

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2009

HIGHLIGHTS

Solid Production and Revenue

- Completion of the 9th toll milling campaign concluded for a total of 21,841ozs ~ 11,983ozs were produced in the December Quarter
- Revenue for the Quarter of **\$14.95 million** from the sale of **13,024ozs** of gold at an average price of **A\$1,147/oz**
- Cash costs of **\$602** per ounce for December Quarter

Three Mile Hill Commissioning Complete

- Focus Minerals completed the refurbishment of the 1.2Mtpa Three Mile Hill gold processing facility ~ this concluded a four year journey from gold explorer to producer with on-site milling facilities

Significant 68% increase in Gold Reserves

- Ongoing technical work and in-fill resource drilling during the Quarter has lead to a total Reserve Increase to **2 million tonnes at 2.4g/t for 157,000oz** (previously 767,000t at 3.8g/t for 93,000oz)

Exploration

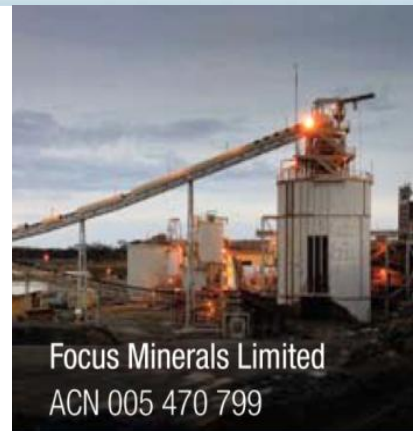
- At the end of the December Quarter a total of four drill rigs were on site to accelerate resource and reserve definition drilling
- The exploration decline at the Mount commenced and reached its target RL before intersecting the primary and secondary German lodes ~ ore driving on these lodes remained extremely positive with over 2,300 tonnes at 9.00g/t trucked to Three Mile Hill

Significant Intersections for Quarter

- | | | | |
|----------------|-------------------|------------|-----------------|
| • Perseverance | 0.95m @ 170.94g/t | • Empress | 3.32m @ 7.16g/t |
| • Perseverance | 3.14m @ 12.10g/t | • Big Blow | 3m @ 8.74g/t |
| • Perseverance | 4.62m @ 10.32g/t | • Big Blow | 6m @ 4.23g/t |
| • Countess | 5.72m @ 4.98g/t | • Cookes | 3m @ 4.18g/t |
| • Countess | 5.97m @ 4.48g/t | • Cookes | 12m @ 3.70g/t |

Corporate

- Final repayment of A\$4.25 million debt repaid from an original total of A\$17 million ~ leaves the Company debt free as it enters 2010
- Completion of A\$8.25 million capital raising to accelerate exploration and resource conversion in Coolgardie and to facilitate spares purchases for the mill



Focus Minerals Limited
ACN 005 470 799

Australian Securities Exchange
Code: FML

Frankfurt Stock Exchange
Code: FZA

Board of Directors

Mr Donald Taig
Executive Chairman

Mr Chris Hendricks
Non-Executive Director

Mr Phil Lockyer
Non-Executive Director

Senior Management

Mr Campbell Baird
Chief Executive Officer

Mr Peter Williams
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Mr Jon Grygorcewicz
Company Secretary

Mr Clint Baker
Mining Manager

Dr Garry Adams
Exploration Manager

Mr Peter Cash
Investor Relations Manager

Mr Chuck McCormick
Business Development Manager

Share Registry

Computershare Investor Services Pty Ltd

Investor Enquiries

1300 557 010



Table 1 - Gold Production - December 2009 Quarter

		Quarter Ended 31 December 2009 ¹	Quarter Ended 30 September 2009	Quarter Ended 30 June 2009
Ore Mined	(tonnes)	86,418	67,476	116,970
Mined Grade	g/t	3.84	7.42	6.38
Milled Tonnes	(tonnes)	47,574	57,942	85,277
Head Grade	g/t	8.22	6.02	7.38
Gold Recovery	%	95.3	88	95.0
Gold Produced *	(oz)	11,983	9,858	19,226
Cash Operating Cost #	(A\$/oz)	A\$602	A\$551	A\$695
Development and Capex	(A\$)	\$2,187,000	\$2,750,000	\$1,836,000
Gold Sold	(oz)	13,024	8,178	21,815
Average Price Received	(A\$/oz)	A\$1,147	A\$985	A\$1,068

¹Gold production is gold refined during the period.

Cash operating cost refers to the cost of refined gold and includes all expenditures directly incurred on mining, crushing and processing including site administration cost including royalties.

Operational Review – Coolgardie Gold Project

Production during the December Quarter was **86,418 tonnes at 3.84 g/t**. This predominately came from underground Perseverance production stoping and ore development at the Empress and Countess deposits, located within the Tindals Mining Centre. In addition, 2,340 tonnes at 8.96 g/t was produced at the Mount Project and trucked to Three Mile Hill.

Cash costs for the December Quarter were A\$602 per ounce (including royalty costs). Production costs have increased slightly during the Quarter reflecting the increased mining activities and the early start-up costs of the Three Mile Hill Mill plant. These costs included staffing costs of mill shifts, early maintenance activities and increased training activities for new staff. Staff growth at Coolgardie has been from 38 employees in the September Quarter to 65 employees at the end of the December Quarter.

Total stockpiled ore at the end of the Quarter was 185,000 tonnes at 2.85 g/t containing approx 16,970ozs.

In October, Focus' mining contractor, Barmenco, mobilised a twin boom jumbo to site and commenced an aggressive development program in the Empress and Perseverance declines. The advance of the Countess decline allowed for simultaneous accessing of new production levels at Empress and Countess. During the Quarter, over 961 metres of decline and ore drives were completed at Tindals.

Simultaneously, the 140m exploration decline [3.5m x 3.5m] was completed at the Mount. Ore development of over 150m was also completed on the primary and secondary German lodes.



GOLD RESERVES AND STOCKS

Focus Minerals' Reserve and Stocks position at end of December 2009 stood at **2 million tonnes @ 2.4 g/t for 157,000 contained ounces**. This represents a 68% increase from last Quarter's position of 767,000t @ 3.8g/t for 93,000 contained ounces and is due to this Quarters inclusion of the first open pit reserves. Work is ongoing to convert additional surface and underground resources to reserve in the coming Quarter.

Table 2 – Reserve and Stocks position (as at 31 December 2009)

Underground Reserves:		Tonnes:	Grade:	Ounces:
Proven:	Perseverance:	74,00	4.1	9,700
	Sub Total:	74,00	4.1	9,700
Probable:	Perseverance:	90,000	4.0	11,600
	Countess:	287,000	3.7	33,700
	Empress:	179,000	3.0	17,100
	Sub Total:	556,000	3.5	62,500
Total:		630,000	3.6	72,200

Surface Reserves:		Tonnes:	Grade:	Ounces:
Probable:	Greenfields:	1,101,000	1.7	59,900
	Big Blow:	63,000	2.2	4,500
	Dreadnought North:	54,000	1.8	3,100
Total:		1,218,000	1.7	67,500

Surface Stocks:		Tonnes:	Grade:	Ounces:
		185,000	2.9	17,000

Reserves and Stocks:		Tonnes:	Grade:	Ounces:
		2,033,000	2.4	156,600

Open Pit Reserves

Focus has begun the process of converting near-surface Resources to open pit Reserves. This will be an ongoing process supported by the Company's extensive resource base and surface exploration. To date, Reserves have been completed for Greenfields, Big Blow and Dreadnought North.

Greenfields

A Maiden Reserve for has been generated for the Greenfields deposit. The Open Pit Probable Reserve is an estimated 1.1 million tonnes @ 1.7 g/t for 60,000 contained ounces at a strip ratio of 4.0.

Greenfields is an existing pit and the Reserve represents extensions to the existing pit along known mineralisation. The Greenfields pit is located adjacent to the Three Mile Hill processing facility. The conversion of the Greenfields Resource to Reserve highlights the potential in the Company's resource base and represents a part of the ongoing technical work being conducted by Focus at Coolgardie.



Big Blow

A Maiden Reserve has been generated for the Big Blow deposit. The Probable Open Pit Reserve is an estimated 63,000 tonnes @ 2.2 g/t for 4,500 contained ounces at a strip ratio of 7.3. While relatively small, Big Blow is part of a package of probable smaller pits located around the current infrastructure at Tindals. Work is currently progressing on approvals to allow mining at Big Blow as part of a package of works. Recent drilling indicates that Big Blow has future underground potential and pit designs are taking this into account.

Dreadnought North

A Maiden Reserve for Focus Minerals has been generated for Dreadnought North. The Probable Open Pit Reserve is an estimated 54,000 tonnes @ 1.8 g/t for 3,100 contained ounces at a strip ratio of 4.2.

EXPLORATION

During the December Quarter, a total of four drilling rigs were operating on site as part of the Company's aggressive resource definition, extensional and exploration programs.

Underground Exploration and Resources

Perseverance

Drilling during the Quarter focused on geophysical targets to the north and south of Perseverance - deep extensional drilling in the southern area and extensional drilling of the high-grade linking structure. Highlights from drilling during the Quarter include intercepts of:

- **0.95m @ 170.94g/t** (visible gold);
- **3.14m @ 12.10g/t;**
- **0.95m @ 21.33g/t;**
- **5.76m @ 3.61g/t;**
- **0.43m @ 49.0g/t; and**
- **4.62m @ 10.32g/t.**

The complete results from the drilling are provided in Table 4.

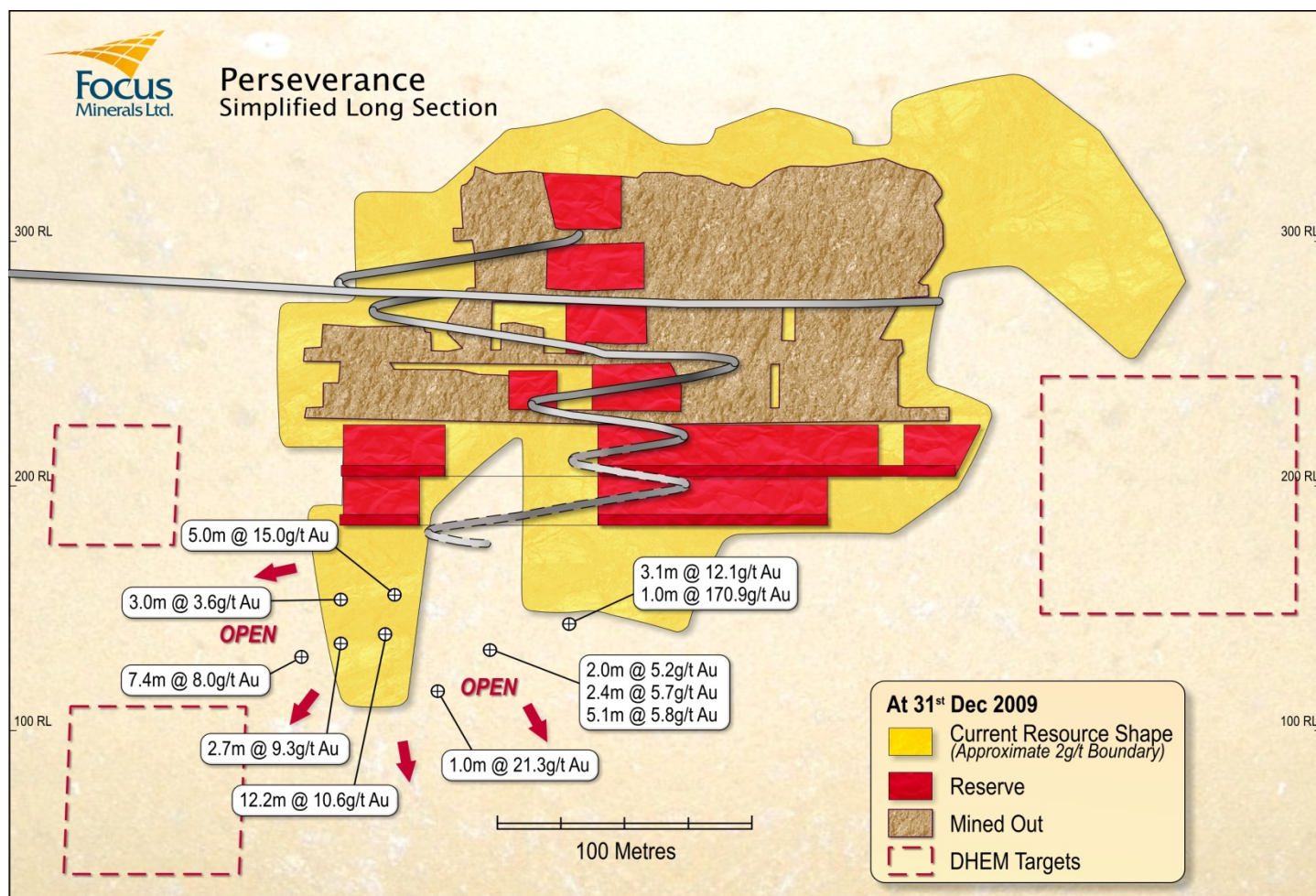
The drilling highlighted that potential continues to exist on the East Lode and high-grade linking structure in the southern area. The drilling closed off mineralisation immediately to the south above the 200mRL, but did reveal that potential still exists below this RL to the south, down dip and down plunge where the ore-body remains open.

These intersections (including a section of visible gold) are outside the current resource base and are over **100m below the current Perseverance workings** (see Figure 1 below). This reinforces the Company's belief that the areas surrounding the known deposits in the Tindals area have the potential to host additional high-grade mineralisation.

Down hole electromagnetic (DHEM) surveys were conducted on the drill holes targeting new geophysical targets. Analysis of the data produced some attractive anomalies in and around Perseverance (see Figure 1 below), where three priority targets were identified. Drill planning is currently underway on the first of these targets which sits at the 245mRL just to the north of the current Perseverance mine (see Figure 1 below).



Figure 1 – Perseverance Long Section



Countess

A drill program at Countess focused on definition drilling of the Countess East Lode, with the holes extended to infill areas of the Tindals Lodes 40-80m below the last level historically mined at Tindals. Highlights from drilling during the Quarter include intercepts of:

- 5.72m @ 4.98g/t;
- 2.22m @ 4.85g/t;
- 2.48m @ 5.37g/t;
- 5.97m @ 4.48g/t; and
- 13.65m @ 2.54g/t.

The complete results from the drilling are provided in Table 5.

The drilling extended the mineralised zone in the East Lode which remains open to the north and at depth, while the Tindals intercepts verified the structure and grade below the existing workings.

Empress

Towards the end of the Quarter, drilling at Empress concentrated on definition drilling of the Empress Lodes which is +50m below the current development. Highlights from drilling during the Quarter include intercepts of:

- 3.32m @ 7.16g/t; and
- 1.16m @ 3.99g/t.



The complete results from the drilling to the end of the quarter are provided in Table 6.

The drilling verified the structure and grade below the current workings. Drilling continues at Empress, with step out exploration drilling to commence once the definition drilling has been completed.

Surface Exploration and Resources

Big Blow

An updated Resource model was completed during the Quarter on the Big Blow deposit. This was based on the recently completed drilling which verified the historical data and has led to increased confidence in the interpretation. The updated resource at Big Blow is **373,000t @ 4.2g/t** for approximately **50,400 contained ounces** (Table 7).

This is comprised of:

- An estimated Indicated Resource of **279,000t @ 3.7g/t** for approximately **32,900 contained ounces**;
- An approximate Inferred Resource of **94,000t @ 5.8g/t** for approximately **17,500 contained ounces**.

Exploration at Big Blow concentrated on drilling (including geotechnical drilling) to verify historical data, assist with pit designs and to provide material for metallurgical studies. Highlights from drilling during the Quarter included intercepts of:

- **3m @ 8.74g/t;**
- **6m @ 4.23g/t;**
- **10m @ 3.38g/t;**
- **2m @ 6.49g/t; and**
- **3.95m @ 4.55g/t.**

The complete results from the drilling to the end of the quarter are provided in Table 8.

The drilling verified the structure and grade of the Big Blow deposit, with the deposit remaining open at depth. The depth potential at Big Blow is the target of an exploration program to be drilled during the first Quarter of 2010.

Cookes

An updated Resource model was completed during the Quarter on the Cookes deposit, which was based on validation of historical data and a re-interpretation and review of the parameters used in the previous historic resource estimate. The updated resource at Cookes is an approximate Inferred Resource of **86,000t @ 2.6g/t** for approximately **7,300 contained ounces**. This represents a 30% increase on the historic Cookes resource of 5,600 ounces.

The updated resource was used to target drilling for a potential open pit. The drilling (including geotechnical drilling) was used to verify the historical data, target shallow extensions, assist with pit designs and to provide material for metallurgical studies. Highlights from drilling during the Quarter included intercepts of;

- **0.9m @ 11.15g/t;**
- **4m @ 3.79g/t;**
- **3m @ 4.18g/t; and**
- **12m @ 3.70g/t.**

The complete results from the drilling to the end of the quarter are provided in Table 9.

The drilling verified the structure and grade of the Cookes deposit, and also confirmed that the deposit remains open to the north and at depth. The drilling also intersected a few parallel structures to the west of the main Cookes ore body. Further results from the program are pending.



The Mount Project – Exploration Decline Confirms Grade and Structure

The Company's strategy of developing an exploration decline into The Mount has proven successful this Quarter, with the 350,000 ounce Mount Project –which lies 80km south of Focus' Tindals Mining Centre at Coolgardie – already starting to play a key role in lifting the Company's production profile following Three Mile Hill coming into full operation.

After securing all necessary mining permits and environmental approvals in September 2009, Focus has made significant progress at the Mount. This has included the completion of a 140m exploration decline, which has accessed the three German Lodes and allowed confirmation of both the geological structure and grade (with face grades during the initial cross cut of 13.0 g/t). It also provides an access for further development activities.

Approximately 94m strike drive has been developed on the German Main Lode and 38m of strike has been developed on the German West Lode, approximately 50m below surface. Both lodes are still being driven north and south with faces to date averaging over 8.0 g/t with ore widths of approximately 2.0 metres. To date 2,300t @ 9g/t has been trucked to Three Mile Hill for processing.

Currently in progress and planned are the establishment of second means of egress, ventilation circuit and both an incline and a decline to continue exploration and to set up for initial stoping activities.

Three Mile Hill Refurbishment

On the 24th December, Three Mile Hill Mill was handed over to Focus Minerals. This was the culmination of a very intensive nine months for Focus Minerals employees and construction contractors, Como Engineers.

Como Engineers commenced work on the project on the 4th of April 2009 under a fixed price and scope contract of A\$16.95 million. Outside of this, Focus undertook over A\$2.9 million worth of other work in order to ensure that the plant complied with all current health and safety and material handling regulations. This additional spend also ensured that other plant infrastructure not included in the refurbishment project was up to a standard set internally by Focus for the commencement of milling operations in December (Fig 1, Fig 2).

The Three Mile Hill plant has an annual capacity of 1.2 million tonnes, enabling Focus to increase production to an expected 80,000oz this year and more than 100,000oz next year. Importantly, the Three Mile Hill plant will enable the Company to cut operating costs and benefit from a more consistent production profile.

In October 2009, approximately A\$4m was allocated from an A\$8m capital raising to purchase significant spares with long lead times for Three Mile Hill.

A large proportion of the long lead items and critical spares have been ordered, with some items already delivered to site or being held as consignment stock by local suppliers. The remainder of the outstanding spares and long lead items are expected to be delivered during the coming months.

The main work areas of the 2009 Refurbishment project were:

1. Purchase and installation of new primary, secondary and tertiary crushers (including the rebuilding of much of the crusher foundations); (Fig 3, Fig 4)
2. The complete rebuild and refurbishment of the fine ore bin and screen; (Fig 5, Fig 6)
3. The complete refurbishment of the mill and the complete rebuilding of the mill foundations; (Fig 7, Fig 8)
4. The complete physical refurbishment of all tanks and mechanical infrastructure associated with the tanks; (Fig 9, Fig 10)
5. A new gold gravity circuit; and
6. A new gold room facility including elution and stripping and carbon regeneration circuits (Fig 11, Fig 12, Fig 13).



To demonstrate the extensive level of work carried out a series of before and after photos on the different components of the plant is provided in Appendix B.

The Mill ran successfully through the Christmas period and gold was first poured on Wednesday the 13th of January, 14 days after start-up.

To date, the refurbishment is 100% complete with expenditure totaling \$16.95 million of the fixed value contract of \$16.95 million. The project progress cost break down is provided below in Table 3:

Table 3 - Three Mile Hill Refurbishment Project Progress

Contract Scope item	% complete
Crushing & screening	100%
Grinding	100%
Leaching & CIL	100%
Stripping circuit	100%
Services	100%
Contract total progress	100%
Paid to date	\$16.95 M
Contract value	\$16.95 M
Approved variations to date	\$2.88 M
Varied contract value	\$19.83M

CORPORATE

Hedging and Debt

During early October 2009, Focus delivered the balance of 1,200 ozs under the gold hedging facility. The Company has cleared all hedge facility commitments and is now completely unhedged to the gold price.

In December, Focus made its final \$3.75m payment to Investec Bank (Australia), clearing the A\$17m loan facility established in 2008. It is important to note that A\$13.4m of this facility was repaid during Calendar year 2009. Focus also completed repayment of the A\$2m unsecured loan provided by CBR Group Inc during the Quarter.

Following these payments Focus enters 2010 100% debt-free.

Cash and Bullion

Revenue for the Quarter was **A\$14.95M million** generated from the sale of **13,024 ounces** of gold at an average price received of **A\$1,147.46/oz.**

At 31 December, 2009, Focus had the following Australian dollar amounts available;

Cash at Bank	\$7.513 million
Bullion on Hand	\$1.336 million
Total Cash and Equivalents	\$8.849 million

Excludes \$982,000 held in secured deposit accounts supporting bank guarantees and bonds required under mining tenement conditions.



Capital Raising

During October 2009 Focus completed an \$A8m capital raising via a share placement to institutional investors. This raising was undertaken to expedite funding for big ticket spare parts for the Three Mile Hill mill and for increased exploration and Reserve definition drilling.

Approximately half of the proceeds – which were raised through the placement of 200 million shares at 4 cents each to institutional clients of Petra Capital – have or will be used to acquire crucial spare parts for Focus' refurbished Three Mile Hill mill.

During the Quarter, breakdowns at the Greenfields toll treatment facility – while having no effect on Focus' production – served as a timely reminder that from time to time process plants do breakdown and led Focus to rethink its strategy surrounding long-lead item spare parts.

This raising underpinned the Company's strong financial position, but also recognised the critical nature of ensuring future milling operations could continue without major incident once the refurbished plant was commissioned. The purchase of spare parts significantly mitigates this risk.

- ENDS -

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Appendix A

FOCUS MINERALS RESOURCES at 31 December 2009

Prospect	Classification	Tonnes	Grade (g/t)	Contained Ounces	Lower Cut (g/t)	Upper Cut (g/t)
Open Pits						
Big Blow	Indicated	279,000	3.70	32,900	1.0	50
	Inferred	94,000	5.80	17,500	1.0	50
Brilliant	Indicated	1,928,000	2.20	136,400	1.0	various
	Inferred	1,146,000	2.90	106,800	1.0	various
Cookes	Inferred	86,000	2.60	7,300	1.0	10
Dreadnought	Indicated	3,024,000	2.00	196,400	1.0	None
	Inferred	435,000	1.80	24,600	1.0	None
Empress/Alicia	Inferred	875,000	1.80	49,800	0.0	10,12
Friendship	Inferred	100,000	1.40	4,600	1.0	10
Greenfields	Indicated	1,386,000	1.90	86,500	1.0	various
	Inferred	138,000	3.00	13,300	1.0	various
Happy Jack	Inferred	198,000	1.70	10,900	0.0	12
Hillside	Inferred	672,000	3.10	65,900	0.0	50
Lord Bob	Inferred	820,000	1.60	42,200	0.8	None
Lindsays	Indicated	4,350,000	1.70	237,800	1.0	18 to 100
	Inferred	1,490,000	1.60	76,600	1.0	18 to 100
King Solomon - Queen Sheba	Inferred	1,400,000	2.00	90,000	1.0	10
Norris - Grosmont	Inferred	1,050,000	2.40	82,000	1.0	23 to 78
Total Open Pits		19,471,000	2.10	1,281,500		
Underground						
Countess	Indicated	220,000	4.50	32,000	2.0	various
	Inferred	193,000	3.30	20,600	2.0	various
Cyanide	Inferred	367,000	5.50	65,400	2.0	20
Empress	Indicated	175,000	4.40	24,800	2.0	20
	Inferred	15,000	3.40	1,600	2.0	20
The Mount	Inferred	2,090,000	5.50	369,600	1.0	None
Perseverance	Indicated	349,000	6.30	70,700	2.0	Various
	Inferred	54,000	5.70	9,900	2.0	Various
Total Underground		3,463,000	5.30	594,600		
Total Measured & Indicated Resource		11,711,000	2.20	817,500		
Total Inferred Resource		11,223,000	2.90	1,058,600		
Grand Total		22,934,000	2.50	1,876,100		



Appendix B – Images of Three Mile Hill During Refurbishment



Figure 1: Three Mile Hill March 2009



Figure 2: Three Mile Hill December 2009



Figure 3: Crusher and Fine Ore Bin Infrastructure - April 2009

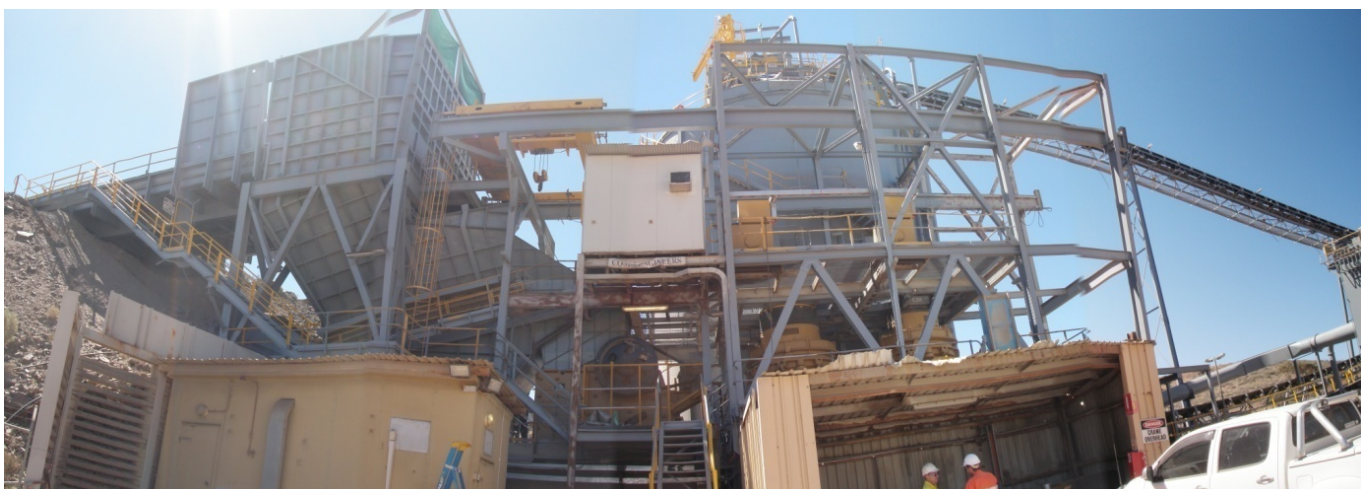


Figure 4: Primary and Secondary Crusher infrastructure - December 2009



Figure 5: Fine Ore Bin – March 2009



Figure 6: Fine Ore Bin – December 2009



Figure 7: Ball Mill and original foundations – March 2009



Figure 8: Ball Mill and new foundations (including new cyclone tower and Falcon Concentrator) – December 2009



Figure 9: Tanks – March 2009



Figure 10: Refurbished Tanks prior to installation of gold room circuits – October 2009



Figure 11: During installation of gold room circuits - October 2009



Figure 12: Gold room - March 2009



Figure 13: Completed gold room and carbon regeneration circuit - November 2009



Table 4– Perseverance Diamond Drill Results, December Quarter (in local Tindal's grid).

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
PEPX0022	9778	5294	232	345	-60	169.99	102.12	105.26	3.14	12.10
							106.97	107.39	0.42	5.17
							107.83	108.52	0.69	4.01
							130.01	130.96	0.95	170.94
							157.28	157.63	0.35	3.63
							162.90	168.66	5.76	3.61
PEXP0023	9776	5293	232	274	-75	200.13	119.94	120.89	0.95	21.33
							153.25	154.05	0.80	2.19
PEXP0024	9918	5406	275	329	13	135.05	45.10	45.90	0.80	4.64
							49.77	50.45	0.68	2.10
							132.55	133.53	0.98	1.17
PEXP0025	9918	5406	274	323	-13	130.08	108.49	109.49	1.00	1.08
PEXP0026	9742	5252	267	243	-45	165.15	no significant intercepts			
PEXP0027	9742	5252	267	241	-65	210.24	no significant intercepts			
PEXP0028	9742	5252	267	256	-45	135.01	no significant intercepts			
PEXP0029	9742	5252	267	250	-57	159.77	74.97	75.37	0.40	1.05
							123.20	123.55	0.35	1.37
PEXP0030	9742	5252	267	268	-41	99.98	58.85	59.38	0.53	1.18
							61.66	62.46	0.80	3.09
							62.96	63.76	0.80	1.35
							85.97	86.99	1.02	2.44
PEXP0031	9742	5252	267	272	-59	125.06	55.47	55.77	0.30	1.26
							71.35	71.69	0.34	2.05
							112.61	112.97	0.36	1.23
PEXP0032	9742	5252	267	276	-66	134.99	87.01	87.96	0.95	1.54
							124.58	125.00	0.42	1.06
							126.48	127.44	0.96	3.64
PEXP0033	9742	5252	267	273	-71	150.03	73.33	75.07	1.74	1.73
							76.42	76.97	0.55	4.95
							79.03	80.08	1.05	1.89
							85.02	85.35	0.33	2.64
							109.93	110.38	0.45	10.35
PEXP0034	9742	5252	267	270	-75	174.43	66.74	67.74	1.00	1.00
							72.52	73.67	1.15	4.46
							75.52	75.91	0.39	1.94
							77.63	78.13	0.50	3.23
							82.53	83.40	0.87	5.55
							96.38	96.81	0.43	49.00
							97.63	98.10	0.47	1.83
							98.61	99.62	1.01	3.52
							111.83	112.42	0.59	1.82
							120.55	121.04	0.49	1.03
124.31	124.82	0.51	4.33							



							141.15	142.58	1.43	8.09
							143.98	148.60	4.62	10.32

Table 5– Countess Diamond Drill Results, December Quarter (in local Tindal's grid).

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
COD011	9320	5194	104	92	1	116.13	29.78	35.50	5.72	4.98
							101.37	103.38	2.01	2.88
COD012	9320	5194	103	90	-26	124.88	46.20	47.00	0.80	1.14
							70.25	73.00	2.75	1.85
							91.35	105.00	13.65	2.54
							112.95	117.95	5.00	1.33
COD013	9320	5194	103	92	-42	179.72	52.33	54.55	2.22	4.85
							84.74	92.09	7.35	2.92
COD014	9345	5195	104	83	0	151.43	43.00	47.00	4.00	1.93
							68.67	71.39	2.72	1.73
							90.52	93.00	2.48	5.37
COD015	9345	5195	104	84	-20	150.00	48.70	49.70	1.00	1.21
							77.10	81.00	3.90	2.68
COD016	9345	5195	106	84	30	81.66	42.65	45.70	3.05	2.43
COD017	9346	5195	104	67	1.5	107.52	51.85	57.82	5.97	4.48
							70.00	71.00	1.00	1.06
COD018	9346	5194	104	65	-19	83.50	76.18	78.00	1.82	1.09

Table 6– Empress Diamond Drill Results, December Quarter (in local Tindal's grid).

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
EMXP0001	9249	5048	124	345	-28	115.14	86.85	87.47	0.62	2.74
							92.03	95.35	3.32	7.16
							96.87	104.00	7.13	2.96
EMXP0002	9248	5048	124	333	-32	104.83	69.32	70.64	1.32	2.16
							75.27	75.90	0.63	3.59
							77.53	78.69	1.16	3.99
							80.47	86.52	6.05	1.62
							87.36	88.89	1.53	2.07



Table 7– Big Blow Resource (Reported at a 1g/t lower cut-off)

	Category	Tonnes	Au g/t	Ounces
Indicated	Oxide	4,000	1.80	200
	Transitional	100,000	2.50	8,000
	Fresh	175,000	4.40	24,700
Sub-Total Indicated Resource		279,000	3.70	32,900
Inferred	Oxide	1,000	1.80	50
	Transitional	16,000	2.50	1,300
	Fresh	77,000	6.50	16,150
Sub-Total Inferred Resource		94,000	5.80	17,500
Total Resource		373,000	4.20	50,400

Table 8– Big Blow RC and Diamond Drill Results, December Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TNDC0066	6571930	325535	425	270	50	35	18.00	20.00	2.00	2.83
							25.00	28.00	3.00	8.74
TNDC0067	6571953	325530	425	270	60	35	14.00	16.00	2.00	1.57
TNDCD0068	6571950	325575	422	270	60	99.60	39.00	43.00	4.00	1.75
							75.00	81.00	6.00	4.23
TNDC0069	6571967	325553	422	270	50	50	17.00	18.00	1.00	1.21
							28.00	38.00	10.00	3.38
TNDC0070	6571985	325550	423	270	50	50	no significant intercept			
TNDC0071	6572015	325545	423	270	60	49	no significant intercept			
TNDC0072	6572015	325565	423	270	60	76	23.00	24.00	1.00	1.22
							52.00	53.00	1.00	2.44
							56.00	57.00	1.00	2.14
							64.00	66.00	2.00	1.13
TNDC0073	6572035	325545	423	270	60	50	no significant intercept			
TNDC0074	6572035	325560	425	270	60	76	no significant intercept			
TNDCD0128	6571910	325607	423	270	-60	219.58	92.70	93.70	1.00	1.93
							159.57	160.41	0.84	8.22
							189.08	189.67	0.59	1.03
TNDC0161	6571970	325538	422	270	-60	38	37.00	38.00	1.00	1.51
TNDC0162	6571990	325545	422	270	-70	45	28.00	29.00	1.00	2.05
							32.00	34.00	2.00	6.49
TNDD0001	6571920	325560	425	270	-60	100	75.35	75.98	0.63	1.08
TNDD0002	6572000	325510	427	90	-60	110	79.21	83.16	3.95	4.55



Table 9 – Cookes RC and Diamond Drill Results, December Quarter.

Hole Number	Northing	Easting	RL	Azimuth	Dip	Total Depth	From (m)	To (m)	Down Hole Width (m)	Grade (g/t Au)
TNDC0137	6571280	326718	420	270	-60	20	no significant intercept			
TNDC0138	6571280	326730	420	270	-60	40	0.00	4.00	4.00	1.44
TNDC0140	6571340	326753	420	270	-60	35	27.00	31.00	4.00	2.19
TNDC0141	6571340	326765	420	270	-60	35	18.00	25.00	7.00	2.45
							29.00	31.00	2.00	1.66
TNDC0142	6571360	326747	420	270	-60	30	16.00	17.00	1.00	3.14
							28.00	32.00	4.00	3.79
TNDC0144	6571380	326740	420	270	-60	40	9.00	21.00	12.00	3.70
							23.00	25.00	2.00	2.59
TNDC0145	6571380	326755	420	270	-60	55	32.00	41.00	9.00	1.38
TNDC0146	6571400	326700	420	270	-60	40	36.00	37.00	1.00	1.31
TNDC0148	6571400	326740	420	270	-60	35	no significant intercept			
TNDC0149	6571170	326740	420	270	-60	50	no significant intercept			
TNDC0150	6571170	326725	420	270	-60	50	no significant intercept			
TNDC0151	6571420	326695	420	270	-60	35	no significant intercept			
TNDC0152	6571420	326710	420	270	-60	60	no significant intercept			
TNDC0153	6571380	326695	420	270	-60	35	12.00	15.00	3.00	4.18
							20.00	21.00	1.00	1.29
							30.00	31.00	1.00	8.22
TNDD0006	6571220	326762	420	270	-50	85	59.04	60.04	1.00	1.39
							61.04	62.48	1.44	2.71
							65.65	66.63	0.98	1.71
							67.53	69.00	1.47	1.95
							80.09	80.81	0.72	4.92
							82.96	83.96	1.00	5.71
TNDD0007	6571360	326762	420	270	-60	65	43.00	43.50	0.50	4.76
							46.00	47.00	1.00	3.60
							48.00	48.90	0.90	11.15
							51.40	52.40	1.00	1.52
							53.40	53.85	0.45	9.13
TNDD0008	6571340	326715	420	90	-60	70	66.00	67.00	1.00	7.45
							69.00	70.00	1.00	1.16



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.

The information in this report that relates to Underground Ore Reserves is based on information compiled by Mr Bradley Valiukas, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Valiukas has sufficient experience which 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 Valiukas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Surface Ore Reserves is based on information compiled by Mr Gary McCrae of Minecomp Pty Ltd who are Corporate Members of The Australasian Institute of Mining and Metallurgy. Mr McCrae has sufficient experience which 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 McCrae consents to the inclusion in the report of the matters based on his information in the form and context 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.

Focus commenced maiden commercial gold production in April 2008 through ore sourced from the Company's flagship Perseverance Deposit (Probable Reserve of 129,000oz). Earlier this year, the nearby Countess Deposit (Probable Reserve of 29,000oz) was also brought into production with ore from both deposits currently being milled at the nearby Greenfields treatment plant.

Notes to accompany the Mineralised Resource Statements

The notes below are for the Perseverance, Empress, Countess and Greenfields Resource updates which have not been previously released to the ASX.

Perseverance is a series of quartz-sulphide veins with highly variable sulphide content of <1% to 100% hosted in basalt and garnetiferous diorite intrusions. Mineralisation occurs where a diorite unit is offset by the fault on which the deposit lies. The brecciated Main Lode East occurs along the fault zone within the basalt unit with a number of thinner Sulphide Lodes to the west. All of the lodes strike 030° and dip 80°W with the average thickness of Main Lode East being 3 to 5m and the Sulphide Lodes being less than 2m thick. The Sherlaw Lodes are a series of relatively close spaced narrow (<2m) lodes running sub-parallel to the main lodes. Mineralisation in these lodes is patchy and higher grades may be related to linking structures between the various lodes. Dextral movement along the fault zone has resulted in a mineralised linking structure below the 250mRL. This mineralised structure has high sulphide content and extends from the Main Lode East striking 230° and dips 80°W with an average thickness of 2 to 6m. There are numerous sub-parallel lodes within the fold nose of the diorite on the western side of the fault zone. The shape of the



mineralised lodes suggests that there is a structural control (the dextral movement along the fault zone) and a geological control (the brittle nature of the diorite unit) on mineralisation. The western diorite lodes vary in thickness from 1 to 5m and trend away from the Main Lode East at 185°.

Countess is hosted within tightly folded silica altered (“bleached”) diorite intrusions within an ultramafic sequence. The fold axis plunge steeply (70-80°) to the south. Countess consists of 6 lodes (West, East, Alpha, Beta, Gamma and Tindals Deep). Alpha, Beta and Gamma Lodes are minor lodes and have only been defined in the latest round of drilling. The West Lode strikes 350° and dips 60°W, and has an average width of 3-16m, while the East Lode strikes 005° and dips 65-75°E, with widths of between 2-6m. The Tindals Deep Lode strikes 000° and dips 80°W, with widths between 2-7m. With the minor lodes Alpha and Beta Lodes both strike 020° and dip 80°E with average widths of 0.5-6m, while the Gamma Lode strikes 350° and dips 80°W, with averages widths of 0.5-4m. Mineralisation consists of quartz/sulphide micro-veinlets, disseminated pyrrhotite and albite alteration of the diorites. No visible gold has been seen at Countess.

The Empress deposit is hosted predominantly in two different trending graphitic shales (the Western Lode and the Empress Reef) which have been sheared and intruded by quartz/sulphide veining. The four mineralised zones within the two sheared graphitic shales make up the Main Lodes in the recent geological interpretation. The East–West mineralised graphitic shale (historically labelled the Western Lode) is within the basalt sequence and generally strikes 030° dipping steeply to the east (80° to 85°) with an average width of 0.5 to 5m. This mineralised trend is cross-cut below 160mRL by a garnetiferous diorite intrusion. The diorite intrusion is within the basalt sequence and generally strikes 015° with an average width of 3 to 6.5m. The southern section of the diorite dips steeply to the west (80° to 85°), while the northern section of the diorite dips steeply to the east (80° to 85°). Mineralisation consists of quartz/sulphide micro-veinlets and disseminated pyrrhotite. The Empress South and Empress North mineralised graphitic shale (historically labelled the Empress Reef) is within the ultramafic sequence and generally strikes 021° with an average width of 0.5 to 5.5m. The southern section of this mineralised trend dips steeply to the west (80° to 85°), while the northern section of this mineralised trend dips steeply to the east (80° to 85°). Movement along the 5 to 10m thick shear zones creating the Main Lodes has resulted in mineralisation along the numerous sub-parallel graphitic shales in both the basalt and ultramafic sequences. The mineralisation in these parallel lodes is patchy can be traced between the Main Lodes and in some cases are modelled as splays running off the Main Lodes.

The Greenfields deposit is located within a Dolerite Sill. The deposit is divided into five geological units – Units 2, 3, 4 and 5 (of the dolerite sill) and volcanoclastic sediments of the Kurrawang Formation. The gold mineralisation tends to be associated with pyrite in the extensional veins, pyrrhotite in the wall rock as halo alteration and pyrrhotite in quartz veining within the dolerite sequence. The lodes strike 110° and dip 70°S with average widths of 10m.

The resource update at Perseverance is the result of drilling done in the March and September 2009 Quarters. The resource upgrade at Countess is a result of drilling done in the December 2008 Quarter and the extensional drilling done towards the end of the June 2009 Quarter. The resource upgrade at Empress is a result of drilling done in the March 2009 Quarter. The resource update at Greenfields is a result of a re-interpretation and a review of the parameters used in the previous resource estimation.

The updated interpretations were then used to create new resource models for the deposits.

Drilling Information

The Perseverance Resource was calculated from a total of 282 diamond and 48 RC holes for a total of 43,407.12m. Drill spacing is generally 15m x 15m in the core of the resource, and this widens to 50m x 50m outside of this. The Countess Resource was calculated from a total of 203 Diamond holes for a total of 27,079m. Drill spacing is generally 25m x 25m in the indicated resource area, which widens to 40m x 40m in the inferred resource area. The Empress Resource was calculated from a total of 42 Diamond and 5 RC holes for a total of 8,134.02. The Greenfields Resource was calculated from a total of 56 diamond and 152 RC holes for a total of 18,322.1m. All drill collars for Perseverance, Countess and Empress have been surveyed in local Tindals Mine Grid co-ordinates. All drill collars at Greenfields were surveyed in the local mine grid in the area and have subsequently been converted to GDA94 co-ordinates.

The drill holes at Perseverance, Countess, Empress and Greenfields have either been down hole surveyed by Eastman single-shot camera, Reflex Ezi-shot, electronic multi-shot (EMS) or gyroscope methods. All drill holes that were surveyed at Perseverance, Countess and Empress were done so in Tindals Mine Grid coordinates, while at Greenfields the drill holes that were surveyed were done so in the local mine grid in the area 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 been validated.



Diamond core is sampled to geological boundaries for the Focus drilling, and to a combination of geology 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. For drilling since 2006 a 30g Fire Assay with AAS finish was used at ALS Chemex, while a 40g Fire Assay with ICP-MS finish method at the Kalgoorlie Assay Laboratories. Check assaying of sample pulps and quarter core was conducted at Genalysis Laboratory in Perth for independent auditing of the assaying process.

Geological Model

The geological interpretation (geology and mineralisation) and the resource estimation were conducted internally. The mineralised interpretation at Perseverance, Countess and Empress 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. At Greenfields the mineralised interpretation was digitised to a nominal 0.5g/t cut-off grade with no more than 2m of internal dilution allowed. All interpretations were extrapolated either 20m past the last drill hole, or half way to the next drill hole closing off the mineralisation (which ever was the smallest distance).

Samples within individual wireframes at Perseverance, Countess, Empress and Greenfields were composited to 1m intervals. The composites were used to determine the necessary top cuts. For Perseverance the top cuts used for the resource were 65g/t for the Main Lode East and East Lode Splays, 75g/t for the Sulphide Lodes, 48g/t for the Sherlaw Lodes, 65g/t for the South Diorite Lodes and 20g/t for the West Diorite and Linking Structure Lodes. For Countess the top cuts used for the resource were 20g/t for the West Lode, 12g/t for the East Lode, 8g/t for the Alpha Lode and 6g/t for the Gamma Lode. Due to the small amount of data in the Tindals Deep Lode an arbitrary value of 10g/t was selected. The Beta Lode only contained low grade and did not require a top cut. For Empress the top cuts used were 40g/t for the Main and Diorite Lodes, and 45g/t for the Splay Lodes. At Greenfields three different domains were selected (Lode 1, Lode 11 and Minor Lode Domains) for the resource estimate. Lode 1 and 11 Domains host the majority of the mineralisation and occur within the Unit 4 Dolerite. They are parallel in orientation but have subtle geological differences with the Lode 11 Domain appearing less altered. Both display quartz veining with pyrite and pyrrhotite mineralisation. The grade in the Lode 11 Domain is less consistent. Top cuts for Lode 1 Domain was 15g/t and 10g/t was used for the Lode 11 Domain. The Minor Lodes Domain is a series of less continuous lodes that is a function of faulting in various orientations that occur within the Unit 4 and 5 dolerites. Mineralisation is mostly related to quartz veining with pyrite and pyrrhotite similar to the two larger Domains. A top cut of 20g/t was used for the Minor Lodes.

Surpac block models were created for Perseverance, Countess and Empress on the Tindals Mine Grid co-ordinates, with the Greenfields block model created on a GDA94 grid. The models were generated using the Ordinary Kriging (OK) estimation method.

Different values for bulk density were applied to the various lodes at Perseverance based on test work. A density of 2.9t/m³ was used for the sulphides lodes, 2.7t/m³ was used for the Main Lode East and its Splay Lodes, 2.78t/m³ was used for the West and South Diorite Lodes and a value of 2.8t/m³ was used for the Sherlaw Lodes. Bulk density of 2.72t/m³ was applied to the Countess model. For Empress a bulk density of 2.75t/m³ was applied to the Diorite Lodes while 2.9t/m³ was applied to the Main and Splay Lodes. These values were based on values determined from test work conducted on Perseverance, Countess and Empress drilling. For Greenfields bulk densities of 1.8, 2.4 and 2.8t/m³ were used for the oxide, transitional and fresh zones respectively. These values at Greenfields were based on test work completed on 109 core samples, and compare well with values used historically for Greenfields.

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

Perseverance, Countess and Empress Resources have been reported at a 2g/t lower cut-off grade, while the Greenfields Resource has been reported at a 1g/t lower cut-off grade.



Note on Open Pit Reserve Estimates

All reserves are a subset of the reported resources, that is; the resources are not in addition to the ore reserves. Tables are subject to rounding of significant figures.

Greenfields

The Greenfields probable reserve estimate is based on the resource model tabled in the quarterly report. The reserves represent extensions to the existing pit along known mineralisation and at depth. The open pit extension design is considered to be practical, workable and safe.

Mining dilution of 10% at 0.00g/t and a mining recovery of 95% have been incorporated into the probable mining reserve estimate.

Big Blow

The Big Blow probable reserve estimate is based on the resource model tabled in the quarterly report. The reserves represent a small open pit, situated on and around some small historical underground workings. The open pit design is considered to be practical, workable and safe.

Mining dilution of 10% at 0.00g/t and a mining recovery of 95% have been incorporated into the probable mining reserve estimate.

Dreadnought North

The Dreadnought North probable reserve estimate is based on the resource model tabled in the quarterly report. The reserves represent a small, from surface open pit. The open pit design is considered to be practical, workable and safe.

This open pit will in addition to providing probable reserves, enable additional geological, mining and metallurgical information to be obtained for use in the assessment of the entire Dreadnought resource.

Mining dilution of 10% at 0.00g/t and a mining recovery of 95% have been incorporated into the probable mining reserve estimate.