

ASX ANNOUNCEMENT

08 September 2014

UNMARKETABLE PARCEL SALE FACILITY

Focus Minerals Limited (ACN: 005470799) (“**FML**” or “**Company**”) is pleased to announce that it has instituted the sale of ordinary securities for holders of unmarketable parcels of the Company’s shares.

The ASX Listing Rules define an unmarketable parcel as those with a market value of less than A\$500. As at 5.00pm (Perth time) on 03 September 2014 (“**Record Date**”), an unmarketable parcel of shares is any shareholding of 49,999 shares or less, based on the closing price of A\$0.01 on the Record Date (“**Closing Price**”). This represents 87,104,647 ordinary shares, held by 4,972 shareholders (“**Minority Members**”).

The Company is offering this sale to assist holders of unmarketable parcels to sell shares without having to use a broker or pay brokerage. The Company will pay for all the costs of the sale for shareholders who use this facility, excluding tax consequences from the sale which remains the shareholders responsibility.

The Company values all its shareholders, however, it incurs significant administration costs maintaining such a large number of unmarketable parcels. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings. Focus Minerals Limited shareholders who own 50,000 shares or more will not be eligible to participate.

If Minority Members wish to sell shares through this facility, they do not need to take any action. If Minority Members **do not** wish to sell shares through this facility, they **must** complete and return the Notice of Retention Form to the Company’s share registry, Computershare Investor Services Limited, by 5pm (Perth time) on 17 October 2014 (“**Retention Date**”).

Upon the sale of the unmarketable parcel shares by the appointed broker, proceeds shall be forwarded to eligible shareholders as soon as possible.

Attached is a copy of the letter and the Notice of Retention Form that is currently being mailed to shareholders that are holding an unmarketable parcel in Focus Minerals Limited on the Record Date.

For and on behalf of Focus Minerals Limited



Dane Etheridge

**Company Secretary and GM Business Development
Focus Minerals Ltd**



┌ 000001 000 FML
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

08 September 2014

Dear Shareholder

IMPORTANT NOTICE - Sale of your Unmarketable Parcel of Focus Minerals Limited shares

I am writing to advise you that Focus Minerals Limited (“**FML**” or “**Company**”) has established a share sale facility (“**Facility**”) for holders of parcels of FML shares with a market value of less than A\$500 as at close of trade on 03 September 2014 (“**Unmarketable Parcels**”). The Facility is being established in accordance with the ASX Listing Rules.

The Company is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. Holders of Unmarketable Parcels who take advantage of the Facility will have their shares sold without having to act through a broker or pay brokerage fees. The Company will also organise payment of the other costs associated with the sale and transfer (although any tax consequences from the sale of your shares will be your responsibility).

By facilitating the sale of unmarketable parcels the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

Our records show that you held an Unmarketable Parcel of 49,999 shares or less based on the FML share price of A\$0.01 as at close of trade on 03 September 2014 (“**Record Date**”). Unless you advise the Company that you do **NOT** wish to sell your shares through the Facility within six (6) weeks from when this letter was sent, FML intends to sell your shares through the Facility. Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable.

Please also note that the Company will not sell your shares in the event that a third party announces a takeover offer for the Company. Consistent with its continuous disclosure obligations, the Company may release to the ASX information that may be material to a shareholder’s decision as to whether they wish to retain their shares. This information will, if released, be available on the ASX website www.asx.com.au (ASX code is “FML”) and on the Company’s website www.focusminerals.com.au

What should you do?

If you **do not** wish to sell your shares through the Facility, you must complete and return the attached form to the address on the form so that it is received by 5:00pm (Perth time) on 20 October 2014. Please read the instructions on your personalised Share Retention Form carefully before completing it.

If you want to sell your shares through the Facility, you do not need to take any action. By refraining from taking any action, after the expiration of the time prescribed in the ASX Listing Rules, you will be deemed to have irrevocably appointed the Company as your agent:

(a) to sell all of your shares at a price to be determined by when and how the shares are sold and without any cost being incurred by you; and

(b) to deal with the proceeds of the sale as set out in the attached information pack

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility you should consult your legal, financial or taxation adviser.

The attached information pack sets out further details of the Facility, which you should read before making any decision.

If you have any queries about lodging your form or the practical operation of the Facility please contact the undersigned on telephone: +61 (0)8 9215 7888, by email to info@focusminerals.com.au

Yours Sincerely,



Dane Etheridge

Company Secretary and GM Business Development

Focus Minerals Ltd

INFORMATION ON THE UNMARKETABLE PARCEL SALE FACILITY

1. What is an Unmarketable Parcel of Shares?

An unmarketable parcel of shares is a holding of FML shares valued at less than A\$500 as at close of trade on the Record Date.

Based on the price of FML shares at the Record Date, this is a holding of 49,999 shares or less.

2. What price will I receive for shares sold through the Facility?

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. Focus Minerals Limited ("FML") directors may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. If the shares are sold on market the price will depend on a number of factors, including market conditions at the time of sale. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Facility. If the FML directors sell your shares other than on market, the price will be the price that the FML directors have been able to negotiate with the acquirer or acquirers.

3. What is the price of Focus Minerals shares?

The last sale price of FML shares on the Record Date of 03 September 2014 was A\$0.01. The share price changes frequently and more recent prices are available in newspapers and from the ASX website (www.asx.com.au) under the ASX code "FML".

4. When will the proceeds from the sale of shares be sent to me?

Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. Payment will be made in Australian dollars by cheque. You will be notified by way of a transaction confirmation statement of the number of your shares sold, and the price and total sale proceeds. The cheque will be sent by post to your address as shown in the share register at the time the share sale payment is run.

5. If I buy more shares, will I retain my holding?

Yes, FML will treat any purchase of additional shares to increase the value of a FML shareholding to more than A\$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by 5:00pm (Perth time) on 20 October 2014 **under the same name and address and with the same holder number (SRN or HIN)** as set out in this letter.

6. What if my shares are held in a CHESS holding?

If your Shares remain in a CHESS holding at 5:00pm on 20 October 2014, the Company may move those Shares to an issuer sponsored holding and the Shares will be sold through the Facility.

7. Where can I get further information?

If you have any questions about how the facility will work, please contact the company on +61 (0)8 9215 7888, or if you have a query regarding your shareholding, please contact Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

8. Important notes

FML reserves the right to change any of the dates referred to in this letter by notice to the ASX.

The letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that the Facility is the best way to sell FML shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the FML share register, you may wish to consider amalgamating them.

This may result in your amalgamated holding no longer being an Unmarketable Parcel. Under these circumstances your shares will not be sold as part of this Facility.

Focus Minerals Limited
ACN: 005 470 799 | ABN: 56 005 470 799 | ASX Code: FML

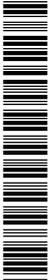
**Return your Form to the Company's
share registry:**

✉ **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

☎ **Phone:**
Company: +61 8 9215 7888

💻 **Web:**
info@focusminerals.com.au



┌ 000001 000 FML
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

 **If you wish to retain your securities, your form must be received by Monday, 20 October 2014**

This is an important document that requires your immediate attention. It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Securityholder Details

Use this form if you wish to retain your securities in Focus Minerals Ltd. If you have recently bought or sold securities your holding may differ from that shown. If you have already sold all your securities in Focus Minerals Ltd, do not complete or return this form. If you have more than one holding on Focus Minerals Ltd's register and you do not sell your securities under the Unmarketable Parcel Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited ("CIS") on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect. If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

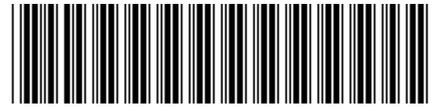
- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of the Death Certificate and Will must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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STEP 1 Securityholder Details

For your security keep your SRN/
HIN confidential.

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



**For Issuer Sponsored Holdings Only
Change of Address**

If incorrect, mark this box and make the
correction in the space to the left.

Securities held as at Wednesday, 3 September 2014:

2000

STEP 2 Signature of Securityholder(s) *This section must be completed.*

By signing and returning this form, I/we confirm that I/we understand that my/our securities will NOT be sold under the Unmarketable Parcel Sale Facility

Individual or Securityholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary
(cross out titles as applicable)

Contact Name _____

Contact
Daytime
Telephone

_____ Date / /

Email Address _____

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.