



ABN 48 116 296 541

EXCHANGE RELEASE

WONARAH PHOSPHATE DEVELOPMENT MOU SIGNED WITH INDIA'S NMDC LIMITED

1 June 2011

Minemakers Limited (ASX and TSX: MAK; NSX: MMS) has signed a non-binding, Memorandum of Understanding ("MOU") with Bombay Stock Exchange listed NMDC Limited (BSE Symbol: NMDC; market capitalisation AU\$21 Billion) to establish a pathway for the development of the Wonarah Phosphate deposit in the Northern Territory.

Under the MOU relevant NMDC management staff will join the Minemakers team to undertake a joint Feasibility Study into the agreed aspects of the full development of Wonarah, Australia's largest known, undeveloped, phosphate deposit.

The proposed Wonarah development will include a mine and downstream processing facilities to produce beneficiated rock phosphate for export; phosphoric acid (an intermediate product); and finished fertiliser products such as DAP and MAP (Diammonium Phosphate and Monoammonium Phosphate).

The Feasibility Study is intended to be sufficiently advanced by early fourth quarter 2011 such that the results will support Minemakers and NMDC signing a full Joint Venture Agreement ("JVA") governing the completion of bankable feasibility, financing and development of Wonarah and the downstream fertiliser manufacturing facilities.

The terms of the JVA will be negotiated during the advancement of the Feasibility Study, beginning shortly.

The general terms of the JVA are anticipated to include:

- NMDC to acquire a 50% equity in the Wonarah Project.
- NMDC will have responsibility for arranging project finance for the full development of Wonarah, by way of debt finance.
- Repayment by NMDC to Minemakers of certain project and other costs already incurred on the Wonarah project to date.

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Wonarah, which is 100% owned by Minemakers, has JORC and NI43-101 resources currently estimated at:

	Indicated	Inferred	Total
@ 0% Cut Off	536Mt @ 12.8% P ₂ O ₅	722Mt @ 11% P ₂ O ₅	1,258Mt @ 12% P ₂ O ₅
@ 10% Cut Off	289Mt @ 18.5% P ₂ O ₅	331Mt @ 17% P ₂ O ₅	620Mt @ 18% P ₂ O ₅

Minemakers' Managing Director, Andrew Drummond, stated: *"Minemakers is very pleased with this potential financial pathway to developing Wonarah. Wonarah is Australia's largest known phosphate deposit and a partner of the scale of NMDC brings the financial and marketing capacity to allow the project to be developed to its full potential. We look forward to working with Mr Rana Som and the NMDC Group to advance the Wonarah Phosphate Project."*

NMDC was incorporated in 1958 as a Government of India fully owned public enterprise. It is India's single largest iron ore producer and exporter but, since inception, has also been involved in the exploration for, or exploitation of, a wide range of minerals including copper, rock phosphate, diamonds, limestone, tin and tungsten.

NMDC has current turnover in the order of \$US1.5 billion, and is a constituent of the Bombay Stock Exchange National 100 Index.

Andrew Drummond
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Drummond, who is Managing Director of the Company and a Fellow of The Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Drummond 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 2004 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 Drummond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.