

## QUARTERLY ACTIVITIES REPORT: JANUARY - MARCH 2013

### GROUP PRODUCTION SUMMARY

#### Key Points

- Operations have been transitioning to new primary ore sources at both Coolgardie and Laverton
- Laverton has now completed that transition but production was impacted in the quarter primarily due to processing issues at the Barrick Granny Smith mill.
- The Coolgardie transition has suffered from inadequate planning and execution, in addition to continued permitting delays.
- The group has undertaken a ground up review of operations implementing major leadership changes at the Coolgardie site.

During the period, the Group continued to transition to new primary ore sources at both its Laverton and Coolgardie operations. One transition is now complete (Laverton) and the other (Coolgardie) is still in progress. Production for the period was 24,592oz of gold comprising 16,556oz from the Laverton operations and 8,684oz from the Coolgardie operations.

Laverton production was 1,444oz below guidance due to plant processing issues and harder ore sources which saw a 14% reduction in tonnages milled against budget. Coolgardie production was 3,316oz below guidance due to the continued suspension of mining at the Big Blow open pit (finally re-permitted and re-started on 15 April) and the impact of poor planning and execution for the transition to the Greenfields pit.

Average Group C1 cash costs for the period were \$1,893/oz, reflecting the low production results in Coolgardie for an operation with fixed costs geared to run at far greater outputs; a 34% drop in grade due to the required increase in low-grade processing; and escalating plant processing fees at the Laverton operations incurred through the third party processing arrangement.

Group Results	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13
<b>Mining</b>					
Ore Mined (tonnes)	879,814	778,495	790,648	326,363	<b>454,043</b>
Grade (g/t)	2.06	2.31	2.02	2.26	<b>1.50</b>
Gold In Ore (oz)	58,211	57,936	51,410	23,682	<b>21,924</b>
<b>Processing</b>					
Ore Processed (tonnes)	834,527	751,186	796,407	717,222	<b>744,398</b>
Head Grade (g/t)	1.95	2.11	1.91	1.78	<b>1.03</b>
Gold Produced (oz)	47,489	48,222	48,959	41,097	<b>24,592</b>
Attributable Gold Produced (oz)	42,764	43,899	44,207	36,365	<b>21,541</b>
<b>Sales</b>					
Average price received	1,609	1,593	1,553	1,654	<b>1,596</b>
Total Revenue (\$ '000s)	76,181	77,292	76,670	68,951	<b>39,189</b>
Attributable Revenue (\$ '000s)	71,020	70,415	69,406	61,083	<b>34,316</b>
<b>Cost Summary (\$/oz Produced)</b>					
Mining	482	614	695	795	<b>677</b>
Processing	447	364	391	457	<b>868</b>
Haulage	115	140	113	89	<b>185</b>
Site Admin, Safety & Environment	81	76	68	80	<b>162</b>
<b>Cash Cost (excl. Royalties)</b>	<b>1,125</b>	<b>1,194</b>	<b>1,267</b>	<b>1,421</b>	<b>1,893</b>
Royalties	87	62	157	186	<b>80</b>

## **CEO Change**

During the quarter Focus' Chairman, Don Taig, stepped into the role as acting CEO with the departure of Campbell Baird. Mr Taig has subsequently committed to the Board that he will continue in this role until at least September 2013 in order to provide the stability, decision making and leadership support for the executive team in restabilising the operations prior to the appointment of a permanent CEO. In order to achieve this he has relocated to Perth from Melbourne for the period.

## **Organisational Restructure & Leadership Changes**

Subsequent to Mr Taig taking the acting CEO role, the business has undertaken a ground up review of the Group's operational structure which, as well as ensuring the organisation was sized appropriately, looked at opportunities to improve the alignment between certain functions and centralise some resources as shared services.

This has immediately seen a 10% reduction in the workforce and associated annualised cost saving of circa \$3 million. The focus of these changes was primarily at the Perth office and the Coolgardie operations.

Outcomes of the organisational restructure include:

### Leadership Changes at Site

There have been significant leadership changes across the Group and at the Coolgardie operations which, subsequent to the end of the quarter, has seen the commencement of a new registered manager, open pits manager and chief mine geologist. Taking on the role of Registered Manager is Focus' current Registered Manager in Laverton, Jim Cotton. Mr Cotton is a mining engineer with over 30 years' experience working for both major mining companies and contracting companies. Mr Cotton has made a significant impact at the Laverton operations since joining Focus in early 2012, ensuring the operation has delivered stable production through 2012.

### Broadened Remit for Group Operational Planning Department

The current Group Operational and Planning department remit has been broadened so that all mine planning and approvals are now centralized through this team, under the technical direction of the General Manager of Operations and Technical Services, Peter Ganza. This will provide the business improved planning and operational savings by sharing technical resources for the sites at a centralised level and thereby enabling the sites to focus on the day to day delivery to those plans.

### Alignment of Development and Exploration

Reflecting the prioritisation in Focus of resource definition the business has taken the opportunity to make some fundamental changes to its exploration and development areas in order to ensure the business is taking a holistic view of the group Mineral Resources, prioritising spend and energies at a group level not just at a regional level. This has seen Focus appoint the former GM of Geology for Atlas Iron, Andrew Paterson, to the new role of General Manager Exploration and Development. Andrew brings strong discipline, analytics and planning expertise to this role. This appointment also frees up Focus' senior experienced explorers, Dean Goodwin and Jeff Ion, to spend more time working directly in the field with the area managers to provide technical support and regional understanding across the group.

## **Strategic Review**

Focus's strategic review of operations, as foreshadowed by Mr Taig in February (see ASX announcement 5 February 2013) is still in progress save for the separate announcement on the Laverton operations issued to the ASX today (30 April 2013).

# OPERATIONS REVIEW

## LAVERTON OPERATIONS

### Key Points

- Completed transition to Burtville operation with business now at steady state production with one digging fleet from April 2013.
- Burtville grades 8% above budget for March quarter
- Processing equipment issues and the harder Burtville ore at Barrick Granny Smith saw a 14% shortfall in target processing tonnages and subsequent impact on target ounce production
- Operation missed production guidance by 1,444oz as a result
- In combination with escalating plant processing fees, C1 cash costs were an unsatisfactory \$1,642/oz.

Laverton Results	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13
<b>Mining</b>					
Ore Mined (tonnes)	589,216	477,238	524,493	181,694	<b>341,747</b>
Grade (g/t)	1.80	1.89	1.79	1.93	<b>1.35</b>
Gold In Ore (oz)	34,082	29,020	30,238	11,262	<b>14,814</b>
<b>Processing</b>					
Ore Processed (tonnes)	537,693	455,237	492,146	444,060	<b>516,066</b>
Grade (g/t)	1.71	1.76	1.83	1.80	<b>1.00</b>
<b>Gold Produced (oz)</b>	<b>25,636</b>	<b>23,456</b>	25,782	25,674	<b>16,556</b>
Attributable Gold Produced (oz) *	20,911	19,133	21,030	20,943	<b>13,505</b>
<b>Cost Summary (\$/oz Produced)</b>					
Mining	233	378	551	606	<b>476</b>
Processing	526	486	445	485	<b>833</b>
Haulage	175	224	147	102	<b>215</b>
Site Admin, Safety & Environment	100	115	86	78	<b>119</b>
<b>Cash Cost (excl. Royalties)</b>	<b>1,034</b>	<b>1,203</b>	<b>1,230</b>	<b>1,271</b>	<b>1,642</b>
Royalties	42	43	259	267	<b>93</b>

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

### Safety

Laverton Operations experienced one lost time injury.

### Production

The March quarter has seen Focus continue the cut back at the new Burtville operation which it commenced in late December 2012. The cutback initially required two digging fleets, but the operation achieved steady state production post the end of the quarter and is now operating one digging fleet mining at a rate of 300,000m<sup>3</sup> per month.

Laverton produced 16,556oz of gold for the quarter, a 1,444oz shortfall against guidance. The variance to guidance was due to lower mill throughput than budgeted with the thickener being inoperable for 10 days and some harder Burtville ore types requiring grind outs in the mill, resulting in a shortfall of 84,391 tonnes against target.



Positively Burtville's initial grades have exceeding expectation by 8% (1.43g/t vs. budgeted 1.3g/t). Of the 516,066 tonnes that were milled, only 39% of the ore was Burtville high grade with the remained being legacy low grade and Burtville low grade from the cut back.

C1 cash costs were adversely affected by both the reduced ounces processed and moreover from the escalating plant processing fees.

Following lengthy discussions with Barrick, Focus has been unable to secure a long term, economically viable outcome for the business to continue to mine and process in this way. To that end Focus has taken the decision to cease mining operations from the close of Campaign 15 (31 May 2013) in order to protect shareholder value. Prior to the decision to cease, Focus was providing two thirds of the mill feed processed at the Granny Smith mill on an annual basis.

*Figure 1: Mining at the Burtville pit which is delivering grades 8% above expectation*



## **COOLGARDIE OPERATIONS**

### **Key Points**

- *Inadequate site processes and planning, in addition to continued permitting delays, led to unacceptable production and cost outcomes for the quarter.*
- *There have been significant management changes enacted across the operations which come into effect for the June quarter.*
- *Head office engaged the services of an independent consultancy group to undertake a workload analysis assessment across the operations in order to identify areas for productivity improvement*
- *Permitting at Big Blow was reinstated post completion of the quarter (15 April).*
- *The Mount underground is delivering against its new targets and these results are being assessed presently.*

### **Safety**

Coolgardie Operations experienced three lost time injuries.

### **Production**

Coolgardie performed 3,316oz below guidance producing 8,684oz of gold for the period. As a result of the lower production for an operation with fixed costs structured to far higher levels of production, and a 37% drop in grade due to an increase in low grade stocks processed, costs were severely impacted resulting in an unsatisfactory C1 cash cost of \$2,408/oz.

The production shortfall against guidance is attributable to the impact of poor planning and execution for the transition to the Greenfields pit and the continued suspension of mining at the Big Blow open pit (finally re-permitted and re-started on 15 April).

During the period, significant management changes have been made through the operation to improve planning, accountability and execution (see Group Production summary).

<b>Coolgardie Results</b>	<b>Mar-12</b>	<b>Jun-12</b>	<b>Sep-12</b>	<b>Dec-12</b>	<b>Mar-13</b>
<b>Mining</b>					
Ore Mined (tonnes)	249,066	301,257	266,155	144,669	<b>112,296</b>
Grade (g/t)	2.77	2.99	2.47	2.67	<b>1.97</b>
Gold In Ore (oz)	22,181	28,916	21,172	12,420	<b>7,110</b>
<b>Processing</b>					
Ore Processed (tonnes)	296,834	295,949	304,261	273,162	<b>228,332</b>
Head Grade (g/t)	2.41	2.75	2.42	1.86	<b>1.18</b>
Contained Gold (oz)	22,999	26,166	23,685	16,353	<b>8,684</b>
Recovery %	95%	95%	98%	94%	<b>93%</b>
<b>Gold Produced (oz)</b>	<b>21,853</b>	<b>24,766</b>	<b>23,177</b>	<b>15,423</b>	<b>8,036</b>
<b>Cost Summary (\$/Oz Produced):</b>					
Mining (see Note 1)	772	839	855	1,108	<b>1,092</b>
Processing	355	250	331	411	<b>942</b>
Haulage	45	40	74	67	<b>123</b>
Site Admin, Safety & Environment	59	60	48	83	<b>251</b>
<b>Cash Cost (excl. Royalties)</b>	<b>1,231</b>	<b>1,189</b>	<b>1,308</b>	<b>1,670</b>	<b>2,408</b>
Royalties	126	82	43	53	<b>54</b>



In addition an independent consultancy group was engaged to help the organisation identify areas for workflow and operational improvements. Off the back of an initial audit, Coolgardie will commence an eight week programme to improve the operational planning and workflow at site with the goal of increasing recovery and output, whilst also improving cost efficiencies. The outcome of this is that we are targeting to achieve a 20% improvement in productivity in the medium term, translating to fundamental savings at an operating cost level. This programme will start with the commencement of the new registered Manager in Coolgardie.

#### Greenfields

12,098 tonnes of ore was mined at Greenfields for the quarter. Post the completion of the quarter, the operation commenced mining on a 24x7 basis in order to accelerate ramp up. During the June quarter it is targeting to average 20,000t per month. Greenfields will provide up to 1.0Mt @ 1.9g/t over two years at a strip ratio of 5.4:1 and is planned to produce at a rate of 60,000 tonnes per month when it reaches steady state production.

#### Tindals Open Pits

The Dreadnought trial pit (Figure 2) performed solidly delivering 69,612t for the quarter as resource development drilling continued. The average grade for the month was 1.6g/t. The drilling has delivered significant intercepts and successfully identified additional ounces at depth, with a best result of 12m @ 25.25g/t Au (Table 2), giving confidence for the stage 3 planned expansion of the pit.

There was no mining at the Big Blow pit for the quarter due to continued delays in permitting in relation to the planned cut back. Big Blow had been budgeted to return to production in the Quarter. Post the completion of the quarter mining at Big Blow recommenced (15 April 2013) which will help the business build output levels.

#### The Mount

The Mount performed solidly against budget for the quarter with stoping continuing on a number of fronts. An independent contractor has been employed to restart development on a number of headings and is achieving a fourfold improvement (efficiency and costs) against the previous internal development work with a number of changes implemented to past mining methods to further reduce dilution.

*Figure 2: Mining at Dreadnought which has also been the focus of a strong development drilling campaign*





## EXPLORATION & RESOURCE DEVELOPMENT

Exploration and resource development work continued on a number of project areas during the quarter, with priority areas being brownfields and near-mine drilling to deliver ore reserves into the near-term mining schedule. This saw a large resource development RC program undertaken in and around the Burtville mine in Laverton to increase confidence in the mineral resource, and similarly at Dreadnought in Coolgardie. Greenfields work also continued at Lake Cowan, and a new greenfields drilling program commenced on the Mount Crawford prospect at Laverton. Since the end of the quarter, resource drilling has been refocused towards high-grade targets and away from tonnage for the mills, whether owned or third party.

### Laverton

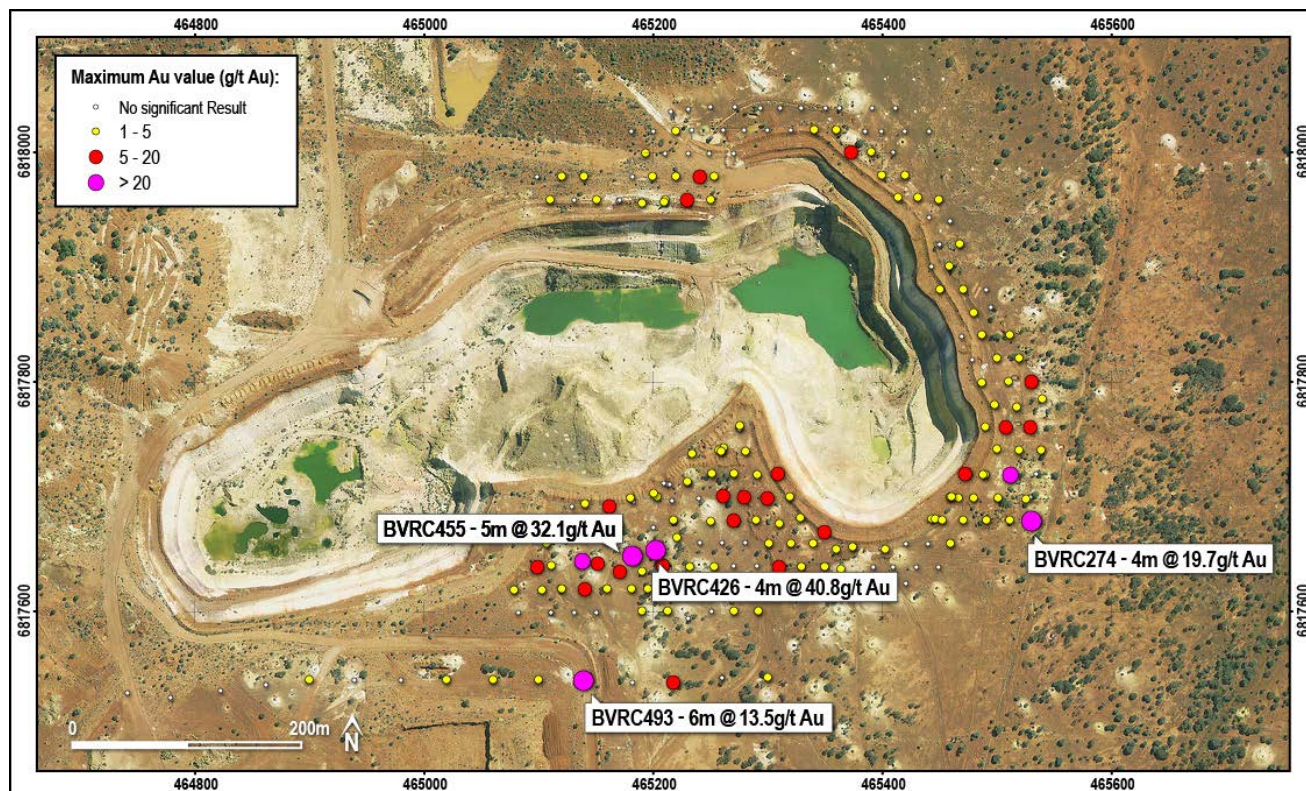
#### Burtville

A large RC drilling program to extend and infill the Burtville mineral resource commenced in January, with 359 holes completed for 36,119m by the end of the quarter. The program is scheduled to be completed in April. Drilling was designed to cover three areas: infilling existing holes around the Burtville East pit; additional holes within the central Burtville area; and extensional drilling to the south of the pit over a large regional MMI anomaly. Highlights from assays received to date include:

- BVRC426: **4m @ 40.77g/t Au** from 22m;
- BVRC455: **5m @ 32.12g/t Au** from 42m; and
- BVRC274: **4m @ 19.67** from 9m.

A large number of assays are yet to be received and collated. Once all the samples have been assayed the new drilling information will be incorporated into a revised mineral resource estimate for Burtville. Full details of all significant intercepts from the Burtville drilling are contained Table 1.

Figure 1: Location of the areas drilled around Burtville.





### Regional Exploration

Exploration work completed at Laverton during the quarter included a reconnaissance aircore program over the Admiral Hill trend, a regional Mobile Metal Ion (MMI) geochemistry survey across a number of previously unexplored tenements within the project area and a first-pass RC program at Mt Crawford. Project reviews and target generation work are also ongoing over a number of other prospects within the tenement package.

RC Drilling commenced at Mt Crawford in March, with 29 holes completed for 2,938m. The exploration target is a structural trend which is thought to represent a repetition of the nearby Lancefield geology, coinciding with an MMI anomaly over a shear zone. Approximately 600m of drilling remains to be completed in the first-pass program. No assays have yet been received. A RAB drilling intersection of 23m @ 1.2g/t from the same area was previously reported in the FML December 2012 quarterly report.

## **Coolgardie**

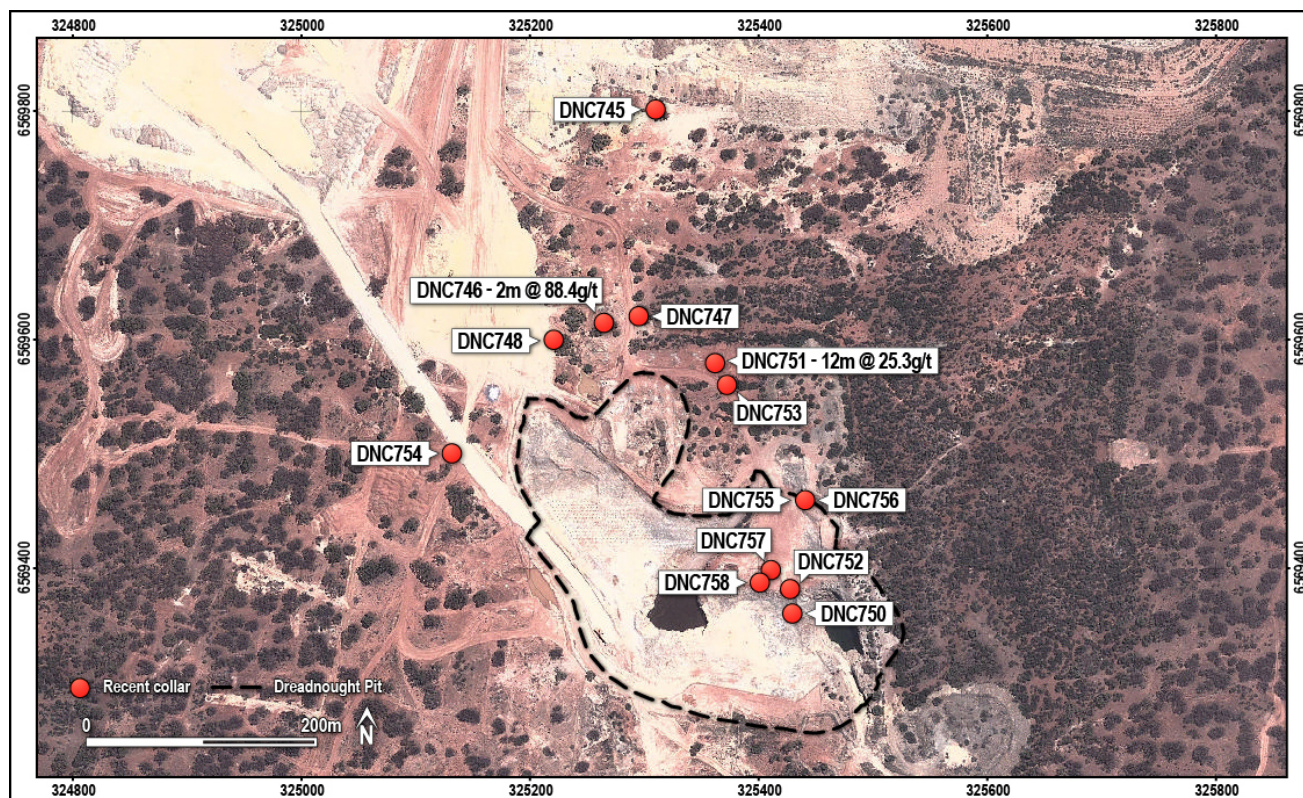
### Dreadnought

At Dreadnought 13 RC holes were drilled for 1,421m. The drilling was designed to increase confidence in the interpreted mineralisation in the area of a planned pit expansion, Dreadnought stage 3. Significant intercepts from the drilling are shown in Table 2. The drilling successfully identified additional ounces at depth, with best intercepts including:

- DNC751: **12m @ 25.25g/t** Au from 180m; and
- DNC746: **2m @ 88.40g/t** Au from 50m.

These assays are in the process of being collated into a revised resource estimation which will be used in ongoing pit optimisation work. Some areas of the Dreadnought mineralised zone are still open at depth to the north east.

Figure 3: Drill hole collar locations for the Dreadnought drilling.

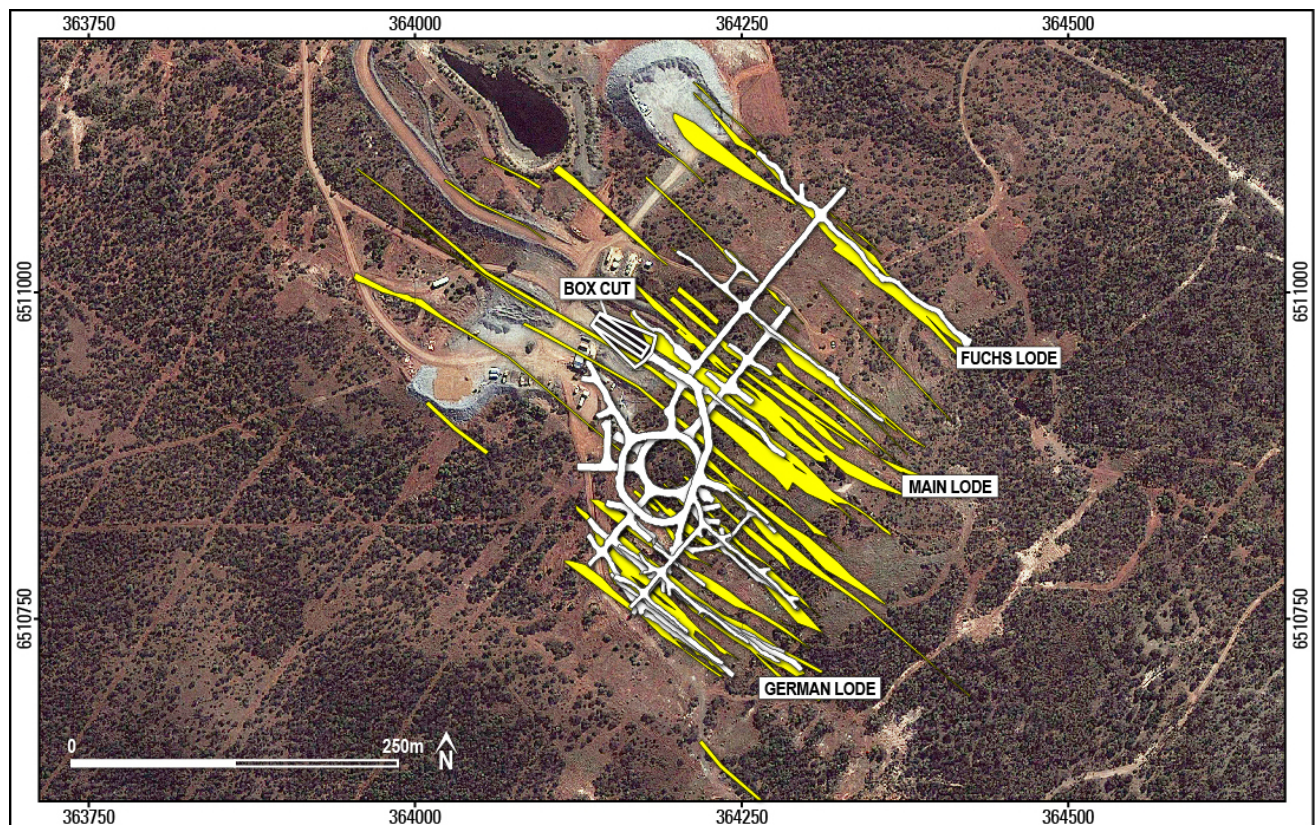




### The Mount

At The Mount a diamond drilling program was commenced during the quarter with the aim of better defining narrow shear-hosted mineralised lodes at depth and ahead of underground development. The drilling also succeeded in defining additional gold mineralisation in a new lode outside the previously known extent of mineralisation, east of the Fuchs Lode. Eight holes were drilled during the quarter for a total of 2,273m; details of significant intercepts are contained within the table 3.

Figure 4: The Mount in plan view



### Regional Exploration

Exploration within the Coolgardie project area during the March quarter included RC drilling at the Jolly Britons, Boundary, Melanie Anne and New Australasian prospects. 56 RC holes were drilled for a total of 6,234m.

Highlights from the drilling include the standout intersection of 6m @ 97.0g/t within the Melanie Anne prospect, as announced to the market in the Company's release dated 28 March 2013. Assays from subsequent drilling are still being received.

Follow-up drilling programs on these and other Coolgardie targets will be ongoing through the June quarter 2013.

### **Lake Cowan**

Diamond drilling at Lake Cowan during the quarter was severely impacted by rain with only two holes completed at the target Eastern Zone. A further eight holes were drilled at the Blind Pew prospect near the southern tip of Treasure Island. With the Lake still inaccessible drilling has been suspended and will not recommence whilst the Strategic Review of the group is being undertaken.

## CORPORATE

### Revenue

The Focus Group sold 21,552oz of gold at an average price of A\$1,599/oz, to generate revenue of A\$39.19M for the quarter.

### Expenditure

Exploration and evaluation expenditure was \$6.1 million, mine capital development was \$4.6million and there was also significant fixed asset expenditure of \$4.4 million being mainly an expansion of the tailings storage facility in Coolgardie.

Net operating cash flows for the quarter were an outflow of \$17.4 million which included the above mine development expenditure and exploration expenditure and also operations payments were in excess of gold revenue to bring creditors within normal trading terms as previously flagged in the December quarter.

In financing cash flows there were payments totalling \$7.7 million being capital raising costs associated with the \$225 million placement that was completed in the December quarter.

### Finance Facilities

During the quarter the company increased its contingent instrument facility with Investec Bank (Australia) Ltd from \$3.5m to \$18.0m in order to be able to consolidate its bonds held with various banks into one facility. The new facility is a fully cash backed facility. The company also provided cash backing against its loan facility with Investec Bank (Australia) Ltd which is currently drawn down to \$8m. The combined effect of these two changes was a further \$10.4m cash was used to provide cash backing and this cash is not available whilst the bonds/facilities are in place. Importantly, the cash backing of both of these facilities enables the company to have a fixed and floating charge and a negative pledge removed. It was beneficial to remove these encumbrances in order to be able to offer first ranking priority on any future financing.

### Cash

At 31 March 2013, the Focus Group held cash, deposits and bullion comprising:

Cash at Bank and Deposits	\$168.5 million
Bullion on Hand	\$1.4 million
Cash held on bond	\$25.3m
<b>Total Cash and Equivalents</b>	<b>\$195.2 million</b>

### Strategy

During the quarter the business has been reviewing its strategic growth plans with a goal of ensuring it uses its strong cash position to transition the Focus business into being the lowest cost, highest value producer it can be. Importantly in these current market conditions, Focus is financially strong and has the strategic support of its major shareholder, Shandong Gold. Focus' goal is to ensure it delivers on the most efficient use of this capital and that it can leverage its strong financial position in a market which is already presenting growth opportunities for Focus to evaluate.

### Focus Minerals (Laverton) Ltd Acquisition

During the Quarter, Focus Minerals initiated the acquisition of the remaining outstanding shares in Focus Minerals (Laverton) Limited in order to give the business a 100% control of the entity.

### ENDS



## Competent Person's Statement

The information in this announcement that relates to Exploration Results and Minerals Resources is based on information compiled by Andrew Paterson who is a member of the Australian Institute of Mining and Metallurgy. Mr Paterson 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 Paterson consents to the inclusion in this announcement of the matters based on the information compiled by him in the form and context in which it appears.

## Note for Drill Results Tables below:

For the purposes of this report significant intercepts have been reported at a 4 gram-metres cut-off (e.g. 2m @ 2g/t Au). All results are down-hole intervals, which may not represent true width of reported intersections. All samples are collected via cone splitter at 1m intervals and assayed by fire assay using commercial laboratories.

Table 1: Burtville

Hole ID	Northing MGA94_51	Easting MGA94_51	RL	Depth (m)	Dip	Azimuth (Mag)	From (m)	To (m)	Width (m)	Grade (g/t Au)
BVRC221	6817654	465360	476	125	-60	101	44	48	4	2.57
BVRC222	6817659	465340	476	125	-60	96	25	28	3	1.42
						and	31	33	2	3.07
BVRC223	6817659	465321	476	125	-60	89	62	66	4	1.41
BVRC225	6817699	465320	476	125	-61	92	44	49	5	1.43
						and	59	65	6	3.96
						and	86	91	5	2.29
BVRC226	6817699	465300	476	125	-60	91	75	80	5	1.21
						and	83	84	1	5.52
BVRC227	6817699	465280	477	125	-60	90	67	68	1	5.36
						and	99	100	1	5.83
						and	103	104	1	4.49
BVRC231	6817742	465261	477	125	-60	0	112	120	8	2.23
BVRC233	6817737	465234	477	125	-60	0	91	94	3	2.28
BVRC234	6817697	465525	476	125	-60	91	4	5	1	4.54
						and	28	31	3	1.54
BVRC242	6817780	465498	476	125	-60	266	25	30	5	1.30
BVRC243	6817800	465531	476	125	-60	269	35	36	1	18.34
						and	51	53	2	4.24
BVRC262	6817639	465350	476	125	-60	90	28	32	4	1.27
BVRC264	6817639	465310	476	125	-59	90	56	57	1	10.26
BVRC265	6817669	465350	476	136	-60	90	27	29	2	9.44
BVRC266	6817681	465329	476	136	-60	90	48	52	4	4.47
BVRC269	6817719	465309	476	125	-60	92	70	72	2	7.88
						and	80	81	1	9.02
BVRC270	6817719	465291	477	125	-61	92	98	100	2	3.23
BVRC273	6817762	465276	477	125	-60	0	62	67	5	1.05
						and	105	109	4	4.87
BVRC274	6817679	465530	475	125	-60	93	9	13	4	19.67
						and	30	31	1	4.25
						and	37	38	1	10.39
BVRC275	6817679	465511	476	125	-59	92	45	50	5	1.07
BVRC282	6817719	465512	476	125	-61	95	27	31	4	1.63
						and	36	38	2	20.06
						and	42	43	1	7.08
BVRC286	6817720	465473	476	125	-61	271	28	30	2	2.08
						and	95	96	1	6.88

BVRC287	6817760	465529	476	125	-60	267	28	30	2	3.70
						and	36	38	2	14.23
BVRC288	6817760	465508	476	120	-60	270	23	35	12	1.99
						and	39	40	1	10.40
						and	47	51	4	1.21
BVRC289	6817760	465490	476	125	-62	264	13	16	3	1.86
BVRC292	6817741	465500	476	125	-61	264	29	33	4	1.11
BVRC293	6817841	465511	477	125	-59	266	2	3	1	4.16
BVRC301	6817958	465449	478	125	-61	268	66	68	2	2.57
BVRC305	6818000	465391	478	125	-59	267	30	32	2	2.28
BVRC306	6818000	465373	478	125	-59	267	17	21	4	6.04
BVRC308	6817712	465382	441	48	-60	90	10	12	2	3.19
BVRC309	6817712	465402	442	48	-60	90	42	43	1	4.46
BVRC311	6817720	465362	441	42	-60	90	19	27	8	2.17
BVRC313	6817732	465362	441	42	-60	90	17	22	5	1.76
BVRC314	6817732	465382	441	42	-60	90	7	10	3	1.79
BVRC315	6817732	465402	441	42	-60	90	0	1	1	4.25
						and	30	32	2	3.20
BVRC322	6817752	465402	441	42	-50	90	19	21	2	3.23
BVRC323	6817752	465422	442	42	-60	90	16	27	11	1.17
BVRC333	6817780	465437	445	48	-60	90	8	9	1	4.67
BVRC341	6817712	465393	441	48	-60	90	3	7	4	1.24
BVRC342	6817720	465416	444	42	-60	90	0	4	4	1.19
BVRC343	6817732	465372	441	42	-60	90	16	17	1	8.80
BVRC349	6817752	465412	442	42	-50	90	32	35	3	3.88
BVRC350	6817752	465432	445	42	-60	90	41	42	1	5.87
BVRC351	6817772	465372	441	42	-60	90	29	30	1	5.65
BVRC360	6817959	465251	479	125	-60	93	62	64	2	2.05
BVRC361	6817956	465230	479	125	-59	180	48	49	1	5.00
BVRC362	6817958	465230	479	125	-60	92	69	71	2	6.44
BVRC363	6817956	465210	479	125	-61	179	117	121	4	1.96
BVRC364	6817959	465210	479	125	-60	90	83	86	3	2.39
BVRC365	6817956	465190	479	125	-60	179	69	71	2	3.29
BVRC403	6817978	465242	479	125	-63	90	47	48	1	5.68
						and	51	53	2	2.46
BVRC412	6817624	465261	476	126	-60	92	92	94	2	3.88
BVRC417	6817620	465160	476	125	-61	90	65	71	6	2.62
BVRC418	6817619	465140	476	125	-59	90	38	39	1	5.49
						and	88	89	1	17.40
BVRC425	6817664	465221	477	125	-61	96	113	115	2	3.11
BVRC426	6817654	465203	476	125	-60	95	22	26	4	40.77
						and	94	96	2	3.15
BVRC429	6817658	465107	477	125	-61	90	65	69	4	1.16
BVRC430	6817701	465262	477	125	-59	97	94	95	1	12.40
						and	103	105	2	2.81
BVRC437	6817692	465162	477	125	-61	87	8	10	2	13.97
BVRC453	6817640	465209	476	125	-61	90	27	28	1	4.43
						and	71	73	2	13.22
BVRC455	6817649	465182	476	125	-59	92	42	47	5	32.12
BVRC456	6817635	465171	476	125	-58	93	28	29	1	8.29
						and	56	58	2	5.16
						and	100	101	1	9.06
BVRC457	6817644	465138	476	125	-61	90	77	80	3	2.22
						and	100	102	2	21.47
BVRC458	6817640	465111	477	125	-62	86	10	15	5	2.08
BVRC459	6817639	465099	477	125	-62	92	36	37	1	10.18
						and	81	82	1	7.71
BVRC460	6817679	465270	476	125	-58	90	28	31	3	1.42



						and	117	119	2	10.84
BVRC461	6817679	465251	477	125	-62	96	28	31	3	1.70
BVRC480	6817752	465342	441	42	-60	270	25	26	1	5.26
BVRC483	6817792	465367	440	42	-60	270	3	5	2	4.43
BVRC484	6817641	465152	476	125	-61	90	56	58	2	10.63
BVRC487	6817538	465218	480	125	-61	96	73	74	1	13.68
BVRC493	6817540	465140	480	125	-61	91	49	55	6	13.53
BVRC508	6817244	465001	480	125	-59	91	0	1	1	4.31
						and	27	28	1	6.37
BVRC511	6817240	464870	480	125	-61	93	0	1	1	5.11
BVRC513	6817240	464790	480	125	-61	92	63	67	4	2.26
BVRC514	6816934	465341	480	125	-58	92	22	24	2	2.72
BVRC516	6816938	465261	480	125	-60	90	123	124	1	5.59
BVRC519	6816936	465106	480	125	-60	95	97	98	1	6.87
BVRC522	6816940	464980	480	125	-60	90	29	30	1	11.56
						and	33	34	1	9.59
BVRC530	6817871	465403	451	42	-90	0	9	10	1	12.70
BVRC555	6817829	465175	450	54	-60	90	0	1	1	4.22
BVRC558	6817806	465176	450	54	-60	90	10	15	5	1.49
BVRC561	6817815	465158	450	30	-60	90	6	7	1	25.40
BVRC562	6817810	465155	450	37	-60	90	26	27	1	27.88
BVRC583	6817910	465173	451	54	-70	90	2	6	4	2.09
						and	29	31	2	3.11
BVRC588	6817898	465222	443	54	-70	90	5	8	3	1.79
						and	39	41	2	4.88

Table 2: Dreadnought significant intercepts, march Quarter 2013

Hole ID	Northing (GDA94)	Easting (GDA94)	RL (GDA94)	Depth (m)	Dip (°)	Azimuth (Grid)	From (m)	To (m)	Interval (m)	Grade (g/t Au)
DNC745	6569802	325310	417.9	186	-57	90	152.00	161.00	9.00	2.11
DNC746	6569802	325310	417.9	50	-60	90	5.00	7.00	2.00	88.40
DNC751	6569580	325363	417.3	180	-60	90	123.00	135.00	12.00	25.25
							176.00	177.00	1.00	11.60
DNC752	6569383	325428	370.1	65	-60	90	0.00	14.00	14.00	2.34
							19.00	23.00	4.00	2.62
DNC753	6569561	325373	417.8	160	-60	90	115.00	117.00	2.00	9.87
							121.00	125.00	4.00	3.18
DNC754	6569500	325131	417.4	135	-64	90	85.00	91.00	6.00	2.48
DNC757	6569396	325411	370	105	-65	51	26.00	31.00	5.00	2.00
DNC758	6569387	325403	369.9	130	-60	44	4.00	8.00	4.00	3.22
							20.00	21.00	1.00	13.10
							35.00	44.00	9.00	1.42

Table 3: Significant intercepts from The Mount, March Quarter 2013.

Hole ID	Northing (GDA94)	Easting (GDA94)	RL (GDA94)	Depth (m)	Dip (°)	Azimuth (mag)	From (m)	To (m)	Interval (m)	Grade g/t Au
TMD133	6510955.4	364190.6	259.0	219.3	-36.1	210.3	105.06	105.69	0.63	8.15
							138.93	139.31	0.38	4.15
							145.23	148.26	3.03	3.79
TMD134	6510955.2	364191.0	258.8	260.3	-43.5	197.5	27.29	28.02	0.73	7.77
							62.80	63.72	0.92	3.67
							66.10	67.20	1.10	7.59
							70.80	71.40	0.60	15.10
							82.10	82.40	0.30	3.20
							87.40	87.70	0.30	12.70
							92.20	92.53	0.33	3.62

							94.13	95.30	1.17	4.04
							109.40	109.74	0.34	28.20
							122.40	123.10	0.70	3.50
							152.50	152.80	0.30	19.60
							159.80	160.10	0.30	4.94
TMD135	6510955.8	364190.1	258.8	254.8	-45.2	228.3	26.70	27.10	0.40	7.20
							44.10	44.40	0.30	6.70
							71.95	72.25	0.30	5.87
							82.70	83.00	0.30	2.15
TMD123	6510988.7	364250.1	261.0	300.1	-15.2	45.1	15.75	16.74	0.99	6.65
							19.60	19.90	0.30	4.04
							24.87	25.39	0.52	2.28
							52.09	52.39	0.30	55.80
							93.29	93.84	0.55	2.18
							103.08	103.38	0.30	3.16
TMD119	6510905.6	364263.0	277.0	450.3	-45.1	195.5	84.32	86.30	1.98	8.54
							142.03	142.49	0.46	2.58
							159.46	162.00	2.54	5.21
TMD117	6510847.0	364245.9	293.0	267.3	-22.0	45.1	57.50	57.80	0.30	2.05
							71.40	74.30	2.90	3.92
							94.05	96.35	2.30	7.78
							106.50	108.10	1.60	12.30
							111.20	112.40	1.20	5.51
							201.25	201.65	0.40	8.43
TMD122	6510905.8	364262.5	277.4	220.8	-36.2	210.4	12.70	13.90	1.20	5.02
							20.75	21.30	0.55	12.30
							31.48	32.00	0.52	2.30
							89.50	89.80	0.30	6.04
TMD132	6510803.8	364144.0	269.6	300.1	0.6	178.3	No significant intersections			



# 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
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ABN

56 005 470 799
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Quarter ended ("current quarter")

31 MARCH 2013
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### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date \$A'ooo
1.1	Receipts from product sales and related debtors	40,569	187,412
1.2	Payments for (a) exploration & evaluation	(6,081)	(11,597)
	(b) development	(4,576)	(10,087)
	(c) production	(40,252)	(182,421)
	(d) administration	(7,237)	(13,565)
	(e) royalties paid	(2,013)	(7,710)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1,384	1,675
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	815	1,304
	<b>Net Operating Cash Flows</b>	<b>(17,391)</b>	<b>(34,421)</b>
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(4,376)	(5,737)
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	(10,419)	(11,995)
	- Takeover costs	-	-
	<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows (carried forward)	(14,795)	(17,732)
1.13	Total operating and investing cash flows (brought forward)	(32,186)	(52,153)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc. Share issue costs	(7,684)	218,091
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
<b>Net financing cash flows</b>		(7,684)	218,091
<b>Net increase (decrease) in cash held</b>		(39,870)	165,939
1.20	Cash at beginning of quarter/year to date	208,412	2,603
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	168,542	168,542

*Gold on hand – At 31 March 2013 the Company held 940 ounces of gold in its metal account with the Perth Mint.*

**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	143
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 & 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	18,000	7,037

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	6,109
4.2 Development	-
4.3 Production	48,970
4.4 Administration	2,342
<b>Total</b>	<b>57,421</b>

### 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	168,542	208,412
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
<b>Available cash (item 1.22)</b>	<b>168,542</b>	<b>208,412</b>
5.4 Other (provide details) - Bonds	25,200	14,842
<b>Total: cash at end of quarter</b>	<b>193,742</b>	<b>223,254</b>

### 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	M15/576	Relinquished	100%	0%
	P15/5026	Relinquished	100%	0%
	P15/5027	Relinquished	100%	0%
	P15/5028	Relinquished	100%	0%
	P15/5029	Relinquished	100%	0%

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity quarterly report

6.2 Interests in mining * prospecting tenements acquired or increased	M15/1809	Acquired	0%	100%
	P15/5574	Acquired	0%	100%
	P15/5575	Acquired	0%	100%
	P15/5576	Acquired	0%	100%
	P15/5713	Acquired	0%	100%
	P15/5714	Acquired	0%	100%
	P15/5717	Acquired	0%	100%
	P15/5729	Acquired	0%	100%
	P15/5731	Acquired	0%	100%
	P15/5732	Acquired	0%	100%
	P15/5733	Acquired	0%	100%
	P15/5734	Acquired	0%	100%
	P15/5735	Acquired	0%	100%
	P15/5736	Acquired	0%	100%
	P15/5738	Acquired	0%	100%
	P15/5739	Acquired	0%	100%
	P15/5740	Acquired	0%	100%
	P15/5741	Acquired	0%	100%
	P15/5742	Acquired	0%	100%
	P15/5743	Acquired	0%	100%
	G38/33	Acquired	0%	100%
	E15/986	Increased	90%	100%
	E15/1224	Acquired	0%	100%

### 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 <b>Preference securities</b> (description)	N/a			
7.2 Changes during quarter (a) Increases (b) Decreases	N/a			
7.3 <b>Ordinary securities</b>	8,822,771,352	8,822,771,352		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	-			

+ See chapter 19 for defined terms.

7.5	<b>*Convertible debt securities</b> (description)	N/a			
7.6	Changes during quarter (a) Increases (b) Decreases	N/a			
7.7	<b>Options</b> (description and conversion factor)	23,500,000	-	<u>Exercise price</u> 12.3 cents	<u>Expiry date</u> 30 June 2014
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired/cancelled during quarter		-		
7.11	<b>Debentures</b> (totals only)	N/a			
7.12	<b>Unsecured notes</b> (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  
Company Secretary

Date 30 April 2013

### 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.

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+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity quarterly report

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- 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.