



ABN 48 116 296 541

EXCHANGE RELEASE

RESPONSE TO UCL'S SECOND SUPPLEMENTARY BIDDER'S STATEMENT

7 September 2012

Minemakers Limited (ASX & TSX: MAK and NSX: MMS) (**Minemakers**) refers to the second supplementary bidder's statement (**Second SBS**) lodged by UCL Resources Limited ACN 002 118 872 (**UCL**) today, in relation to its off-market takeover bid for Minemakers (**UCL Offer**).

The Second SBS:

- Extends the term of the UCL Offer to 15 October 2012 (unless extended further), which means that Minemakers shareholders who have accepted the UCL Offer can now withdraw their acceptance;
- Continues UCL's unsuccessful attempts to undermine the value of Minemakers shares; and
- Attempts to promote value associated with UCL's interest in the Iranian Mehdiabad Project, when UCL also notes that "...given the current political environment in Iran, it may be some time before development can proceed and the project can add value to the Company". It also suggests that UCL is renewing its focus on this project, contradicting previous UCL public statements that "UCL's Board and management team are focused on a single mining project [Sandpiper]".

The Second SBS contains no change to the UCL Offer terms. The Minemakers Board continues to recommend that Minemakers' shareholders reject the UCL Offer.

Minemakers shareholders can now withdraw acceptances

The further extension to the UCL Offer means that it is now scheduled to close on 15 October 2012, unless extended again.

As the UCL offer has now been varied in a way that postpones for more than 1 month the time when UCL has to meet its obligations under the UCL Offer, **Minemakers shareholders who have accepted the UCL Offer currently have a right to withdraw their acceptance.**

If you have accepted the UCL Offer and now wish to withdraw your acceptance, you should contact the Minemakers Shareholder Information Line on 1300 667 838 (for calls within Australia) or +61 2 8022 7902 (for calls outside of Australia).

UCL should now either put forward its best offer, or let it lapse

The Second SBS follows an unsuccessful application brought by UCL to the Takeovers Panel in relation to the independent expert's report prepared by BDO Corporate Finance (WA) Pty Ltd and the specialist report prepared by Optiro Pty Ltd. The initial Panel declined to commence proceedings in relation to this matter, and upon UCL's application for a review of that decision, the review Panel found that there is no evidence of any clear fault in the methodology, or statements that are plainly false and material to the conclusion, in the independent expert report by BDO Corporate Finance (WA) Pty Ltd or the specialist report provided by Optiro Pty Ltd.

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BDO Corporate Finance (WA) Pty Ltd is aware of the maiden ore reserve estimate for the Sandpiper project and will update its independent expert report as appropriate should there be any change to its conclusions regarding the UCL Offer.

The implied price of the UCL Offer remains at a discount to Minemakers recent share trading prices and reflects a discount to Minemakers' medium and longer-term trading values. Since the UCL Offer opened in mid July, UCL has achieved acceptances for around 3.3% of Minemakers' shares. It is clear that the UCL Offer is gaining little traction with Minemakers' shareholders and it appears that there is little prospect of it succeeding unless UCL's offer is significantly improved.

Minemakers again calls on UCL to bring the uncertainty regarding both companies to a head and either put forward its best proposal for Minemakers shareholders to consider, or alternatively let the UCL Offer lapse.

UCL Offer conditions and funding

Minemakers notes that the UCL Offer remains highly conditional. One condition relates to obtaining the approval of the Namibian Competition Commission (**NCC**). UCL has provided no disclosure as to the status of this condition, despite the UCL Offer having been public for over 3 months. UCL should provide Minemakers shareholders with an update regarding its progress in satisfying the defeating conditions to the UCL Offer.

Minemakers also notes that UCL has not provided any update regarding the status of the conditions to the convertible note provided by Mawarid Mining LLC (**Mawarid**) to partially fund the cash component of its offer. According to UCL's disclosure, if these conditions precedent are not satisfied by 31 August 2012, Mawarid has the right to terminate the convertible note. This date has passed and UCL has provided no disclosure as to the status of the convertible note, raising uncertainty as to whether UCL is able to fund the cash component of the UCL Offer. UCL should also update Minemakers shareholders as to its ability to fund the cash component of the UCL Offer.

**THE MINEMAKERS BOARD RECOMMENDS THAT MINEMAKERS' SHAREHOLDERS
REJECT THE UCL OFFER.
To REJECT THE UCL OFFER, Minemakers shareholders should simply TAKE NO ACTION.**

ENDS

Cliff Lawrenson
Managing Director

Andrew Drummond
Executive Chairman

Shareholder Information Line

Australian callers: 1300 667 838
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