



## Market Announcement

14 October 2020

### SD-Gold Loan Facility Agreement

Western Australian gold explorer Focus Minerals Ltd (ASX: FML) (**Focus** or the **Company**) is pleased to announce that Focus and its major shareholder, Shandong Gold Group Co. Ltd (**SD-Gold**), have executed a loan facility agreement (**Facility Agreement**).

SD-Gold will provide an unsecured loan of A\$20 million to Focus for project studies and general corporate purposes. The key terms of the Facility Agreement are as follows:

- Term: 3 years, principal payable at the end of the term
- Interest: 3.5% per annum, payable quarterly in arrears
- Representations, warranties, undertakings and events of review / default: generally on common terms for unsecured loan agreements

The provision of the loan by SD-Gold under the Facility Agreement has been approved by the State Administration of Foreign Exchange of the People's Republic of China, and the funds will be available to the Company by the end of October 2020.

Commenting on signing the Facility Agreement, Focus' CEO, Mr Zhaoya Wang said, "*The cash injection will allow the Company to advance the Coolgardie Gold Project towards production by conducting a Definitive Feasibility Study while maintaining the pace on progressing the flagship Laverton Gold Project.*"

Focus has treated the Facility Agreement as a related party transaction. The Independent Directors of Focus led the negotiation process with SD-Gold and consider that the transaction contemplated by the Facility Agreement has been concluded on arm's length terms (or better) and, accordingly, shareholder approval is not required under Chapter 2E of the Corporations Act.

The Independent Directors unanimously approved entry into the Facility Agreement.

#### Focus Minerals Limited

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The release of this ASX announcement was authorised by  
the Board of Directors of Focus Minerals Ltd.

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**About Focus Minerals Limited (ASX: FML)**

Focus Minerals is a Perth-based, ASX-listed gold exploration company focused on delivering shareholder value from its 100%-owned Laverton Gold Project and Coolgardie Gold Project, in Western Australia's Goldfields.

The flagship Laverton Gold Project covers 386km<sup>2</sup> area of highly prospective ground that includes the historic Lancefield and Chatterbox Trend mines. Focus' priority target is to confirm sufficient gold mineralisation at the Beasley Shear Zone, Lancefield-Wedge Thrust and Karridale to support a Stage 1 production restart at Laverton.

Focus is committed to delivering shareholder value from the Coolgardie Gold Project that includes the 1.4Mtpa processing plant at Three Mile Hill (on care and maintenance), by continuing exploration and value-enhancing activities.