



Market Announcement

3 December 2021

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Focus Minerals Announces \$45.69M Non-Renounceable Entitlement Offer

Focus Minerals Limited (ASX: FML) (**FML** or **Company**) is pleased to announce a 1 for 1 non-renounceable entitlement offer of new FML shares (**New Shares**) at an issue price of A\$0.25 per New Share to raise up to A\$45,687,141.25 (**Entitlement Offer**).

The proceeds of the Entitlement Offer, together with the funds available to the Company will be used to pay the costs associated with pay the costs associated with conducting the Entitlement Offer, funding the implementation of the Company's plans to resume gold mining operations at its Coolgardie gold project as announced on 3 December 2021, and provide working capital to fund the continued operation, exploration and assessment of the Company's projects.

Entitlement Offer

Eligible shareholders with a registered address in Australia or New Zealand will be invited to subscribe for 1 New Share for every 1 existing FML ordinary shares held on the record date (**Record Date**) of 4.00pm (Perth time) on Wednesday, 8 December 2021 (**Entitlement**)¹.

Eligible shareholders who take up their Entitlement in full may also apply for additional New Shares in excess of their Entitlement (**Additional New Shares**) under a 'Top Up Facility' (**Top Up Offer**). The issue of Additional New Shares under the Top Up Offer will be dependent on there being a shortfall in the take up of pro rata entitlements under the Entitlement Offer. As such, there is no guarantee that a shareholder who applies for Additional New Shares will receive all or any of the Additional New Shares that they subscribe for.

New Shares issued under the Entitlement Offer will rank equally with existing FML ordinary shares from issue.

The Entitlement Offer is scheduled to open on Friday, 10 December 2021 and close at 5.00pm (Perth time) on Thursday, 23 December 2021. All New Shares in the Entitlement Offer will be issued at a price of \$0.25 per New Share which represents:

¹ Fractional Entitlements will be rounded down to the nearest whole number. However, as the Entitlement Offer is on a 1 for 1 basis, there will be no fractional Entitlements.

- an approximate 12.3% discount to the closing market price of FML ordinary shares (**Shares**) on Thursday, 2 December 2021; and
- an approximate 15.4% discount to the 5 day VWAP to the closing price of Shares as traded on ASX up to the close of trading on Thursday, 2 December 2021.

Entitlements cannot be traded on the ASX or transferred. Eligible shareholders who do not take up their Entitlements under the Entitlement Offer in full or in part will not receive any value in respect to those Entitlements not taken up.

New Shares will be quoted on a deferred settlement from market open on Friday, 24 December 2021 and issued on or about Friday, 31 December 2021. It is the responsibility of eligible shareholders to determine their allocation prior to trading in New Shares. FML recommends that shareholders should only sell up to the amount of New Shares applied for under their Entitlement and not trade any Additional New Shares applied for under the Top Up Offer as there is no assurance as to the level of allocations under the Top Up Offer. Applicants who sell New Shares before they receive confirmation of their allotment will do so at their own risk.

In order to take up Entitlements, Shareholders must meet certain eligibility criteria that are set out in the offer booklet. In particular, persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to participate in the Entitlement Offer (unless the Company decides to extend the Entitlement Offer to such a person in its sole and absolute discretion).

Eligible shareholders should read the offer booklet in full before deciding whether to subscribe for New Shares. Eligible shareholders who wish to acquire New Shares under the Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised entitlement and acceptance form that will accompany the offer booklet.

Further details about the Entitlement Offer will be set out in the offer booklet, which FML expects to lodge with ASX today and dispatch to eligible shareholders with an entitlement and acceptance form on Friday, 10 December 2021. The offer booklet will be available on ASX's website (www.asx.com.au) and on the Company's website (<http://www.focusminerals.com.au/investors/>).

Indicative Timetable for Rights Offer

| Event | Time |
|--|---|
| *ASX announcement of the Entitlement Offer, lodgement of Appendix 3B, Offer Booklet and cleansing notice with ASX | Before commencement of trading on Friday, 3 December 2021 |
| *Ex Date – date on which Shares commence trading without an entitlement to participate in the Entitlement Offer | Tuesday, 7 December 2021 |
| *Record Date (4.00pm Perth time) for entitlements to participate in Entitlement Offer | Wednesday, 8 December 2021 |
| Offer Booklet and Entitlement and Acceptance Forms dispatched to Eligible Shareholders and dispatch announced to ASX | Friday, 10 December 2021 |

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| Opening Date for the Entitlement Offer | Friday, 10 December 2021 |
| Closing Date for lodgement of Entitlement and Acceptance Forms and payment | 5.00pm (Perth time) on Thursday, 23 December 2021 |
| Deferred settlement trading commences | Friday, 24 December 2021 |
| ASX notified of under subscriptions (if any) | Friday, 31 December 2021 |
| Allotment of New Shares under the Entitlement Offer | Friday, 31 December 2021 |
| Dispatch of holding statements for New Shares | Tuesday, 4 January 2022 |
| New Shares commence normal trading on ASX | Tuesday, 4 January 2022 |

⁽¹⁾ The Entitlement Offer timetable is subject to change. FML reserves the right to vary the timetable for the Entitlement Offer without notice, subject to the Corporations Act 2001 (Cth), ASX listing rules and other applicable laws. The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from ASX.

⁽²⁾ It is the responsibility of shareholders to determine their allocation prior to trading in the New Shares. Shareholders who sell New Shares before they receive confirmation of their allotment will do so at their own risk.

Shareholder Enquiries

Eligible shareholders who have questions relating to the Entitlement Offer should call FML's share registry (Computershare Investor Services Pty Limited) on 1300 145 833 (within Australia) and +61 3 9415 4833 (outside Australia) between 8.30am and 5.00pm (Melbourne time) Monday to Friday during the period of the Entitlement Offer.

MinterEllison is acting as legal adviser to FML in relation to the Entitlement Offer.

For and on behalf of the Company

Nicholas Ong

Company Secretary

Focus Minerals Limited

This announcement has been authorised for release to ASX by the Board of Directors of Focus Minerals Limited.

IMPORTANT NOTICE AND DISCLAIMER

This release is for information purposes only and is not financial product or investment advice or a recommendation to acquire Shares (nor does it or will it form any part of any contract to acquire Shares). The information in this release is in summary form and does not contain all the information necessary to fully evaluate the Entitlement Offer or any potential investment in FML. It should be read in conjunction with FML's other periodic and continuous disclosure announcements lodged with ASX. This release has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives and financial situation and seek legal, financial and taxation advice.

This announcement is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This announcement is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in FML.

Not for release in United States

This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the

Entitlements nor the New Shares have been or will be registered under the U.S. Securities Act of 1933 (the **US Securities Act**) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Accordingly, the Entitlements may only be taken up by, and the New Shares may only be offered or sold to, persons that are not in the United States and are not acting for the account or benefit of a person in the United States.

Australian dollars

All dollar values are in Australian dollars (A\$) unless otherwise stated. All times and dates refer to Australian Eastern Standard time (AEDT), unless stated otherwise.

Forward Looking Statements

This announcement may contain certain forward looking statements. The words anticipate, believe, expect, project, forecast, estimate, likely, intend, should, could, may, target, plan, consider, foresee, aim, will and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future activities, financial position and performance of FML and Shares are also forward looking statements. Such forward looking statements are based on an assessment of present economic and operating conditions and a number of assumptions regarding future events and actions that, as at the date of this announcement are expected to take place and are provided as a general guide only. FML cannot and does not give any assurance that the activities, results, performance or achievements expressed or implied by such statements will actually occur. Any such activity, result, performance or achievement involves known and unknown risks, uncertainties and other factors, many of which are outside the control of FML and which are based on change without notice, and could cause such activities, results, performances or achievements to differ materially from those expressed or anticipated in such statements. Shareholders are cautioned not to place undue reliance on these forward looking statements.

Risks

An investment in New Shares is subject to investment and other known and unknown risks, uncertainties and assumptions, many of which are beyond the control of FML and the Board which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by any forward looking statements in this announcement. Neither FML, its officers, employees, agents, associates and advisers, nor any other person warrants or guarantees the future performance of the New Shares or any particular rate of return or the performance of FML, nor does it guarantee the repayment of capital from FML or any particular taxation treatment. In considering an investment in New Shares, investors should have regard to (among other things) the risks and disclaimers outlined in the Offer Booklet.

For further information please contact:

Zhaoya Wang

CEO

Focus Minerals Ltd.

Phone: +61 8 9215 7888

Email: info@focusminerals.com.au

For media and investor enquiries please contact:

Peter Klinger

Director, Investor Relations

Cannings Purple

Phone: +61 411 251 540

Email: pklinger@canningspurple.com.au

About Focus Minerals Limited (ASX: FML)

Focus Minerals is a Perth-based, ASX-listed gold exploration company focused on delivering shareholder value from its 100%-owned Coolgardie Gold Project and Laverton Gold Project, in Western Australia's Goldfields.

Focus is committed to delivering shareholder value from the Coolgardie Gold Project, a 138km² tenement holding that includes the 1.4Mtpa processing plant at Three Mile Hill (on care and maintenance), by continuing exploration and value-enhancing activities. An updated PFS in September 2020 highlighted the potential for a low capital cost, fast-tracked return to mining at Coolgardie and delivered an NPV_{7.5%} of \$183 million. The Company's efforts are now focused on increasing production-ready Mineral Resources at Coolgardie and delivering the approvals and permits required for a resumption of gold-mining operations.

The Laverton Gold Project covers 362km² area of highly prospective ground that includes the historic Lancefield and Chatterbox Trend mines. Focus' priority target is to confirm sufficient gold mineralisation at the Beasley Shear

Zone, Lancefield-Wedge Thrust, Karridale and Burtville to support a Stage 1 production restart at Laverton. In parallel, Focus is working to advance key Laverton resource growth targets including Sickie, Ida-H and Burtville South. Focus has delivered first results from a progressive Pre-Feasibility Study (Pre-Tax NPV_{5.0%} A \$132M) and is advancing study work utilising Laverton's expanded Mineral Resource position.

ASX Listing Rule 5.19.2

Focus confirms that all material assumptions underpinning the production target or the forecast financial information derived from the Coolgardie 2020 PFS announced in September 2020 continue to apply and have not materially changed.