

ASX ANNOUNCEMENT

18th April 2011

FOCUS COMPLETES \$32.3M PLACEMENT TO INSTITUTIONAL & SOPHISTICATED INVESTORS

- Strong institutional support for Focus' plans to increase production by 30% to 130,000oz pa and accelerate exploration -

Australian gold producer Focus Minerals (ASX: FML) is pleased to announce the successful completion of its \$32.3m share placement to institutional and sophisticated investors as part of a circa \$40 million equity raising to increase production by 30 per cent to 130,000 ounces a year and accelerate exploration programs at its projects in the WA goldfields.

The institutional raising comprised the issue of 425 million new shares at an issue price of \$0.076 per share. An accompanying Share Purchase Plan for existing eligible shareholders to raise a further \$7m was closed last week. Both components of the offer were heavily oversubscribed.

Focus Minerals Chief Executive Campbell Baird said the strong take-up from existing institutional shareholders, introduction of a significant number of new institutional shareholders and the speed with which the SPP was filled reflected the strong support for Focus' growth plans.

"We have a wealth of organic growth opportunities and a three-year strategic plan to extract the maximum value from these assets for shareholders," he said.

"We will deliver 100,000oz in this calendar year with much of that weighted to the second half as we bring two new mines into full production. As these mines hit their straps, we expect to deliver a further 30 per cent increase in gold production to 130,000oz in calendar 2012.

"We also have two exciting exploration projects in our Greater Coolgardie tenements as well as our new Treasure Island Gold Project at Lake Cowan. We will make a significant investment in accelerating exploration at both these projects to unlock their value beyond 2012."

Lot 1 of the Placement shares will be allotted today as will the SPP shares. The balance of the Placement shares will be allotted within the next 3 days.

ENDS

Paul Armstrong / Nicholas Read
Read Corporate
Phone: +61 (0)8 9388 1474

Campbell Baird, CEO
Focus Minerals Ltd
Phone: +61 (0)8 9215 7888

BACKGROUND INFORMATION – FOCUS MINERALS LTD

Focus Minerals Ltd (ASX: FML) is a gold producer based in Western Australia's Eastern Goldfields. The company holds the mineral rights to more than 420km² of tenements and is the largest landholder in the Coolgardie Gold Belt located 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 is currently in production from underground mining at its flagship Tindals Mining Centre operation in Coolgardie, adjacent to its 1.3Mtpa Three Mile Hill processing plant. In March 2011 it opened The Mount, a new high-grade underground mine, located 85km to the south of the processing plant. The Company will also commence open cut mining at the Tindals Mining Centre in the first half of calendar 2011 from a series of deposits. In addition Focus recently acquired 100% ownership in the highly prospective Treasure Island Gold Project, situated at Lake Cowan at the southern end of the Boulder-Lefroy fault.

