
JUNE 2012 QUARTERLY ACTIVITIES REPORT

31 July 2012

HIGHLIGHTS

PHOSPHATE, AUSTRALIA

Wonarah Project (Minemakers 100%)

- A strategic partnership process to joint venture the Wonarah project is well advanced, with six companies currently involved in the data review phase.
- The drilling programme was completed to obtain material for beneficiation studies. Testwork will begin shortly.
- JDCPhosphate Inc. (4.7% interest) has advised that it has obtained further funding for its demonstration plant, and construction of it is well advanced for trialling early in 2013.

PHOSPHATE, NAMIBIA

Sandpiper Project (Minemakers 48.6% Direct and Indirect Interest)

- Minemakers released its financial modelling for development of the project and advised that modelled NPV was in the range US\$217 million - US\$554 million.
- The development proposal and economics are now being optimised.
- Environmental approval and permitting is advancing, with positive meetings being held with the Prime Minister, other Ministers with portfolios relevant to our development, and the Governor of Erongo Province.
- The extent of any potential adverse impact on the fishing industry seems to be the largest outstanding issue. NMP is confident of a negotiated position and approval in due course.

OTHER

- Minemakers' Directors have unanimously recommended that Minemakers Shareholders **REJECT** the UCL takeover offer for the reasons set out in Minemakers Target Statement sent to the Shareholders on 24 July 2012.
- Cliff Lawrenson appointed Managing Director and Chief Executive Officer on 30 April 2012.
- Minemakers takeover bid for UCL Resources Ltd closed. Minemakers currently holds 14.23% of UCL.

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ROCK PHOSPHATE

THE GLOBAL ROCK PHOSPHATE MARKET AND MINEMAKERS' PRE-EMINENT POSITION WITHIN IT

Phosphate is an essential component in agriculture for which there is no substitute. Minemakers is in the unique position of having interests in two of the world's largest undeveloped phosphate deposits in its portfolio, giving the Company the opportunity to establish itself as a significant world player in the global phosphate market and to become involved in downstream processing to produce higher value phosphate products. The geographic diversity of its intended production centres in the Northern Territory of Australia and in Namibia should enable Minemakers to market and supply to most corners of the agricultural world.

Minemakers is not aware of any listed company with a larger rock phosphate estimated resource base.

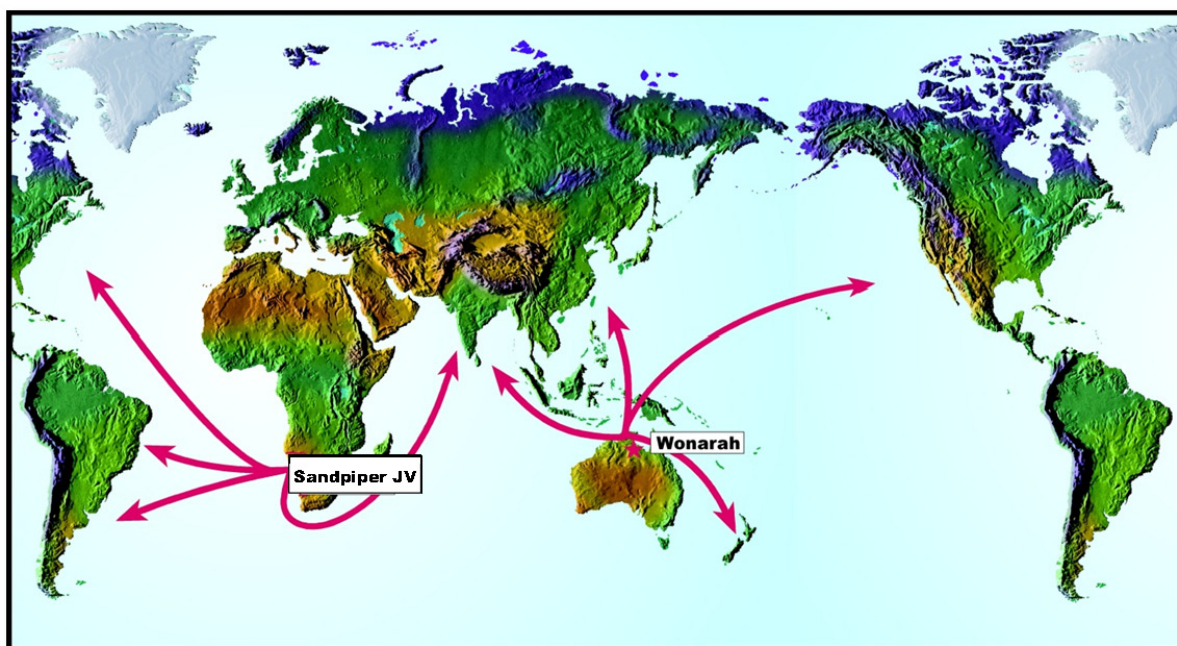


Figure 1: Minemakers' Phosphate Deposits

WONARAH ROCK PHOSPHATE PROJECT, NORTHERN TERRITORY (100% Equity)



Figure 2: Wonarah Locality Map

INTRODUCTION

The Wonarah Rock Phosphate deposit is a world class asset, as can be seen by comparison between Wonarah and the published resources of other important production centres, as follows.

Ma'Aden (Saudi Arabia)	± 532Mt @ 19.3% P ₂ O ₅
Bayovar (Peru)	± 230Mt @ 17.2% P ₂ O ₅
Wonarah	± 782Mt @ 17.8% P ₂ O ₅

Source: Ma'aden Annual Report 2011
Vale Form 20-F Dec 2011

Minemakers aims to take advantage of Wonarah's favourable infrastructure position and political stability to develop a major centre for the production of beneficiated rock and downstream phosphatic fertilisers. Wonarah's advantages, apart from its size and grade, include:

- Bitumen highway access.
- Proximity to a standard gauge railway with spare freight capacity. Proximity to a natural gas supply, the pipeline for which closely follows the railway line.
- Situated in a stable political jurisdiction.
- Situated on land owned by the local aboriginal people, with whom a life of mine Mining Agreement has been signed, which covers mining, processing and fertiliser production.
- Proximity to ample groundwater.
- Proximity to a regional population centre at Tennant Creek.

FEASIBILITY STUDY

A Bankable Feasibility Study is underway, which considers two options for Wonarah development as well as hybrid variations between them. The two options are:

1. *Phosphate Fertiliser*

The production of high-analysis granular phosphate fertilisers, such as DAP, near the township and regional centre of Tennant Creek, which provides natural gas, rail and highway connections, and its social infrastructure.

2. *Superphosphoric Acid (SPA)*

The production of high-value SPA on site utilising the IHP patented process owned by JDCPhosphate Inc of Florida. Minemakers owns 4.7% of that company, and additional news on it is presented below under the header, JDCPhosphate.

Both alternatives will likely require beneficiation of the mined phosphate rock. Diamond drilling to obtain samples for testwork was completed during the Quarter, and samples have been freighted to Adelaide and beneficiation testwork will begin shortly. This will complement the first phase of studies undertaken in 2009.

In addition to the two currently defined development pathways noted above, the company is exploring all possible options for early production from Wonarah.

Work has continued to secure the Access Agreement for the borefield and pipeline with approval expected to be granted after the Northern Territory election.

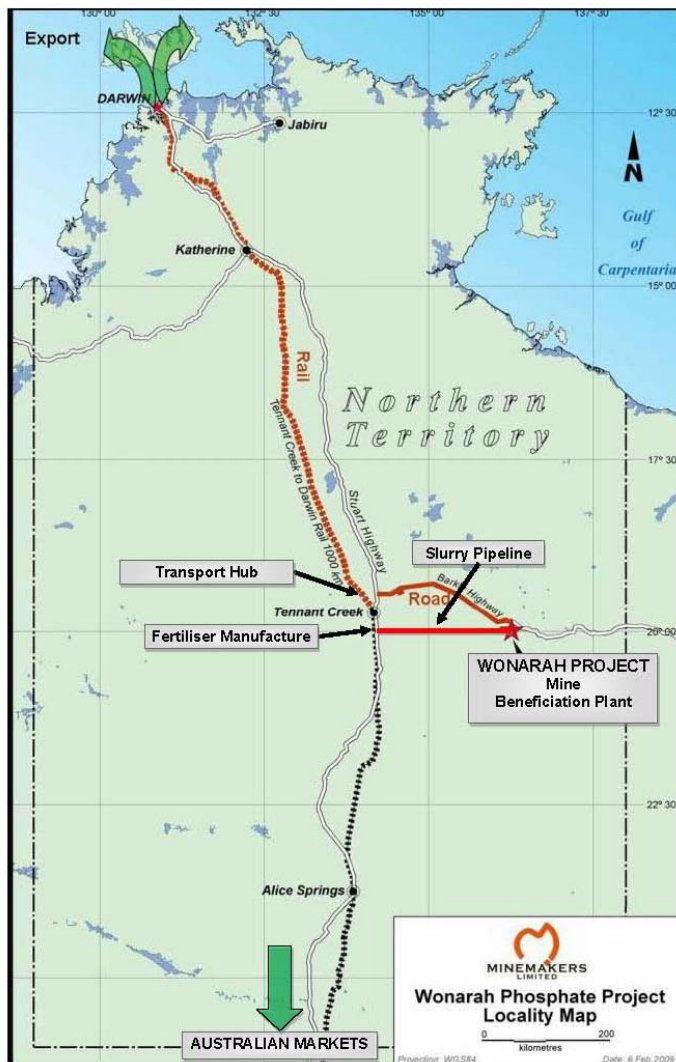


Figure 3: Wonarah Phosphate Project locality map

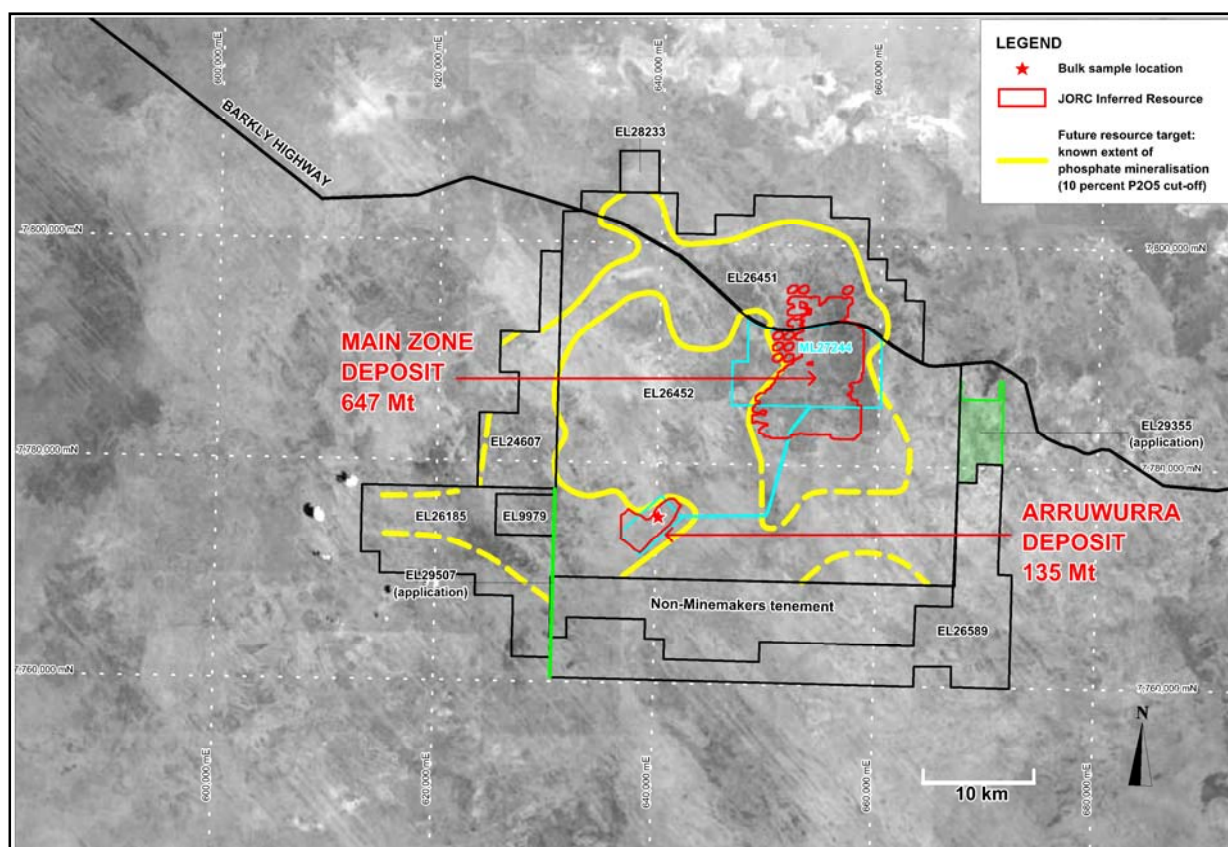


Figure 4: Wonarah Deposit

SITE INVESTIGATIONS

The RC drilling program is scheduled to commence in August. This program will follow up high grade and relatively shallow phosphate intersections to the north of the Main Zone, and close to the Barkly highway.

The western sector of the known phosphate belt is poorly drilled to date due to previous concentration on the Main Zone and Arruwurra. Broadly spaced infill RC drilling will be undertaken to the northwest of the Main Zone and in the western target area to determine its overall prospectivity and areas that need to be retained for potential future production (Figure 4).

STRATEGIC PARTNERSHIP PROPOSAL PROCESS

As previously advised, development of Wonarah as a large downstream fertiliser operation will require a partner so as to access the capital necessary to facilitate development of the project. A strategic partnership process has been initiated and Minemakers is pleased with the progress to date. Six international companies are currently engaged in data assessment.

SANDPIPER MARINE PHOSPHATE PROJECT: OFFSHORE NAMIBIA

(48.6% Direct and Indirect Equity)

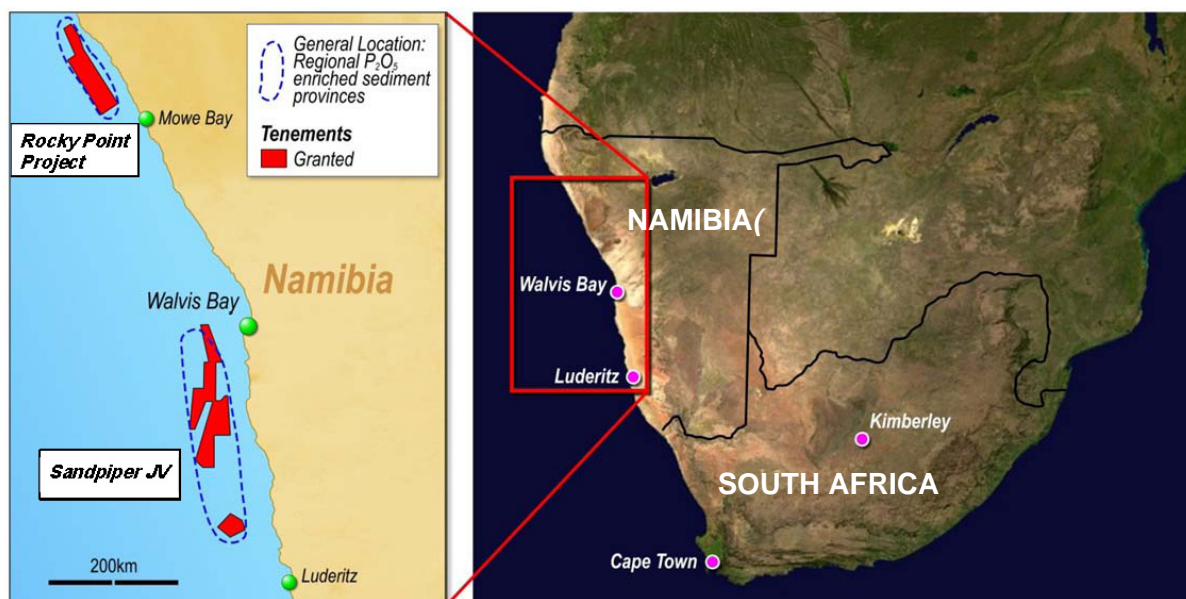


Figure 5: Sandpiper Phosphate Project Locality

ECONOMICS

During the Quarter, Minemakers released results of its economic modelling of Sandpiper, which confirmed the attractive economics of the project. The summary results are:

- Post-tax ungeared NPV of US\$217 million based on product pricing assumptions benchmarked against independent, long term forecasts for Bayovar rock phosphate prices and US\$554 million based on product pricing assumptions benchmarked against the current Bayovar rock phosphate price.
- Post-tax ungeared project IRR of 18.5% based on independent price forecasts and 28.3% based on current Bayovar rock phosphate price.
- Project economics are strongly geared to operating margins and significant opportunities to further optimise capital and operating costs estimates have been identified.
- There is confidence in the ability to secure project debt to improve returns for equity investors.

Subsequent to completion of the study there has been an increase in benchmark Moroccan rock phosphate prices. This contrasts with the view of the independent price forecasts which indicate a decline in prices in the short-term, and provides Minemakers with greater confidence in the economics of the project.

PROJECT OPTIMISATION

This process, which is aimed at identifying potential operating and capital costs savings, is currently underway.

PERMITTING AND ENVIRONMENTAL APPROVAL

Emphasis has switched to this phase. In accordance with relevant Namibian legislation, the EIS and EMPR for the marine dredging activities are being reviewed by the Namibian Department of Environment. The draft studies for the land based operations have been submitted and are in the public consultation phase.

Post the June Quarter, meetings were held with the Prime Minister and Ministers of other relevant departments, together with the Governor of Erongo Province. The Department of Fisheries has expressed concern about the potential impact on the fishing industry. Following a determination by the Prime Minister, the Governor of Erongo Province has set up a meeting process between NMP's marine consultants and scientific officers of the Fisheries Department. A satisfactory position is expected to be negotiated in due course.

DREDGING

Contract negotiations with Jan De Nul (JDN) have advanced during the Quarter.

Satisfactory performance of the dredge with an extended arm to allow it to operate in water depths of up to 225m is critical to the success of the project, and consequently a Hazard Identification Study was undertaken for NMP by Det Norske Veritas (DNV).

DNV undertook a risk analysis of the technology and Namibia's special operating conditions. DNV concluded that all major risks identified by DNV were already foreseen by JDN in the design and planned operating parameters. Recommendations were made in some non-critical areas and these would be expected to be implemented.

BENEFITS FOR NAMIBIA

Development of the Sandpiper Project is expected to deliver a number of direct and in-direct benefits to Namibia and the Erongo Region.

1. Employment

The development of the Project will result in the employment of approximately 400 to 500 people during the development and construction phase, and approximately 150 employees on a full time basis (with the requirement for industry support services providing a further 150 to 200 positions) once the Project moves into the operational phase. An integral part of the employment process will be the education and up-skilling of Namibians working at the Project.

2. Royalties and Taxation

The Namibian Government will derive significant revenue from the Project including:

- A 2% revenue-based royalty
- Company taxation based on the profits from the project
- Employee tax deductions

3. Social

Through the exploration and feasibility stages of the Project life-cycle, NMP established and developed a reputable corporate social responsibility program, which focused on education at the regional level. NMP will continue to develop this corporate social responsibility program, expanding into further education and community social programs at both a regional and national level as the Project moves into the development and operational phases.

4. Agricultural

There is potential to increase Namibian agricultural output if access to relatively cheap phosphate fertilisers can be attained. The potential to use NMP's phosphate sand as a direct application fertiliser is currently under investigation. The process of trial test plantings of various crops, in both naturally watered and irrigated situations has also been initiated in the northern part of the country. Trial plants are planned for both private farms and government agricultural institutions.

OTHER PROJECTS

The Company continues to focus its efforts on phosphate, as previously announced, and is endeavouring to crystallise shareholder value for its other assets.

ROCKY POINT MARINE PHOSPHATE PROJECT: OFFSHORE NAMIBIA

(70% Equity)

Vibracore drilling planned for the June Quarter was deferred due to equipment manufacturing difficulties. Drilling is expected to take place in the September Quarter. The aim is to determine whether grades improve below the shelly immediate seafloor.

FRASER IRON, WESTERN AUSTRALIA

(80% Equity)

Completion of the sale of the project to listed AMMG Limited was not completed due to a delay in transferring a landowner agreement. This was recently obtained and the sale should be completed shortly.

INVESTMENTS

TNT MINES LIMITED *(19% equity)*

TNT Mines has advised Minemakers that due to difficult market conditions it is now focused on obtaining a back door listing. It is in the process of selling off some non-core tenements.

A draft scoping study has been received from Jacobs for development of the Moina Project, and the economics of an operation to recover magnetite, fluorspar and tungsten look promising. A JORC compliant reserve estimate for this very large mineralised body is anticipated in the coming Quarter.

At Anomaly 370, in the Oonah / Heemskirk district, geophysical surveys, supplemented by mapping and rock chip sampling, have provided an attractive target which TNT aims to drill shortly.

CORPORATE

UCL OFFER AND COUNTER-OFFER

On 13 February 2012, Minemakers announced a takeover bid for one of its joint venture partners in the Sandpiper project, ASX-listed UCL Resources Limited. The all-scrip offer was initially for 9 Minemakers shares for every 10 UCL shares which, at the time of announcement, represented a 61.6% premium to UCL's share price on a 30 day VWAP basis. The offer was increased to 13 Minemakers shares for every 10 UCL shares on 30 April 2012. Whilst the UCL Board of Directors did not recommend acceptance of the Minemakers takeover bid, UCL's independent expert considered Minemakers' revised offer to be fair and reasonable to UCL shareholders.

Minemakers' takeover bid for UCL closed on 22 May 2012, at which point Minemakers had increased its shareholding in UCL to 15.76%. Minemakers shareholding in UCL has subsequently been diluted as a result of UCL's capital raising activities and Minemakers has also sold some of its shareholding in UCL. Minemakers currently has a 14.23% interest in UCL.

A takeover bid for Minemakers by UCL was announced on 18 May 2012. Following release of UCL's Bidder's Statement on 28 May 2012, Minemakers applied to the Takeovers Panel alleging that unacceptable circumstances existed due to UCL's Bidder's Statement containing material deficiencies and omissions. The Takeovers Panel subsequently ordered UCL to provide corrective disclosure, and UCL lodged a Replacement Bidder's Statement on 13 July 2012. The Takeovers Panel also ordered UCL to pay certain of Minemakers' costs in relation to those proceedings. The UCL Offer opened on 18 July 2012, and is currently scheduled to close on 20 August 2012.

The Directors of Minemakers have unanimously recommended that Minemakers shareholders REJECT the UCL Offer for the reasons set out in its Target Statement sent to shareholders on 24 July 2012. The Independent Expert, BDO Corporate Finance (WA) Pty Ltd, has concluded that the UCL Offer is neither fair nor reasonable to Minemakers shareholders. Minemakers shareholders are encouraged to read the Target's Statement in its entirety, including all the reasons why your Directors unanimously recommend that you REJECT the Offer.

Minemakers and UCL continue to work co-operatively at the NMP Joint Venture level and Minemakers stresses that progress at the Sandpiper project at an operational level has not been impacted by the takeover process.

EQUITY FACILITY

In the December quarter, Minemakers announced that it had secured a A\$15 million equity subscription facility with New York-based Haverstock Fund LLC (Haverstock).

The terms of the equity facility provide that, at Minemakers' option and subject to customary conditions, Minemakers can issue shares to Haverstock at any time over the ensuing 36 months, up to a total value of A\$15 million, by draw-downs of up to A\$1 million in any 10 trading day period.

The facility was secured amid a weak macroeconomic environment and challenging equity market, which has continued to deteriorate. Should Minemakers decide to draw upon the Haverstock facility, it will give Minemakers the flexibility and ability to maintain momentum on the feasibility study and early development of our phosphate projects. The Company is under no obligation to use the facility and has not done so during the Quarter.

SALE OF UCL SHARES

During the June Quarter, the Company sold 128,133 UCL shares to support the funding of corporate activities, in particular the costs associated with responding to the unsolicited UCL takeover offer. Since the June Quarter, the Company has sold a further 202,000 shares in UCL, taking the Company's current shareholding in UCL to 14,312,401 shares. The Company has ceased selling additional UCL shares for the time being and is reviewing its options in relation to its strategic shareholding in UCL.

CASH POSITION

At the end of the June Quarter, Minemakers held cash of A\$8.9 million.

MANAGEMENT

After an extensive international search, Mr Cliff Lawrenson was appointed to the position of Managing Director and CEO on 30 April 2012. Mr Lawrenson brings significant corporate, project management and financial markets experience, extends the Board capabilities and positions the Company as a future phosphate and fertiliser producer of international stature.

Andrew Drummond
Executive Chairman

Cliff Lawrenson
Managing Director

Competent Persons' Statement

The qualified person in relation to this press release is Andrew Drummond, who is Executive Chairman 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 mineralization 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.

The information in this announcement that relates to estimation of the Mineral Resources of the Sandpiper project is based on information compiled or reviewed by Dr Alwyn Annels in his capacity as a consultant of the company. Dr Annels is a Fellow of IOM3 in London and has sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which is being undertaken 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 is an independent consultant to Minemakers and a Qualified Person as defined by Canadian National Instrument 43-101. Dr Annels consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

With respect to the JORC, Clause 18, and in respect of some targets the potential quantity and grade of them are conceptual in nature, and there may have been insufficient exploration to date to define a Mineral Resource and is uncertainty if further exploration would result in the determination of a Mineral Resource.

For further information regarding the Sandpiper Marine Phosphate Programme, please refer to Minemakers' NI43-101 compliant technical report entitled "Updated Estimation of Phosphate Resources for the Sandpiper/Meob Project in EPLs 3415 and 3323, Namibia", dated March 11, 2011 and available on SEDAR at www.sedar.com.

For further information on Wonarah, please refer to Minemakers' NI43-101 compliant technical report entitled "Technical Report Mineral Reserve Estimation for Wonarah Phosphate Project, Northern Territory, Australia", dated September 2010 and available on SEDAR at www.sedar.com.

Information on TNT Mines Limited has been provided by that company's acting Managing Director, Mr Michael Beer.

Cautionary Statement Regarding Forward-Looking Information

All statements, trend analysis and other information contained in this report 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 statements. 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 statements are 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. 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.