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FOCUS DELIVERS RECORD GOLD PRODUCTION OF 19,226oz FROM RECENT MILLING CAMPAIGN

EXPLORATION DRILLING COMMENCES; MILL REFURBISHMENT
PROGRESSING WELL

Highlights

Production

- Eighth milling campaign now completed ~ most successful to date with 19,226 ounces produced.
- Total production for the financial year totals 41,401 ounces.
- 10,000 ounces delivered into forward hedging contract ~ 9,378 ounces hedged ounces left to deliver.

Three Mile Hill Refurbishment

- Three Mile Hill plant refurbishment continues on schedule with several key milestones already achieved ~ remains on target for re-commissioning December 2009.

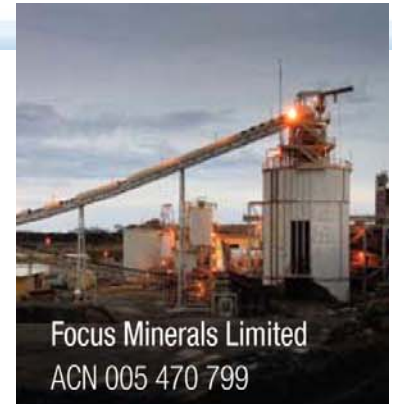
Exploration Drilling

- Diamond drill rig mobilised and drilling now commenced at the Coolgardie Gold Project ~ initially targeting extensions to Perseverance and Countess Deposits.
- Campaign aimed at delivering additional Resources and Reserves to underpin increased production capacity from 1.2Mtpa Three Mile Hill gold processing plant.

Australian-based gold producer Focus Minerals Ltd (ASX: **FML**; "Focus") is pleased to provide an update on recent activities, including **record gold production of 19,226 ounces** from the Company's recently completed 45 day milling campaign, its eighth overall.

Solid progress is also being made on the Three Mile Hill plant refurbishment programme, where several key milestones have already been achieved. The project remains on schedule with commissioning to be completed during December 2009.

Focus is also pleased to report that it has commenced resource extension exploration drilling at the Company's **Coolgardie Gold Project**, following the mobilisation of a diamond rig to site.



Focus Minerals Limited
ACN 005 470 799

Australian Securities Exchange

Code: **FML**

Frankfurt Stock Exchange

Code: **FSE**

Board of Directors

Mr Donald Taig
Executive Chairman

Mr Chris Hendricks
Non-Executive Director

Mr Phil Lockyer
Non-Executive Director

Senior Management

Mr Campbell Baird
Chief Executive Officer

Mr Peter Williams
Chief Operating Officer

Mr Jon Grygorciewicz
Company Secretary

Dr Garry Adams
Exploration Manager

Mr Peter Cash
Investor Relations Manager

Mr Chuck McCormick
Business Development Manager

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Production Update

On 22 June, Focus completed its eighth milling campaign since production began in April 2008. The recent campaign started on 1 May 2009 and concluded on 22 June for a total of 45 effective milling days.

The milling campaign was very successful, netting a record 19,226 ounces of gold with recoveries exceeding 95%.

Of the 19,226 ounces produced in the campaign, 10,000 ounces were delivered into the Company's forward gold contract commitments at an average price of A\$976 /oz. A further 9,595 ounces were sold into the spot market at an average price of A\$1,175 /oz.

Gold holdings currently total 987 ozs, which will be sold at spot shortly. Importantly, there are only 9,378 ounces left to deliver under existing delivery commitments, with the hedging book to be closed out during the next milling campaign, which is expected to commence in early September 2009.

Over 70,000 tonnes of ore currently stockpiled at surface was unable to be processed during this milling campaign. This further reinforces the Company's strategy to commission the 1.2 million tonne per annum (Mtpa) capacity Three Mile Hill processing plant.

Table 1 – Production table

		Milling Campaign	TOTAL FY 09
Head Grade	Grams Au/tonne	7.33	5.42
Gold Produced	(oz)	19,226	41,401
Gold Sold	(oz)	19,595	42,404
Average Price	(A\$/oz)	A\$1,073	A\$1,047

Three Mile Hill Refurbishment

Work on refurbishment of the 1.2Mtpa Three Mile Hill treatment plant is running on schedule with excellent progress made on a number of fronts. Several key milestones have been achieved as well as significant progress on a range of critical items:

- Old primary, secondary and tertiary crushers have been removed;
- Foundations for new primary crusher completed;
- Work is well advanced on Fine Ore Bin rebuild;
- The Ball Mill has been removed from old foundations which have been demolished and refurbishment of the mill is underway;
- Work has begun on the new Ball Mill foundations;
- Old elution and carbon regeneration circuits and gold room removed to make way for new installation construction of which has commenced; and
- Sand blasting and coating of all tanks well advanced.

Upcoming work will include:

- Pouring of concrete for the new ball mill plinths ~ to take place in July;
- Delivery of the three new crushers for installation;
- Installation of new elution and carbon regeneration circuits and gold room;
- Refurbishment of all tank agitators; and
- Minor repairs to gear boxes and electric motors.

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Exploration Drilling commences

A 5,000m exploration campaign has commenced to target extensions of Perseverance, Countess, Empress and Tindals, which the Company considers underexplored.

The first phase of drilling is taking place at the Company's producing Countess Deposit (see Figure 1 below) and will consist of underground diamond drilling designed to test priority areas immediately surrounding the deposit. These areas are considered highly likely to contain additional high-grade resources along strike.

At Perseverance, drilling will follow up from excellent results achieved in a 9-hole drilling programme conducted earlier this year, which included intercepts of:

- 4.93m @ 31.66g/t
- 3.17m @ 27.84g/t
- 5.01m @ 14.98g/t. and
- 1.47m @ 19.85g/t;

An electromagnetic geophysical anomaly, located 100m north of the existing Perseverance deposit will also be targeted in this phase of exploration.

Planning work has also commenced on The Mount project where a 140m exploration decline will be established to intersect known mineralised structures. Discussions are currently ongoing with local contractors and permitting is underway. Once finalised, mobilisation to The Mount is expected in September 2009.

Summary

Focus is aiming to achieve substantially increased gold production in the coming years, with the refurbishment and re-commissioning of the Company's Three Mile Hill processing plant to underpin production of 80,000 ounces in 2010 and +100,000 ounces from 2011 onwards.

Focus' Chief Executive Officer, Campbell Baird, commenting on the Company's record gold output from its latest milling campaign said: "We are now very much on track in terms of the mill refurbishment, so to have record production output at a time when so much else is going on internally is extremely pleasing.

"Getting the Three Mile Hill mill up-and-running is obviously a major priority right now but we have been very careful not to let this get in the way of our core business, which is to produce gold," he added.

Mr Baird also said that the commencement of exploration drilling at the project was very important: "There is a strong belief here at Focus that we have only scratched the surface within the Tindals area and recent successful drilling highlights the potential for additional resources to be found," said Mr Baird.

"We have a vision for the Coolgardie Gold Project which would see Focus becoming a significant mining house – this vision rests on the fact that we are able to develop and grow our Resource and Reserve base in the lead up to the commissioning of Three Mile Hill.

"We believe that the quality of our landholdings is such that with the extensive exploration programmes we have planned, we will be able to do just this," added Mr Baird.



Diamond Drilling at Perseverance

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ENDS

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COMPETENT PERSON'S STATEMENT

The information in this report relating to Resources is based on work supervised by Dr Garry Adams who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr. Adams has the relevant experience as a "Competent Person" as defined in the 2004 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves in relation to the mineralisation being reported. Dr. Adams is Exploration Manager of Focus Minerals Ltd and consents to the inclusion of the material in the form and content in which it appears.

BACKGROUND INFORMATION - FOCUS MINERALS LTD

Focus Minerals Ltd (ASX: **FML**) is an Australian-based exploration and development group whose focus is to become a significant gold and nickel producer in the Coolgardie-Kalgoorlie-Widgiemooltha region of Western Australia.

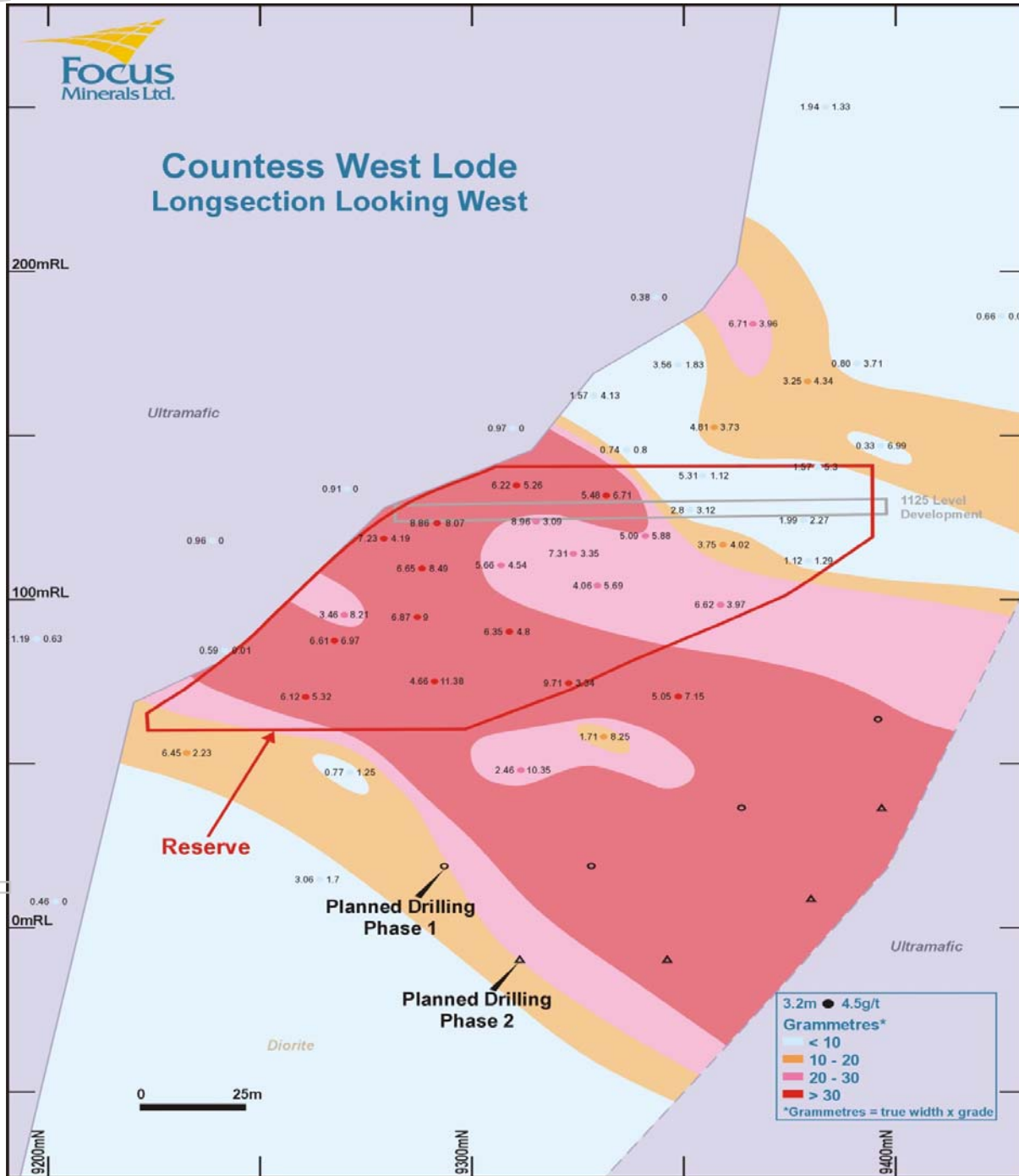
Focus Minerals is the largest landholder in the Coolgardie Gold Belt located in Western Australia, 560km east of Perth and 35km west of the 'Super Pit' in Kalgoorlie-Boulder. More than 2.6 million ounces of gold has been produced from the Coolgardie gold belt alone since 1892. Focus holds the mineral rights to more than 210sq km of tenements including an extensive inventory of Measured, Indicated and Inferred gold resources as well as the 1.2mtpa Three Mile Hill processing plant.

Focus commenced maiden commercial gold production in April 2008 through ore sourced from the Company's flagship Perseverance Deposit (Probable Reserve of 129,000oz). Earlier this year, the nearby Countess Deposit (Probable Reserve of 29,000oz) was also brought into production with ore from both deposits currently being milled at the nearby Greenfields treatment plant.

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Figure 1 – Countess Drilling Programme



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