



Austminex
Limited

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AUSTMINEX CLOSES \$5.88M RAISING FULLY SUBSCRIBED, DRILLING TO COMMENCE AT COOLGARDIE

DRILLING TO COMMENCE AT EMPRESS MINE

Kalgoorlie-based gold group Austminex Limited (ASX: **ATX**) (soon to be renamed Focus Minerals Limited) and its Canadian-based partner Matador Mining Pty Ltd (TSX-V: **MXN**) will shortly commence the first drilling program at their newly acquired Coolgardie Gold Project (CGP) in Western Australia after Austminex announced today it had successfully completed its **A\$5.88 million** capital raising fully subscribed.

Austminex lodged a Prospectus with ASIC on 14 July 2005 to raise up to A\$5.88 million through the issue of 140 million shares at 4.2 cents each, with the closing date for the Offer extended until 19 August to accommodate strong levels of investor interest. A first tranche of 80,825,689 shares was issued on 8 August, with the balance issued on 23 August after the Offer closed fully subscribed last Friday.

Austminex now has 417,281,610 shares on issue, giving it a market capitalisation of approximately A\$19 million. The fund raising underpins Austminex's share of the acquisition cost for the CGP.

Matador has also completed its fund raising, which will enable it to fund exploration at a minimum rate of \$2.75 million per year for a three year period as part of its joint venture commitment to earn a 50% interest in the newly consolidated CGP-Austminex ground holdings.

The Redemption Joint Venture took physical control of the CGP on the 8th August 2005. The project consists of a 210km² consolidated regional tenement holding (including Austminex's original ground holdings in the Coolgardie-Widgiemooltha region), a 1.4 million ounce resource inventory (Indicated Resources of 5.3 million tonnes at 1.85 g/t and Inferred Resources of 13.93 million tonnes at 2.4 g/t gold, refer prospectus issued 14 July 2005), plus the 1.2mtpa CGP treatment plant (currently on care and maintenance).

Austminex's Managing Director, Mr Peter Williams, said he was very pleased with the strong investor response to the capital raising, with a number of Australian institutions and retail investors taking up shares.

"These new investors have reacted very positively to our exploration and development strategy, as announced over the past few months, with the Company now entering a very exciting phase of activity with the imminent commencement of exploration drilling at the CGP," he said.

An underground drilling program will commence from the Empress decline targeting the newly discovered Countess Lode, which is located between the Empress and Tindals mines. This lode lies along strike from Austminex's existing Dreadnought resource (3.5 million tonnes containing 235,000oz) and is part of the same large mineralised system from which 465,000oz of gold has been produced historically.

“We believe that there is significant potential for the discovery of sizeable orebodies in the Coolgardie region, which has historically been under-explored compared with neighboring Kalgoorlie,” Mr Williams said.

“Matador, which has a team of geologists from Canada with extensive experience in exploring Archaean greenstone belts similar to that at Coolgardie, has been working on our extensive database for the region and prioritizing key targets.”

“The recent acquisition of the CGP by the Redemption Joint Venture marks the most significant regional amalgamation of tenement holdings in the Eastern Goldfields since the Kalgoorlie Super Pit concept was first envisioned in the 1980s, and is revitalising gold exploration and development at Coolgardie by bringing a coordinated, regional approach to the newly consolidated tenement holdings for the first time in its history.”

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