



ABN 48 116 296 541



## EXCHANGE RELEASE

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## INVESTOR UPDATE

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**16 June 2015**

Minemakers Limited (**ASX: MAK**) is pleased to provide investors with the following updated investor presentation.

The presentation is also located on the home page of the Company's website.

Furthermore, the Company provides the opportunity to view an interview with Managing Director, Mr Cliff Lawrenson, on the Commsec website.

**To view** the investor broadcast, please paste the following website into your browser:  
**<https://www.youtube.com/watch?v=g8qK1vKRI5s&feature=youtu.be>**

Cliff Lawrenson  
**Managing Director**

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### **MINEMAKERS LIMITED**

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### **For further information:**

**Mr Cliff Lawrenson**  
Managing Director and CEO, Minemakers Limited

**Mr Rod Wheatley**  
CFO and Company Secretary, Minemakers Limited



# Baobab Rock Phosphate Project

June 2015



ASX: MAK | TSX: MAK

# Important Information



## Disclaimer

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## Competent Person's and Qualified Person's Statement

The information in this document is based on, and fairly represents, information and supporting documentation prepared by Russell Fulton, who is the Geological Manager of the Company and a Member of the Australian Institute of Geoscientists. Mr Fulton has sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and a 'Qualified Person' as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr Fulton consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

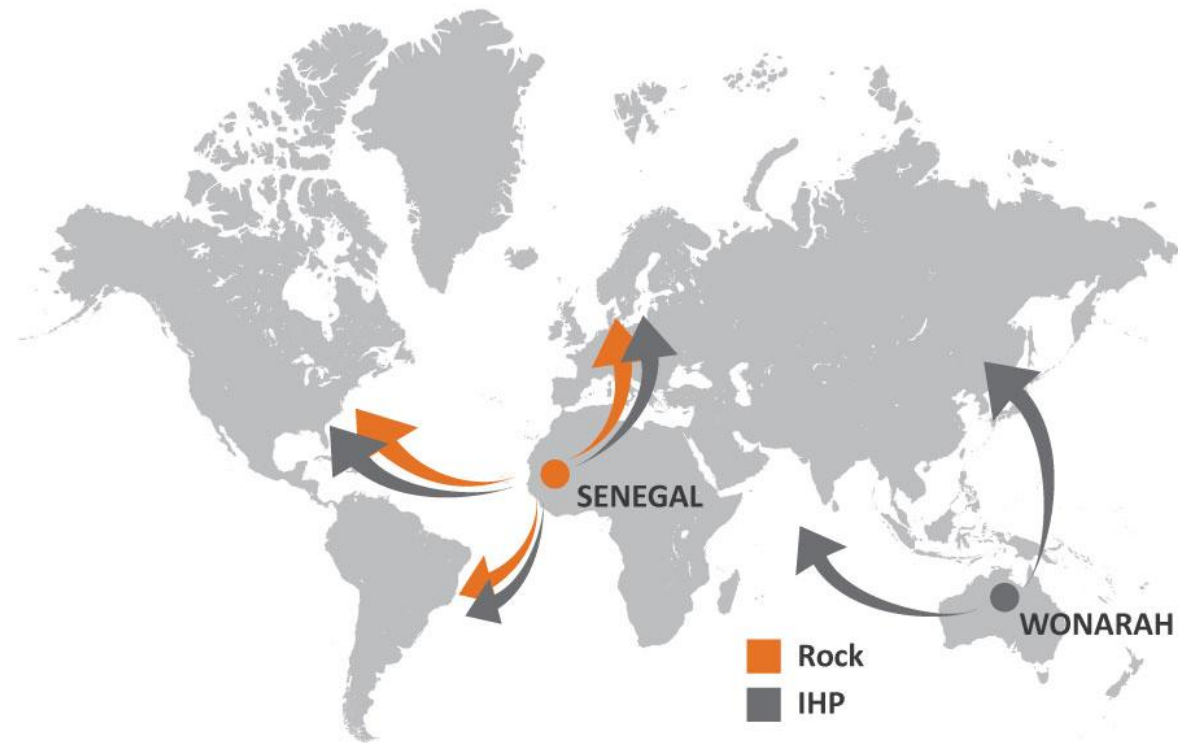
The Baobab Mineral Resource estimates were first set out in Minemakers' market announcement dated 11 May 2015. For further information on Baobab please refer to Minemakers' NI43-101 compliant technical report entitled "Technical Report Mineral Resource Estimation for the Gadde Bissik Phosphate Deposit, Republic of Senegal", dated June 2015 and available on SEDAR at [www.sedar.com](http://www.sedar.com). For further information on Wonarah, please refer to Minemakers' NI43-101 compliant technical report entitled "Technical Report Mineral Resource Estimation for the Wonarah Phosphate Project, Northern Territory, Australia", dated March 2013 and available on SEDAR at [www.sedar.com](http://www.sedar.com) and to Minemakers' market announcement dated 30 April 2014 which can be viewed at [www.minemakers.com.au](http://www.minemakers.com.au). Minemakers is not aware of any new information or data that materially affects the information included in these market announcements, for both Baobab and Wonarah, and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in these market announcements continue to apply and have not materially changed.

## Cautionary Statement Regarding Forward-Looking Information

All statements, trend analysis and other information contained in this document relative to markets for Minemakers' trends in resources, recoveries, production and anticipated expense levels, as well as other statements about anticipated future events or results constitute forward-looking information. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking information is subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Such factors include, among other things, risks relating to property interests, the global economic climate, commodity prices and environmental risks. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Minemakers does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change. Investors should not place undue reliance on forward-looking statements.

# Corporate Strategy

To become a major contributor to the world nutrient market via the development of world class rock phosphate projects



# Why Phosphate?

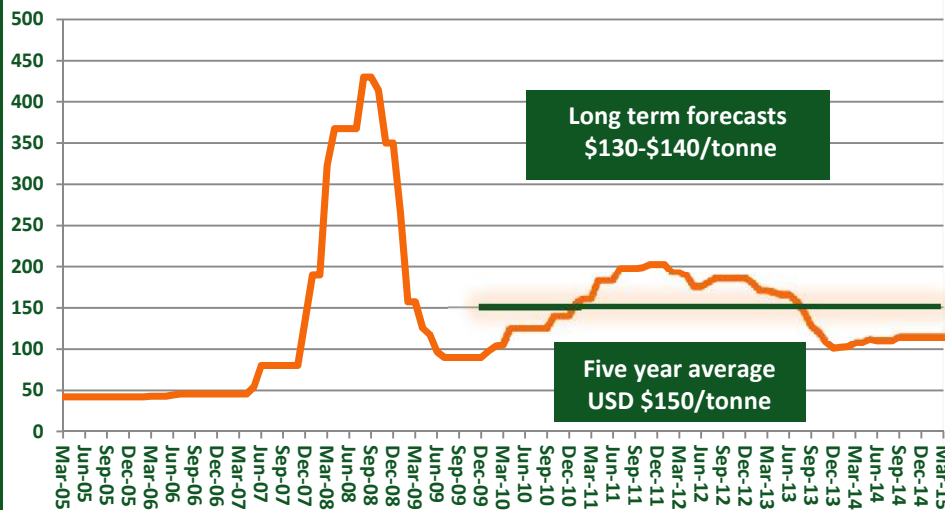


- Phosphate is a **finite** natural resource **essential** in the manufacture of fertilisers for crops and animal growth
- Global food production **forecast to double by 2050** due to population growth and increased per capita consumption
- Increased farming intensity required due to limited arable land = increased demand for phosphate based fertilisers

## Forecasts

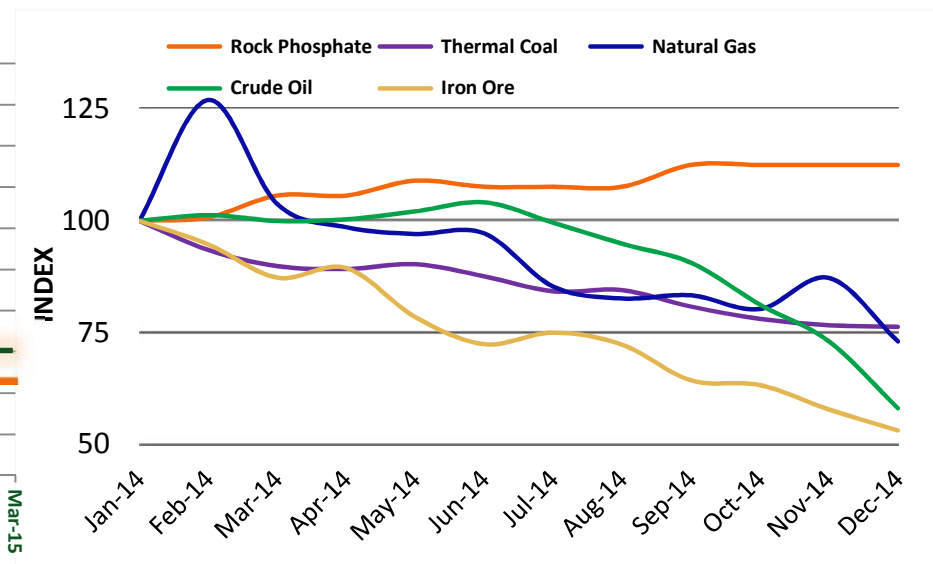
- Global fertiliser market expected to be worth US\$172 billion during 2015
- Long term price forecasts of US\$130/tonne
- Relative price stability versus other commodities

**Rock Phosphate Price (USD/tonne)  
Moroccan Rock Benchmark**



Source: IndexMundi, industry research

**Relative Commodity Price Performance - 2014**



Source: IndexMundi and Bloomberg



# Baobab Project Acquisition Highlights



**Minemakers has agreed to acquire the Baobab Rock Phosphate Project located in the Republic of Senegal from Agrifos Partners LLC. Subject to shareholder approval in August, 2015.**

- ✓ Baobab is planned to be a **low-cost, low-capex** rock phosphate project
- ✓ Simple mining and wet screening, 145km to Port of Dakar on existing roads
- ✓ Provides potential for **near term production** and cash flow
- ✓ **All-scrip** consideration conserves Minemakers' balance sheet and provides optimal **strategic alignment** with major shareholders
- ✓ Combines Minemakers' **strong management** team with highly experienced in-country team
- ✓ Involvement of fertilizer and phosphate experts at **Agrifos** provides additional technical and marketing knowledge base
- ✓ **Diversifies asset portfolio** - significant assets in Republic of Senegal and Australia
- ✓ Potential opportunities to **leverage IHP technology** via Senegalese IHP license



# Baobab Project Acquisition

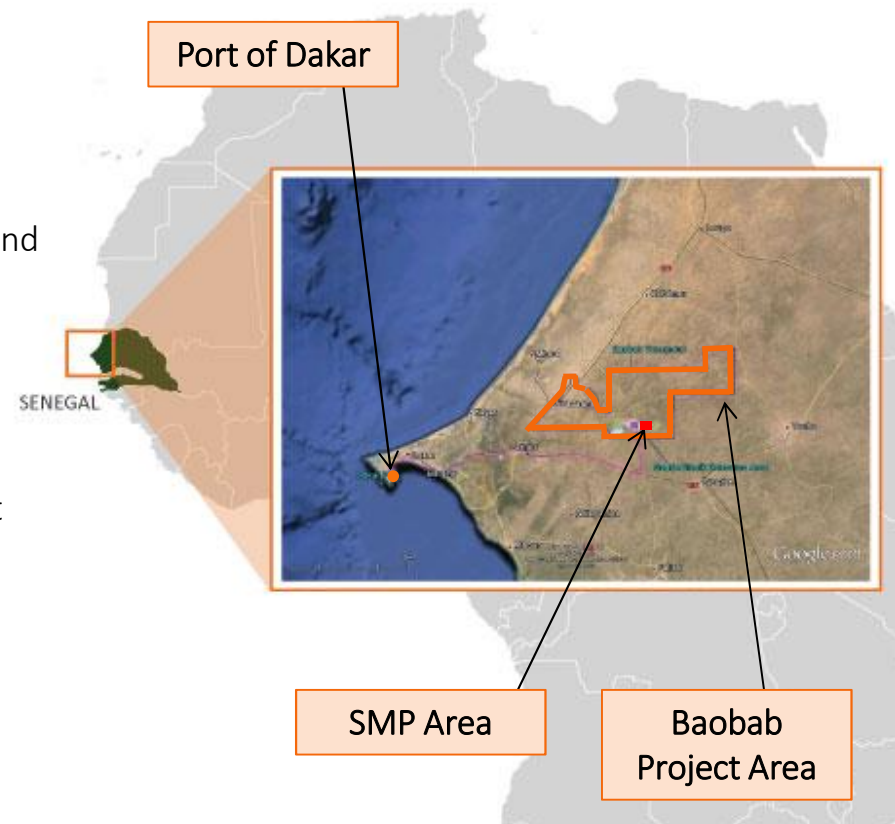
## Transaction Terms:

- 100% scrip based consideration
  - 100 million shares
  - 80 million unlisted options (ex A\$0.25 and 4-year term)
  - 80 million contingent share rights, vesting upon achieving significant development of the project
- Subject to shareholder approval at General Meeting planned for August, 2015
- Agrifos to appoint one board member at close, a second on achieving development milestone
- Transaction subject to a number of conditions and approvals which are in the process of being satisfied



# Baobab Project

- Single exploration permit area of 1,553km<sup>2</sup>
- Sedimentary rock phosphate mineralisation
- Circa A\$7 million spent on project to date by vendor, including approximately 14,500m of drilling (359 air-core and 36 diamond holes) in the Gadde Bissik area (90km<sup>2</sup>)
- Expected to be open pit, free dig unconsolidated sand
- Simple and low-cost wet screening process to significantly upgrade product – confirmed by ongoing metallurgical test work
- Maiden Inferred Resource announced. Small Mine Permit (SMP) granted, allowing for 500ktpa production from the Gadde Bissik prospect
- Targeting first production in first half of 2016



## Strategic Location

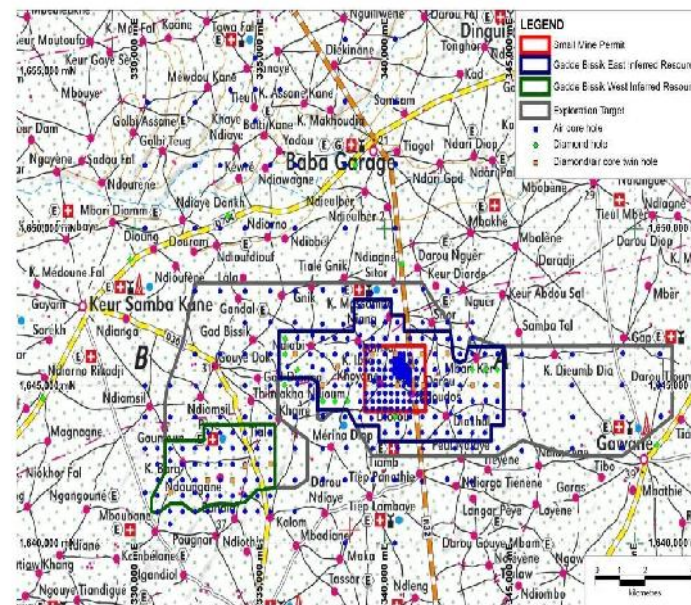
- 145km East of the Port of Dakar
- Existing road network, 20km from a sealed national highway with upgrade due for completion in 2018
- Port capacity available at Dakar



# Maiden Inferred Resource



- Refer ASX Release 11 May 2015 for full disclosure
- Maiden Inferred Mineral Resource of 68 million tonnes @ 22% P<sub>2</sub>O<sub>5</sub> at an 18% P<sub>2</sub>O<sub>5</sub> cut-off for the Gadde Bissik prospect, part of the wider Baobab Project
- Inferred Resource of 25 million tonnes @ 23% P<sub>2</sub>O<sub>5</sub> estimated within the Small Mine Permit area of 5Km<sup>2</sup> at Gadde Bissik East
- Exploration Target of 45-60 million tonnes @ 19-22% P<sub>2</sub>O<sub>5</sub> estimated for a broad area to the east and west of Gadde Bissik East. The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in estimation of a Mineral Resource.
- Initial metallurgical test work demonstrates significant upgrade potential using simple wet screening techniques
- Phosphate mineralisation is 2-12 metres thick; 11-51 metres from surface



PROSPECT	CATEGORY	TONNES (million)	P <sub>2</sub> O <sub>5</sub> (%)	CaO (%)	MgO (%)	Al <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	SiO <sub>2</sub> (%)	
Gadde Bissik East	Within SMP area	Inferred	25	23	31	0.10	2.0	3.1	38
	Outside SMP area	Inferred	40	21	29	0.14	2.4	3.9	39
	Combined	Inferred	65	22	30	0.12	2.2	3.6	39
Gadde Bissik West	Inferred	3	21	29	0.13	4.3	4.7	35	
Total Gadde Bissik	Inferred	68	22	30	0.12	2.3	3.6	38	

# Baobab Project Progress - June, 2015



	Task	Status
GEOLOGY	Exploration Target	<i>Complete</i>
	Inferred Resource	<i>Complete</i>
	Indicated Resource	<i>Infill drilling underway</i>
PROJECT	Contract mining and crushing	<i>Initial MOU established</i>
	Wet screening	<i>Design &amp; Engineering estimates advanced</i>
	Transport	<i>MOU in Progress</i>
	Port	<i>MOU in Progress</i>
SENEGALESE GOVERNMENT APPROVALS	Small Mine Permit (SMP)	<i>Complete</i>
	Environmental Impact Statement	<i>Lodged</i>
	Community Relocation and Compensation Plan	<i>In Progress</i>
SHAREHOLDER APPROVALS	General meeting planned for August 2015	<i>Independent Experts Report</i>
OFFTAKE	Domestic & Export	<i>Early Discussions</i>

# The Republic of Senegal

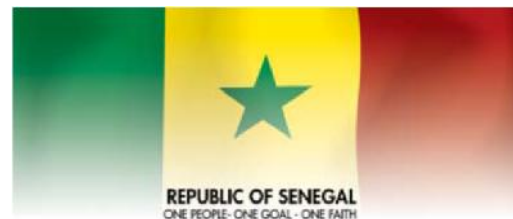
## Overview

- One of Africa's most stable and successful democracies (IMF 2010) with a stable and investor friendly social and political environment
- Population of circa 13.5 million (2013 estimate)
- Substantial progress in combating poverty, improving social infrastructure and advancing its economic emergence (IMF)
- GDP of US\$14.7 billion (World Bank 2013)

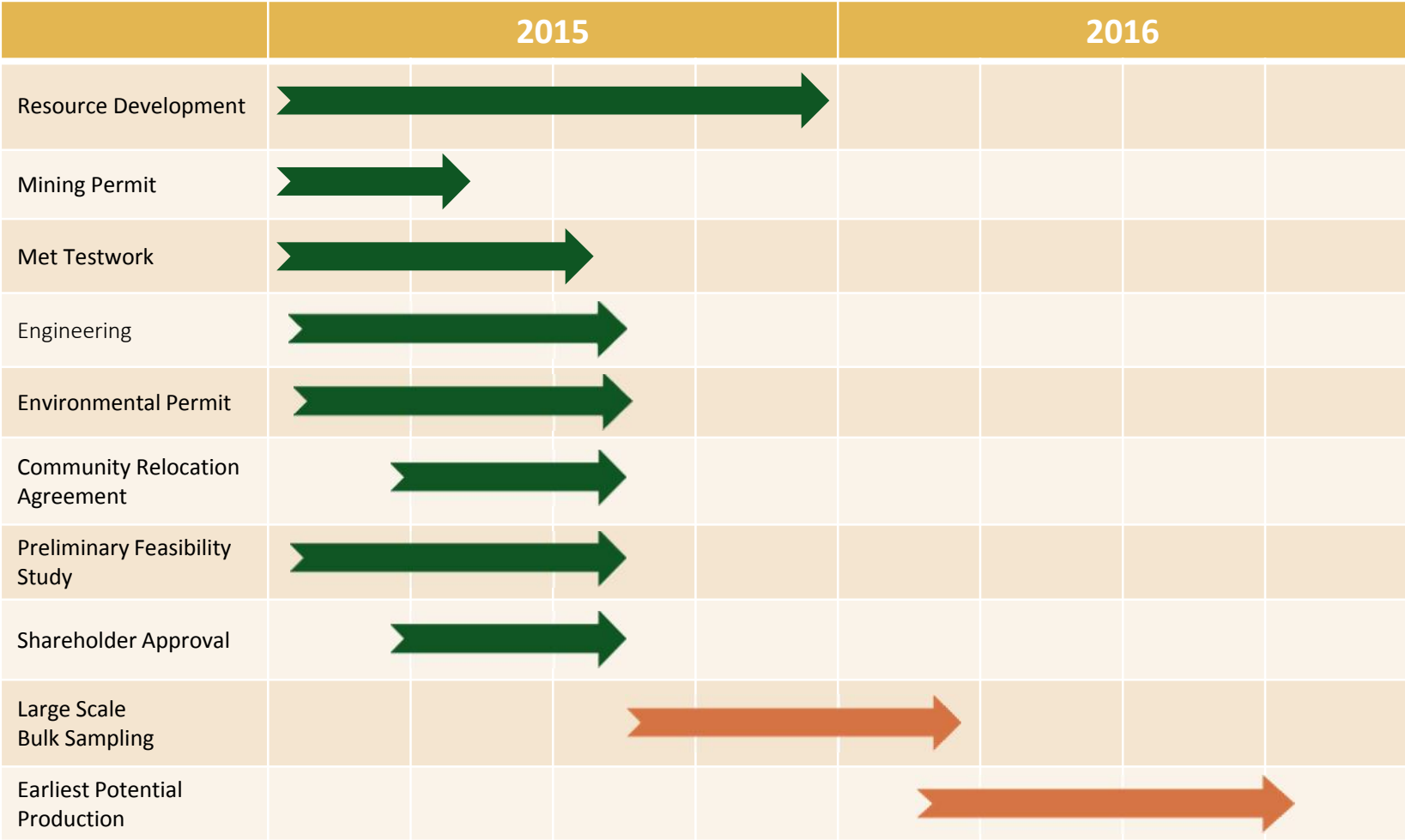


## Mining friendly location

- Established mining industry with phosphates as primary exports
- Mining code implemented in 2003, administered by Ministry of Mines
- State involvement restricted to approvals and royalties
- Good connected infrastructure and qualified workforce
- Several ASX or TSX companies have success in Senegal
- Effective Senegalese Chamber of Mines



# Baobab Milestones: 2015-2016



# Wonarah Project – Northern Territory



- Project 100% owned by Minemakers
- One of Australia's largest JORC and NI43-101 compliant phosphate resource
  - Measured + Indicated Resource 300Mt @ 18.2% P<sub>2</sub>O<sub>5</sub> (10% cut-off)
  - Inferred Resource 542Mt @ 18.0% P<sub>2</sub>O<sub>5</sub> (10% cut-off)
- Excellent installed infrastructure including road, rail and gas pipeline

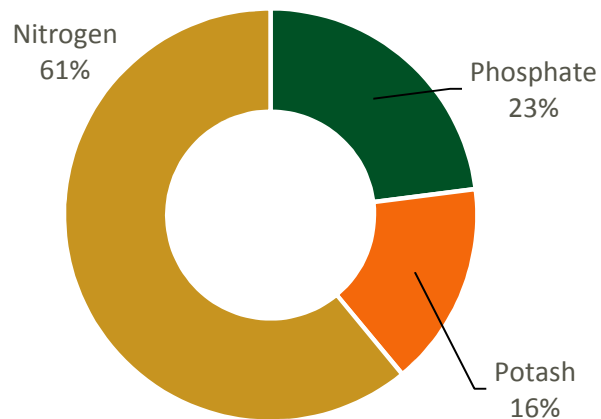
## Current Status

- Development is subject to commercialisation of IHP, currently in development by JDCPhosphate
- Low holding costs allow project to be maintained until commercialisation is possible



# Improved Hard Process (IHP)

- Advanced downstream process aimed at transforming low grade rock phosphate into high value superphosphoric acid (SPA) with substantial cost benefits
- Additional benefits from improved environmental outcomes
- Significant benefits over traditional wet-acid process
- SPA is a key feedstock into commercial fertiliser market
  
- Technology developed by Florida based JDCPhosphate Inc.
  - Minemakers owns 8.0% of JDCPhosphate
  - Minemakers has sole licence to use IHP in Australia, this will extend to Senegal

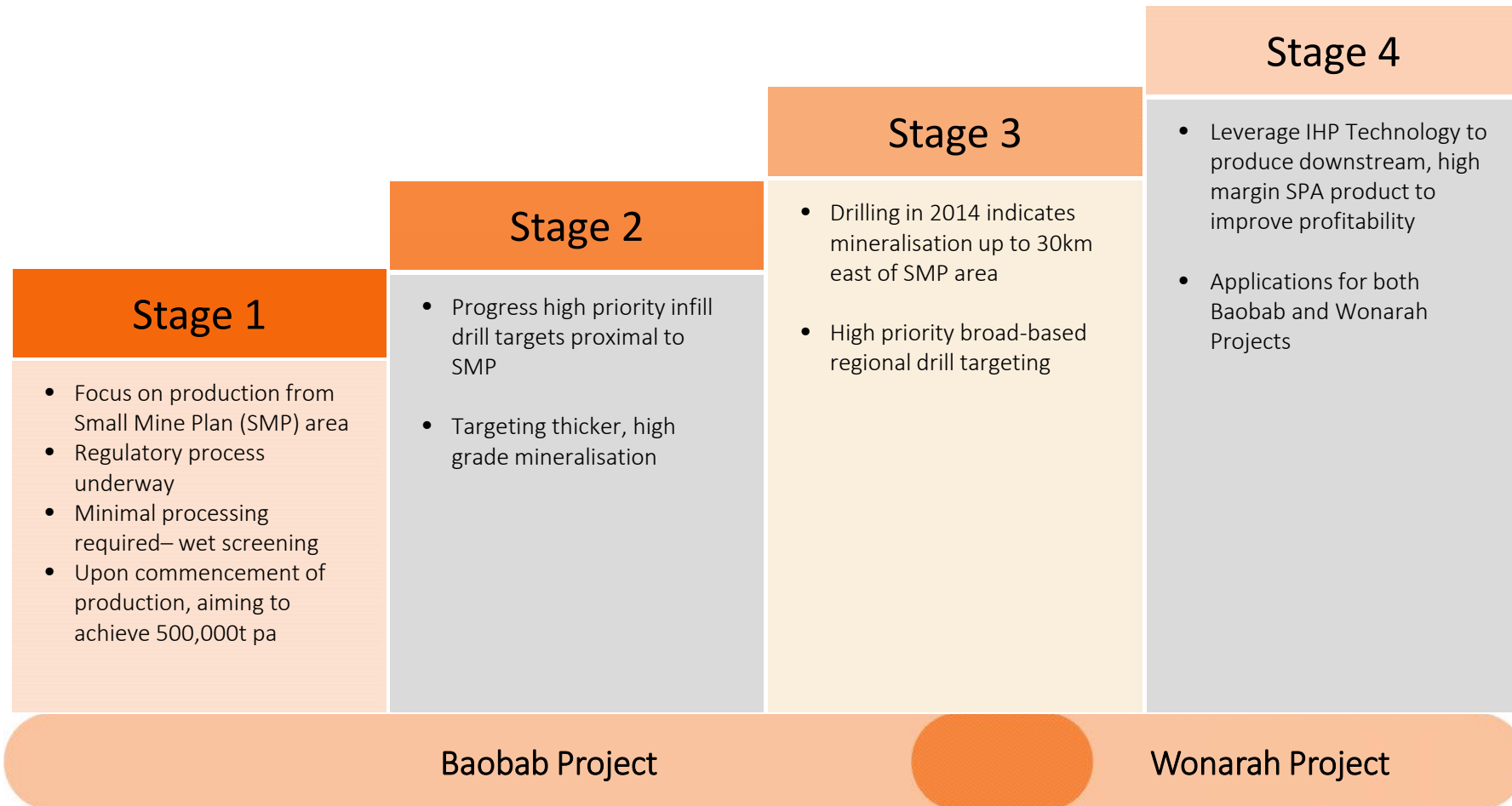


Typical makeup of manufactured fertiliser



JDCPhosphate IHP Demonstration Plant – Florida

# 4 Stage Growth Strategy



# Investment Thesis

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- Potential near-term rock phosphate production from Baobab Project
  - Planning low capex, low opex, early cash flow
  - Project is scalable to leverage exploration potential and infrastructure
  - Initial metallurgical test work demonstrates significant upgrade potential using simple wet screening techniques
  
- Baobab project a strong strategic fit to Minemakers' portfolio
  - Minemakers remains committed to the nutrient sector with strong underlying fundamentals
  - Not dependent on IHP technology for commercialisation
  
- Baobab opportunity can leverage valuable existing Senegalese expertise and track record
  
- Senegal IHP license grows the future IHP offering to Atlantic basin and Pacific basin
  
- Further opportunities to commercialise Wonarah through IHP technology

Cliff Lawrenson – Managing Director

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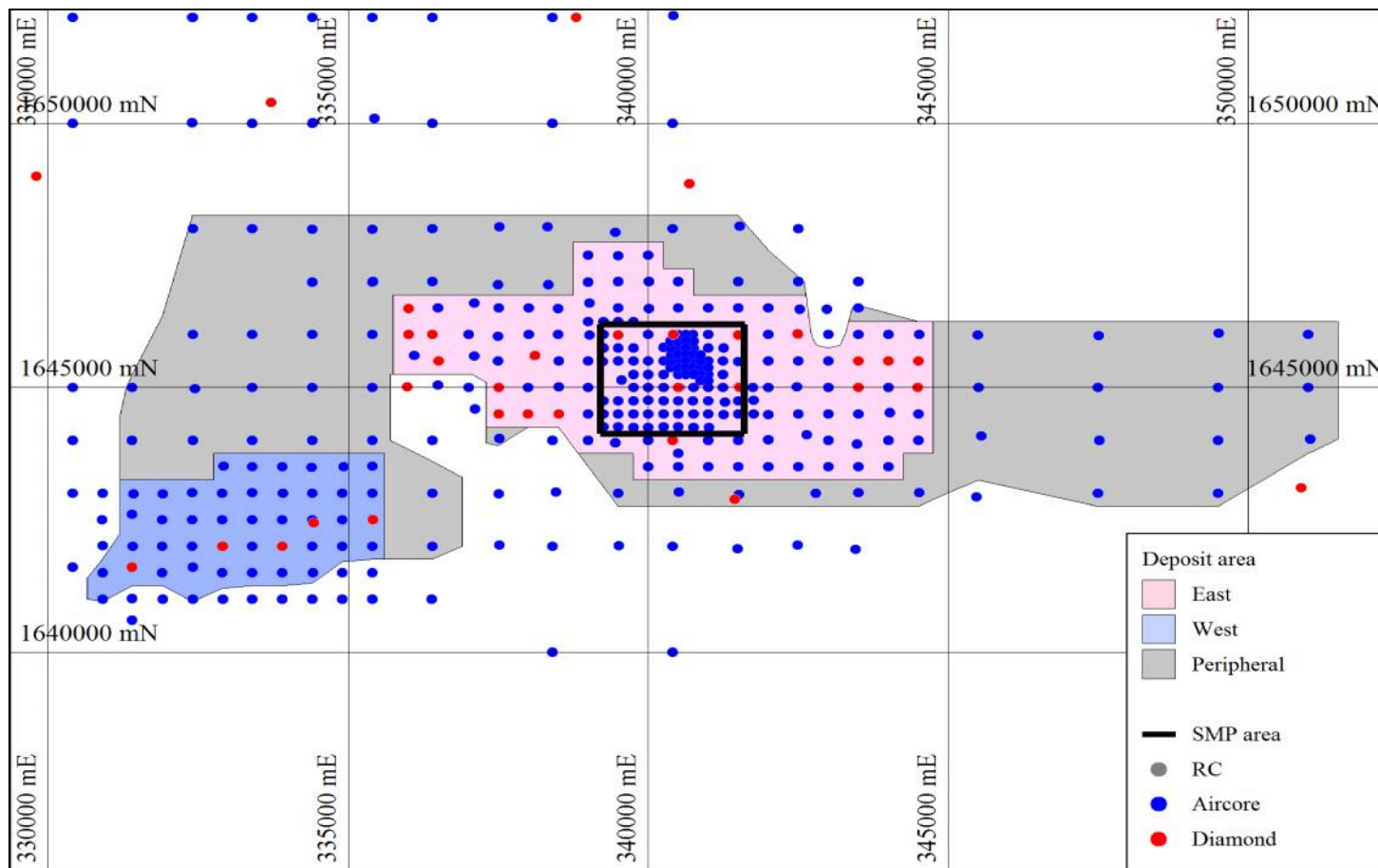
Telephone: +61 8 9264 7000

[www.minemakers.com.au](http://www.minemakers.com.au)

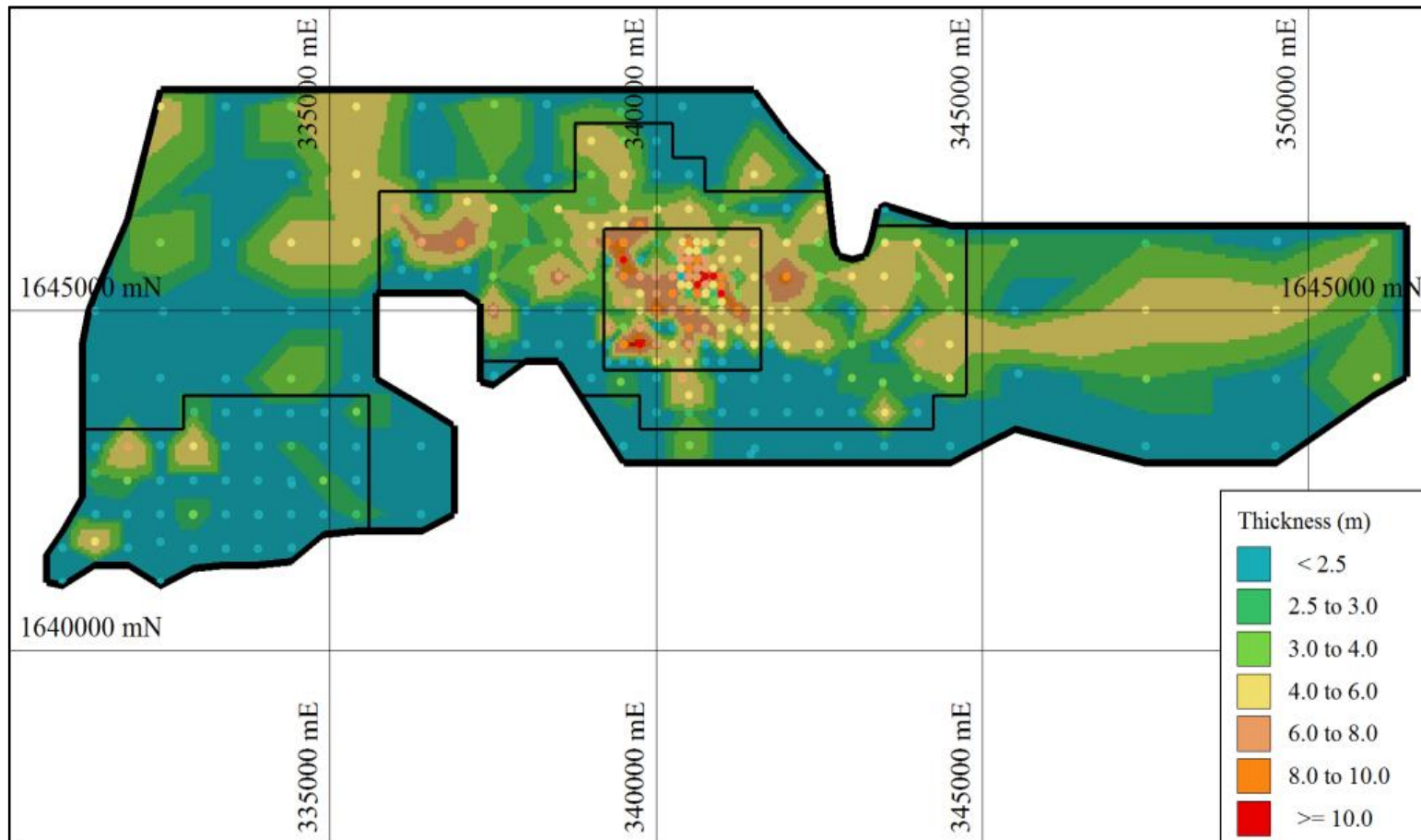
# Appendix A: Geology plans and cross-section



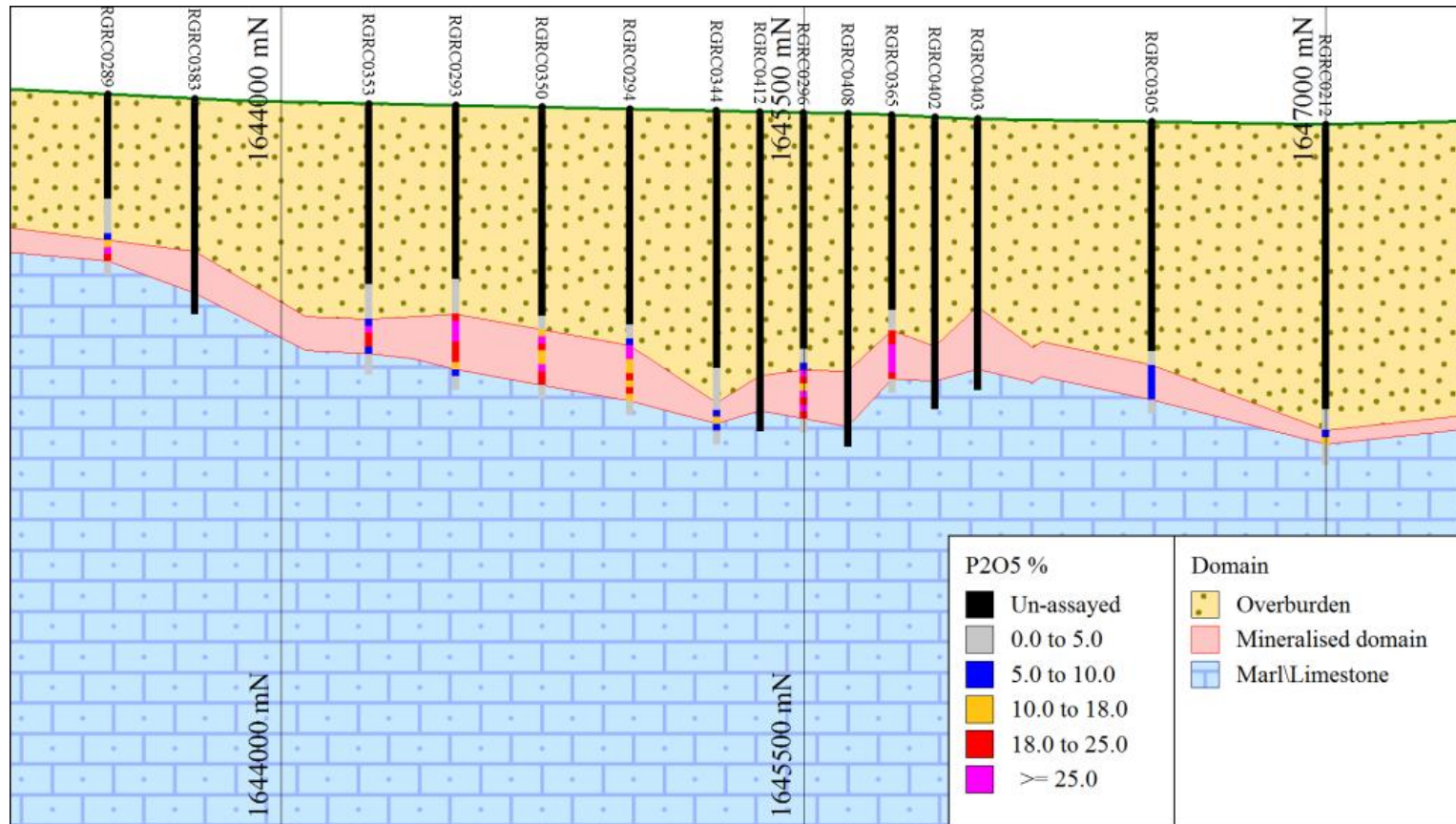
# Gadde Bissik area drill plan



# Gadde Bissik – mineralised domain thickness

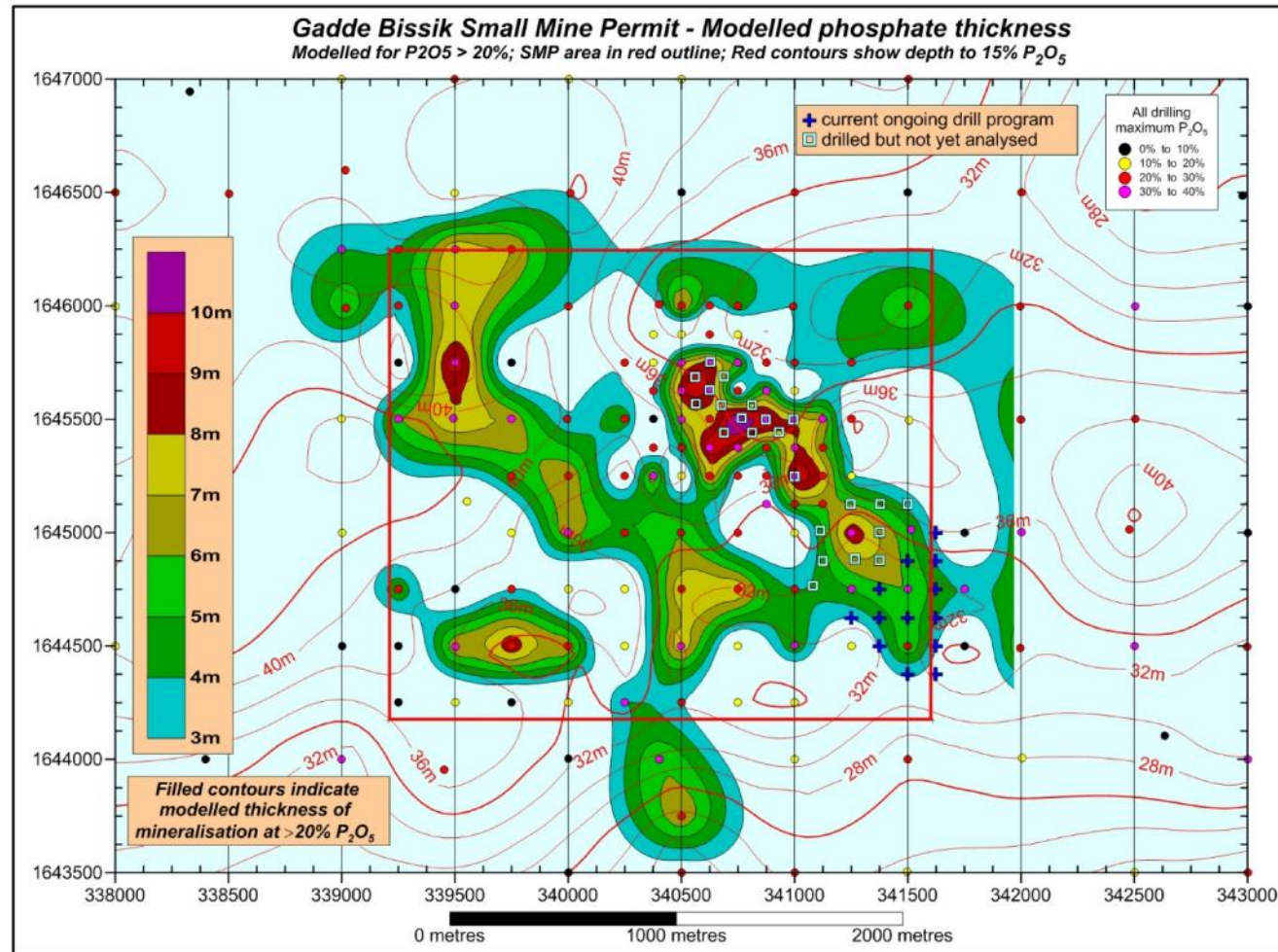


# Gadde Bissik – example geological cross section



Gadde Bissik East 340,500 mE, vertical exaggeration 20:1

# SMP area – drill status plan with modelling



Modelling is for indicative purposes only and further infill drilling is likely to alter the current interpretation to some degree



## Appendix B: Baobab Acquisition Agreement



# Acquisition Agreement



Key Terms	Description
<b>Transaction</b>	<ul style="list-style-type: none"> <li>To acquire the issued shares of Baobab Fertilizer Africa, 100% owner of Baobab Mining and Chemicals Corporation SA (BMCC)</li> </ul>
<b>Consideration</b>	<ul style="list-style-type: none"> <li>100,000,000 ordinary Minemakers shares</li> <li>80,000,000 options over unissued Minemakers shares                             <ul style="list-style-type: none"> <li>– Term 4 years</li> <li>– Exercise price of A\$0.25 per share – a circa 350% premium</li> </ul> </li> <li>40,000,000 contingent share rights, satisfied by issue of MAK shares, upon either a PFS, decision to proceed with construction of a mine or first commercial production</li> <li>40,000,000 contingent share rights, satisfied by issue of MAK shares, upon first commercial production being achieved</li> </ul>
<b>Senegal IHP License Fee</b>	<ul style="list-style-type: none"> <li>3.5% on FOB net revenue of rock phosphate sales from Senegal , or</li> <li>US\$0.75/MT for phosphate rock used for IHP production of phosphoric acid</li> </ul>

# Acquisition Agreement (cont'd)



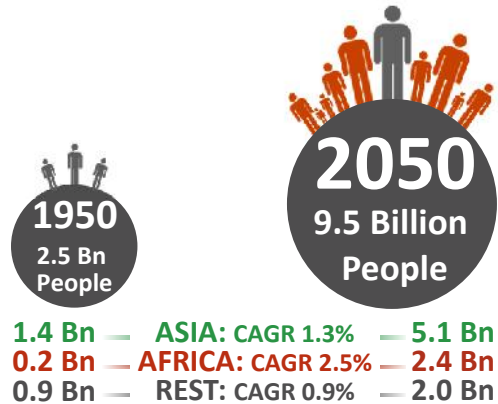
Key Terms	Description
<b>Key Conditions</b>	<ul style="list-style-type: none"><li>• The grant of the IHP License to BMCC for Senegal</li><li>• Relevant Ministerial consent and/or approvals for the transfer of the ownership of entities and in relation to applicable permits, as necessary</li><li>• The grant of a Small Mining Permit</li><li>• Australian Foreign Investment Review Board approval</li><li>• Minemakers shareholder approval required within 4 months of entering into the agreement</li><li>• Completion of the amalgamation of Minemakers Mauritius and Baobab Fertilizer Africa within 3 months of Minemakers shareholder approval</li></ul>
<b>During the Completion Period</b>	<ul style="list-style-type: none"><li>• Minemakers will scope and fund the ongoing exploration and development work as part of establishing project feasibility<ul style="list-style-type: none"><li>– No minimum expenditure prescribed beyond maintenance of the underlying permits</li></ul></li></ul>

## Appendix C: Phosphate Information

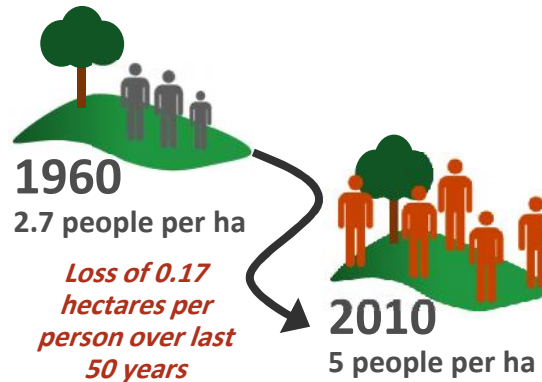
# Food & Nutrition Security

Fertilisers provide essential nutrients to soils, livestock & people resulting in more food, better nutrition and healthier lives.

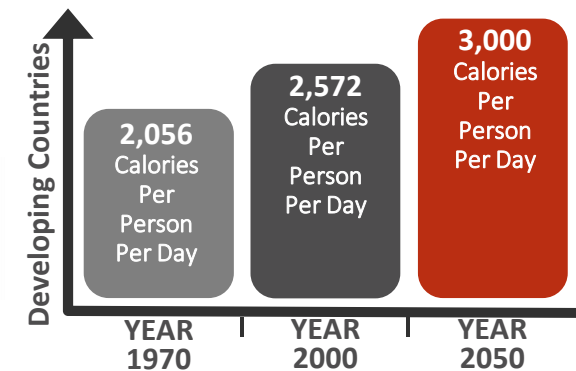
## WORLD POPULATION GROWTH



## ARABLE LAND DECLINE PER CAPITA

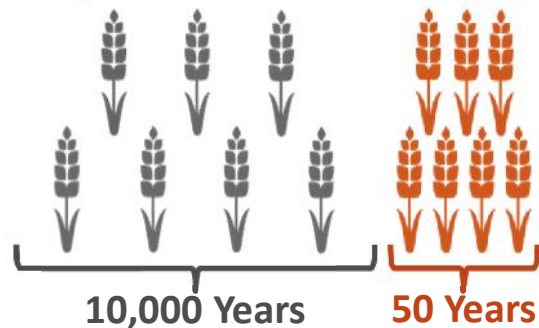


## INCREASED PER CAPITA CONSUMPTION



## DEMAND ON FARMERS

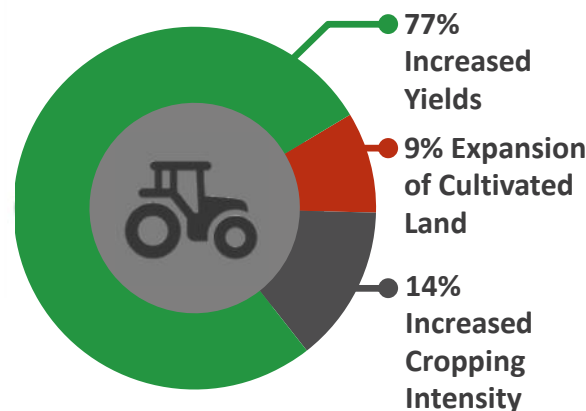
Over the next 50 years, farmers will have to produce as much food as produced in the last 10,000 years...



... achieving this while mitigating the effects of climate change.

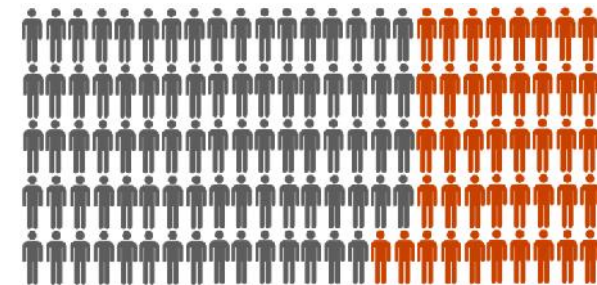
## SOURCE OF FUTURE SUPPLY

Much of this increase in output will need to come from existing farmland.



## IMPORTANCE OF NUTRITION SECURITY

2 billion people currently lack the daily nutrients they require...



... undernutrition accounts for 11% of the global burden of disease and is considered the No.1 health risk worldwide.

# Phosphates – No artificial substitute & a finite resource



- A strategic natural resource essential to crop production and animal growth
- Mined, usually from surface
- Raw material used in the manufacture of commercial fertilizers
- Middle East and North Africa (MENA) account for 85% of world rock phosphate reserves
- Producers moving downstream to value-added products with increased levels of contained  $P_2O_5$
- Key ingredient for fluid fertilisers, detergents, metal finishing and foods

*Food security is increasing as a global issue*

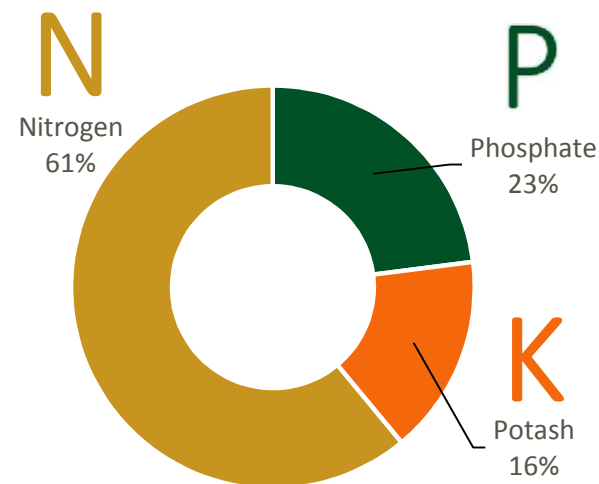
## GLOBAL ROCK PHOSPHATE CONCENTRATE MARKET



Source: IFA, US Geological Survey, FMB. Merchant market share, which is world exports as a percentage of world production, declined from 22% in 1999 to 13% in 2012. For 2012, Morocco's exports were approximately 9.5 million tonnes, or 35% of total world exports of 27 million tonnes.

# Global Fertilizer Market

- Deficiency of macro-nutrients - Nitrogen, Phosphorous & Potassium (NPK) – in majority of soils
- Global nutrient sales of 230 million tonnes in 2012
- By 2015 the annual global fertiliser market is forecast to be worth **US\$172 billion**, +32% since 2010
- Current Global Providers:
  - China 70 million tpa
  - Morocco 31 million tpa
  - USA 30 million tpa
- 40% of world food production incorporates manufactured fertiliser



*Typical makeup of manufactured fertiliser*

## Nitrogen

- Essential to formation of protein
- Protein makes up most of the tissues in living things
- Manufactured from gas or coal (ammonia, urea)

## Phosphorus (Phosphate)

- Critical to root development
- Facilitates water use efficiency, respiration, cell division and growth, energy storage and transfer in cells
- Early plant maturity

## Potassium (Potash)

- Produces higher quality crops
- More weight per kernel, greater food oil production, better wheat food qualities
- Important in carbohydrate and starch synthesis



# Why Fertiliser?



## World Fertiliser Facts

- Global nutrient sales to reach 255m tonnes by 2017
- Fertiliser industry is investing US\$150bn between 2012 and 2017 to fulfil global demand
- 55 to 85% of all soils are deficient in NPK
- The share of phosphate fertilisers based on phosphoric acid rose from 75% in 2000 to 89% in 2012
- Global demand for phosphoric acid will reach 46.5 million tonnes by 2017 (39.8m tonnes for fertiliser)
- In 2015, the global fertiliser market is forecast to have a value of US\$172bn, an increase of 32% since 2010

## NPK – Macro Nutrient Basics

### *Nitrogen (N) - fulfils plant's yield potential*

- Converted to amino acids as the building block for protein
- Produced from gas, coal & renewable energy

### *Phosphorus (P) - creates plant's yield potential*

- Backbone of DNA & RNA critical throughout plant lifecycle
- Produced from sedimentary deposits rich in phosphate

### *Potassium (K) – controls movement of key inputs*

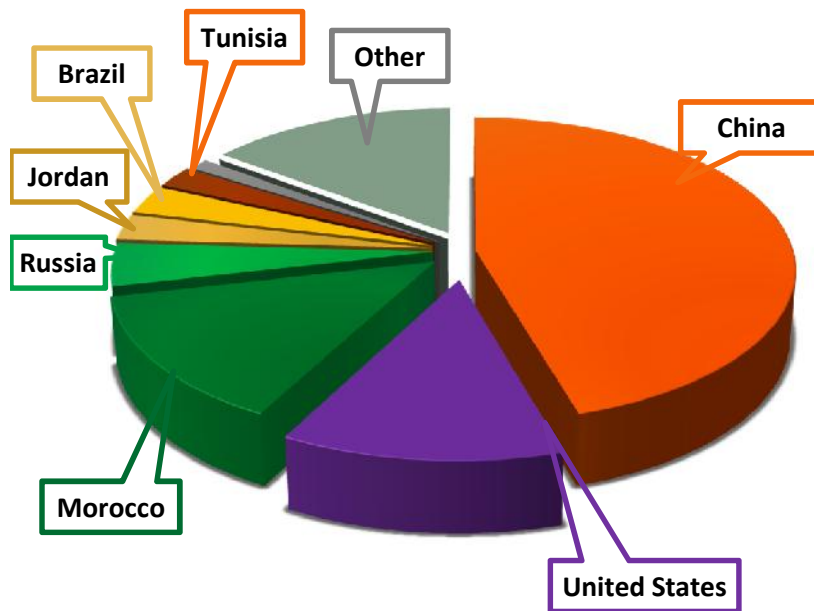
- Increases use of water, protein, nutrients & carbohydrates
- Produced from ash, sedimentary salts & sea water

## Top Ten N-P-K Consumers 2011/12 ('000 metric nutrient tonnes per year)

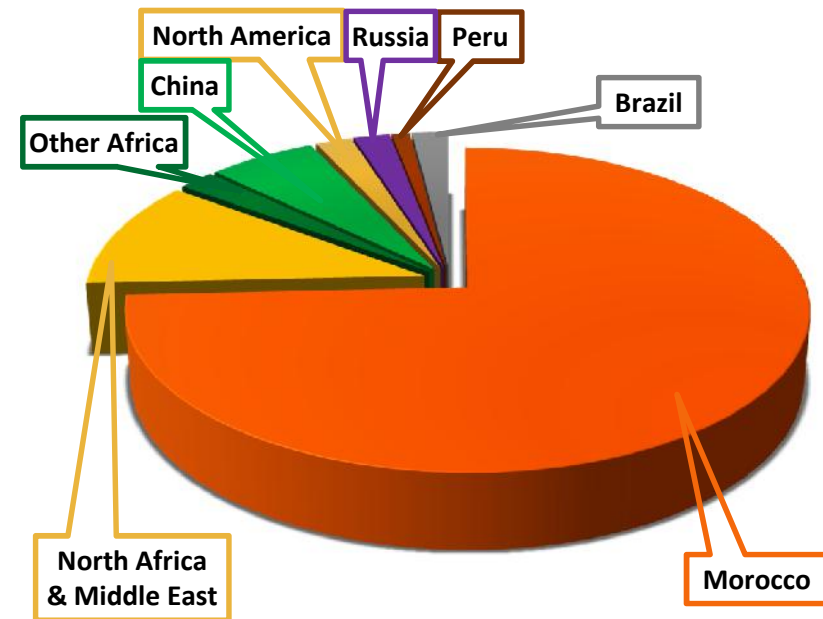
Rank	N		P <sub>2</sub> O <sub>5</sub>		K <sub>2</sub> O	
1	China	34,084	China	11,500	China	5,200
2	India	17,398	India	8,336	United States	4,436
3	United States	11,884	United States	4,001	Brazil	4,431
4	Brazil	3,366	Brazil	3,859	India	3,624
5	Pakistan	3,129	Australia	873	France	546
6	Indonesia	3,123	Canada	733	Poland	478
7	Canada	2,160	Argentina	700	Bangladesh	468
8	France	2,087	Bangladesh	689	Thailand	457
9	Germany	1,721	Pakistan	621	Syria	433
10	Russia	1,600	Indonesia	580	Germany	400
<b>Rest</b>		<b>27,149</b>		<b>9,183</b>		<b>8,923</b>
<b>World</b>		<b>107,699</b>		<b>41,075</b>		<b>29,396</b>

# Phosphate Reserves and Production

- More than 85% of global phosphate reserves are located in Africa and the Middle East
- Global production in 2014 was 220 million tonnes
- Chinese production has traditionally been for the domestic market. However, China has become a meaningful exporter despite export quotas and taxes imposed in 2012.



Global Phosphate Production 2014

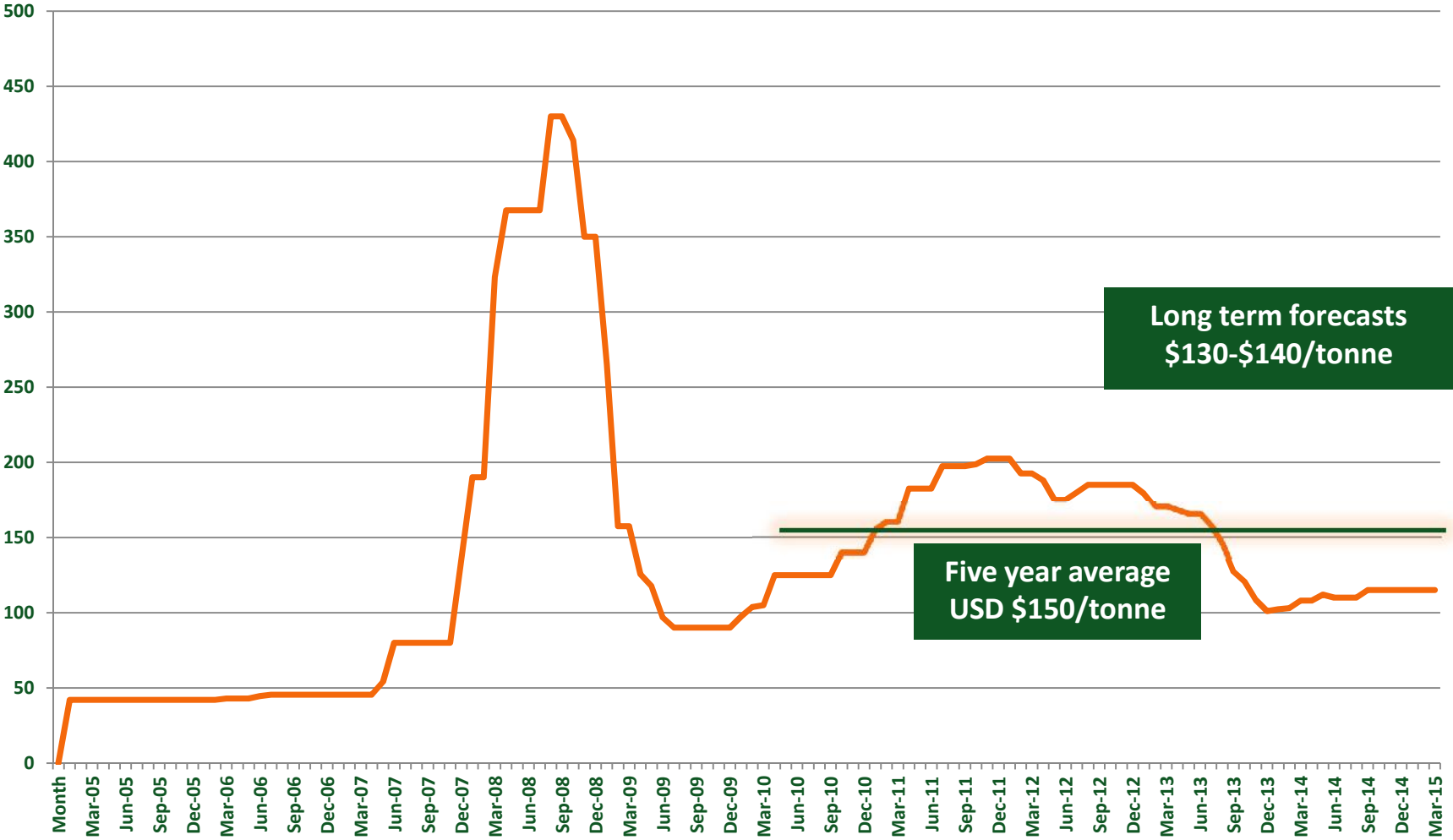


Global Phosphate Reserves 2014

# Rock Phosphate Commodity Price

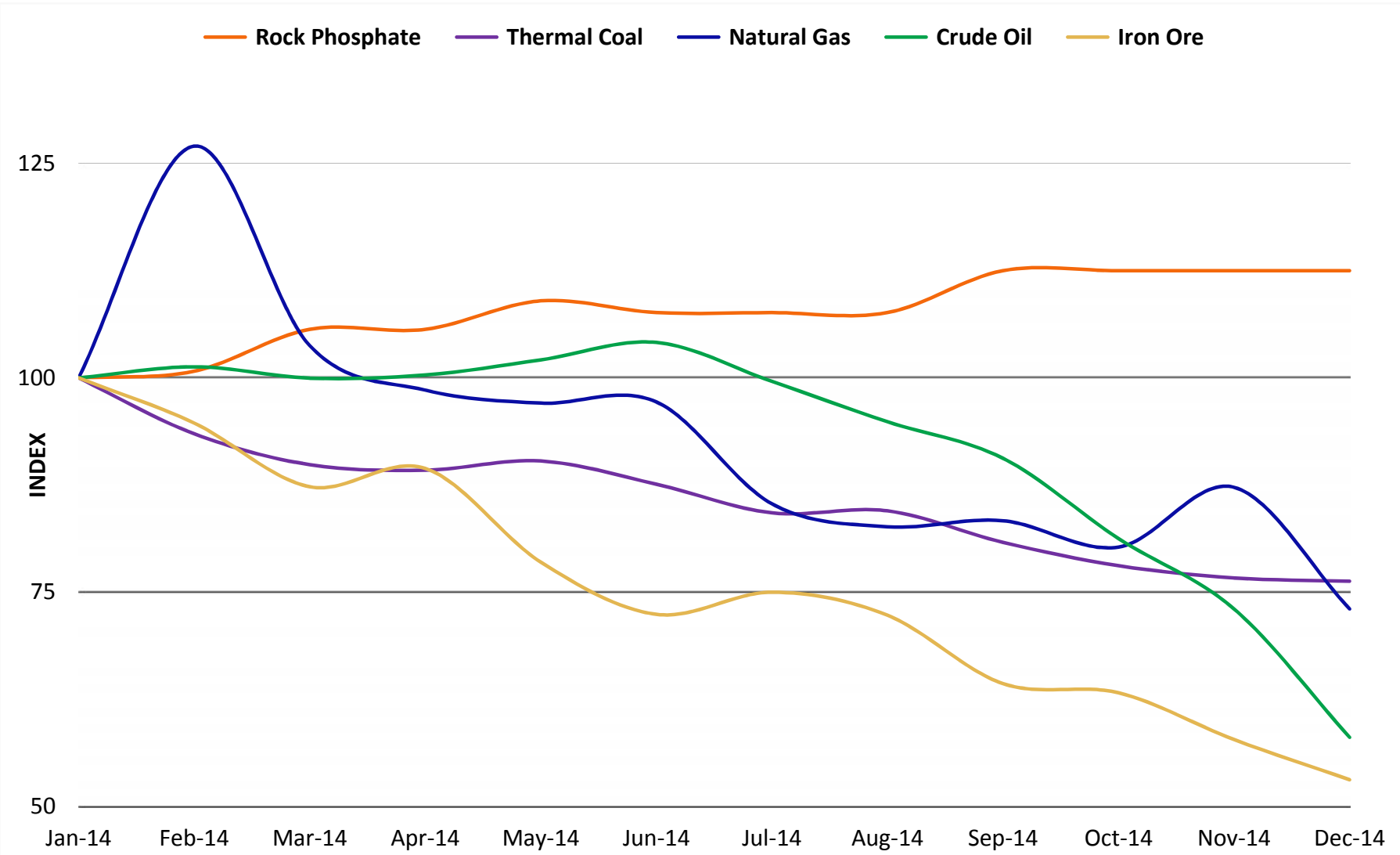


Rock Phosphate Price (USD/tonne) – Moroccan Rock Benchmark



Source: IndexMundi, industry research

# Relative Commodity Performance 2014



Source: IndexMundi and Bloomberg