2.00	19.74
							55.28	55.58	0.30	6.23
TMD091	6510789	364263	333	41	-16	95.18	56.70	57.00	0.30	30.41
							19.37	19.67	0.30	9.14
							52.24	53.24	1.00	5.66
							78.48	79.05	0.57	4.59
TMD092	6510789	364264	333	54	-13	98.34	84.50	84.80	0.30	7.65
							28.27	29.27	1.00	3.56
							45.26	45.79	0.53	6.21
TMD095	6510883	364276	301	27	-6	96.10	50.79	51.15	0.36	7.50
							19.10	19.42	0.32	10.69
							41.95	42.90	0.95	4.11
							62.60	62.90	0.30	4.12
TMD096	6510883	364276	301	41	-6	102.00	87.66	88.56	0.90	9.13
							17.57	18.57	1.00	9.63
							22.98	23.28	0.30	5.00
TMD097	6510882	364276	302	55	-5	112.76	25.31	25.61	0.30	8.05
							11.50	11.80	0.30	10.15
							24.86	26.46	1.60	2.28
							32.73	33.07	0.34	129.27
TMD098	6510883	364276	301	27	27	98.77	68.16	68.92	0.76	9.18
							13.80	15.00	1.20	3.62
							25.11	26.41	1.30	4.67
							42.86	43.24	0.38	14.66
TMD101	6510882	364276	302	41	26	107.69	45.24	47.21	1.97	4.34
							63.88	66.00	2.12	3.45
							14.51	15.65	1.14	21.10
TMD107	6510895	364266	302	24	26	104.65	45.87	46.17	0.30	9.96
							72.72	74.32	1.60	4.81
							17.21	17.77	0.56	5.83
TMD108	6510831	364211	271	267	-12	134.78	23.62	24.30	0.68	22.81
							42.22	44.37	2.15	9.11
TMD109	6510831	364211	271	262	-34	123.70	73.45	74.49	1.04	5.40
							25.64	26.50	0.86	1.90
							58.62	60.00	1.38	9.65
							18.89	19.80	0.91	3.83
							33.95	34.32	0.37	5.65
							106.57	106.87	0.30	1.31

Table 5: Intersections from RC drilling at Brilliant

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
BERC001	6573003	326328	405	249	-60	70	8	9	1	1.13
BERC004	6572970	326330	405	250	-60	65	38	43	5	3.09
							49	50	1	1.94
BERC006	6572940	326420	405	250	-60	107	76	77	1	1.37
BERC011	6572857	326538	406	249	-60	155	93	99	6	2.04
							105	109	4	1.89
							119	126	7	2.43
							incl. 119	120	1	12.35
BERC013	6572708	326445	408	250	-60	135	104	108	4	2.71
							133	134	1	1.35
BERC015	6572648	326487	410	250	-60	167	94	95	1	1.10
							97	98	1	1.62
							100	101	1	1.41
							110	113	3	5.55
							133	135	2	3.65
BERC017	6572600	326530	415	250	-60	149	59	61	2	1.71
BERC018	6572525	326504	416	250	-60	101	0	1	1	1.92
BERC021	6571980	326580	421	270	-60	179	101	110	9	10.96
							incl. 106	110	4	20.85
							155	156	1	1.85

Table 6: Intersections from diamond drilling at Lake Cowan

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth (m)	From (m)	To (m)	Down Hole Interval (m)	Grade g/t (Au)
LCDD001	6495770	407340	260	90	-60	348	116.55	117.00	0.45	2.06
LCDD002	6495770	407400	260	90	-60	213	NSR			

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FOCUS MINERALS LIMITED

ABN

56 005 470 799

Quarter ended ("current quarter")

30 JUNE 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000
1.1	Receipts from product sales and related debtors	79,330	248,087
1.2	Payments for (a) exploration & evaluation	(4,387)	(18,980)
	(b) development	(21,705)	(52,466)
	(c) production	(51,963)	(167,836)
	(d) administration	(5,078)	(8,113)
	(e) royalties paid	(3,002)	(9,472)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	322	589
1.5	Interest and other costs of finance paid	5	(667)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	(460)	486
	Net Operating Cash Flows	(6,938)	(8,372)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	(720)
	(b) equity investments	-	-
	(c) other fixed assets	-	(10,869)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	- Bonds	-	-
	- Takeover costs	-	(3,543)
	Net investing cash flows	-	(15,132)
1.13	Total operating and investing cash flows (carried forward)	(6,686)	(23,252)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(6,686)	(23,252)
1.14	Cash flows related to financing activities		
	Proceeds from issues of shares, options, etc.	-	-
	Share issue costs	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	6,000	8,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	6,000	8,000
	Net increase (decrease) in cash held	(938)	(15,504)
1.20	Cash at beginning of quarter/year to date	16,955	31,521
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	16,017	16,017

Gold on hand – At 30 June 2012 the Company held 2,183 ounces of gold at a carrying value of \$3.5 million.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	131
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director fees, Executive Chairman salary & superannuation expense.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	10,000	8,000
3.2 Contingent Instrument Facility	3,500	3,102

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,500
4.2 Development	2,000
4.3 Production	59,000
4.4 Administration	3,100
Total	65,600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,750	2,210
5.2 Deposits at call	381	2,185
5.3 Bank overdraft	-	-
Available cash (item 1.22)	3,131	4,395
5.4 Other (provide details) - Bonds	13,138	12,560
Total: cash at end of quarter	16,269	16,955

At 30 June 2012 the Company held

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining & prospecting tenements relinquished, reduced or lapsed		N/a	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

6.2	Interests in mining * prospecting tenements acquired or increased	N/a	-	P15/4910; P15/4942; P15/4919; P15/5042; P15/4473; P15/5157; P15/4908; P15/4918; P15/4957; P15/4914; P15/4920; P15/4921; P15/4922; P15/4923 P15/4924; P15/4925; P15/4954; P15/4958; P15/4959; P15/4960; P15/4961; P15/5043; P15/5044
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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference *securities (description)	N/a			
7.2	Changes during quarter (a) Increases (b) Decreases	N/a			
7.3	*Ordinary securities	4,320,773,701	4,320,773,701		
7.4	Changes during quarter (a) Increases through issues	-	-		
	(b) Decreases through returns of capital, buy-backs	-	-		
7.5	*Convertible debt securities (description)	N/a			
7.6	Changes during quarter (a) Increases (b) Decreases	N/a			
7.7	Options (description and conversion factor)	14,116,923 14,116,923 <u>23,500,000</u> 51,733,846	- - -	<u>Exercise price</u> 7.5 cents 7.8 cents 12.3 cents	<u>Expiry date</u> 31/12/2012 31/12/2012 30/6/2014
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.10	Expired/cancelled during quarter	<div>6,923,077</div> <div>6,923,077</div> <div>10,000,000</div> <div>23,846,154</div>	-	<u>Exercise price</u> 7.5 cents 7.8 cents 12.3 cents	<u>Expiry date</u> 31/12/2012 31/12/2012 30/6/2014
7.11	Debentures (totals only)	N/a			
7.12	Unsecured notes (totals only)	N/a			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Paul Fromson Date: 31 July 2012
 Company Secretary

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.