

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Focus Minerals Limited (“**Focus**”) will be held as follows:

Date: Friday, 20 May 2016
Time: 10.30am (Perth time)
Place: The Mantra on Hay
201 Hay Street
Perth, WA

The Explanatory Notes to this Notice of Annual General Meeting provide additional information on matters to be considered at the meeting. The Explanatory Notes and the proxy form constitute part of this notice.

BUSINESS OF THE MEETING

ORDINARY BUSINESS

1 Consideration of Reports

To receive and consider the Annual Financial Report, the Directors’ Report and Auditor’s Report of Focus and its controlled entities for the period ended 31 December 2015.

There is no vote on this item.

2 Resolution 1 - Election of Mr Dianfei Pei

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Dianfei Pei be elected as a Director.

3 Resolution 2 - Election of Mr Yuhuan Ge

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Yuhuan Ge, who retires in accordance with Clause 10.3 (a) of Focus’ constitution, be re-elected as a Director.

4 Resolution 3 - Election of Mr Wanghong Yang

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Wanghong Yang, who retires in accordance with Clause 10.3 (a) of Focus’ constitution, be re-elected as a Director.

5 Resolution 4 - Election of Mr Gerry Fahey

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Gerry Fahey, who retires in accordance with Clause 10.3 (a) of Focus’ constitution, be re-elected as a Director.

6 Resolution 5 - Remuneration Report

To consider and, if thought fit, pass the following resolution as a non-binding ordinary resolution:

That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in Focus’ statutory accounts for the year ended 31 December 2015.

The remuneration report is set out in the Directors' Report contained in Focus' Annual Report and Statutory accounts for the period ended 31 December 2015.

The vote on this resolution is advisory only and does not bind Focus or the Directors.

Voting Exclusion

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

This Notice of Annual General Meeting and the Explanatory Notes are important and you should read them in full. If you are in doubt as to how you should vote, you should seek advice from your professional adviser.

Explanatory Notes to the Notice of Annual General Meeting

1 Explanatory Notes

All Focus shareholders should read the Explanatory Notes accompanying, and forming part of, this Notice of Annual General Meeting for more details on the resolutions to be voted on at the Annual General Meeting. The information provided is intended to assist shareholders in understanding the reasons for the resolutions and their effect if passed.

2 Entitlement to vote

The Board of Directors of Focus, being the convener of the Annual General Meeting, has determined that the shareholding of each shareholder for the purposes of ascertaining voting entitlements at the Annual General Meeting will be as it appears in Focus' share register as at 10:30am (Perth time) on 18th of May 2016 ("**Record Date**"). Transactions registered after that time will be disregarded in determining the shareholders entitled to attend and vote at the Annual General Meeting.

3 Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

4 Voting in person

To vote in person, attend the Annual General Meeting on the date and at the time and place set out in this Notice of Annual General Meeting. If you wish to attend the meeting, please arrive at least 15 minutes prior to the start of the meeting to facilitate the registration process.

5 Voting by proxy

Shareholders entitled to attend and vote at the Annual General Meeting as at the Record Date may appoint a proxy to attend and vote on behalf of the shareholder. A proxy need not be a shareholder of Focus.

The proxy form sent with this notice should be used for the Annual General Meeting. If you appoint a proxy and also attend the meeting, the proxy's authority to speak and vote at the meeting will be suspended while you are present at the meeting.

Each shareholder who is entitled to cast 2 or more votes at the Annual General Meeting may appoint 2 persons to act as proxies and may specify the proportion or number of votes that each proxy is entitled to exercise. If a shareholder does not specify the proportion or number of that shareholder's votes each proxy may exercise, then each proxy will be entitled to exercise half of the votes. An additional proxy form will be supplied by Focus on request.

In the case of an individual, a proxy must be signed by the individual or his or her attorney duly authorised in writing and, in the case of a corporation, a proxy must be signed pursuant to section 127 of the Corporations Act 2001 (Cth) ("**Corporations Act**") or by its duly authorised officer or attorney.

Any shareholder may by power of attorney appoint an attorney to act on his or her behalf and such power of attorney or certified copy thereof must be received by Focus as specified below.

Any corporation which is a shareholder of Focus may appoint a representative to attend and vote for that corporation at the AGM. Appointments of representatives by corporations must be received by Focus as specified below or handed in at the Annual General Meeting when registering as a company representative.

Proxies may be lodged using any of the following methods, as long as it is received no later than 10:30am (Perth time) on 18th of May 2016.

By Post:

Computershare Investor Services Pty Limited
GPO Box 242,
Melbourne, Victoria 3001,
Australia

By Fax:

(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

Electronically:

Submit proxy voting instructions online at www.investorvote.com.au
Please refer to the enclosed Voting Form for more information about submitting proxy voting instructions online.

For intermediary online subscribers only (custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 (03) 9415 4000

The proxy form forms part of this Notice of Annual General Meeting.

Proxy forms received later than this time will be invalid.

We encourage shareholders who are appointing proxies to direct their proxies how to vote on each resolution by crossing either a “For”, “Against”, or “Abstain” box before lodging their proxy form so that their proxy will vote on their behalf in accordance with their instructions.

Proxy vote if appointment specifies way to vote

In accordance with section 250BB(1) of the Corporations Act, and subject to any applicable voting restrictions, if an appointment of a proxy specifies the way the proxy is to vote on a particular resolution:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote as directed; and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chairperson, the proxy must vote on a poll, and must vote as directed; and
- if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote as directed.

Transfer of non-chair proxy to Chairperson in certain circumstances

In accordance with section 250BC of the Corporations Act, there are circumstances where the Chairperson will be taken to have been appointed as a shareholder’s proxy for the purposes of voting on a particular resolution even if the shareholder has not expressly appointed the Chairperson as their proxy. This will be the case where:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution; and
- the appointed proxy is not the Chairperson; and
- a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the Annual General Meeting; or
 - the proxy attends the Annual General Meeting but does not vote on the resolution.

6 Voting Exclusions***Resolution 5***

A vote on Resolution 5 must not be cast (in any capacity) by or on behalf of a member of the key management personnel, details of whose remuneration are included in the Remuneration Report (“**KMP**”) or their closely related parties.

However, a vote may be cast on Resolution 5 by such a person as proxy for a person entitled to vote on Resolution 5 if:

- (a) the proxy appointment is in writing and specifies how the proxy is to vote on Resolution 5; or
- (b) the proxy is the Chairperson and:
 - (i) the appointment does not specify the way the proxy is to vote on Resolution 5; and

- (ii) the appointment expressly authorises the Chairperson to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the KMP.

If the Chairperson is your proxy, or is appointed your proxy by default, and you do not direct your proxy to vote to vote 'for', 'against' or 'abstain' on Resolution 5 on the proxy form, you will be expressly authorising the Chairperson to exercise your proxy even if Resolution 5 is connected directly or indirectly with the remuneration of a member of the KMP.

The Chairperson intends to vote undirected proxies in favour of Resolution 5.

You should carefully read the proxy form and provide a direction to the proxy on how to vote on Resolution 5.

Explanatory Notes

These Explanatory Notes have been prepared for the information of shareholders in relation to the business to be conducted at Focus's Annual General Meeting to be held on 20 May 2016 10.30am (Perth time).

The purpose of these Explanatory Notes is to provide shareholders with more information on the proposed resolutions. You should read the Notice of Annual General Meeting and Explanatory Notes in full before deciding how to vote on each resolution.

Consideration of Reports

The business of the Annual General Meeting will include the receipt and consideration of the Annual Financial Report of Focus for the year ended 31 December 2015 together with the Directors' Report and the Auditor's Report. There is no requirement for shareholders to approve these reports.

In accordance with the Corporations Act, shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Annual Financial Report, the Directors' Report and the Auditor's Report of Focus and its controlled entities for the year ended 31 December 2015.

During the discussion, the auditor of Focus, PricewaterhouseCoopers, will be present and will answer questions that are relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report. Shareholders may submit written questions for the auditor up to five business days before the date of the Annual General Meeting.

Shareholders wishing to do so may send their questions to the Company Secretary via email (to: detheridge@focusminerals.com.au or facsimile (08) 9215 7889. The Company Secretary will pass on the questions to PricewaterhouseCoopers.

Resolution 1 – Election of Mr Dianfei Pei

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Dianfei Pei be elected as a Director.

Mr Pei is a mining engineer with almost 30 years' experience and has held several senior technical and management positions within the Shandong Gold Group. Mr Pei has a master's degree in mining engineering from University of Science and Technology Beijing and is currently Executive Chairman of both Shandong Gold Non-Ferrous Mining and Shandong Gold International Mining. Mr Dianfei Pei has been acting as Focus' Chairman since Mr Jisheng Lu's retirement on the 12th of January 2016.

Mr Pei has not held any other ASX directorships in the previous five years.

Mr Pei will be considered a Non-Independent Non-Executive Director and Chairman of the Board.

Recommendation: The Directors recommend that shareholders vote in favour of Mr Dianfei Pei's election.

Resolution 2 – Election of Mr Yuhuan Ge

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Yuhuan Ge, who retires in accordance with Clause 10.3 (a) of Focus' constitution, be re-elected as a Director.

Mr Ge became Deputy Chairman and Deputy General Manager of Shandong Gold International Corporation Limited in 2010, and is also a director of Canada's Integra Gold Corporation. Mr Ge has over 30 years' experience in mining with a background in Engineering.

From 1982 to 2002 he worked for the Shandong Gold Group's Sanshandao Gold Mine in a range of management roles. He has considerable international experience and from 2002 to 2010 he was the

Chairman & General Manager of Shandong Gold Jinyan Corporation Limited in Venezuela and Chairman of Shandong Gold Jinwang Corporation Limited in Suriname.

Mr Ge has an MBA and a technical title as Research Fellow in Engineering & Technology Application. He has served as a Non-Executive Director of Focus Minerals Ltd since July 2013 and has not held any other ASX directorships in the previous five years.

Mr Ge will be considered a Non-Independent Non-Executive Director.

Recommendation: The Directors recommend that shareholders vote in favour of Mr Yuhuan Ge's election.

The Chairperson intends to vote undirected proxies in favour of Resolution 2.

Resolution 3 - Election of Mr Wanghong Yang

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Wanghong Yang, who retires in accordance with Clause 10.3 (a) of Focus' constitution, be re-elected as a Director.

Mr Yang has a wealth of international marketing and project investment experience. He joined Shandong Gold Group in 2008 as the Group's Senior Manager of Capital Management before becoming the Deputy General Manager of Shandong Gold International Corporation Limited.

Mr Yang began his career with the China Machinery Industry Supply and Sale Corporation (CMSC) – affiliated to China Ministry of Machinery Industry – working in a number of management roles between 1986 and 1999. During this time he also spent three years based in Nigeria. In 2000, he joined Success Group Co., Ltd, to coordinate and manage the Group's investment projects in China prior to joining China Overseas Holdings Limited (COHL) in 2002. Here he was involved in the establishment of Shandong Jincang Gold Mining Corporation Limited and became Secretary of the Board.

Mr Wanghong Yang has a Bachelor's degree in accounting from Renmin University of China (RUC) and a Master's degree in applied finance from Macquarie University. He has served as an Executive Director of Focus Minerals Ltd since July 2013 and has not held any other ASX directorships in the previous five years.

Mr Yang will be considered an Executive Director.

Recommendation: The Directors recommend that shareholders vote in favour of Mr Wanghong Yang's election.

The Chairperson intends to vote undirected proxies in favour of Resolution 3.

Resolution 4 - Election of Mr Gerry Fahey

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Gerry Fahey, who retires in accordance with Clause 10.3 (a) of Focus' constitution, be re-elected as a Director.

Mr Fahey is a geologist with 40 years' experience. He was chief geologist for Delta Gold between 1992 and 2002 where he gained extensive resource, mine development and feasibility study experience on projects including Kanowna Belle and Sunrise Dam in Australia and Ngezi Platinum in Zimbabwe. Mr Fahey began his career as a mine geologist in the Irish base-metals industry on projects such as Tynagh, Avoca, and Tara Mines (Navan) owned by Noranda and later Outokumpu. On migrating to Australia in 1988, he gained further operational experience in Western Australia and the Northern Territory (Whim

Creek and Dominion Mining), prior to joining Delta Gold. He formed FinOre Mining Consultants in 2005, which merged with CSA Global Pty Ltd in 2006.

Mr Fahey served on the Joint Ore Reserve Committee (JORC) from 2000 to 2014 and is a former Board Member (Federal Councillor) for the Australian Institute of Geoscientists (AIG). He is a Fellow of the AusIMM and Member of the AIG. He has been a Non-Executive Director of Prospect Resources Limited since July 2013.

Mr Fahey will be considered an Independent Non-Executive Director.

Recommendation: The Directors recommend that shareholders vote in favour of Mr Fahey's election.

The Chairperson intends to vote undirected proxies in favour of Resolution 4.

Resolution 5 – Remuneration Report

Under section 250R(2) of the Corporations Act, a listed company is required to put its Remuneration Report to shareholders for approval each year. The Remuneration Report is contained on pages 13 to 18 of the Statutory Accounts for the Year Ended 31 December 2015 and sets out the policy for the remuneration of the Directors of Focus and each member of the KMP. The Statutory Accounts were released to the ASX on the 31st of March 2016 and are also available on the Focus Minerals website:

<http://www.focusminerals.com.au/investors/news-announcements/>

During the meeting shareholders will have an opportunity to comment upon and ask questions about the Remuneration Report. The vote on this resolution is advisory only and does not bind the Directors or Focus.

Recommendation

Noting that each Director has a personal interest in their own remuneration from Focus as described in the Remuneration Report, the Directors unanimously recommend that shareholders adopt the Remuneration Report.

The Chairperson intends to vote undirected proxies in favour of Resolution 5.