

80% INCREASE IN GOLD RESOURCES AT CYANIDE DEPOSIT

HIGHLIGHTS

- Resource estimate at Cyanide deposit increased by 80 per cent to **672,000t @ 5.5g/t** for 117,800oz
- Underground resources at Tindals Mining Centre increases to **2.04Mt @ 4.9g/t** for 324,000oz
- Cyanide deposit open along strike and at depth – second rig due in July
- Upgraded Cyanide resource to add another mining source to the rapidly expanding Tindals Mining Centre
- Focus on track to produce **80,000 ounces** for 2010 calendar year
- Forecast production of **100,000** for 2010/2011 FY

Gold producer Focus Minerals (ASX: **FML**) is pleased to announce a substantial increase in Indicated and Inferred Resources at the Company's underground Cyanide Project within the **Tindal's Mining Centre, Coolgardie**.

The updated JORC-compliant resource for the Cyanide Project totals **672,000t @ 5.5g/t Au for 117,800 contained ounces** (Table 1), comprising:

- An estimated Indicated Resource of **383,000t @ 5.4g/t** for **66,100 contained ounces**; and
- An approximate Inferred Resource of **289,000t @ 5.6g/t** for **51,700 contained ounces**.

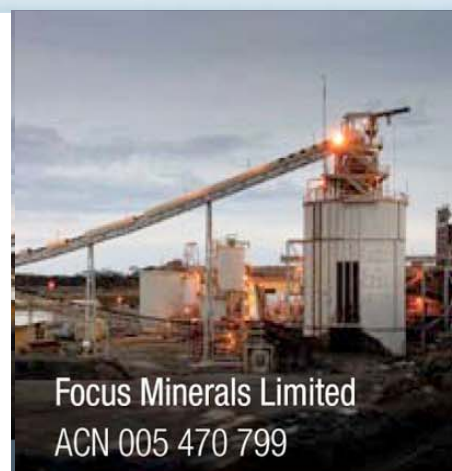
This represents an 80% increase on the previously announced Inferred Resource of an estimated 367,000t @ 5.5g/t for 65,400 contained ounces.

Diligent validation of all available data and recent detailed technical work has provided confidence in the data and the Cyanide Resource. There remains significant upside to the Cyanide resource both along strike and at depth, with a second underground diamond rig arriving in July to commence expanding the Cyanide high-grade resource.

The resource upgrade at Cyanide has increased the underground resources at the Tindals Mining Centre by 20% to 2.4Mt @ 4.9g/t for 324,000 contained ounces (Table 2) with work underway to convert the increased Resource at the Cyanide deposit to Reserves.

Focus Chief Executive Officer Campbell Baird said this latest upgrade to the Cyanide resource highlights the massive potential that exists at the Tindals Mining Centre to continue to deliver additional high-grade resources and reserves.

"In the past 12 months, Focus has added 150,000 ounces to reserves and increased the resource base by over 250,000 ounces. The Tindals Mining Centre



Focus Minerals Limited
ACN 005 470 799

Australian Securities Exchange

Code: **FML**

Frankfurt Stock Exchange

Code: **FZA**

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continues to deliver in spades for Focus. With increasing high-grade production coming from The Mount and our ongoing drilling programmes, Focus is cementing its position as a substantial mid-tier gold producer in Australia with a significant gold inventory and robust profit margins," said Mr Baird.

Table 1 – Cyanide Resource (Reported at a 2g/t lower cut-off)

	Tonnes	Au g/t	Ounces
Total Indicated Resource	383,000	5.4	66,100
Total Inferred Resource	289,000	5.6	51,700
Total Resource	672,000	5.5	117,800

Table 2 – Tindals Mining Centre Underground Resources

Prospect	Classification	Tonnes	Grade (g/t)	Contained Ounces
UNDERGROUND				
Countess	Measured	80,000	4.5	11,500
	Indicated	320,000	4.5	45,800
	Inferred	127,000	3.4	13,800
Cyanide	Indicated	383,000	5.4	66,100
	Inferred	289,000	5.6	51,700
Empress	Measured	53,000	5.4	9,200
	Indicated	178,000	4.1	23,200
	Inferred	42,000	5.2	7,000
Perseverance	Measured	134,000	6.3	26,900
	Indicated	196,000	6.0	38,000
	Inferred	54,000	5.3	9,200
Tindals	Indicated	99,000	4.0	12,900
	Inferred	83,000	3.3	8,700
Total Measure Resource - Underground		267,000	5.5	47,600
Total Indicated Resource - Underground		793,000	7.3	186,000
Total Inferred Resource - Underground		689,000	4.1	90,400
Total Resource - Underground		2,038,000	4.9	324,000

ENDS

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COMPETENT PERSON'S STATEMENT

The information in this report relating to Resources is based on work supervised by Dr Garry Adams who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr. Adams has the relevant experience as a "Competent Person" as defined in the 2004 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves in relation to the mineralisation being reported. Dr. Adams is Exploration Manager of Focus Minerals Ltd and consents to the inclusion of the material in the form and content in which it appears.

BACKGROUND INFORMATION – FOCUS MINERALS LTD

Focus Minerals Ltd (ASX: FML) is an Australian-based exploration and development group whose focus is to become a significant gold and nickel producer in the Coolgardie-Kalgoorlie-Widgiemooltha region of Western Australia.

Focus Minerals is the largest landholder in the Coolgardie Gold Belt located in Western Australia, 560km east of Perth and 35km west of the 'Super Pit' in Kalgoorlie-Boulder. More than 2.6 million ounces of gold has been produced from the Coolgardie gold belt alone since 1892. Focus holds the mineral rights to more than 210sq km of tenements including an extensive inventory of Measured, Indicated and Inferred gold resources as well as the 1.2mtpa Three Mile Hill processing plant.

Notes to accompany the Mineralised Resource Statements

The notes below are for the Cyanide Resource.

Cyanide is hosted within tightly folded silica altered ("bleached") diorite intrusions within an ultramafic sequence. Cyanide is made up of 12 lodes that strike 360 and are vertical. The lodes vary in width from 0.5m to 7.5m. In all lodes, mineralisation consists of quartz/sulphide micro-veinlets, disseminated pyrrhotite and albitic alteration of the diorites.

The resource at Cyanide is a result of diligent validation work and a new detailed geological interpretation.

The interpretation was then used to create a new resource model for the deposit.

Drilling Information

The Cyanide Resource was calculated from a total of 154 Diamond holes for a total of 15,595.41m, and 141 RC drill holes for a total of 10,305.2m. Historical development, mapping and faces were only used as a guide during the interpretation; this data was not used in the estimation of the resource. Drill spacing is generally 12.5m x 12.5m in the core of the resource, and widens to 80m x 40m at the margins of the resource areas.

The drill holes have either been down hole surveyed by Eastman single-shot camera or electronic multi-shot (EMS). All drill holes that were surveyed at Cyanide were done so in Tindals Mine Grid coordinates and have subsequently been converted to GDA94 co-ordinates.

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

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

All samples (Focus and pre-Focus drilling) have been assayed using the Fire Assay method at Analabs, ALS Chemex or Kalgoorlie Assay Laboratory in Kalgoorlie.

Geological Model

The geological interpretation (geology and mineralisation) and the resource estimation were conducted internally. The mineralised interpretation at Cyanide was digitised to either geological boundaries or a nominal 1g/t cut-off grade where the geological contact was obscure. No mining dilution has been incorporated into the resource interpretation,



although some low grade zones (<1g/t) have been included to allow for continuity of the interpretation.

Samples within individual wireframes were composited to 2m intervals and combined into one dataset and treated as a single domain due to the similarity in mineralogy, alteration, mineralisation and geometry of the lodes. The composites were used to determine the necessary top cut, which were done by a combination of Skree Plot and Probability Plot analysis. The top cut value was 35g/t Au and was applied to all lodes.

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

A bulk density of 2.75t/m³ was applied to all ore blocks. This value was based on values used for the other diorite hosted orebodies in the Tindals Mining Centre (Countess and Tindals).

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

The Resource has been reported at a 2g/t lower cut-off grade and is depleted by using the historical void models for Cyanide underground.