

ASX Announcement

8 March 2019

Update regarding Focus' Coolgardie and Laverton Projects

Focus Minerals Limited (ASX: FML) (together with its wholly owned subsidiary Focus Operations Pty Ltd) ("Focus") has filed for lodgement applications with the Department of Mines, Industry Regulation and Safety ("Department") for leave to proceed ("Leave Applications") with applications for exemption from expenditure obligations ("Exemption Applications") in respect of a number of the tenements of the Focus Group.

Focus made the Leave Applications with respect to tenements subject to 66 applications for forfeiture that were lodged between the end of November 2018 and mid-January 2019 ("Forfeiture Applications"). The Forfeiture Applications were made variously by Allan Neville Brosnan, Chadwick Doughton Everett and/or Jeffrey Hull ("Applicants") in respect of tenements comprised in Focus' Coolgardie Gold Project and Laverton Gold Project. They assert non-compliance by Focus with the minimum expenditure obligations of the tenements, which Focus denies. The Forfeiture Applications are at an early stage with no details yet provided by the Applicants in support of their allegations.

The Applicants bear the onus of proof in any Forfeiture Applications, which will be heard before the Mining Warden and may ultimately be determined by the Minister. The Exemption Applications, to be made on 'project' (or other) grounds pursuant to sections 102(2)(h) and 102(3) of the *Mining Act 1978* (WA), will, if granted, provide a complete defence to the Forfeiture Applications.

Focus has actively explored its projects (including those the subject of the Forfeiture Applications) and reported to the Department the significant expenditure during the relevant expenditure periods. Focus will present detailed evidence of drilling and related expenditure in support of the Exemption Applications, before the Warden and, in due course, for consideration by the Minister, as detailed in Focus' various quarterly activity reports from the period from 3 April 2017 to 30 January 2019.

Focus considers that the Forfeiture Applications are opportunistic and arise at the time of the well-publicised sale process regarding the Coolgardie Gold Project. Focus disclosed the existence of these proceedings to Intermin Resources Limited ("Intermin") (ASX:IRC) as part of Intermin's ongoing due diligence review of the Coolgardie Gold Project.

Focus also notes two separate tenement matters distinct from the Forfeiture Applications described above:

- On 25 February 2019, Allan Neville Brosnan requested that the Minister of Mines and Petroleum refuse Focus' applications for prospecting licences P15/6250 and P16/6255 under section 111A of the *Mining Act 1978* (WA). No information has been provided at this time to Focus or the Minister as to the basis on which these requests have been made.
- On 20 June 2018, applications for forfeiture were lodged by Wayne Craig Van Blitterswyk alleging non-compliance with expenditure conditions in respect of 9 mining leases (M38/264, M38/376, M38/377, M38/387, M38/401, M38/507, M38/1032 and M38/1042) at Focus' Laverton Gold Project. Those applications are being vigorously defended and no details have been provided by the applicant in support of these allegations. The Leave Applications will, if granted, provide a complete defence to these forfeiture applications as well the Forfeiture Applications described above.

For further information please contact:

Zaiqian Zhang

Chief Financial Officer

Focus Minerals Ltd

Phone: +61 8 9215 7888

For media:

Peter Klinger

Cannings Purple

Phone: + 61 411 251 540