

ASX ANNOUNCEMENT

2 April 2013

FOCUS REACHES 98.90% INTEREST IN FOCUS LAVERTON AND WILL PROCEED WITH COMPULSORY ACQUISITION

Focus Minerals Ltd (“Focus”) [ASX: FML] and Focus Minerals (Laverton) Limited (“Focus Laverton”) on 15 March 2013 announced an unconditional recommended off-market takeover offer by Focus for all of the remaining Focus Laverton shares it does not currently own (“Offer”).

Focus is pleased to announce that it now has received acceptances for its unconditional recommended off-market takeover of Focus Laverton which give Focus a total relevant interest in Focus Laverton of 98.90%.

Compulsory Acquisition

Focus will now commence the compulsory acquisition process under the Corporations Act to acquire all outstanding shares it has not acquired under the Offer, in order to move to 100% ownership of Focus Laverton.

Issue of Focus shares under the Offer

Focus Laverton shareholders are free to accept the Offer until its closing date (7.00pm (Melbourne time) on 22 April 2013), and, in doing so, may benefit from receiving their consideration earlier than if those shares are compulsorily acquired. Focus intends to commence issuing the new Focus shares to Focus Laverton holders who have validly accepted the Offer (and who are not Ineligible Foreign Shareholders as defined in Focus' bidder's statement dated 19 March 2013) from Friday, 26 April 2013.

Issue of Focus shares following compulsory acquisition

Focus Laverton shareholders whose shares are compulsorily acquired will receive their consideration at the end of the compulsory acquisition period, which is likely to be approximately four weeks after the Offer Close Date.

Other

The consideration being offered to Focus Laverton shareholders is 1 Focus share for every 0.725 Focus Laverton shares. At the closing price of Focus shares on 14 March 2013 of 2.0 cents per share, the Offer represents an implied offer price of 2.8 cents per Focus Laverton share.¹

The independent expert appointed by Focus Laverton, BDO Corporate Finance, has opined that the transaction is fair and reasonable to Focus Laverton shareholders.

The Independent Director of Focus Laverton, Mr Geoff Stanley, **recommends that all Focus Laverton shareholders accept the Offer**, in the absence of a superior proposal.

The transaction will consolidate the Laverton assets into Focus, creating an Australian gold producer with targeted annual gold production of 200,000oz per annum from 2014, a combined Mineral Resource base of 4.3Moz of gold, and outstanding growth potential across two major Western Australian mining regions.

¹ The value of the Offer may change as a consequence of changes in the market price of Focus shares.



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Background of Focus Laverton

Focus Minerals (Laverton) Limited is an Australian gold producer and explorer based in Perth, Western Australia. With a primary focus on gold mining and exploration, the Company is actively advancing its flagship asset, the Laverton Gold Project, located 250km northeast of Kalgoorlie in Western Australia. Focus Laverton maintains a dominant land position of more than 1,200km² of highly prospective tenements in a world recognised and well-endowed mineralised geological domain.

Background of Focus

Focus Minerals Ltd (ASX: FML) is a top Australian gold producer operating in West Australia's Eastern Goldfields. Focus now operates three mines within close proximity to the 1.2Mtpa Three Mile Hill processing plant in Coolgardie, 35km to the west of Kalgoorlie. The three Coolgardie mines (one underground and two open pit) are all in close proximity to Focus' Three Mile Hill processing plant. Through its 81.57% shareholding in Focus Laverton, Focus also operates a fourth mine in Laverton, in Western Australia. In addition, Focus has three significant gold exploration projects. These are 223km² in Coolgardie, a further 226km² at the world-class Treasure Island Gold Exploration Project at Lake Cowan on the Boulder-Lefroy fault system, and approximately 1,200 km² in Laverton (held through its 81.57% interest in Focus Laverton). Focus has a combined attributable Mineral Resource base of 3.9Moz and Ore Reserves of 453,000oz.

ANNEXURE A – MINERAL RESOURCE/RESERVE TABLES

| | Measured Resources | | | Indicated Resources | | | Inferred Resources | | | Total Resources | | |
|---|--------------------|--------------|----------------|---------------------|--------------|------------------|--------------------|--------------|------------------|-----------------|--------------|------------------|
| | Tonnes '000t | Grade Au g/t | Ounces | Tonnes '000 | Grade Au g/t | Ounces | Tonnes '000t | Grade Au g/t | Ounces | Tonnes '000t | Grade Au g/t | Ounces |
| Coolgardie Operations (100%) | | | | | | | | | | | | |
| Tindals Project Total | 416 | 4.6 | 62,000 | 10,777 | 2.4 | 837,000 | 3,409 | 2.3 | 251,000 | 14,602 | 2.4 | 1,150,000 |
| Mount Project | 131 | 7.8 | 33,000 | 588 | 5.2 | 98,000 | 576 | 5.5 | 97,000 | 1,295 | 5.5 | 228,000 |
| Lindsays Project | | | | 4,350 | 1.7 | 238,000 | 3,562 | 2.0 | 233,000 | 7,912 | 1.8 | 471,000 |
| Three Mile Hill Project | | | | 2,446 | 1.6 | 123,000 | 1,174 | 1.5 | 57,000 | 3,620 | 1.5 | 180,000 |
| Norris Project | | | | | | | 2,440 | 2.2 | 169,000 | 2,440 | 2.2 | 169,000 |
| Total Coolgardie | 547 | 5.4 | 95,000 | 18,161 | 2.2 | 1,296,000 | 11,161 | 2.2 | 807,000 | 29,869 | 2.3 | 2,198,000 |
| Laverton Operations* (100%) | | | | | | | | | | | | |
| Barnicoat Project | 390 | 1.7 | 21,000 | 2,486 | 1.7 | 135,000 | 3,378 | 1.3 | 137,000 | 6,254 | 1.5 | 293,000 |
| Burtville Project | | | | 1,573 | 1.3 | 65,000 | 4,146 | 1.3 | 170,000 | 5,719 | 1.3 | 235,000 |
| Central Laverton Project | 41 | 1.5 | 2,000 | 2,768 | 1.8 | 164,000 | 825 | 1.8 | 48,000 | 3,634 | 1.8 | 214,000 |
| Chatterbox Project | 948 | 2.4 | 72,000 | 3,967 | 2.1 | 273,000 | 3,186 | 2.2 | 227,000 | 8,101 | 2.2 | 572,000 |
| Jasper Hills Project | 370 | 1.8 | 22,000 | 1,455 | 1.8 | 82,000 | 843 | 2.1 | 58,000 | 2,668 | 1.9 | 162,000 |
| Lancefield Project | | | | 2,109 | 6.4 | 436,000 | 713 | 7.0 | 160,000 | 2,822 | 6.6 | 596,000 |
| Total Laverton | 1,749 | 2.1 | 117,000 | 14,358 | 2.5 | 1,155,000 | 13,091 | 1.9 | 800,000 | 29,198 | 2.2 | 2,072,000 |
| 81.57% share of Laverton | 1,427 | 2.1 | 95,000 | 11,712 | 2.5 | 942,000 | 10,678 | 1.9 | 653,000 | 23,817 | 2.2 | 1,690,000 |
| Total Attributable Mineral Resource (based on 100% of Coolgardie and 81.57% of Laverton) | | | | | | | | | | | | |
| Total Combined Resources | 1,974 | 2.9 | 190,000 | 29,873 | 2.3 | 2,238,000 | 21,839 | 2.1 | 1,460,000 | 53,686 | 2.2 | 3,888,000 |
| Total Combined Mineral Resource (based on 100% of both operations) | | | | | | | | | | | | |
| Total Combined Resources | 2,296 | 2.9 | 212,000 | 32,519 | 2.3 | 2,451,000 | 24,252 | 2.1 | 1,607,000 | 59,067 | 2.2 | 4,270,000 |

Some differences may result due to rounding.

* Mineral Resources for the Laverton Gold Project are owned by Focus Laverton. Focus owns 81.57% of this subsidiary company.

| Ore Reserves | Proved Reserves: | | | Probable Reserves: | | | Total Reserves | | |
|--|------------------|--------------|---------------|--------------------|--------------|----------------|----------------|--------------|----------------|
| | Tonnes '000t: | Grade (g/t): | Ounces: | Tonnes: | Grade (g/t): | Ounces: | Tonnes: | Grade (g/t): | Ounces: |
| Coolgardie Operations (100%) | | | | | | | | | |
| Tindals Project | 43 | 4.9 | 7,000 | 1,111 | 2.4 | 86,000 | 1,154 | 2.5 | 93,000 |
| Three Mile Hill Project (O/P): | | | | 999 | 1.9 | 60,000 | 999 | 1.9 | 60,000 |
| The Mount Project (U/G): | | | | 126 | 4.2 | 17,000 | 126 | 4.2 | 17,000 |
| Stocks | | | | | | | 551 | 0.7 | 13,000 |
| Total Coolgardie | 43 | 4.9 | 7,000 | 2,236 | 2.3 | 163,000 | 2,830 | 2.0 | 183,000 |
| Laverton operations* (100%) | | | | | | | | | |
| Barnicoat Project | | | | 589 | 2.2 | 41,000 | 589 | 2.2 | 41,000 |
| Burtville Project | | | | 1,044 | 1.4 | 46,000 | 1,044 | 1.4 | 46,000 |
| Central Laverton Project | | | | 825 | 1.3 | 34,000 | 825 | 1.3 | 34,000 |
| Chatterbox Project | 547 | 2.1 | 37,000 | 167 | 2.6 | 14,000 | 714 | 2.2 | 51,000 |
| Jasper Hills Project | | | | 331 | 2.4 | 26,000 | 331 | 2.4 | 26,000 |
| Lancefield | | | | 680 | 4.9 | 108,000 | 680 | 4.9 | 108,000 |
| Stocks | | | | | | | 628 | 1.3 | 25,000 |
| Total Laverton | 547 | 2.1 | 37,000 | 3,636 | 2.3 | 269,000 | 4,811 | 2.1 | 331,000 |
| 81.57% share of Laverton | 446 | 2.1 | 30,000 | 2,966 | 2.3 | 219,000 | 3,924 | 2.1 | 270,000 |
| Total Attributable Reserves & Stocks (based on 100% of Coolgardie and 81.57% of Laverton) | | | | | | | | | |
| Reserve & Stock Totals: | 489 | 2.4 | 37,000 | 5,202 | 2.3 | 382,000 | 6,754 | 2.1 | 453,000 |
| Total Combined Ore Reserves (based on 100% of both operations) | | | | | | | | | |
| Reserve & Stock Totals: | 590 | 4.9 | 44,000 | 5,872 | 2.3 | 432,000 | 7,641 | 2.1 | 514,000 |

Some differences may result due to rounding.

* Ore Reserves for the Laverton Gold Project are owned by Focus Laverton. Focus owns 81.57% of this subsidiary company.

Competent Person's Statement

The information in this report that relates to exploration results and Mineral Resources is based on information compiled by Dr Garry Adams who is a member of the Australian Institute of Geoscientists. Dr Adams is a full time employee of Focus 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". Dr Adams consents to the inclusion in the report of the matters based on the information in the form and content in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Peter Ganza who is a Member of the Australian Institute of Mining and Metallurgy. Mr Ganza is a full time employee of Focus 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 Ganza consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.