



ABN 48 116 296 541

EXCHANGE RELEASE

TAKEOVER OFFER BY MINEMAKERS LIMITED FOR UCL RESOURCES LIMITED

6 March 2012

MINEMAKERS LIMITED (ASX/TSX: MAK; NSX: MMS) ("Minemakers") advises that it has today completed sending its bidder's statements in relation to the off-market takeover bid ("Offer") for all of the ordinary shares in UCL Resources Limited ("UCL"). A notice in accordance with section 633(1) of the *Corporations Act 2001* (Cth) is attached.

The Offer is now open and capable of acceptance by UCL shareholders.

Minemakers also provides the opportunity to view an interview with Mr Andrew Drummond, Executive Chairman, regarding the Offer.

To view this video interview, copy the following details into your web browser:
brr.com.au/event/94261

If you have any questions in relation to the Offer or require assistance, please call the UCL Takeover Shareholder Hotline on 1300 667 838 (toll free within Australia) or +61 2 8022 7902 for international callers (normal charges apply) between 9.00am and 5.00pm (Sydney time) Monday to Friday.

Yours faithfully

John Ribbons
Company Secretary

MINEMAKERS LIMITED

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West Perth Western Australia 6005
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CONTACTS

Mr Andrew Drummond
Executive Chairman
Minemakers Limited

Mr John Gardner
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Corporate Communication
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Minemakers Limited
ACN 116 296 541

Section 633(1), items 7, 8 and 9 of Corporations Act 2001 (Cth)

**Notice that bidder's statement and takeover offers have been sent to
Target shareholders**

To: UCL Resources Limited;
Australian Securities and Investment Commission;
Australian Securities Exchange; and
ASX Settlement Pty Limited.

Minemakers Limited ACN 116 296 541 gives notice that it today completed sending its bidder's statement dated 20 February 2012 ("Bidder's Statement") and takeover offers to holders of ordinary shares in UCL Resources Limited ACN 002 118 872 ("UCL") as required by item 6 of section 633(1) of the *Corporations Act 2011* (Cth) ("Offer").

The date of the Offer is 5 March 2012.

A copy of the Bidder's Statement and Offer as sent to holders of UCL shareholders is attached to this notice.

Dated: 6 March 2012

Signed for
and on
behalf of
Minemakers
Limited by:



Name **Richard O'Shannassy**

Position Non Executive Director

Date 6 March 2012



**MINEMAKERS
LIMITED**

ACN 116 296 541

**This is an important document and
requires your immediate attention.**

If you are in doubt as to how to deal with
this document, you should consult your
financial or other professional adviser
immediately.

BIDDER'S STATEMENT

Containing an Offer by

Minemakers Limited

ACN 116 296 541

To purchase all of your shares in:

UCL Resources Limited

ACN 002 118 872

Consideration offered is 9 Minemakers Shares
for every 10 UCL Shares you own.

The Offer is dated 5 March 2012 and will close
7.00pm (Sydney Time) on 10 April 2012, unless
extended or withdrawn.

UCL Takeover – Shareholder Hotline

Toll Free: 1300 667 838

Overseas: +61 2 8022 7902

Hotline is open between 9am and
5pm AEST Monday to Friday

Financial Adviser



Azure Capital

**CORRS
CHAMBERS
WESTGARTH**

lawyers

Legal Adviser

Key dates

Announcement Date	13 February 2012
Date of Bidder's Statement	20 February 2012
Date of the Offer	5 March 2012
Closing date of the Offer (unless extended*)	7.00pm (Sydney Time) 10 April 2012

* The Offer may be extended to the extent permitted under the Corporations Act.

Important Information

Bidder's Statement

This document is the Bidder's Statement dated 20 February 2012 given by Minemakers Limited ACN 116 296 541 (**Minemakers**) to UCL Resources Limited ACN 002 118 872 (**UCL**) in relation to an off-market bid for all UCL Shares. It includes an Offer dated 5 March 2012 on the terms set out in **annexure A**.

A copy of this Bidder's Statement was lodged with ASIC and filed with ASX on 20 February 2012. Neither ASIC nor ASX nor any of their respective officers take any responsibility for the content of this Bidder's Statement.

Defined terms

A number of important words and phrases with particular meanings are used in this Bidder's Statement. These terms are explained in the Definitions and Interpretation at **section 10** of this Bidder's Statement.

Forward-looking statements

This Bidder's Statement may contain forward-looking statements, which include statements other than statements of historical fact. Such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Minemakers. Actual results, values, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward-looking statement. The past performance of Minemakers is no guarantee of future performance.

None of Minemakers, any of its directors, officers or advisers, or any other person named in this Bidder's Statement with their consent or involved in preparation of this Bidder's Statement, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Bidder's Statement will actually occur. Accordingly, you are cautioned not to place undue reliance on any forward-looking statements.

The forward-looking statements in this Bidder's Statement only reflect views held as at the date of this Bidder's Statement.

Value of Minemakers Shares

The implied value of the Offer will vary with the market price of Minemakers Shares. Further information on the implied value of the Offer is contained in this Bidder's Statement. Before accepting the Offer, UCL Shareholders should obtain current quotes for Minemakers Shares from their stockbroker or other financial adviser.

Investment decisions

This Bidder's Statement does not take into account the individual investment objectives, financial situation or particular needs of each UCL Shareholder or any other person. You may wish to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Foreign registered shareholders

UCL Shareholders should note that the consideration under the Offer is Minemakers Shares, which are shares in an Australian public company listed on ASX, TSX and NSX. The Offer is subject to disclosure requirements in Australia which are different from those applicable in other countries. Subject to the paragraphs below, UCL Shareholders whose address in UCL's register of members is not in Australia, New Zealand, Namibia or Canada will not be entitled to receive Minemakers Shares on

BIDDER'S STATEMENT

acceptance of the Offer (unless Minemakers determines otherwise). Ineligible Foreign Shareholders who accept the Offer will be paid a cash amount calculated in accordance with **section 10 of annexure A** of this Bidder's Statement. This Bidder's Statement does not constitute an offer to issue or sell, or the soliciting of an offer to buy, any securities referred to in this Bidder's Statement in any jurisdiction in which the offer or issue of such securities would be unlawful.

In particular, Minemakers Shares have not been, and will not be, registered under the *Securities Act 1933* of the United States of America (**Securities Act**) and may not be offered or sold in the United States or to, or for the account or benefit of, a US person (as defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable United States state securities laws.

In making the offer available to persons in New Zealand, the Bidder is relying on an exemption contained in the New Zealand *Securities Act (Overseas Companies) Exemption Notice 2002* in relation to prospectus and investment statement requirements in New Zealand.

You are advised to exercise caution in relation to the Offer. If you are in any doubt about any of the contents of this Bidder's Statement, you should obtain independent professional advice.

UCL Shareholders who are resident outside of Australia should refer to **section 9.16** for further details.

Information regarding UCL and the Combined Group

Any information in this Bidder's Statement concerning UCL, UCL's assets and securities has been prepared from publicly available information. This information has not been independently verified and, accordingly, Minemakers makes no representations and warranties, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act.

The information on the Combined Group in this Bidder's Statement, to the extent that it incorporates or reflects information on UCL, has been prepared using publicly available information that may not be independently verified. Accordingly, Minemakers makes no representations and warranties, express or implied, as to the accuracy or completeness of such information to the extent permitted by the Corporations Act.

The information on UCL should not be considered comprehensive. Further information relating to UCL may be included in the Target's Statement which will be sent to you by UCL.

Privacy

Minemakers has collected your information from the register of members of UCL for the purposes of making the Offer and, if accepted, administering your shareholding in UCL. Minemakers and the share registry may disclose your personal information to their related bodies corporate and external service providers and may be required to disclose such information to regulators, such as ASIC. If you would like details of information about you held by Minemakers, please contact Minemakers at the address set out in the Corporate Directory.

Exploration and production target statements

The information in this Bidder's Statement that relates to exploration and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Resource and it is uncertain if further exploration will result in the determination of a Resource. Production targets are currently conceptual in nature and relate to future production goals based on the current Resources. Feasibility studies are currently underway to advance the economic evaluations.

There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets are also subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

ASX, TSX and NSX codes

Minemakers Limited: ASX: MAK; TSX: MAK; NSX: MMS

UCL Resources Limited: ASX: UCL

Miscellaneous

All amounts are in Australian currency unless otherwise specified. All references to time are to the local time in Sydney, New South Wales.

Queries

If you have any questions about the Bidder's Statement, please contact the Offer enquiry line on 1300 667 838 (toll free within Australia) or +61 2 8022 7902 (for international callers), or your stockbroker, legal or financial adviser.





ABN 48 1 16 296 541

Chairman's Letter

Dear UCL Shareholder,

On 13 February 2012, Minemakers announced its intention to make an off-market takeover offer for all of the shares in UCL, our joint venture partner in the Sandpiper Project.

On behalf of the Minemakers Board, I am pleased to provide you with this Bidder's Statement detailing the Offer to acquire all of your UCL Shares.

You are invited to become a shareholder in a company whose strategy is to become a significant force in the global phosphate and fertilizer industry. Minemakers owns 100% of the largest undeveloped rock phosphate Resource in Australia at Wonarah in the Northern Territory and 42.5% of the Sandpiper Project, offshore Namibia.

Why is Minemakers making the Offer?

Over the past year, Minemakers and UCL, in joint venture, have successfully advanced the Sandpiper Project. The Definitive Feasibility Study (**DFS**) is scheduled for completion at the end of March. On completion of the DFS, assuming the outcome is positive, Minemakers and UCL will face the joint challenge of developing and funding the Sandpiper Project.

In order to address these challenges and build a larger company with greater market appeal, Minemakers believes that now is the time to consolidate the assets of Minemakers and UCL.

The Minemakers Board believes that following the acquisition of UCL, the Combined Group will be in a significantly better position to advance the development and financing of the Sandpiper Project than Minemakers and UCL can independently. In particular, the Combined Group will be larger and more liquid with a broader range of funding options available to it. In addition, Minemakers believes its TSX listing enhances the ability to access North American investors who are more familiar with the global fertiliser industry.

What is the Offer?

Minemakers is offering Eligible UCL Shareholders 9 new Minemakers Shares for each 10 UCL Shares held.¹

The Offer represents highly attractive value and is at a substantial premium.

At the date of announcement of the Offer, the Offer terms represented a value of A\$0.302 for each of your UCL Shares.² This represents a:

- **58.7%** premium to UCL's last closing price of A\$0.190 per share on 10 February 2012
- **61.6%** premium to the 1-month VWAP of UCL Shares up to and including 10 February 2012
- **51.5%** premium to the 3-month VWAP of UCL Shares up to and including 10 February 2012

¹ See **section 5 of annexure A** for how fractional entitlements will be dealt with.

² Based on the closing price of Minemakers Shares of A\$0.335 on 10 February 2012, being the last trading day prior to announcement of the Offer.

Other benefits to UCL Shareholders

In addition to the benefits outlined above, if you accept the Offer you will:

- avoid increased dilution risks arising from UCL issuing further shares to raise its share of the Sandpiper Project funding requirement;
- benefit from diversification through exposure to Minemakers' significant Wonarah Project located in the Northern Territory, as well as its portfolio of other high quality assets; and
- avoid the risk of becoming a minority shareholder in a company with limited liquidity or even a company that is delisted from ASX.

Sale Facility

Should the Offer proceed, Minemakers intends to offer all Eligible UCL Shareholders the opportunity to participate in a share sale facility for a limited pool of Minemakers Shares (**Sale Facility**). If you are eligible and elect to participate in the Sale Facility, following completion of the Offer and assuming favourable market conditions,³ your Minemakers Shares (or any scaled back number of them) will be sold on your behalf at market prices and the cash proceeds distributed to you. There will be no brokerage payable by you if you elect to participate in this facility.

Accept the Offer

Please read this Bidder's Statement carefully. The Offer is subject to a number of conditions, including Minemakers obtaining a Relevant Interest in 50% of UCL Shares on issue.⁴ As Minemakers holds 13.1% of UCL Shares, in order to satisfy this condition, it would need to acquire a Relevant Interest in a further 36.9% of UCL Shares on issue. If this condition is not satisfied, there is no certainty the Offer will proceed. Therefore, I strongly encourage you to accept the Offer as soon as possible.

The Offer is scheduled to close at 7.00 pm (Sydney Time) on 10 April 2012, unless extended or withdrawn. To accept the Offer, you must follow the instructions in the attached Acceptance Form.

If you require any assistance, please contact the Offer Information Line on 1300 667 838 (toll free within Australia) or +61 2 8022 7902 for international callers (normal charges apply) between 9.00 am and 5.00 pm (Sydney Time) Monday to Friday.

I look forward to receiving your acceptance and welcoming you as a shareholder of Minemakers.

Yours sincerely,



Andrew Drummond

Executive Chairman
Minemakers Limited

³ If market conditions will not support the sale of Minemakers Shares under the Sale Facility, your Minemakers Shares will be returned to you.

⁴ Full terms and all conditions of the Offer are set out in this Bidder's Statement including **annexure A** and the accompanying Acceptance Form.

Investment overview

The information set out in this section is intended to provide you with an overview of Minemakers, its Offer to acquire your UCL Shares and risks that you should consider.

The information in this section is only a summary of these matters and should be read in conjunction with the detailed information contained in this Bidder's Statement.

Part A – Summary of the Offer

No.	Question	Answer	Further information
1.	What is the Offer?	<p>Minemakers is offering to acquire all of your UCL Shares.</p> <p>The Offer relates to all UCL Shares that exist on the Record Date.</p>	<p>Refer to section 3 for further details about Minemakers.</p> <p>Refer to annexure A for details regarding the Offer</p>
2.	How do I accept the Offer?	<p>To accept the Offer, you must complete the accompanying Acceptance Form in accordance with the instructions on the Acceptance Form (such as signing the Acceptance Form and providing all required documents) or, if you have a CHESS Holding, give your instructions directly to your Controlling Participant (normally your stockbroker).</p>	<p>Refer to section 2 of the Bidder's Statement, section 6 of annexure A and the Acceptance Form for details regarding acceptance of the Offer.</p>
3.	Why should I accept the Offer?	<ul style="list-style-type: none"> • Minemakers is offering a substantial premium for your UCL Shares • You will become a shareholder in a significantly larger and more liquid company with ASX, TSX and NSX listings, which should have better access to development capital • If Minemakers acquires all of the UCL Shares, the ownership structure of the Sandpiper Project will be simplified and the Combined Group should be better placed to more efficiently secure development finance • Minemakers expects you will have a lower risk of dilution of your economic interest in the Sandpiper Project as part of the Combined Group than you would have remaining as a UCL Shareholder • You will have ongoing exposure to the Sandpiper Project through your Minemakers Shares. Minemakers intends to continue to actively progress the development of the Sandpiper Project • You will benefit from diversification and participation in potential upside from Minemakers' significant Wonarah Project and its portfolio of other assets • If the Offer proceeds, there are additional risks in remaining a minority shareholder in UCL • If the Offer does not succeed, UCL's share price may fall and liquidity may be reduced • Given Minemakers' current 13.1% shareholding in UCL, a competing proposal for UCL is less likely • If you do not want to accept Minemakers Shares and would prefer to receive cash, you can elect to participate in the Sale Facility • CGT roll-over relief is potentially available 	<p>Refer to section 1 of the Bidder's Statement for further details.</p>

BIDDER'S STATEMENT

No.	Question	Answer	Further information
4.	Can I accept the Offer for a portion but not all of my UCL Shares?	No. You may only accept the Offer in respect of 100% (and not a lesser proportion) of the UCL Shares you hold.	Refer to section 6 of annexure A for further details.
5.	What consideration will I receive if I accept the Offer?	<p>If you accept the Offer and it is declared unconditional, you will receive 9 new Minemakers Shares for every 10 UCL Shares that you own.</p> <p>If you elect to accept into the Sale Facility, the Minemakers Shares you are entitled to receive will be issued to the Sale Agent, assuming favourable market conditions, and you will receive the proceeds of sale of such shares in cash. The Sale Facility is subject to a pro rata scale back in the event the number of Minemakers Shares that UCL Shareholders elect to take part in the Sale Facility exceeds the cap of 15 million Minemakers Shares. If market conditions will not support the sale of Minemakers Shares under the Sale Facility, your Minemakers Shares will be returned to you.</p> <p>If you are an Ineligible Foreign Shareholder and accept the Offer, you will not receive any Minemakers Shares. Instead, you will be paid the net proceeds of the sale by the Sale Nominee of the Minemakers Shares you would have been entitled to in accordance with section 10 of annexure A.</p>	<p>Refer to sections 1, 9 and 10 of annexure A for details regarding the consideration to be provided under the Offer.</p> <p>Refer to annexure B for details of the Sale Facility and the scale back process.</p>
6.	What is the Sale Facility and how does it work?	<p>The Sale Facility gives you the option of selling, without paying brokerage, the Minemakers Shares to which you are entitled as a result of accepting the Offer. UCL Shareholders who choose to accept and elect to use the Sale Facility will, assuming favourable market conditions, be paid cash for their Minemakers Shares that participate in the Sale Facility.</p> <p>The Sale Facility is capped at 15 million Minemakers shares so it is possible, if you elect to participate in the Sale Facility, that not all your Minemakers Shares will be sold in the Sale Facility. If the number of Minemakers Shares in the Sale Facility is scaled back or market conditions do not support the sale of Minemakers Shares, the excess Minemakers Shares that you would otherwise have been entitled to will be returned to you.</p> <p>If you want to take advantage of the Sale Facility and are eligible to do so, you must follow the instructions on the enclosed Acceptance Form and mark the relevant box(s) in the Acceptance Form to make a valid election.</p> <p>Minemakers is not giving any advice or making any recommendation to you as to whether the Sale Facility is the best way to sell your Minemakers Shares.</p>	Refer to annexure B for information regarding the Sale Facility.
7.	Will I receive fractional Minemakers Shares?	No. If you accept the Offer and a fractional entitlement to Minemakers Shares arises from the calculation of your entitlement under the Offer, any such fractional entitlements will be rounded up to the nearest whole number of new Minemakers Shares.	Refer to section 5 of annexure A .

No.	Question	Answer	Further information
8.	When does the Offer open?	The Offer opens on 5 March 2012.	
9.	When does the Offer close?	The Offer is currently scheduled to close at 7.00pm (Sydney Time) on 10 April 2012 unless it is extended or withdrawn in accordance with the Corporations Act.	
10.	What is the value of the Offer?	<p>If you accept the Offer, the value you will receive under the Offer will depend on the price of Minemakers Shares at the time Minemakers Shares are issued to you after the end of the Offer Period.</p> <p>For example, using the closing price of A\$0.335 for Minemakers Shares traded on ASX on the last day before the Announcement Date (10 February 2012), results in an implied value under the Offer of A\$0.302 per UCL Share.</p> <p>Minemakers believes that its Offer represents an attractive premium to the price at which UCL Shares were trading prior to the Announcement Date. However, the implied value of the Offer may change as a result of changes in the market price of Minemakers Shares after the Announcement Date.</p> <p>If you elect to participate in the Sale Facility or are an Ineligible Foreign Shareholder, the value you receive for your Minemakers Shares will depend on the price received for Minemakers Shares when they are sold.</p>	Refer to sections 1, 9 and 10 of annexure A for details of the consideration to be provided under the Offer and the timing of the payment of the consideration
11.	Is the Offer subject to conditions?	<p>Yes. Similar to the majority of off-market takeover bids, this Offer is subject to a number of conditions, some of which are as follows:</p> <ul style="list-style-type: none"> • 50% minimum acceptance; • Namibian Competition Commission approval; • no loss or announcement of loss of rights to the tenements comprising the Sandpiper Project, or rejection of any licence applications or renewals material to the Sandpiper Project; • no material asset sales or acquisitions by UCL; • no prescribed occurrences, regulatory prohibition, judicial restraint or unanticipated distribution occurring; and • customary conduct of business conditions. <p>Please note that this is only a summary of the conditions of the Offer.</p> <p>Minemakers may choose to waive any of the Offer conditions.</p>	For a full list of conditions, please refer section 12 of annexure A
12.	Will I incur any brokerage fees if I accept the Offer?	<p>No. You will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer.</p> <p>Ineligible Foreign Shareholders will be charged the fees associated with selling the Minemakers Shares they were entitled to receive.</p>	Refer to section 20 of annexure A .

BIDDER'S STATEMENT

No.	Question	Answer	Further information
13.	Is there anything else I should know about the Offer?	The information in this section is a summary of the Offer only. You should read the entire Bidder's Statement and the separate Target's Statement which will be sent to you directly by UCL in relation to the Offer before deciding whether or not to accept the Offer.	The full terms of the Offer are set out in this Bidders Statement including annexure A and the accompanying Acceptance Form.

Part B – Overview of Minemakers

No.	Question	Answer	Further information
14.	Who is Minemakers?	Minemakers was established in 2005 and was admitted to the official list of ASX on 10 October 2006 (ASX Code: MAK). Minemakers is also listed on the Toronto Stock Exchange (TSX code: MAK) and the Namibian Stock Exchange (NSX code: MMS). On the last trading day prior to the Announcement Date, Minemakers had a market capitalisation of A\$76.5 million and currently has approximately 8,500 shareholders. Minemakers' key assets are its interests in two significant undeveloped phosphate deposits, the Sandpiper marine phosphate project in Namibia and the Wonarah phosphate project located in the Northern Territory. Minemakers also holds a 70% interest in a marine phosphate exploration project located north of the Sandpiper Project, a 6.7% strategic equity interest in JDC, a developer of dry kiln technology for the phosphate industry, a 19% interest in unlisted company TNT Mines which holds a substantial number of tin, tungsten and fluorspar projects in Tasmania, as well as a number of other strategic investments.	Please refer to sections 3 and 9 for further information regarding Minemakers including its share structure and financial information.
15.	Will my new Minemakers Shares be listed on ASX?	Minemakers will apply to ASX for Official Quotation of all Minemakers Shares issued under the Offer. Quotation of these Minemakers Shares will depend on ASX exercising its discretion. Minemakers cannot guarantee, and does not represent or imply, that Minemakers Shares will be quoted on ASX following their issue.	Refer to section 2 of annexure A .
16.	Will my new Minemakers Shares be listed on any other stock exchange?	Minemakers will apply to TSX and NSX for quotation of all Minemakers Shares issued under the offer. Quotation of these Minemakers Shares will depend on TSX and NSX exercising their respective discretions. Minemakers cannot guarantee and does not represent or imply that Minemakers Shares will be quoted on the TSX or the NSX.	
17.	Will my new Minemakers Shares have the same rights and liabilities as all other Minemakers Shares?	Yes. The new Minemakers Shares issued under this Offer will rank equally (including rights relating to dividends) with existing Minemakers Shares.	Refer to section 9.7 .

18.	Who are the Directors of Minemakers and what experience do they have?	<p>The Directors of Minemakers are:</p> <ul style="list-style-type: none"> • Andrew Drummond – Executive Chairman • Dennis Wilkins – Finance Director • Edward Ellyard – Non-executive Director • Richard O’Shannassy – Non-executive Director <p>The Minemakers Directors and management team have extensive experience in the exploration, financing, development and operation of mining projects.</p>	Refer to section 3.4.
19.	Do the Directors of Minemakers own any UCL Shares?	No. None of Minemakers Directors hold any UCL Shares.	Refer to section 9.9.
20.	Do the Directors and management have any interests in Minemakers Shares?	Yes. A number of Minemakers Directors and management have various interests in Minemakers Shares.	Refer to section 9.9.

Part C – Overview of the Combined Group

No.	Question	Answer	Further information
21.	What will the Combined Group own?	If the Offer is successful, the Combined Group will own a controlling interest in two significant undeveloped phosphate deposits, the Sandpiper Project and the Wonarah Project, together with other exploration opportunities and investments.	
22.	What is Minemakers’ strategy for the Combined Group?	<p>In relation to the Sandpiper Project, Minemakers intends to pursue a near term (within two years) development timetable for phosphate rock production from the current Resource base, while continuing exploration activities to identify potential increases in Resources plus new discoveries (including at the Rocky Point Project).</p> <p>In relation to the Wonarah Project, Minemakers intends to continue development activities, including continuing discussions in relation to a potential joint venture agreement with NMDC or Legacy.</p> <p>In relation to its other assets, Minemakers intends to continue to pursue opportunities to enhance the value of these assets over the short and medium-term.</p>	

BIDDER'S STATEMENT

No.	Question	Answer	Further information
23.	What will be the effect of the acquisition on the financial position of Minemakers?	<p>The acquisition is not expected to have a material effect on the existing assets and operations of Minemakers, other than that Minemakers will be required to fund 100% (previously 50%) of all pre-development costs for the Sandpiper Project and secure all debt and/or equity finance (previously 50%) for development of the Sandpiper Project.</p> <p>The acquisition will consolidate the ownership interests of each party in the NMP Joint Venture (the owner of the Sandpiper Project). For accounting purposes, Minemakers will be required to consolidate Namibian Marine Phosphate (Pty) Limited into its group financial statements.</p> <p>The Combined Group will have a strong balance sheet, with a pro-forma cash position, assuming Minemakers acquires 100% of all UCL Shares, of approximately A\$11.4 million⁵ as at 31 December 2011. The pro-forma position as at 31 December 2011 increases to A\$17.0 million assuming receipt by Minemakers of full repayment of its convertible note to BCD Resources, as announced on 16 February 2012.</p>	

Part D – Overview of risks

No.	Question	Answer	Further information
24.	What are the risks of accepting the Offer?	<p>If you accept the Offer, and the Offer becomes unconditional, you will be issued with new Minemakers Shares (unless you are an Ineligible Foreign Shareholder or you elect to participate in the Sale Facility⁶) you will obtain an interest in Minemakers. There are risks in holding Minemakers Shares. You are already exposed to many of these risks, particularly those relating to the Sandpiper Project, the phosphate industry, and the inherent risks associated with bringing a project to development, due to your current holding of UCL Shares.</p> <p>The financial and operational performance of Minemakers' business, the value and trading prices for Minemakers Shares and the amount and timing of any dividend that Minemakers pays will be influenced by a number of factors. Some of these factors are beyond the control of Minemakers, such as global economic conditions.</p> <p>Section 8 of this Bidder's Statement provides detailed explanations of these risk factors such as:</p> <ul style="list-style-type: none"> risks that are specific to the Sandpiper Project and the industry in which the Combined Group will operate. You are already exposed to these risks through your shareholding in UCL; risks specific to Minemakers' other projects; and other risks related to the Offer and the Combined Group. 	Refer to section 8 .

⁵ Assumes conversion of the UCL Convertible Note, exercise of the In-the-money UCL Options and vesting and exercise of the UCL Performance Rights. Excludes UCL costs of the transaction.

⁶ If the Sale Facility is scaled back as a result of receipt of excess elections or market conditions do not support the sale of Minemakers Shares, you may receive some Minemakers Shares.

No.	Question	Answer	Further information
25.	What will happen to the convertible note on issue in UCL?	<p>If the UCL Convertible Note is converted during the Offer Period to UCL Shares, the holder will be entitled to accept under the Offer in respect of such UCL Shares.</p> <p>If the UCL Convertible Note is not converted and Minemakers acquires less than 90% of UCL Shares, the UCL Convertible Note will remain on issue until repaid or converted in accordance with its terms.</p> <p>If Minemakers acquires 90% by value of all UCL Shares and securities convertible into UCL Shares, Minemakers intends to proceed to compulsory acquisition of the UCL Convertible Note in accordance with the Corporations Act. In these circumstances, Donwillow Pty Ltd will receive its consideration for the acquisition by Minemakers later than if it had converted and accepted under the Offer.</p> <p>If Minemakers acquires 90% of UCL Shares in circumstances where the UCL Convertible Note is not converted, Minemakers intends to offer to buy the UCL Convertible Note in accordance with the Corporations Act.</p>	Refer to section 5.3 .
26.	What will happen to the options on issue in UCL?	<p>The UCL Options are held by former UCL Directors. If the UCL Options are exercised during the Offer Period and the holders are issued UCL Shares, the holders will be entitled to accept under the Offer.</p> <p>If the UCL Options are not exercised and Minemakers acquires less than 90% of UCL Shares, the UCL Options will remain on issue until exercised or they lapse.</p> <p>If Minemakers acquires 90% by value of all UCL Shares and securities convertible into UCL Shares, Minemakers intends to proceed to compulsory acquisition of the UCL Options in accordance with the Corporations Act. In these circumstances, the holders will receive their consideration for the acquisition by Minemakers later than if they had exercised the UCL Options and accepted under the Offer.</p> <p>If Minemakers acquires 90% of UCL Shares in circumstances where the UCL Options are not exercised, Minemakers intends to offer to buy the UCL Options in accordance with the Corporations Act.</p>	Refer to section 5.3 .

BIDDER'S STATEMENT

No.	Question	Answer	Further information
27.	What will happen to the performance rights on issue in UCL?	<p>The UCL Performance Rights are held by all of the current UCL Directors. If the UCL Performance Rights vest during the Offer Period and the holders are issued UCL Shares, the holders will be entitled to accept under the Offer.</p> <p>If the UCL Performance Rights do not vest and result in the issue of UCL Shares and Minemakers acquires less than 90% of UCL Shares, the UCL Performance Rights will remain on issue until they vest or lapse.</p> <p>If Minemakers acquires 90% by value of all UCL Shares and securities convertible into UCL Shares, Minemakers intends to proceed to compulsory acquisition of the UCL Performance Rights in accordance with the Corporations Act subject to receipt of any necessary regulatory approvals.</p> <p>If Minemakers acquires 90% of UCL Shares in circumstances where the UCL Performance Rights have not vested, Minemakers intends to offer to buy the UCL Performance Rights if it is required to do so under the Corporations Act.</p>	Refer to section 5.3 .

Part E – Other relevant questions

No.	Question	Answer	Further information
28.	Can Minemakers extend the time at which the Offer is to close?	Yes. Minemakers can extend the Offer Period in accordance with the Corporations Act. Minemakers will give written notice of any extension of the Offer Period in accordance with the Corporations Act.	Refer to section 3 of annexure A .
29.	What alternatives do I have as a UCL Shareholder?	<p>You have the following alternatives as a UCL Shareholder:</p> <ul style="list-style-type: none"> • accept the Offer; • accept the Offer and elect to participate in the Sale Facility; • sell your UCL Shares on ASX; or • do nothing. 	Refer to section 2 .

No.	Question	Answer	Further information
30.	What happens if I do not accept the Offer?	<p><i>If Minemakers acquires more than 50% but less than 90% of UCL Shares</i></p> <p>If the Offer becomes or is declared unconditional but Minemakers does not become entitled to compulsorily acquire your UCL Shares under the Corporations Act, you will remain a shareholder in UCL.</p> <p>If Minemakers becomes a majority shareholder in UCL, subject to the spread and number of remaining UCL Shareholders and the requirements under the Listing Rules, it intends to seek to remove UCL from Official Quotation.</p> <p><i>If Minemakers acquires 90% or more of UCL Shares</i></p> <p>If you do not accept the Offer and Minemakers acquires a relevant interest in at least 90% of UCL Shares, Minemakers intends to proceed to compulsorily acquire all remaining UCL Shares which it does not already own. If this happens, you will still receive the consideration under the Offer but you will receive the consideration sooner if you accept the Offer rather than having your UCL Shares compulsorily acquired.</p>	Refer to section 5.2 for Minemakers' intentions if it acquires a Relevant Interest in at least 50% but less than 90% of UCL Shares and section 5.3 for information regarding Minemakers' intentions if it acquires a Relevant Interest in at least 90% of UCL Shares.
31.	Can I withdraw my acceptance after I have accepted the Offer?	<p>No. You cannot withdraw your acceptance of the Offer unless a right to withdraw arises under the Corporations Act.</p> <p>A withdrawal right will arise if, after you accept the Offer, Minemakers varies the Offer in a way that postpones for more than one month the time that Minemakers has to meet its obligations under the Offer (for example, if Minemakers extends the Offer for more than one month while the Offer remains subject to any of the conditions of the Offer).</p>	Refer to section 8 of Appendix A .
32.	If I accept the Offer when will I receive my Minemakers Shares?	<p>If you validly accept the Offer by providing all necessary documents to Minemakers, then your new Minemakers Shares will be issued to you (or if you are an Ineligible Foreign Shareholder or elect to participate in the Sale Agent, the Sale Agent) within one month of the later of the date you accept the Offer, and the date the Offer becomes unconditional.</p> <p>In any event, assuming the conditions of the Offer are satisfied or waived, you will be issued with new Minemakers Shares within 21 days of the end of the Offer Period.</p>	Refer to sections 9 and 10 of annexure A .
33.	What happens if the conditions of the Offer are not satisfied?	<p>If the conditions of the Offer are not satisfied or waived at the end of the Offer Period, then the Offer will lapse and any acceptances received for the Offer will be void.</p> <p>You will continue to hold your UCL Shares and be free to deal with them as if the Offer had not been made.</p> <p>In addition, Minemakers may withdraw the Offer at any time before you accept it (subject to the consent of ASIC).</p>	Refer to section 17 of annexure A .

BIDDER'S STATEMENT

No.	Question	Answer	Further information
34.	What are the taxation implications of accepting the Offer?	<p>Section 7 of this Bidder's Statement contains general taxation implications for UCL Shareholders accepting the Offer.</p> <p>In general terms, should Minemakers become the owner of 80% or more of all UCL Shares, Australian resident UCL Shareholders who make a capital gain and receive Minemakers Shares will be entitled to choose scrip-for-scrip roll-over relief. UCL Shareholders should note that Minemakers has a minimum acceptance condition of 50% of UCL Shares and therefore Minemakers may not achieve the 80% threshold for scrip-for-scrip roll-over relief to become available.</p> <p>Minemakers recommends that you seek independent professional advice in relation to your particular circumstances.</p> <p>Tax consequences for non-Australian tax resident UCL Shareholders are not included in this Bidder's Statement. Such shareholders are urged to seek their own independent professional advice in relation to the Offer.</p>	Refer to section 7 .

Contents

1.	Reasons why you should accept the Offer	21
2.	How to accept the Offer	37
3.	Profile of Minemakers	38
4.	Profile of UCL	50
5.	Intentions of Minemakers	53
6.	Profile of the Combined Group	56
7.	Australian tax implications	63
8.	Risk factors	66
9.	Additional information	76
10.	Definitions and interpretation	84
11.	Approval of Bidder's Statement	89
	ANNEXURE A	90
	ANNEXURE B	103
	MINEMAKERS CORPORATE DIRECTORY	107

1. Reasons why you should accept the Offer

Highlights

1. Minemakers is offering a substantial premium for your UCL Shares

2. You will become a shareholder in a significantly larger and more liquid company with ASX, TSX and NSX listings, which should have better access to development capital

3. If Minemakers acquires all of the UCL Shares, the ownership structure of the Sandpiper Project will be simplified and the Combined Group should be better placed to more efficiently secure development finance

4. Minemakers expects you will have a lower risk of dilution of your economic interest in the Sandpiper Project as part of the Combined Group than you would have remaining as a UCL Shareholder

5. You will have ongoing exposure to the Sandpiper Project through your Minemakers Shares. Minemakers intends to continue to actively progress the development of the Sandpiper Project

6. You will benefit from diversification and participation in potential upside from Minemakers' significant Wonarah Project and its portfolio of other assets

7. If the Offer proceeds, there are additional risks in remaining a minority shareholder in UCL

8. If the Offer does not succeed, UCL's share price may fall and liquidity may be reduced

9. Given Minemakers' current 13.1% shareholding in UCL, a competing proposal for UCL is less likely

10. If you do not want to accept Minemakers Shares and would prefer to receive cash, you can elect to participate in the Sale Facility

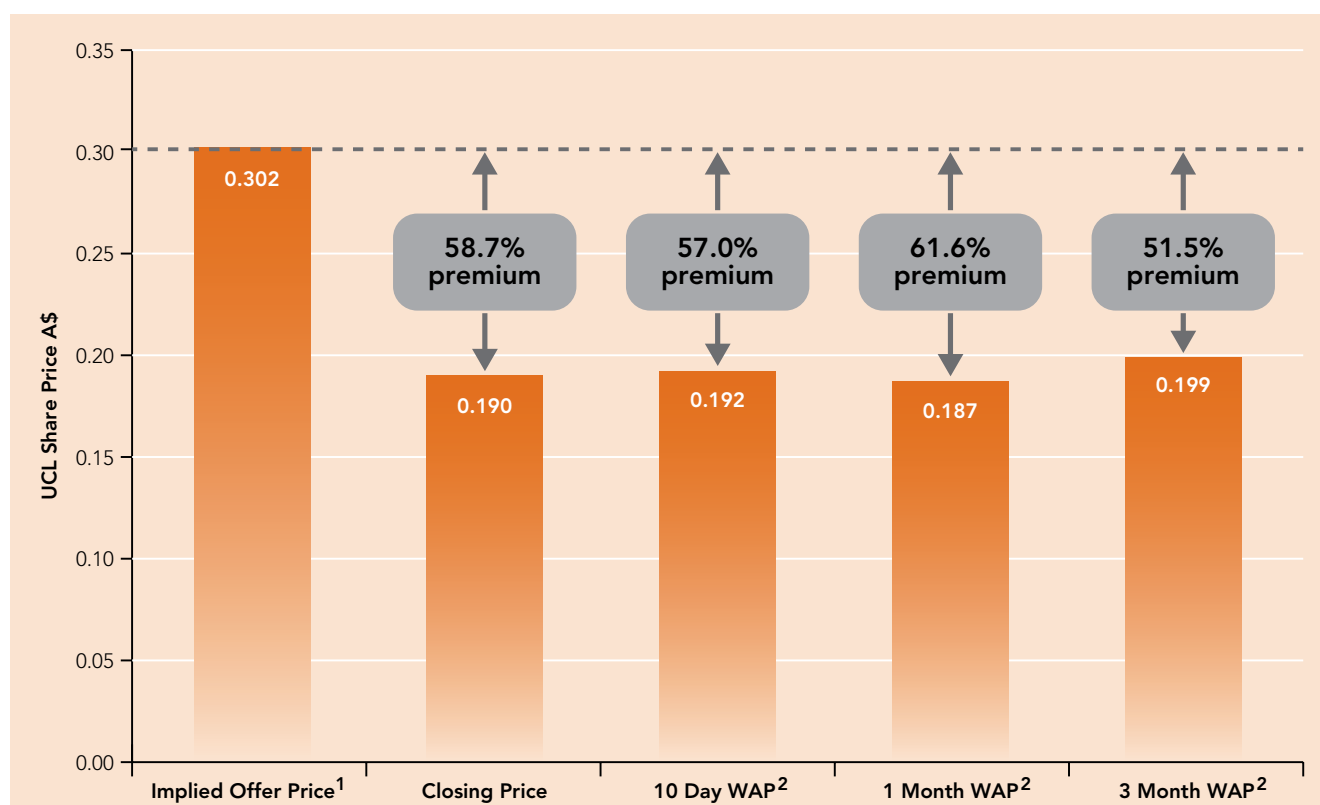
11. CGT roll-over relief is potentially available

Minemakers is offering a substantial premium for your UCL Shares

The Offer provides UCL Shareholders with the ability to retain exposure to UCL's assets, whilst capturing a substantial premium for your shareholding.

If you accept the Offer, and the Offer is declared unconditional, you will be issued 9 Minemakers Share for every 10 UCL Shares you hold.⁷

The Offer value represents a substantial and attractive premium to trading in UCL Shares prior to the Offer announcement on 13 February 2012, as demonstrated in the figure below.



1. Based on the Minemakers' closing share price of A\$0.335 per share on 10 February 2012.

2. VWAP periods all end on 10 February 2012.

Source: Bloomberg, 10 February 2012. Bloomberg has not consented to the use of references to trading data provided by it.

⁷ If you are an Ineligible Foreign Shareholder or elect to participate in the Sale Facility, your Minemakers Shares will be issued to the Sale Agent.

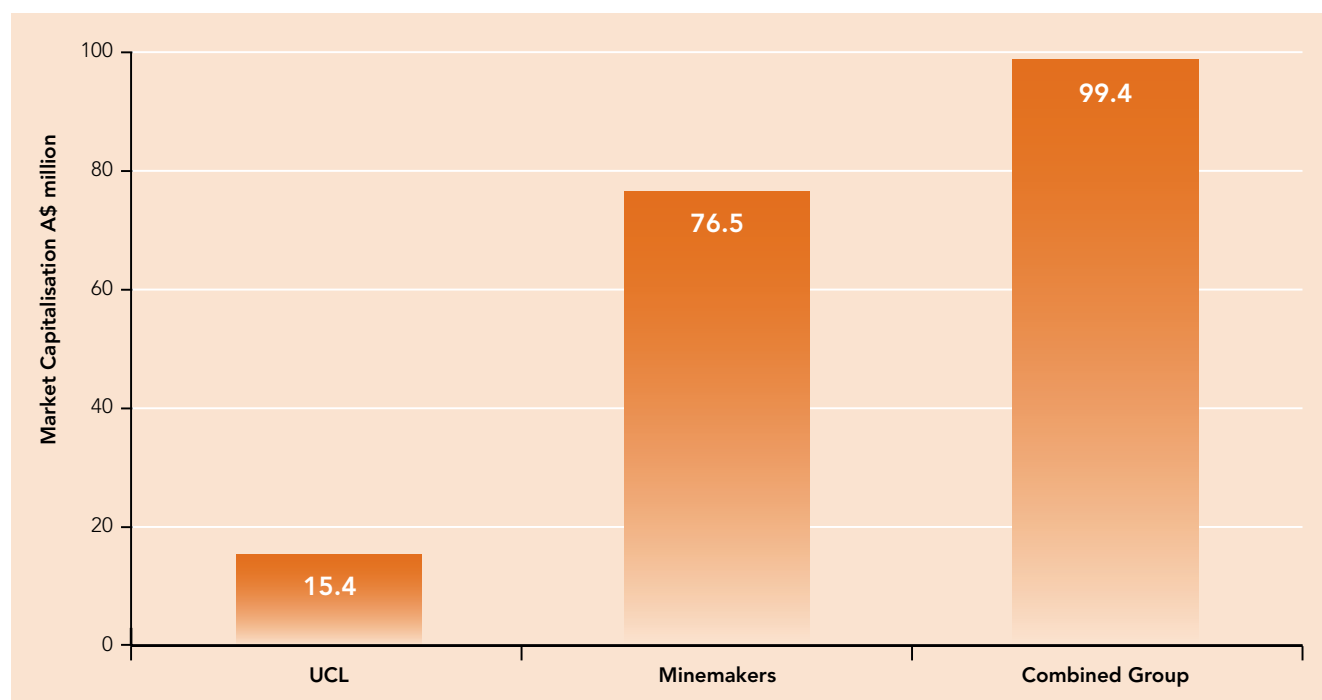
BIDDER'S STATEMENT

You will become a shareholder in a significantly larger and more liquid company with ASX, TSX and NSX listings which should have better access to development capital

Accepting the Offer will allow you to exchange your current UCL Shares for a shareholding in Minemakers. Minemakers is a much larger company than UCL based on market capitalisation, and Minemakers Shares have greater liquidity and can be traded on ASX, TSX or NSX.

On the last trading day prior to the Announcement Date, Minemakers had a market capitalisation of A\$76.5 million and UCL had a market capitalisation of A\$15.4 million.⁸

As shown in the figure below, based on the price of Minemakers Shares on the last trading day prior to the Announcement Date, the Combined Group would have a pro-forma market capitalisation of approximately A\$99.4 million.⁹ If the Offer proceeds, the Minemakers Board believes this additional scale should provide the Combined Group with increased profile within the investment community, increased research coverage and potentially greater liquidity than either company currently experiences on a standalone basis.



1. Based on the undiluted market capitalisation for UCL and Minemakers as at 10 February 2012.

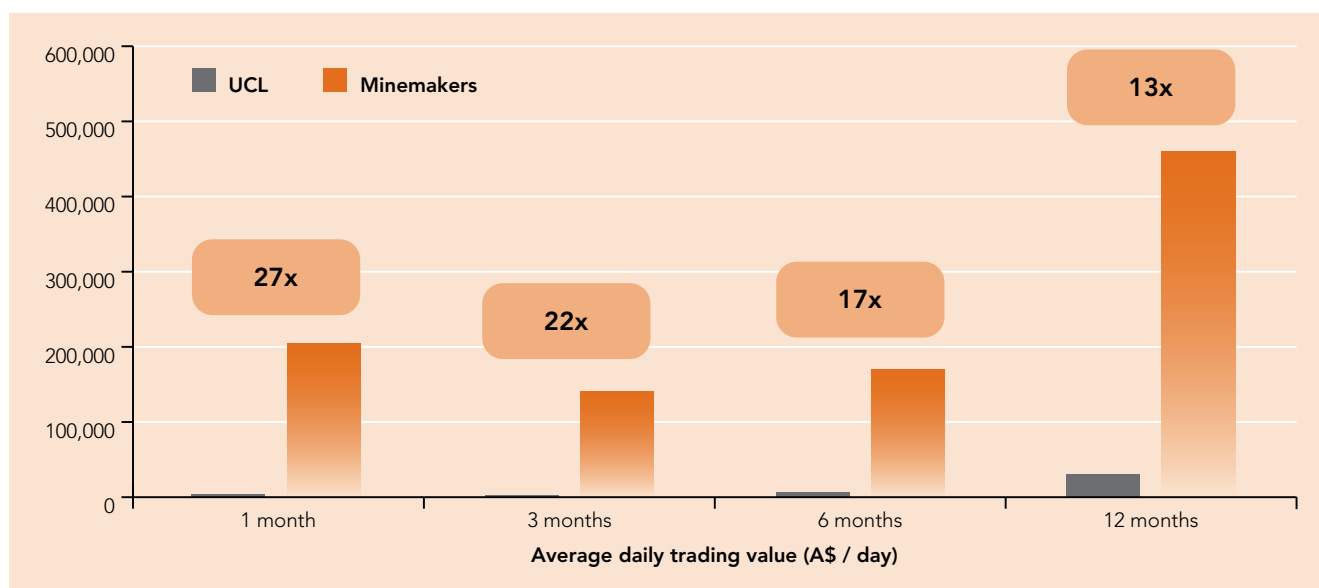
2. Based on the diluted capitalisation for the Combined Group.

Source: Bloomberg, 10 February 2012.

⁸ Source: Bloomberg (10 February 2012, undiluted).

⁹ Source: Bloomberg (10 February 2012, diluted).

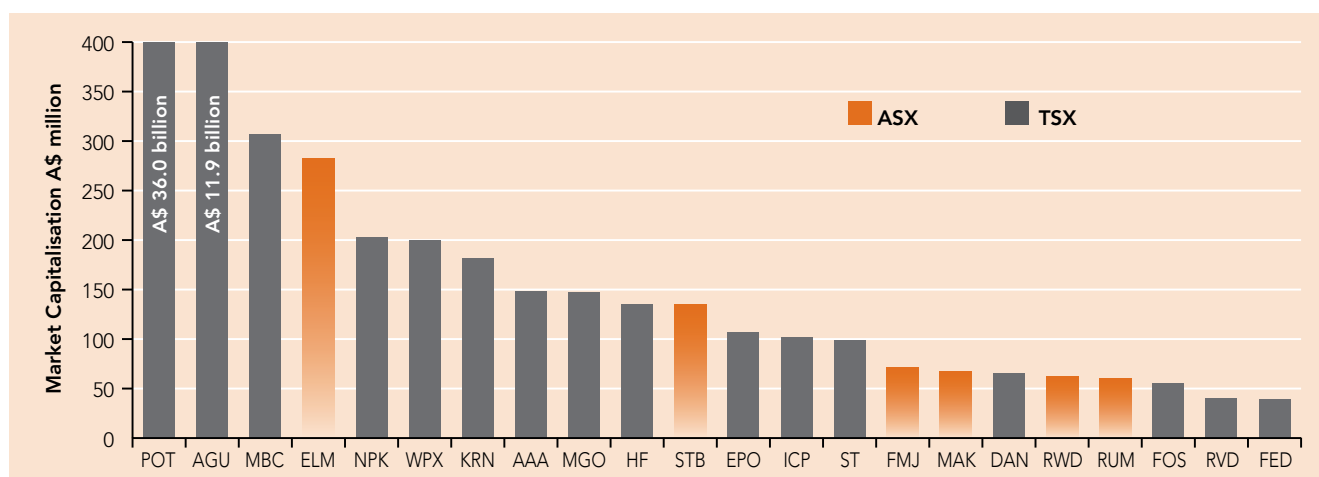
As shown in the figure below, Minemakers Shares have much greater liquidity than UCL Shares.



1. Liquidity measured by the average daily value of on-market shares trades in any given period.
Source: Bloomberg, 10 February 2012.

As Minemakers Shares can be traded on ASX, TSX or NSX, Minemakers has access to a broader range of markets in which to raise development capital for the Sandpiper Project and its other development phosphate projects.

In particular, as shown in the figure below, the TSX market is home to 16 companies with operating or development phosphate, potash or fertilizer assets, with a combined market capitalisation of A\$49.8 billion.¹⁰ This is significantly higher than on ASX, where 6 phosphate, potash or fertilizer companies have a combined market capitalisation of A\$0.7 billion.¹¹



1. Dual listed companies on ASX and TSX include: Elemental Minerals, Fortis Mining and Minemakers.
2. ASX and TSX listed companies focused on developing or producing potash or phosphate operations with an existing Resource and a market capitalisation of greater than A\$35 million.
KEY: POT: Potash Corp., AGU: Agrium Inc, MBC: MBAC Fertilizer Corp., ELM: Elemental Minerals, NPK: Verde Potash, WPX: Western Potash, KRN: Karnalyte Resources, AAA: Allana Potash, MGO: Miago, HF: Hanfeng Evergreen, STB: South Boulder Mines, EPO: Encato Potash, ST: Stonegate Agricom, ICP: IC Potasch, FMJ: Fortis Mining, MAK: Minemakers, DAN: Arianne Resources, RUM: Rum Jungle Resources, RWD: Reward Minerals, FOS: PhosCan Chemical, FED: Ethiopian Potash.
Source: Bloomberg, 16 February 2012.

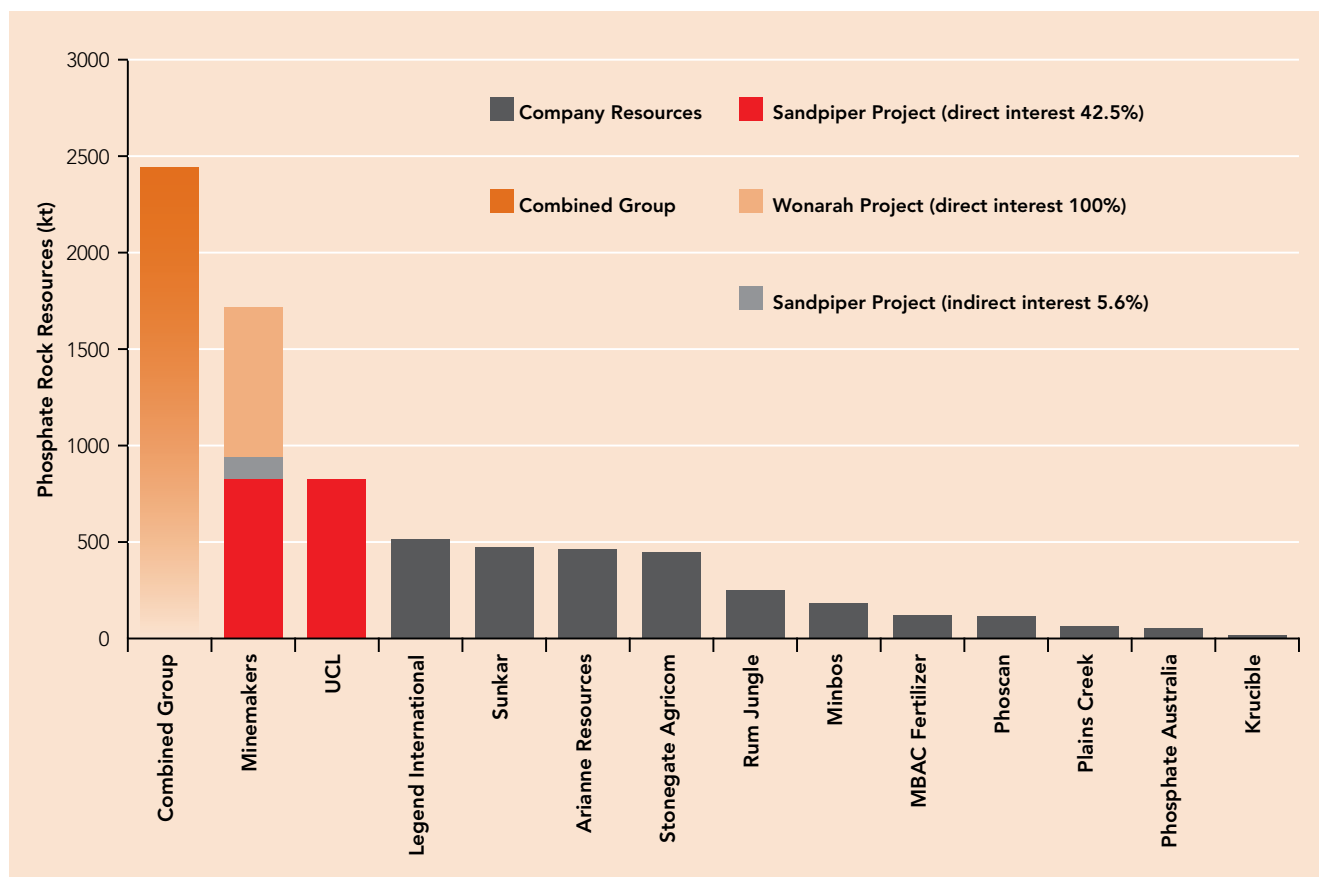
¹⁰ Source: IntierraLive 2012, Bloomberg (16 February 2012).

¹¹ Source: IntierraLive 2012, Bloomberg (16 February 2012).

BIDDER'S STATEMENT

Whilst to date Minemakers has not raised capital on the TSX and does not have strong liquidity on the TSX, the Minemakers Board believes that the North American market is likely to be an important source of future funding for the development of the Sandpiper Project and possibly the Wonarah Project due to the greater availability of capital for fertiliser companies in this market when compared with other markets.

As shown in the figure below, amongst its peer group of companies listed on ASX and TSX with a defined phosphate Resource that is not currently in production, the Combined Group will become the clear leader in terms of its attributed interest in phosphate Resources. This is expected to enhance the Combined Group's profile within the investment community.



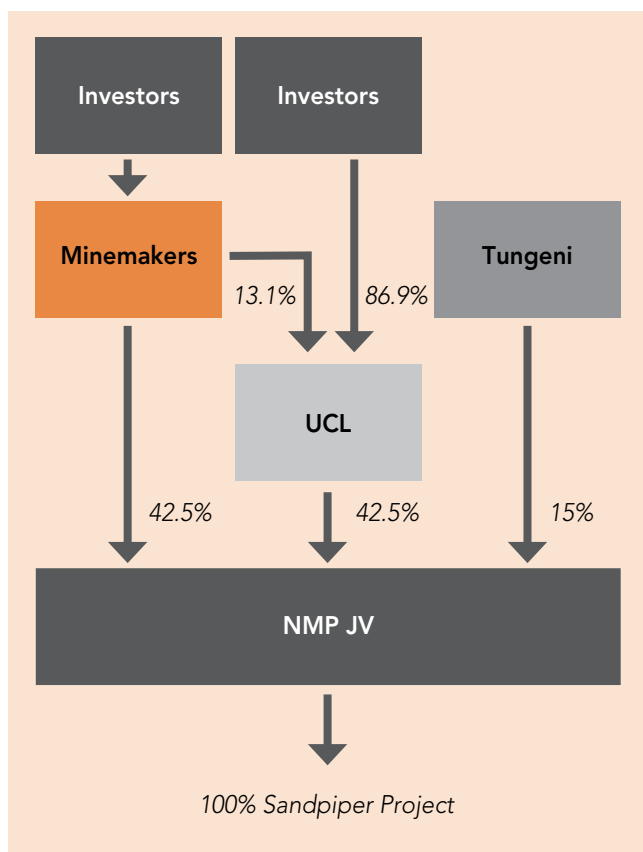
1. Resources are calculated as net Resources attributable to the company.
2. Peer group is defined as all phosphate rock focused companies with a defined phosphate Resource listed on the ASX or TSX or, in the case of Legend International, a stated intention to list on ASX.
3. Resource estimation for both Wonarah and Sandpiper, using a 10% P2O5 cut-off.

Source: Based on public market announcements.

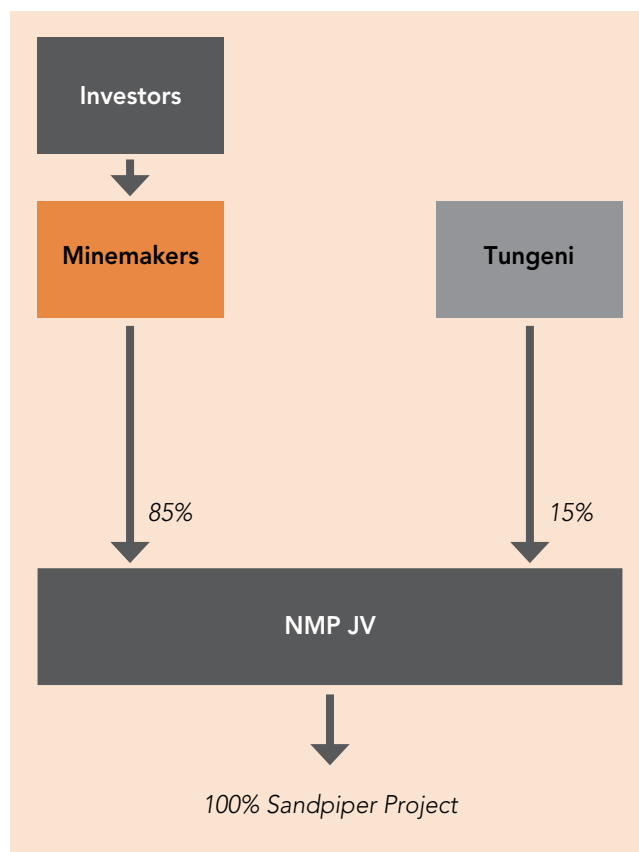
If Minemakers acquires all of the UCL Shares, the ownership structure of the Sandpiper Project will be simplified and the Combined Group should be better placed to more efficiently secure development finance

The figure below demonstrates how the joint venture structure will be simplified if Minemakers acquires 100% of all UCL Shares.

Pre Offer Structure



Post Offer Structure (Minemakers Owns 100% of UCL)



If Minemakers acquires all of the UCL Shares, Minemakers would own 85% of the NMP Joint Venture and under the terms of the shareholders' agreement for the NMP Joint Venture, would be responsible for arranging the finance required to develop the Sandpiper Project. This has the following potential benefits:

- the Combined Group will be in a position to implement the most efficient capital structure for the Sandpiper Project possible; and
- investors and financiers will only have to deal with one party and not be distracted by the complexities associated with both Minemakers and UCL separately securing their respective shares of the financing requirement.

The Minemakers Board believes this will ultimately lead to greater certainty, a more efficient financing process and a cheaper overall cost of funding.

In addition, it should result in a simpler decision-making process at the NMP Joint Venture level.

BIDDER'S STATEMENT

Minemakers expects you will have a lower risk of dilution of your economic interest in the Sandpiper Project as part of the Combined Group than you would have remaining as a UCL Shareholder

The scoping study for the Sandpiper Project completed in November 2010 estimated total start-up capital costs and working capital for the project of approximately US\$179.0 million (estimated to approximately +/- 30% accuracy).¹² Depending on the degree to which construction costs on the Sandpiper Project can be funded by debt, the equity funding requirement for each of Minemakers and UCL could therefore be as high as US\$89.5 million.

Potential issues that UCL could face in raising its share of the equity funding requirement include:

- UCL has a small pre-Offer market capitalisation of A\$15.4 million.¹³ If debt funding for the Sandpiper Project is not available, UCL would have to undertake an equity capital raising that is approximately 5.4 times¹⁴ its pre-Offer market capitalisation to secure its 50% share of the funding requirement;
- UCL has very low levels of liquidity. The Minemakers Board believes that these factors will impact UCL's ability to attract institutional investors to any equity capital raising that it undertakes. Furthermore, UCL is currently only listed on ASX and consequently may not have the same access to North American investors as Minemakers; and
- one UCL Shareholder (Twynam) currently owns 31.7% of UCL on an undiluted basis. Consequently, to the extent UCL Shareholder approval is required for an equity raising, Twynam is able to exert significant influence over this approval. In addition, any decision by Twynam whether or not to support an equity raising is likely to have a material effect on its success.

As a result, the Minemakers Board believes that as a standalone entity, UCL may either:

- not be able to raise its share of the equity funding requirement. The consequence of either Minemakers or UCL not being able to contribute its share of the Sandpiper Project's equity funding requirement is a straight-line dilution of their interest, calculated according to the NMP Joint Venture shareholders' agreement; or
- only be able to raise its share of the equity funding requirement at a significant discount to its prevailing share price.

The Offer provides UCL Shareholders with the opportunity to mitigate these funding risks by receiving a substantial premium for their shares, and becoming part of a larger, more liquid and more diversified group with a broader range of funding options available to it.

The Combined Group will have:

- a more diversified asset base than UCL;
- pro-forma cash of A\$17.0 million¹⁵ and access to a committed equity facility from the Haverstock Master Fund LLC, under which it may raise a further A\$15.0 million at a discount¹⁶ to prevailing market prices;

¹² A DFS on the Sandpiper Project is expected to be completed by the end of March 2012. It is currently unknown whether this capital estimate will be revised upwards or downwards.

¹³ Bloomberg (10 February 2012), undiluted.

¹⁴ Based on 50% of the upfront total funding requirement of US\$179.0 million converted to A\$, divided by undiluted market capitalisation of UCL.

¹⁵ Pro-forma cash at 31 December 2011 assuming Minemakers acquires 100% of all UCL Shares plus cash received by Minemakers since 31 December 2011 from BCD Resources convertible note of A\$5.7 million and including cash received from exercise of the UCL Options and UCL Performance Rights. It excludes UCL's costs of the transaction.

¹⁶ A discount of 6% on the lowest adjusted VWAP during the 10 day pricing period, or the minimum accepted price elected by Minemakers.

- listings on ASX, TSX and NSX. The Minemakers Board believes the ability of the Combined Group to access North American investors familiar with the global fertiliser industry through the TSX listing is a potentially important funding option for the future development of its projects; and
- greater market coverage and expected liquidity than UCL.

As a result, assuming the Offer proceeds and taking into account the premium being offered to UCL Shareholders, the Minemakers Board believes the Combined Group will be able to raise the current UCL Shareholders' equity funding requirement for the Sandpiper Project at a smaller discount to the UCL Share price prior to the Offer than UCL is able to. Consequently shareholders who accept the Offer are likely to retain greater economic exposure to the Sandpiper Project than if they do not accept the Offer and remain UCL Shareholders.

You will have ongoing exposure to the Sandpiper Project through your Minemakers Shares. Minemakers intends to continue to actively progress the development of the Sandpiper Project

If you accept the Offer and are issued Minemakers Shares, you will retain exposure to the Sandpiper Project.

If Minemakers acquires 100% of all UCL Shares, UCL Shareholders will own 23.1% of the Combined Group, and a 19.6% economic interest in the Sandpiper Project (via Minemakers' 85% ownership of the NMP Joint Venture).¹⁷

In addition, the proposed Offer has been structured to minimise disruption to the current timetable relating to the DFS and day-to-day activities at the Sandpiper Project. If the Offer succeeds, Minemakers does not intend to make any changes to the management of the Sandpiper Project and its staffing levels.

¹⁷ Assumes conversion of UCL Convertible Note, exercise of In-the-money UCL Options and vesting and exercise of UCL Performance Rights.

BIDDER'S STATEMENT

You will also benefit from diversification and participation in potential upside from Minemakers' significant Wonarah Project and its portfolio of other assets

UCL Shareholders who accept the Offer will benefit from greater diversification from exposure to Minemakers' significant Wonarah Project and portfolio of other assets.

The 100%-owned Wonarah Project in the Northern Territory is the largest undeveloped rock phosphate project in Australia, with an estimated Resource of 782 Mt at 17.8% P₂O₅ (at a 10% P₂O₅ cut-off). In November 2011, Minemakers announced the results of an enabling study which contemplated the development of a rock phosphate mine and downstream processing facility to produce either 1.4 Mtpa of superphosphoric acid or 2.2 Mtpa of solid fertiliser products. The results of this study indicated potentially attractive project economics.

Minemakers announced in June 2011 that it had signed a Memorandum of Understanding with NMDC, an Indian mining company listed on the Bombay Stock Exchange with a current market capitalisation of approximately A\$14.9 billion,¹⁸ to establish a pathway for development of the Wonarah Project. Discussions between Minemakers and NMDC (through NMDC's recently acquired, Australian investment vehicle Legacy Iron Ore Ltd (ASX: LCY)) regarding the terms of a joint venture agreement, and due diligence activities, are ongoing.

See **section 3.2** for further information relating to the Wonarah Project.

In addition, Minemakers has a portfolio of other assets, including:

- a 70% joint-venture interest in the Rocky Point marine phosphate exploration project in Namibia, which is to the north of the Sandpiper Project. The remaining 30% of this project is owned by Tungeni Investments;
- a 6.7% interest in JDC, a privately-owned, US-based fertilizer technology company. Minemakers holds the exclusive rights in Australia to construct a plant and associated infrastructure which utilises JDC's patented dry kiln process for the production of superphosphoric acid. Under the terms of Minemakers' investment in JDC, its exclusive right to use the dry kiln process technology in Australia can be transferred to use at Minemakers' Namibian projects;
- a 19% stake in unlisted Australian tin, tungsten and fluorspar explorer, TNT Mines. TNT Mines owns a number of exploration tenements in Tasmania. TNT Mines has advised Minemakers that it intends to pursue an initial public offering of the company when there is a sufficient improvement in equity market conditions;
- an expected¹⁹ 5.0 million shares and 2.0 million A\$0.20 exercise price options in Australia Minerals and Mining Group Limited (ASX: AKA); and
- cash on hand as at 17 February 2012 of approximately A\$14.1 million. An additional A\$15.0 million is available to Minemakers through a committed equity facility provided by the Haverstock Master Fund, LLC.

See **section 3.3** for further information relating to Minemakers' other assets.

¹⁸ Source: Bloomberg (17 February 2012).

¹⁹ In October 2011 Minemakers announced that it had agreed to sell its West Southdown iron ore project to Australian Minerals and Mining Group Limited (**AMMG**). Upon confirmation that the relevant tenements have been renewed, Minemakers expects to receive the consideration described above. AMMG shares last closed at A\$0.155 on 17 February 2012.

If the Offer proceeds, there are additional risks in remaining a minority shareholder in UCL

As Minemakers already owns approximately 13.1% of UCL Shares as at the date of this Bidder's Statement, UCL Shareholders holding approximately 36.9% of the UCL Shares are required to accept the Offer for the Offer to be successful and for Minemakers to become a majority shareholder in UCL.

If Minemakers acquires 50% of UCL Shares, in circumstances where UCL's major investor, Twynam, does not accept, this will result in Minemakers and Twynam holding a Relevant Interest in 66.0 million UCL Shares²⁰, with the small remaining balance held widely. If this occurs, the market for UCL Shares is expected to be even less liquid than it was prior to announcement of the Offer.

Further, in the event that Minemakers obtains a Relevant Interest in more than 50% of UCL Shares at the end of the Offer Period, subject to the spread remaining in UCL and other factors such as liquidity, Minemakers intends to apply to ASX to delist UCL.

Therefore, by not accepting the Offer, there is a risk that UCL Shareholders may become minority shareholders in an unlisted public company. This reduces divestment opportunities available to all UCL Shareholders and is likely to negatively impact the available exit price.

If Minemakers decides not to seek a delisting of UCL, or its application to ASX is unsuccessful, whilst UCL Shareholders will remain as minority shareholders in a listed vehicle, it is likely that trading in UCL Shares will be even less liquid than it was prior to announcement of the Offer.

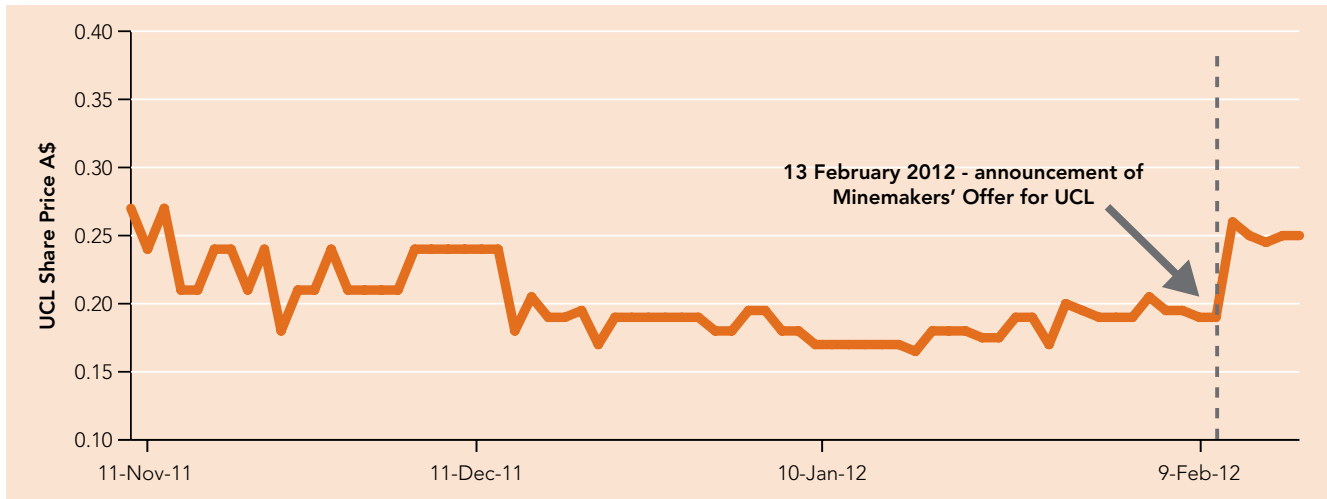
²⁰ On an undiluted basis.

BIDDER'S STATEMENT

If the Offer does not proceed, UCL's share price may fall and liquidity may be reduced

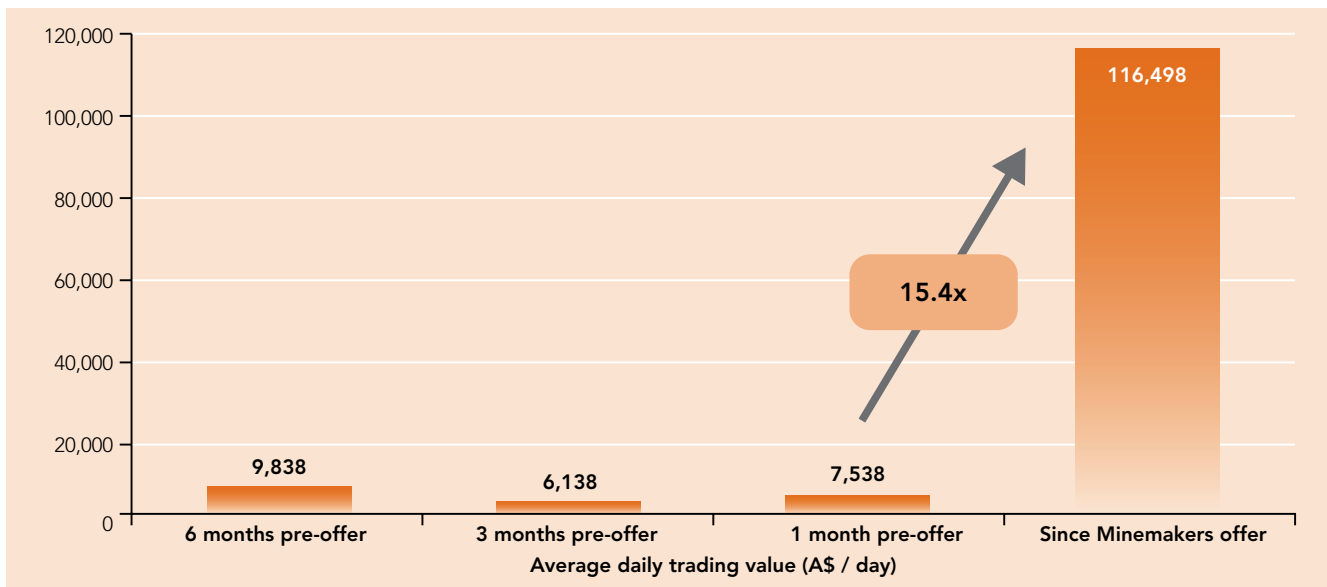
As at the date of this Bidder's Statement, no other party has announced an offer for your UCL Shares.

As shown in the figure below, since Minemakers announced its Offer for UCL Shares on 13 February 2012, the price of UCL Shares has increased by 31.6%.²¹ In contrast, the ASX / S&P 200 index has decreased by 1.2% over the same period.



1. Based on the daily VWAP from 3 months prior to the announcement of the Minemakers Offer.
Source: Bloomberg, 17 February 2012.

As shown in the figure below, since Minemakers announced its Offer on 13 February 2012, the liquidity of UCL Shares has increased by 15.4 times²², relative to the average daily trading value 1 month pre-Offer.



1. Liquidity measured by the average daily value of on-market of shares trades in any given period.
Source: Bloomberg, 17 February 2012.

If the Offer does not proceed, there is a risk that UCL's price and liquidity will fall back to pre-Offer levels.

²¹ Source: Bloomberg (17 February 2012).

²² Source: Bloomberg (17 February 2012).

Given Minemakers' current 13.1% shareholding in UCL, a competing proposal for UCL is less likely

Minemakers currently owns approximately 13.1%²³ of UCL Shares as at the date of this Bidder's Statement and consequently is able to prevent any other bidder for UCL from reaching compulsory acquisition under a takeover offer. In addition, and although it is possible, Minemakers' shareholding would also make it difficult for another party to acquire control through a scheme of arrangement without Minemakers' agreement.

As a result of these factors, it is less likely that another bidder will emerge for UCL.

If you do not want to accept Minemakers Shares but would prefer to receive cash, you can elect to participate in the Sale Facility

Minemakers is offering all accepting UCL Shareholders the opportunity to participate in the Sale Facility. If the Offer is successful, and you elect to participate in the Sale Facility your Minemakers Shares will be issued to the Sale Agent and, assuming favourable market conditions, sold on your behalf at market prices and the cash proceeds distributed on completion of the facility period. The Sale Facility will operate up to a maximum of 15 million new Minemakers Shares. If there are elections for the Sale Facility in excess of 15 million Minemakers Shares, elections will be scaled back on a pro rata basis and your excess Minemakers Shares will be issued to you.

If Minemakers, after consultation with the Sale Agent, forms the view that market conditions do not support the sale of Minemakers Shares (for example, if it could be expected to adversely impact on the price of Minemakers Shares) the Minemakers Shares you would have been entitled to will be transferred to you.

There will be no brokerage payable by Eligible UCL Shareholders who elect to participate in the Sale Facility.

The Sale Facility provides accepting UCL Shareholders with a means to convert their UCL Shares to cash immediately following the completion of the Offer (subject to favourable market conditions). It also provides a discount to the usual brokerage fees required to be paid by UCL Shareholders to exit their position.

CGT roll-over relief is potentially available

If, as a result of the Offer, Minemakers becomes the holder of 80% or more of UCL Shares on issue and you would otherwise make a capital gain in respect of the disposal of your UCL Shares, you may be entitled to choose scrip-for-scrip CGT roll-over relief.

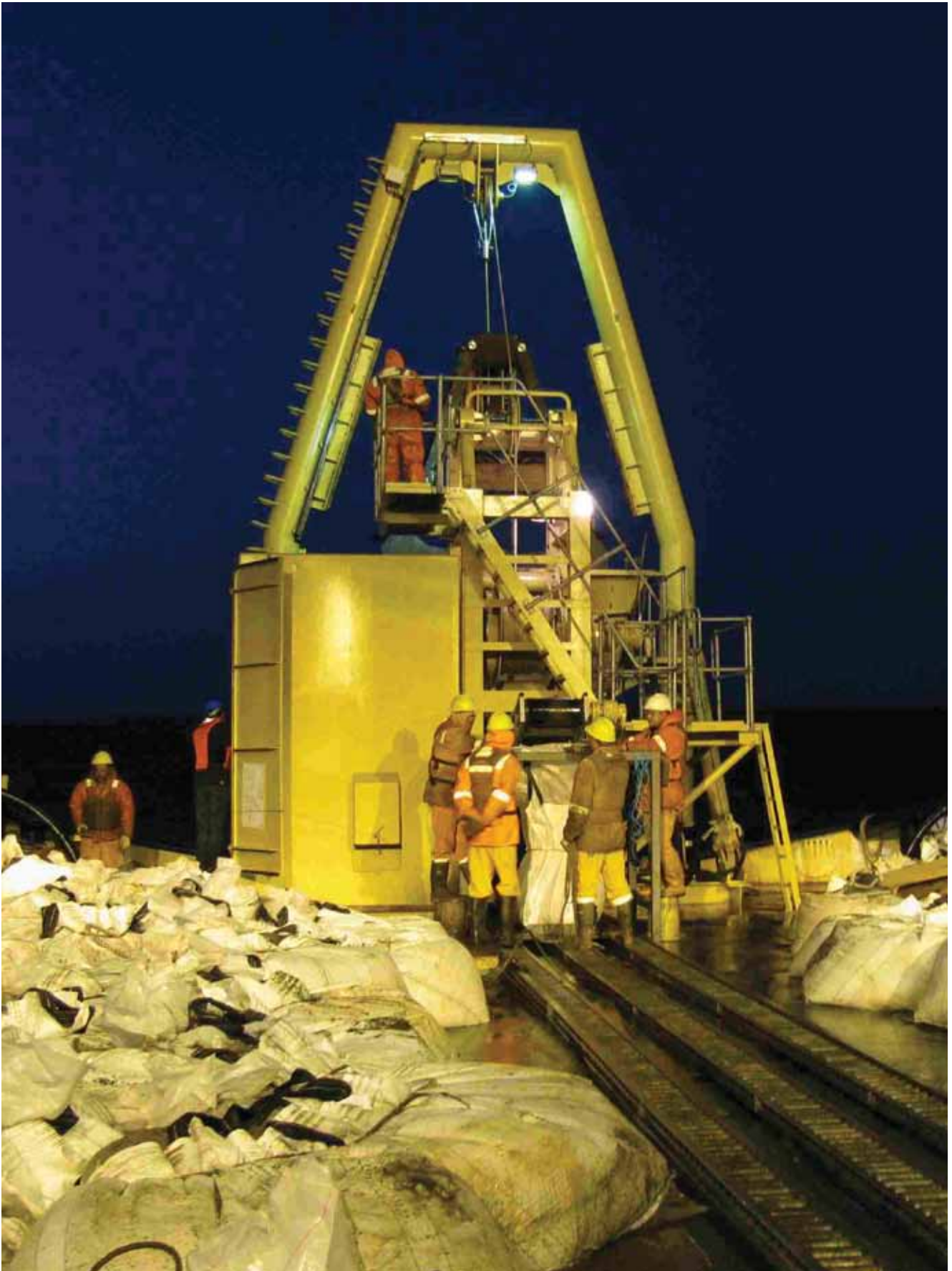
Such roll-over relief, if available and chosen, allow you to disregard any capital gain that would otherwise arise for Australian income tax purposes in respect of the disposal of your UCL Shares. If you elect to sell your UCL Shares through the Sale Facility this may trigger a capital gain.

See **section 7** for further information in relation to the availability of CGT roll-over relief and taxation considerations generally.

The information set out in the Bidder's Statement relates solely to tax legislation in Australia, current as at the date of this Bidder's Statement. If you are resident in countries other than Australia you should seek your own independent tax advice in relation to this Offer and the tax consequences of accepting the Offer.

²³ On an undiluted basis.

BIDDER'S STATEMENT



2. How to accept the Offer

Complete and return Acceptance Form

Complete and sign the enclosed Acceptance Form in accordance with the instructions provided in the Acceptance Form and return it in the reply paid envelope so that it is received at the address below before the end of the Offer Period.

Mailing Address:

Minemakers Limited
C/- Computershare Investor Services Pty Limited
GPO Box 52
MELBOURNE VIC 3001

Acceptance will be deemed to have been effected when, subject to **annexure A**, the duly completed Acceptance Form has been received at the above address.

Full details of how to accept the Offer are set out in **annexure A**.

Sale Facility

If you accept the Offer, you may also elect to participate in the Sale Facility by completing your Acceptance Form in accordance with the specific instructions relating to the Sale Facility.

You will not be entitled to elect to participate in the Sale Facility if you are an Ineligible Overseas Shareholder .

Last day to return Acceptance Form

The Offer closes at 7.00pm (Sydney Time) on 10 April 2012, unless extended by Minemakers. Your Acceptance Form must be received before the end of the Offer Period.

Offer and acceptance enquiries

If you have any questions about how to accept the Offer please contact:

Minemakers / UCL Shareholder Information Helpline
In Australia: **1300 667 838** (toll free)
Outside Australia: **+61 2 8022 7902**

OR

John Ribbons
Company Secretary Minemakers Limited
In Australia: (08) 9389 2123
Outside Australia: +61 8 9389 2123

3. Profile of Minemakers

3.1. Overview of Minemakers

Minemakers is an Australian mineral exploration and development company.

Minemakers was incorporated in 2005 and was admitted to the official list of ASX on 10 October 2006 (ASX: MAK). Minemakers is also listed on the Toronto Stock Exchange (TSX code: MAK) and the Namibian Stock Exchange (NSX code: MMS). On the last trading day prior to the Announcement Date, Minemakers had a market capitalisation of approximately A\$76.5 million²⁴ and had approximately 8,500 shareholders. Minemakers is a public company limited by shares and is incorporated and domiciled in Australia.

3.2. Summary of Operations

Minemakers key assets are its interests in two significant undeveloped sedimentary phosphate deposits, the Sandpiper marine phosphate project in Namibia and the Wonarah phosphate project located in the Northern Territory. Minemakers also holds a 70.0% interest in a marine phosphate exploration project located north of the Sandpiper Project, a 6.7% strategic equity interest in JDC, a developer of dry kiln technology for the phosphate industry, and a number of other strategic investments.

Sandpiper Project, Namibia (42.5% direct, 5.6% indirect)

The Sandpiper Project, a significant undeveloped deposit of unconsolidated phosphatic sediments, is situated offshore on the Namibian continental shelf approximately 160 kilometres south west of the port of Walvis Bay.

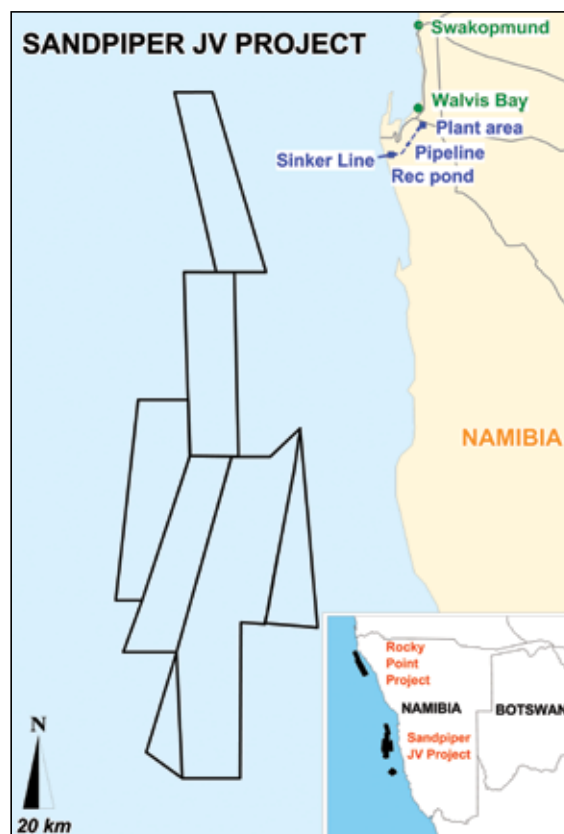
As shown in the table below, the Sandpiper Project has a JORC-compliant Resource estimated at 1,951Mt at 18.5% P₂O₅ (at a 10% P₂O₅ cut-off).

Resource Category	10% Cut Off		15% Cut Off	
	Tonnage (Mt)	Grade (% P ₂ O ₅)	Tonnage (Mt)	Grade (% P ₂ O ₅)
Indicated	74	20.6%	74	20.6%
Inferred	1,877	18.4%	1,717	19.0%
Total	1,951	18.5%	1,791	19.1%

The Sandpiper Project is held by an incorporated joint venture company, Namibian Marine Phosphate (Pty) Ltd. The shareholders of the NMP Joint Venture are: a wholly-owned subsidiary of Minemakers, Minemakers (Namibia) (Pty) Ltd (42.5%); a wholly-owned subsidiary of UCL, Sea Phosphates (Namibia) (Pty) Ltd (42.5%); and Tungeni Investments, a Namibian investment company.

The NMP Joint Venture board consists of five directors, two nominated by each of Minemakers and UCL and one by Tungeni. There is no fixed Chairperson. Decision-making by the NMP Joint Venture is governed by the processes set out in a shareholders' agreement between the three parties. There are certain key decisions such as those relating to the adoption of business plans and approving capital expenditure that require unanimous approval of all shareholders. Otherwise, decisions are by simple majority vote.

Location of Sandpiper Project



²⁴ Source: Bloomberg (10 February 2012).

Minemakers and UCL (through their Subsidiaries) are responsible, in equal proportions, for funding all expenditure during the exploration and development phases of the project. However, 15% of that funding is taken to be a non interest bearing loan to Tungeni Investments, which is repayable out of after tax profits before any dividends are distributed to shareholders.

A scoping study assessing the economic viability of the Sandpiper Project, co-ordinated by the NMP Joint Venture but utilising inputs from a number of external specialist consultants, was completed in November 2010. The scoping study considered a marine mining and land-based processing operation and made estimates of various project parameters including production rate, capital costs and operating costs, as well as permitting requirements, environmental considerations and a risk assessment. The scoping study indicated potentially attractive project economics.

The NMP Joint Venture is targeting a phosphate rock concentrate product with a grade of approximately 28% P₂O₅. A pilot scale beneficiation plant for the Sandpiper Project was constructed in Johannesburg in late 2011. Testing of a bulk sample of phosphatic sediment from the Sandpiper Project using this plant achieved target concentrate grades, and the NMP Joint Venture has now progressed to the design of a commercial-scale beneficiation plant for installation at Walvis Bay. In addition, a Marine Environmental Impact Assessment and an Environmental Management Plan Report for the Sandpiper Project were submitted to the Namibian Ministry of Mines and Energy in January 2012.

These activities all form part of a broader DFS for the Sandpiper Project, which is due for completion by the end of March 2012. The DFS will confirm whether production of phosphate rock concentrate at the Sandpiper Project is expected to be economically viable. On currently available information, Minemakers believes the DFS is likely to confirm this.

BIDDER'S STATEMENT

Wonarah Project, Australia (100%)

The 100%-owned Wonarah Project is situated approximately 260 kilometres east of Tennant Creek in the Northern Territory, Australia.

The Wonarah Project is Australia's largest known phosphate rock deposit, with an estimated Resource of approximately 782 Mt @ 17.8% P₂O₅ (at a 10% P₂O₅ cut-off) (see table below).

Resource Category	0% Cut Off		10% Cut Off	
	Tonnage (Mt)	Grade (% P ₂ O ₅)	Tonnage (Mt)	Grade (% P ₂ O ₅)
Indicated	565	12.6%	303	18.2%
Inferred	987	11.4%	479	17.6%
Total	1,552	11.8%	782	17.8%

An enabling study on the Wonarah Project, commissioned by Minemakers and conducted by KEMWorks and Optimum Capital, was completed in November 2011. The enabling study contemplated development of a rock phosphate mine and downstream processing facilities to produce either approximately 1.4 Mtpa of superphosphoric acid (SPA) (using the JDC dry kiln technology, otherwise known as the "improved hard process") or approximately 2.2 Mtpa of solid fertiliser products such as diammonium phosphate (DAP) and monoammonium phosphate (MAP) (using the commonly called "wet acid process"). The results of this study indicated potentially attractive project economics.

The 2012 calendar year work program for the Wonarah Project involves a 16 diamond hole drilling program to recover representative mineralisation samples for metallurgical test work for beneficiation of the phosphate ore and a 138 hole RC drilling program to test the presence of further deposits of high grade mineralisation near to the surface and close to available transport infrastructure.

In June 2011, Minemakers executed a non-binding MOU with NMDC Limited, an Indian listed company with a market capitalisation of around A\$14.9 billion.²⁵ Under the terms of the MOU, the parties undertook to negotiate the terms of a joint venture agreement (JVA) in relation to the Wonarah Project with a limited period of exclusivity. The JVA is intended to govern the completion of a bankable feasibility study, and if favourable, financing and development of the Wonarah Project, including the downstream super phosphoric acid and/or fertiliser manufacturing facilities.

In broad terms, the MOU contemplates that:

- NMDC will acquire a 50% equity interest in the Wonarah Project, in consideration for which NMDC will repay certain project exploration and development expenditure already incurred by Minemakers;
- NMDC and Minemakers will co-fund the bankable feasibility study, and relevant NMDC management staff will join the Minemakers project team to carry it out; and
- NMDC will have responsibility for arranging the debt component of the total finance requirement for full development of the Wonarah Project.

In December 2011, NMDC obtained a 50% interest in Legacy after having subscribed for approximately 288 million Legacy shares, for total consideration of A\$18.9 million. On 27 January 2012, NMDC announced its intention to use Legacy as the investment vehicle for all future Australian acquisitions, including the potential joint venture with Minemakers in relation to the Wonarah Project.

Location of Wonarah Project



²⁵ Source: Bloomberg (17 February 2012).

The period of exclusivity between Minemakers and NMDC was extended and expired on 15 February 2012. Notwithstanding this, NMDC and Minemakers remain in ongoing discussions relating to the structuring of NMDC's potential ownership interest in the Wonarah Project and the terms of the JVA. Minemakers is also continuing to evaluate alternative proposals from other potential partners in relation to the Wonarah Project.

3.3. Minemakers' other assets

In addition to its interests in the Sandpiper Project and Wonarah Project, Minemakers has a portfolio of other assets and investments.

Rocky Point Project

Minemakers holds a 70% shareholding in Minemakers Tungeni JV Exploration (Pty) Ltd, which is the owner of the Rocky Point Project. The remaining 30% shareholding is held by Tungeni Investments. The Rocky Point Project comprises four exploration tenements (one of which is currently the subject of a renewal application) of 4,000 km² in total area, located north of the Sandpiper Project that are prospective for marine phosphate deposits. Minemakers undertook an initial grab sampling programme on the Rocky Point Project in the financial year ended 30 June 2011. Widespread phosphate mineralisation was encountered, although areas within grades comparable to the Sandpiper Project were found to be relatively small.

The NMP Joint Venture will be granted a pre-emptive right to acquire the Rocky Point Project in certain circumstances, including if a decision is made to proceed to completion of a DFS or apply for a mining licence or an offer is made by a third party to purchase the Rocky Point Project.

If the NMP Joint Venture exercises its pre-emptive right, the acquisition price will be determined by an independent valuation report.

JDCPhosphate Inc.

In September 2010 Minemakers acquired a 6.7% equity interest in JDC for US\$1.0 million (in cash and scrip). JDC is a developer of dry kiln technology for the production of superphosphoric acid. Minemakers believes JDC's dry kiln technology potentially has both capital and operating cost advantages, relative to more common wet acid techniques in the making of superphosphoric acid. Minemakers is investigating the possibility of using JDC's dry kiln technology at the Wonarah Project. By investing in JDC, Minemakers acquired sole Australian rights to JDC's dry kiln technology for a period of seven years. Minemakers' licence agreement with JDC also provides for Minemakers to potentially gain licensing rights to the dry kiln technology in Namibia, where it has been successfully applied in initial testwork for the Sandpiper Project.

TNT Mines Limited

Minemakers has a 19% interest in TNT Mines, an unlisted public company holding tin, tungsten and fluorspar assets in Tasmania. TNT Mines demerged from Minemakers on 19 July 2011, following which all Minemakers Shareholders at that date received a distribution in-specie of shares in TNT Mines. TNT Mines has advised Minemakers that it intends to undertake an initial public offering on ASX when equity market conditions are sufficiently favourable to permit this. TNT Mines raised A\$1.3 million from a rights issue in December 2011, with the proceeds to be used for exploration and evaluation of its exploration properties.

AMMG

In October 2011, Minemakers announced that it had agreed to sell its West South-down iron ore project to AMMG. Upon confirmation that the tenements comprising the project have been renewed, Minemakers expects to receive 5.0 million shares and 2.0 million A\$0.20 exercise price options in AMMG.²⁶

Cash

As of 17 February 2012, Minemakers had cash on hand of approximately A\$14.1 million. An additional A\$15.0 million is available to Minemakers through a committed equity facility provided by the Haverstock Master Fund, LLC.

²⁶ AMMG shares last closed at A\$0.155 on 17 February 2012, (Source: Bloomberg).

BIDDER'S STATEMENT

3.4. Directors of Minemakers

The profiles of the Directors of Minemakers as at the date of this Bidder's Statement are set out below.

Andrew Drummond, B.Sc.(Hons), F.AusIMM, C Man, MAIG, MGSA (Executive Chairman, member of the nomination committee)

Mr Drummond is a geologist with 40 years of industry experience in exploration, development, mining and management. He has had senior management and/or directorship roles with Westonia Mines Limited, Zephyr Minerals NL, Black Range Minerals NL, the ACM Group Ltd and Homestake Gold Australia Limited. He is currently a director of TNT Mines Limited.

Mr Drummond has extensive experience with many commodities in hardrock and alluvial environments in Australia, New Zealand, the Philippines, Russia and China. He gained operating experience as Chief Geologist at Westonia Gold Mine. He also supervised a full bankable feasibility study for Westonia Mines Limited.

Within the last three years Mr Drummond has been a director of BCD Resources.

Mr Drummond has no Relevant Interest in any UCL Shares.

Dennis Wilkins, B.Bus., AICD, ACIS (Finance Director, member of the remuneration and nomination committees)

Mr Wilkins is an accountant who has been a director, company secretary or acted in a corporate advisory capacity to listed resource companies for over 20 years. Mr Wilkins previously served as the Finance Director and Company Secretary for a mid tier gold producer and also spent five years working for a leading merchant bank in the United Kingdom. Resource postings to Indonesia, South Africa and New Zealand in managerial roles have broadened his international experience.

Mr Wilkins has extensive experience in capital raising specifically for the resources industry and is the principal of DWCorporate Pty Ltd which provides advisory, funding and administrative management services to the resource sector. Mr Wilkins is the non-executive director of Key Petroleum Limited.

Mr Wilkins has no Relevant Interest in any UCL Shares.

Edward ("Ted") Ellyard, B.Sc. (Geology), Grad.Dip, MAusIMM, MAAPG (Non Executive Director, chairman of the audit, remuneration and nomination committees)

Mr Ellyard is a geologist with over 35 years experience in mineral and petroleum exploration, development and production. Mr Ellyard graduated from Curtin University, Perth in 1974 and has worked for several major Australian and international resource companies. More recently, Mr Ellyard was Managing Director and CEO of Hardman Resources Limited from 1996 to late 2004. In that role he oversaw the international expansion of Hardman into the Mauritanian oil/gas discoveries and its dramatic market capitalisation growth from less than A\$5 million to over A\$1.5 billion, during which time he also gained strong project capital raising experience.

Mr Ellyard has been involved at board level in the management of listed Australian resource companies for over 25 years and has been a founding director of several companies. Currently, Mr Ellyard is the non-executive Chairman of Ormil Energy Limited and is a former director of Key Petroleum Limited in the past three years.

Mr Ellyard has no Relevant Interest in any UCL Shares.

Richard O'Shannassy, B.Juris. LL.B. (Hons) (Non Executive Director, member of the audit, remuneration and nomination committees)

Mr O'Shannassy is a commercial lawyer with over 25 years' experience in the mining and energy sectors. He has experienced private legal practice, including conducting his own practice in Perth for over 13 years, as well as in-house roles. Most recently, he was General Counsel & Company Secretary for Hardman Resources Limited until it was acquired by Tullow Oil plc in late 2007. He has served upon mining industry committees over a number of years and is a member of Australian Mining & Petroleum Law Association Inc. Currently Mr O'Shannassy is a director of Hardman Resources Pty Ltd (formerly ASX listed company Hardman Resources Limited) and Brierty Limited. Mr O'Shannassy is a former director of Key Petroleum Limited in the last 3 years.

Mr O'Shannassy has no Relevant Interest in any UCL Shares.

On 1 February 2012, Minemakers announced that subject to TSX approval, it proposed to appoint Richard H (Dick) Block to the Minemakers Board.

Mr Block has a degree in Chemical Engineering and has served on numerous professional and trade boards. Mr Block served as President of IMC-Agrico Company between 1996 and 1998 and from 1993 to 1996 was a member of its governing board.

Mr Block has had no involvement in the issue or preparation of this Bidder's Statement.

3.5. Senior Management

Minemakers has already accumulated a quality management team, particularly in the fields of financing, feasibility, construction and metallurgy. It is intended that if the takeover is completed this management group will complement that employed by the NMP Joint Venture.

Neville Bergin – General Manager Projects Development

Mr Bergin is a graduate of the Camborne School of Mines, UK and holds a BSc. Mining together with a First Class Mine Manager's Certificate. He is also a member of the Australian Institute of Mining and Metallurgy (AusIMM) and of the Australian Institute of Company Directors (AICD).

He has comprehensive operational experience in underground and open pit environments as well as in the feasibility and implementation of mining projects. Prior to his current position, Mr Bergin held the positions of Vice President – Head of Operations Australia for Gold Fields Australia Pty Limited, General Manager – Operations/ Technical Services with Jubilee Mines NL, Resident Mine Manager with Perseverance Corporation Limited and Mine Superintendent at Waihi Gold Mine. Mr Bergin is a former director of BCD Resources within the last 3 years.

Mr Michael Woodborne – General Manager, Marine

Mr Woodborne is an M.Sc. graduate in Geology from the University of Cape Town, South Africa, and has been involved in the exploration and mining industry for more than 25 years. He has specialist knowledge of marine mineral exploration mining and technologies related to diamond placer deposits and more recently also marine phosphate deposits as well as marine geophysics. His management experience includes senior positions in both private and corporate companies in the resource industry.

Mr Woodborne spent 7 years in the Marine Geoscience Unit of the Geological Survey of South Africa where his work on the evolution of the marine diamondiferous placer deposits on the west coast of Southern Africa was the subject of his M.Sc. thesis in 1986. In 1990 he co founded an independent consulting firm, Marine & Coastal Geo Consultants (Pty) Limited. This company was responsible for compiling independent expert reports and also directed several key exploration and technical projects that resulted in the discovery of new marine diamond deposits and the subsequent development of underwater mining operations.

In 1999, he was appointed as exploration director for Namco South Africa (Pty) Limited, where he was involved with the establishment and operation of a dedicated prospecting vessel as well as resource development for the offshore mining operations. In 2002, he took up a position in Perth with an international survey company providing services to the oil and gas industry, prior to joining Bonaparte Diamond Mines (Pty) Ltd (**Bonaparte**) as managing director in 2004. Bonaparte was taken over by Minemakers in 2009. In his tenure with Bonaparte and more recently with Minemakers, in addition to his management duties, he has overseen the development of diamond and phosphate projects as well as several capital works programmes. Mr Woodborne is a former managing director of Bonaparte Diamond Mines NL. Apart from his position at Bonaparte, which he resigned from on 31 December 2009 after the company was delisted to remain as a subsidiary of Minemakers, he has not held any former directorships in listed companies in the last 3 years.

Rod Wheatley – Chief Financial Officer

Mr Wheatley was appointed as Chief Financial Officer on 1 August 2011. He is a senior accountant with experience in multiple aspects of oil and gas and resource accounting, including financial reporting at a national and international level, implementations of accounting systems and procedures, management reporting and supervising staff.

Mr Wheatley has held senior roles with Advanced Well Technologies, Antares Energy Limited, Hardman Resources Limited (now Tullow Oil Plc) and Western Metals Limited.

BIDDER'S STATEMENT

John Ribbons – Company Secretary

Mr Ribbons is an accountant who has worked within the resources industry for over 18 years in the capacity of company accountant, group financial controller or company secretary.

Mr Ribbons has extensive knowledge and experience with ASX listed production and exploration companies. He has considerable site based experience with operating mines.

Mr Ribbons has also been involved with the listing of several exploration companies on ASX. Mr Ribbons has experience in capital raising, ASX compliance and regulatory requirements.

3.6. Financial performance

The historical financial information below relates to Minemakers and does not reflect any impact of the Offer. It is an extract only and the full financial accounts for the financial periods described below, which includes notes to the accounts, can be found in Minemakers' Annual Reports for the periods ending 30 June 2009, 30 June 2010 and 30 June 2011. Copies of those Annual Reports are available from the website www.minemakers.com.au. Minemakers' financial accounts consolidate subsidiaries in which it has an interest of 50.1% or more.

(a) Statement of financial performance

The statements of financial performance of Minemakers set out below have been extracted from the audited financial statements of Minemakers for the years ending 30 June 2009, 30 June 2010 and 30 June 2011, being the last three audited financial statements prior to the date of this Bidder's Statement.

Minemakers Limited Audited Statement of Financial Performance for the 12 months to 30 June			
	2009	2010	2011
REVENUE	627,239	1,857,171	1,343,871
Other income	309,314	332,150	776
EXPENDITURE			
Depreciation expense	(115,727)	(385,091)	(314,078)
Salaries and employee benefits expense	(694,782)	(1,261,150)	(1,991,805)
Exploration expenditure	(14,063,957)	(1,573,629)	(1,639,195)
Impairment expense	-	(236,919)	(463,657)
Corporate expenses	(695,168)	(698,332)	(1,324,951)
Administration expenses	(366,734)	(551,256)	(422,616)
Share based payment expense	(2,852,778)	(1,229,654)	(5,410,348)
Net foreign currency loss	-	-	(763,214)
Other expenses	(381,601)	(736,094)	(1,094,446)
Share of net profit / (loss) in associate	-	(564,570)	2,340
LOSS BEFORE INCOME TAX	(18,234,194)	(5,047,374)	(12,077,323)
INCOME TAX BENEFIT / (EXPENSE)	3,825,880	-	-
LOSS FOR THE YEAR	(14,408,314)	(5,047,374)	(12,077,323)
OTHER COMPREHENSIVE INCOME			
Exchange differences on translation of foreign operations	-	(74,927)	(42,698)
Available-for-sale financial assets	-	(779,019)	814,285
Other comprehensive income for the year, net of tax	-	(853,946)	771,587
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(14,408,314)	(5,901,320)	(11,305,736)

BIDDER'S STATEMENT

(b) Statement of financial position

The statements of financial position of Minemakers set out below have been extracted from the audited financial statements of Minemakers for the years ending 30 June 2009, 30 June 2010 and 30 June 2011, being the last three audited financial statements prior to the date of this Bidder's Statement.

Minemakers Limited Audited Statement of Financial Position as at 30 June			
	2009	2010	2011
CURRENT ASSETS			
Cash and cash equivalents	7,677,898	31,135,611	10,909,315
Trade and trade receivables	1,217,746	858,570	9,729,211
Financial assets at fair value through profit or loss	23,870	50,667	-
TOTAL CURRENT ASSETS	8,919,514	32,044,848	20,638,526
NON-CURRENT ASSETS			
Trade and other receivables	-	1,289,500	1,289,500
Available-for-sale financial assets	-	1,104,231	3,562,027
Plant and equipment	1,575,472	1,223,046	856,931
Capitalised exploration and evaluation expenditure	18,818,688	34,114,386	37,964,069
Investments accounted for using the equity method	-	-	678,176
TOTAL NON-CURRENT ASSETS	20,394,160	37,731,163	44,350,703
TOTAL ASSETS	29,313,674	69,776,011	64,989,229
CURRENT LIABILITIES			
Trade and other payables	2,779,039	969,966	1,234,867
Provisions	203,860	195,792	279,621
TOTAL CURRENT LIABILITIES	2,982,899	1,165,758	1,514,488
NON-CURRENT LIABILITIES			
Provisions	-	1,289,500	1,289,500
TOTAL NON-CURRENT LIABILITIES	-	1,289,500	1,289,500
TOTAL LIABILITIES	2,982,899	2,455,258	2,803,988
NET ASSETS	26,330,775	67,320,753	62,185,241
EQUITY			
Issued capital	40,089,141	87,187,241	87,947,116
Reserves	5,439,003	5,814,711	11,996,646
Accumulated losses	(20,816,738)	(25,666,452)	(37,685,712)
Capital and reserves attributable to members of Minemakers	24,711,406	67,335,500	62,258,050
Non-controlling interest	1,619,369	(14,747)	(72,809)
TOTAL EQUITY	26,330,775	67,320,753	62,185,241

(c) Management comments on historical results

Minemakers is an exploration and development company whose strategic focus is the further development of its interests in the Sandpiper Project and the Wonarah Project.

The historical net losses in the statements of financial performance reflect the development stage of Minemakers' projects.

The majority of Minemakers' historical expenditure relates to exploration and project development expenditure that has not been reflected in capital account, and associated employee salary and employment expenses. Share based payment expenses relate to options issued to directors, employees and contractors of Minemakers.

Revenues are primarily attributable to interest received from financial institutions on Minemakers' term deposits.

Total assets as at 30 June 2011 were A\$65.0 million, down from A\$69.8 million as at 30 June 2010.

Total assets mainly comprise cash, trade receivables (which includes the outstanding balance of Minemakers' convertible note to BCD Resources), capitalised exploration and evaluation properties, Minemakers' investment in the NMP Joint Venture and the value of Minemakers' minority investments in various securities, including 13.1% of UCL and 6.7% of JDC. Approximately A\$38.0 million of the total asset balance as at 30 June 2011 is attributed to the carrying value of exploration and development expenditure on the Wonarah Project. The convertible note to BCD Resources was repaid in full on 14 February 2012, with the result that Minemakers' cash holding as at the date of this Bidder's Statement is approximately A\$14.1 million.

Total liabilities increased by A\$0.3 million between 30 June 2010 and 30 June 2011, from A\$2.5 million to A\$2.8 million. Total liabilities mainly comprise trade payables and rehabilitation provisions.

Total equity fell by A\$5.1 million between 30 June 2010 and 30 June 2011, from A\$67.3 million to A\$62.2 million, primarily due to an increase in accumulated losses of A\$12.0 million which was partly offset by an increase in reserves of A\$6.2 million.

3.7. Information about Minemakers Securities

(a) Minemakers Shares

As at the date of this Bidder's Statement, Minemakers had 228,236,727 Minemakers Shares on issue.

(b) Minemakers Options

As at the date of this Bidder's Statement, Minemakers had 17,375,000 unquoted Minemakers Options on issue, as detailed below:

Number	Exercise Price (A\$)	Expiry
1,000,000	0.29	21 August 2013
1,000,000	0.97	21 August 2013
500,000	0.47	1 July 2014
500,000	0.47	3 January 2016
12,500,000	0.71	25 March 2015
500,000	0.49	17 August 2013
1,375,000	0.36	3 January 2014

BIDDER'S STATEMENT

3.8. Minemakers Shareholders

As at the date of this Bidder's Statement, there were approximately 8,500 Minemakers Shareholders and the top 10 Minemakers Shareholders were:

Minemakers Shareholder	Minemakers Shares	
	Number	Percentage
Paul Winston Askins	6,841,950	3.0
Jerele Mining Pty Ltd	4,041,988	1.8
HSBC Custody Nominees (Australia)	3,897,973	1.7
Shay Margaret Drummond	3,200,356	1.4
Key International Pty Ltd	3,127,577	1.4
Golden Archer Resources Pty Ltd	2,929,466	1.3
Andrew James Drummond	2,900,000	1.3
Brett Wilmott	2,300,000	1.0
Andrew J&S Drummond	2,266,446	1.0
Citicorp Nominees Pty Ltd	1,781,016	0.8
Total	33,286,782	14.6%

3.9. Trading in Minemakers Shares

Minemakers Shares are quoted on ASX, TSX and NSX.

Set out below is a table showing relevant trading prices of Minemakers Shares on ASX:

Comparative trading period price of Minemakers Shares	Price of Minemakers Shares A\$
Highest trading price in the 4 months prior to the date this Bidder's Statement was lodged with ASIC	\$0.380
Lowest trading price in the 4 months prior to the date this Bidder's Statement was lodged with ASIC	\$0.240
Closing trading price on the last trading day before the Announcement Date	\$0.335
Last available closing price of Minemakers Shares traded on ASX prior to the date this Bidder's Statement was lodged with ASIC	\$0.295

3.10. Further information on Minemakers

As a company whose shares are quoted on ASX, Minemakers is a disclosing entity (see **section 9.6** for further details) and, as such, is subject to regular reporting and disclosure obligations. Copies of all documents lodged with ASIC in relation to Minemakers may be obtained for a fee from, or inspected at, an office of ASIC.

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules or the Bidder's Statement that UCL Shareholders and their professional advisers would reasonably require for the purpose of making an informed assessment of:

- the assets and liabilities, financial position and performance, profits and losses and prospects of Minemakers; and
- the rights and liabilities attaching to the Minemakers Shares to be issued pursuant to the Offer.

4. Profile of UCL

4.1. Disclaimer

This overview of UCL and all financial information concerning UCL contained in this Bidder's Statement has been prepared by Minemakers using publicly available information adjusted where considered appropriate by Minemakers based on its industry knowledge and expertise.

The information in this Bidder's Statement concerning UCL has not been independently verified. Subject to the Corporations Act, Minemakers does not make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

The primary sources of information about UCL used by Minemakers were as follows:

- (a) publicly released information in relation to UCL; and
- (b) Minemakers' own knowledge and industry experience.

Further information relating to UCL is expected to be included in UCL's Target's Statement.

4.2. Overview of the UCL Group

UCL is an Australian mineral exploration company, which was listed on ASX on 15 December 1983. UCL is headquartered in Sydney, New South Wales. On the last trading day prior to the Announcement Date, UCL had an undiluted market capitalisation of approximately A\$15.4 million. As at 31 December 2011, UCL reported cash holdings of approximately A\$2.2 million.

4.3. Overview of UCL's activities

UCL has interests in two projects:

- A 42.5% interest in the Sandpiper Project (via its shareholding in the NMP Joint Venture); and
- A 25% interest in the Mehdiabad base metals project (**Mehdiabad Project**), located in Iran, which is the subject of an ongoing dispute.

4.4. Sandpiper Project, Namibia (42.5% UCL)

See **section 3.2** for an overview of the Sandpiper Project.

4.5. The Mehdiabad Project (25% UCL)

UCL is a 25% shareholder of an Iranian joint venture company, Mehdiabad Zinc Company (MZC). Other shareholders of **MZC** are Karoun Dez Dasht (**KDD Group**) (45.6%), Itok GmbH (**Itok**) (27%) and minority interests (2.4%). KDD Group and minority shareholders acquired their stake in MZC from the Iranian Mines and Mining Industries Development and Renovation Organization (**IMIDRO**) in December 2010.

IMIDRO holds the Exploitation Licence relating to the Mehdiabad Project. In December 2006, IMIDRO purported to terminate several agreements between the then shareholders of MZC relating to the Mehdiabad Project. UCL announced that it believed these agreements were invalidly terminated. Since then, ownership of the Mehdiabad Project has been in dispute.

In December 2010, UCL announced that MZC had executed a directive from the Office of the President of Iran for MZC to enter into a Memorandum of Understanding relating to the operation of the Mehdiabad Project and then formalise the necessary agreements.

UCL has advised the market that it continues to work with various Iranian parties to seek a mutually beneficial solution to the ownership issues relating to the Mehdiabad Project. However, at the date of this Bidder's Statement, UCL had no current and publically announced time frame for the development of the Mehdiabad Project and no resolution concerning the ownership of the project had been reached.

BIDDER'S STATEMENT

UCL has announced that it has spent in excess of US\$16.8 million on exploration and feasibility activities relating to the Mehdiabad Project since 2003. However in the 2010 financial year, UCL took a A\$17.4 million impairment charge on the value of the exploration and evaluation asset relating to the Mehdiabad Project, which was written down to nil.

4.6. Directors of UCL

As at the date of this Bidder's Statement, the UCL Directors are as follows. The information about them is taken from UCL's annual report for the year ended 30 June 2011.

Ian Ross, (Chairman and Non-Executive Director)

Ian Ross has been a Director since 23 June 2005. Mr Ross has over 45 years experience in international finance and mining in Europe, USA, Asia and Australasia. He is currently an Associate of the Chartered Institute of Bankers and holds a Diploma from the School of Management Studies, London. He has worked at the most senior level with many of the major Australian companies and for ten years, until his retirement from executive positions, was a senior executive in the Ivanhoe Group of companies. Mr Ross has been a non-executive director of Indochine Mining Limited since 2009 and was previously a director of Intec Limited from 2003 – December 2007. Mr Ross is a member of the Audit Committee and the Remuneration & Nomination Committee.

Chris Jordinson, B.Com (Managing Director)

Chris Jordinson was formerly Chief Executive Officer of Outback Metals Limited, a company listed on ASX. Before joining Outback Metals Limited, Mr Jordinson was the Chief Executive Officer of Copper Resources Corporation, which was listed on the Alternative Investment Market of the London Stock Exchange. Prior to that, Mr Jordinson was the Company Secretary of Queensland Ores Limited, during which time he assisted that company to list on ASX in May 2005. Mr Jordinson has more than fourteen years experience as a Chief Executive Officer, Company Secretary and Financial Controller for various Australian public companies.

Gida Nakazibwe-Sekandi, LLB (Non Executive Director)

Ms Nakazibwe-Sekandi obtained a Bachelor of Law in 1976 at the University of Makerere in Kampala, Uganda, followed by a Diploma for Legal Practice in 1977. She practiced as a lawyer for over nine years in Uganda and Zimbabwe and is an accredited public relations practitioner. She is currently an Executive Director of the Group Professional Services Division of Capricorn Investment Holdings Limited, a regional financial services group based in Namibia and Botswana with interests in banking (including 72.9% ownership of Bank Windhoek), insurance, asset management, investments and micro finance. The Group Professional Services Division includes the practice areas legal advisory, company secretariat and board affairs, corporate audit services, business process management and corporate marketing and communication services. Prior to this Ms Nakazibwe-Sekandi was the Executive Director, Corporate Marketing for Capricorn Investment Holdings which included the provision of corporate marketing and communication services to group companies, and before that had corporate roles with Bank Windhoek and Rossing Uranium Limited.

Stephen Gemell (Non Executive Director)

Mr Gemell has over 35 years experience in the Australasian, African, European and Americas mining industry. Mr Gemell's experience includes both underground and open cut mining covering project evaluation, feasibility studies, development and operational management and supervision. In addition, Mr Gemell has acted as an independent expert or technical auditor for both mining companies and financial institutions. He has been Principal of Gemell Mining Engineers, an independent multi discipline consultancy, since its formation in Kalgoorlie in 1984. Mr Gemell has held executive and non executive directorships in listed mining companies and is currently a non executive director of Argent Minerals Limited, Eastern Iron Limited, Indochine Mining Limited and Uranium Exploration Australia Limited.

4.7. Information about UCL securities

According to documents provided by UCL to ASX, UCL has the securities set out below on issue.

(a) UCL Shares

As at the day before the date of this Bidder's Statement UCL had 80,807,074 UCL Shares on issue.

(b) UCL Options and dilutive securities

As at the day before the date of this Bidder's Statement UCL had 333,335 unquoted UCL Options on issue, as shown below:

Number	Exercise Price (A\$)	Expiry
200,000	0.60	31 March 2013
44,445	0.63	31 March 2015
44,445	0.39	31 March 2015
44,445	0.15	31 March 2015

There are 2,425,336 UCL Performance Rights on issue to UCL Directors and the UCL Convertible Note, with a maturity date of 4 November 2012, convertible into 3,333,334 UCL Shares.

4.8. Substantial holders of UCL Shares

Based on material lodged with ASX as at the day before the date of this Bidder's Statement, each of the following persons had disclosed the following substantial shareholdings in the issued ordinary share capital of UCL:

Name of UCL Shareholder	Disclosed voting power
Twynam	31.7%
Minemakers	13.1%
JP Morgan Nominees Australia	8.8%

4.9. Further information on UCL

UCL maintains a website, www.unionresources.com.au which contains further information about UCL and its operations.

UCL Shareholders may obtain or inspect a copy of documents lodged with ASIC at an office of ASIC. In addition, on request to Minemakers and free of charge, UCL Shareholders may obtain a copy of, or inspect, any documents referred to in this Bidder's Statement which have been lodged with ASIC.

UCL is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, UCL is subject to the Listing Rules which require continuous disclosure of any information UCL has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Further information about UCL will be contained in the Target's Statement.

5. Intentions of Minemakers

5.1. Approach and intentions of Minemakers

Sections 5.2 to 5.5 set out the intentions of Minemakers on the basis of facts and public information concerning UCL which are known to Minemakers at date of this Bidder's Statement. However, Minemakers will only reach final decisions in light of material facts and circumstances at the relevant time.

Accordingly, the statements set out in these sections are statements of current intentions only and may vary as new information becomes available or circumstances change.

5.2. Intentions upon obtaining control of UCL but less than 90% of the UCL Shares

On completion of the Offer, Minemakers may hold a sufficient number of UCL Shares to exercise control over the management and operations of UCL, but may not be entitled to compulsorily acquire all outstanding UCL Shares.

Minemakers' intentions under this situation are as follows:

(a) Directors

Minemakers will seek the appointment of its nominees as UCL Directors. No decision has been made as to the identity of these directors.

If Minemakers' nominees are appointed as UCL Directors, Minemakers will be seeking that its nominees implement the intentions set out below (based on the information currently available to it) as are consistent with UCL being a controlled entity of Minemakers but not a wholly owned subsidiary. The ability of Minemakers to implement any of the intentions set out in this **section 5.2** will be subject to, among other things:

- the legal obligations of the UCL Directors to have regard to the interests of UCL and UCL Shareholders;
- the requirements of the Corporations Act relating to transactions between related parties; and
- potentially the Listing Rules relating to transactions between related parties.

It should be noted that Minemakers expects that each of its nominees to the UCL Board will exercise their own independent judgement and skill when it comes to the operational, financial and business decisions relating to UCL. Minemakers' only influence will be through its position as a majority shareholder in UCL.

(b) Financing

Under this scenario, UCL will need to consider opportunities to raise capital to undertake exploration and development work at the Sandpiper Project. This may lead to a dilution of remaining UCL Shareholders if new capital is introduced into UCL. To avoid further dilution, remaining UCL Shareholders may also be required to contribute to the capital needs of UCL to make available sufficient funding to facilitate development plans and future exploration.

Minemakers has not yet made a decision on whether it would support such a fundraising.

(c) Delisting

Subject to the spread and number of remaining UCL Shareholders and Listing Rule requirements, Minemakers intends to seek to remove UCL's listing on ASX.

(d) Review of UCL operations and assets

Minemakers intends to conduct an immediate review of UCL's operations on both a strategic and financial level to determine mechanisms for improving the performance and realise any potential operational and financial synergies.

The detailed outcome of the review is not able to be determined at this stage, although it is likely to involve some, or all, of the following:

- (ii) identifying and assessing how best to extract value from the UCL interest in the Mehdibad Project;

- (iii) understanding any existing material third party contractual arrangements; and
- (iv) eliminating duplication of functions where it is economical to do so. The key objective of this review will be to ascertain the potential for fast tracking development of the Sandpiper Project and to establish the operating and cost synergies from the incorporation of the UCL team and operations into the Minemakers operating structure.

(e) Sandpiper Project

Minemakers intends to actively progress the operational aspects of the Sandpiper Project and does not intend to make any changes to its current management.

(f) Mehdibad Project

Minemakers intends to conduct a review of the Mehdibad Project aimed at identifying and assessing how best to extract value from it. Until that review is finalised, Minemakers will not be in a position to determine if it will continue with the project.

5.3. Intentions upon acquisition of 90% or more of the UCL Shares

This section describes Minemakers' intentions if Minemakers acquires a Relevant Interest in 90% or more of the UCL Shares. If this were to occur, Minemakers will be entitled to proceed to compulsory acquisition of the outstanding UCL Shares which it is entitled to compulsorily acquire in accordance with Part 6A.1 of the Corporations Act.

Minemakers intends (based on the information currently available to it) to implement its strategy for the Combined Group as set out in **section 5.2** and also to implement its intentions as set out below.

(a) Compulsory acquisition of UCL Shares

Minemakers intends to proceed with the compulsory acquisition of any UCL Shares not acquired under the Offer, the UCL Options, the UCL Convertible Notes and the UCL Performance Rights when it is entitled to do so in accordance with the Corporations Act.

(b) Appointment of Directors

Minemakers intends to appoint its own nominees to the UCL Board and its Subsidiaries and seek the retirement of all current members of the UCL Board and all associated entities.

To affirm the Combined Group's commitment to the Sandpiper Project, Chris Jordinson will be invited to join the Minemakers Board as an Executive Director.

(c) Employees

Subject to the outcome of its review, it is Minemakers' intention to integrate UCL's management team into Minemakers.

Minemakers will make decisions regarding senior management positions following the general operation review referred to above, and will implement those decisions through its nominee directors.

Minemakers will seek to retain operational experience inherent in Minemakers' and UCL's existing staff. Minemakers currently intends to offer roles to Chris Jordinson (Executive Director) and Roger Daniel (an executive role continuing his current duties).

As a result of the implementation of these intentions, it is possible that certain operational functions will become redundant. Some redundancies may occur as a result, however, the incidence, extent and timing of such actions cannot be predicted in advance. If redundancies do occur, the relevant employees will receive benefits in accordance with their contractual and other legal entitlements.

It should be recognised that the growing of Minemakers' business will require additional resources with the specific skills of the current UCL team to be assessed against future requirements.

BIDDER'S STATEMENT

(d) Dividends

Minemakers expects that dividends are unlikely to be available from the Combined Group for the immediately foreseeable future.

5.4. Other intentions

Except for the changes and intentions set out in this **section 5** and subject to the outcome of the review, it is the present intention of Minemakers (based on the information presently available to it) to:

- (a) continue to hold the key assets of UCL and maintain its business in substantially the same manner as it is presently being conducted;
- (b) not make any major changes to the business or assets of UCL and not redeploy any of the fixed assets of UCL; and
- (c) continue the employment of UCL's key employees.

5.5. Limitations in giving effect to intentions

The ability of Minemakers to implement the intentions set out in this **section 5** will be subject to the legal obligations of the Minemakers Directors to have regard to the interests of Minemakers and all Minemakers Shareholders, and the requirements of the Corporations Act and the Listing Rules relating to transactions between related parties. Minemakers will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

6. Profile of the Combined Group

6.1. Overview of the Combined Group

Following completion of the Offer, the Combined Group will have the following key attributes:

- a Resource base of up to 2.4 billion tonnes of phosphate ore with a weighted average grade of 18.3% P₂O₅ (at a 10% P₂O₅ cut-off), which would represent the largest phosphate Resource base of any of Minemakers' listed peers²⁷ on ASX or TSX;
- the potential to be a significant future producer of phosphate-related products, with the results of a scoping study confirming the potential viability of a 3 Mtpa phosphate rock product from the Sandpiper Project (calculated on a 100% basis) and an enabling study justifying the commitment to proceed to a bankable feasibility study on the development of a major fertiliser production facility producing either 1.4 Mtpa of superphosphoric acid or 2.2 Mtpa of solid phosphate fertiliser (in the form of DAP or MAP) from the Wonarah Project;²⁸
- a combined pro-forma fully diluted market capitalisation of A\$99.4 million;²⁹
- listings on ASX, TSX and NSX;
- pro-forma combined cash reserves of A\$11.4 million as at 31 December 2011.³⁰ Taking into account the repayment of the convertible note held by BCD Resources to Minemakers since 31 December 2011, the pro-forma combined cash reserves would be A\$17.0 million;³¹
- support from the Haverstock Master Fund, LLC through a committed equity facility of A\$15.0 million;
- no interest bearing debt (assuming the UCL Convertible Note has been converted into UCL Shares);
- a simplified corporate structure for the Sandpiper Project, with a significant reduction in cross ownership issues;
- strategic phosphate-related investments, including a seven year exclusive licence in Australia for JDC's dry kiln technology for the production of superphosphoric acid; and
- other investments in TNT Mines and AMMG.

6.2. Minemakers' strategy for the Combined Group

Minemakers intends to pursue a strategy that delivers near-term phosphate rock production and medium-term fertiliser production from the Combined Group's existing Resource base, while continuing exploration activities to identify potential increases in Resources and new discoveries.

The development strategy for the Sandpiper Project will include the following:

- completing the DFS as soon as possible;
- following successful completion of the DFS, establishing a detailed development, funding and implementation plan for production of first phosphate rock from the Sandpiper Project;

²⁷ Peer group defined as all companies listed on ASX or TSX with a defined phosphate Resource, that is not yet in production.

²⁸ Production targets are currently conceptual in nature and relate to future production goals based on the current resources. Detailed feasibility studies are currently underway to advance the economic evaluations of the various deposits. These production targets are based on the current Mineral Resources and exploration targets for these projects. These Mineral Resources and exploration targets are not Ore Reserves, and therefore it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets also remain subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

²⁹ Assuming Minemakers acquires all of the UCL Shares, Minemakers Share price at the close of trade on 10 February 2012 of A\$0.335 per Minemakers Share, conversion of the UCL Convertible Note into UCL Shares, vesting of the UCL Performance Rights and the issue of UCL Shares and exercise of all In-the-money UCL Options into UCL Shares at the implied Offer price.

³⁰ Assuming Minemakers acquires 100% of all of the UCL Shares and excluding UCL costs of the transaction. See **section 6.4(c)** for assumptions underlying this.

³¹ Assuming Minemakers acquires 100% of all of the UCL Shares.

BIDDER'S STATEMENT

- developing markets for rock phosphate concentrate produced from the Sandpiper Project;
- seeking to ramp-up production to a production rate of 3 Mtpa of phosphate rock concentrate as markets develop and port capacity expands,³² in line with the results of the scoping study finalised in November 2010; and
- subject to satisfactory test work by JDC in 2012 and 2013, potentially establishing a superphosphoric acid facility at the Sandpiper Project.

The Combined Group's strategy for the Wonarah Project will include the following:

- continuing engagement with NMDC and Legacy regarding proposed joint venture terms for the Wonarah Project whilst also continuing to evaluate alternative proposals from other potential partners;
- commencing feasibility studies for an integrated phosphate rock mine, and fertiliser processing facilities at or near the Wonarah Project; and
- subject to a positive feasibility study result, construction and commissioning of a phosphate rock mine and either a superphosphoric acid plant or finished fertilizer facility.

Currently there is no specific timing of the various proposed developments at the Wonarah Project. This timing will need to be fully evaluated as the feasibility studies provide more detailed information.

Administration of the Combined Group may be assisted by removal of duplication of some limited costs, including Board fees and ASX listing fees. However, Minemakers does not envisage any material changes to staffing levels arising from the transaction.

6.3. Capital structure of the Combined Group

The actual number of Minemakers Shares on issue at completion of the Offer will depend on the number of acceptances of the Offer, the number of UCL Options and Minemakers Options (if any) exercised during the Offer Period, the number of UCL Performance Rights that vest and are exercised and whether the UCL Convertible Note is converted into UCL Shares during the Offer Period.

Assuming that:

- 44,445 In-the-money UCL Options are exercised into UCL Shares during the Offer period;
- the UCL Convertible Note is converted into 3,333,334 UCL Shares during the Offer period;
- 2,425,336 UCL Performance Rights vest and are exercised and UCL issues UCL Shares upon those UCL Performance Rights being exercised during the Offer period; and
- Minemakers acquires 100% of all of the UCL Shares,

then on completion of the Offer, assuming the Offer is accepted by all holders of UCL Shares (including those issued as a result of the assumptions above), the Combined Group would have a total of 296,654,164 shares on issue.³³ In that scenario, Minemakers Shareholders would hold 76.9% and UCL Shareholders would hold 23.1% of the Combined Group.

Based on information known to Minemakers at the time of this Bidder's Statement, the table below summarises the five largest shareholders of the Combined Group.

³² Production targets are currently conceptual in nature and relate to future production goals based on the current Resources. Detailed feasibility studies are currently underway to advance the economic evaluations of the various deposits. These production targets are based on the current Mineral Resources and exploration targets for these projects. These Mineral Resources and exploration targets are not Ore Reserves, and therefore it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets also remain subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

³³ Assuming Minemakers is undiluted.

Name	Minemakers Shares		
	Number of Minemakers Shares held post completion of the Takeover Bid	Current Relevant Interest in Minemakers (%)	Relevant Interest following completion of the Takeover Bid (%)
Twynam	26,046,104	-	8.8
Paul Winston Askins	6,841,950	3.0	2.3
JP Morgan Nominees Australia	6,413,877	-	2.2
Jerele Mining Pty Ltd	4,041,988	1.8	1.4
HSBC Custody Nominees	3,897,973	1.7	1.3

6.4. Pro-forma Consolidated Financial Information for the Combined Group

(a) Basis of presentation of pro-forma financial information

This section contains an overview of the financial effects of the transaction on Minemakers, including unaudited pro-forma consolidated statements of financial position as at 31 December 2011 for Minemakers, UCL and the Combined Group (assuming Minemakers acquires 50% and 100% of UCL Shares) after successful completion of the Offer.

The pro-forma consolidated statement of financial position as at 31 December 2011 for Minemakers has been extracted from the unaudited accounts for Minemakers for the six month period ended 31 December 2011.

The pro-forma consolidated statement of financial position as at 31 December 2011 for UCL has been estimated by extracting the audited consolidated statement of financial position as at 30 June 2011 from the audited accounts, and making assumptions and adjustments to reflect:

- UCL's unaudited cash position as at 31 December 2011, as announced by UCL on 31 January 2012; and
- UCL's unaudited cash operating and exploration expenditure in the period 30 June 2011 to 31 December 2011, and the associated estimated impacts on UCL's statement of financial position.

To generate the unaudited pro-forma consolidated statement of financial position for the Combined Group as at 31 December 2011, Minemakers has estimated acquisition accounting entries based on the terms of the Offer and the assumptions set out at the end of the statement of financial position.

Minemakers will undertake a comprehensive assessment of the fair value of the assets and liabilities acquired after completion of the Offer.

The unaudited pro-forma statements of financial position presented are indicative only and presented on an abbreviated basis. Minemakers has drawn its own conclusions based on the known publicly available information. If the factors, circumstances, assumptions or other information should prove to be different to that described, the conclusions may change accordingly. All adjustments have been made in accordance with Australian International Financial Reporting Standards and Australian accounting standards and comply with International Financial Reporting Standards.

This section should be read in conjunction with section 6 of this Bidder's Statement, which provides details of Minemakers' current intentions regarding UCL.

BIDDER'S STATEMENT

(b) Combined Group pro-forma consolidated statement of financial position as at 31 December 2011, assuming Minemakers acquires 100% of all of the UCL Shares

	Minemakers adjusted and unaudited 31-Dec-11	UCL adjusted and unaudited 31-Dec-11	Adjustments unaudited 31-Dec-11	Combined Group pro-forma unaudited 31-Dec-11
CURRENT ASSETS				
Cash and cash equivalents	9,519,358	2,164,797	(319,335)	11,364,820
Trade and other receivables	7,483,148	68,747	(552,036)	6,999,859
Financial assets	-	150,000	-	150,000
TOTAL CURRENT ASSETS	17,002,506	2,383,544	(871,370)	18,514,679
NON-CURRENT ASSETS				
Trade and other receivables	1,289,500	-	-	1,289,500
Plant and equipment	675,097	11,952	87,879	774,928
Financial assets	3,222,965	50,583	(1,906,347)	1,367,201
Capitalised exploration and evaluation expenditure	39,210,536	-	24,845,315	64,055,851
Investments accounted for using the equity method	1,730,459	5,295,957	(7,026,416)	-
TOTAL NON-CURRENT ASSETS	46,128,557	5,358,492	16,000,431	67,487,480
TOTAL ASSETS	63,131,063	7,742,036	15,129,061	86,002,159
CURRENT LIABILITIES				
Trade and other payables	580,696	311,677	190,969	1,083,342
Provisions	230,307	27,149	-	257,456
TOTAL CURRENT LIABILITIES	811,002	338,826	190,969	1,340,797
NON-CURRENT LIABILITIES				
Borrowings	-	500,000	(500,000)	-
Provisions	1,289,500	-	-	1,289,500
TOTAL NON-CURRENT LIABILITIES	1,289,500	500,000	(500,000)	1,289,500
TOTAL LIABILITIES	2,100,502	838,826	(309,031)	2,630,297
NET ASSETS	61,030,560	6,903,210	15,438,092	83,371,862
EQUITY				
Issued capital	86,400,854	101,687,383	(78,767,542)	109,320,695
Reserves	10,704,040	1,917,781	(1,917,781)	10,704,040
Accumulated losses	(35,990,303)	(96,701,954)	96,177,258	(36,515,000)
Capital and reserves attributable to members of Minemakers	61,114,591	6,903,210	15,491,935	83,509,736
Non-controlling interest	(84,031)	-	(53,843)	(137,874)
TOTAL EQUITY	61,030,560	6,903,210	15,438,092	83,371,862

(c) Combined Group pro-forma consolidated statement of financial position as at 31 December 2011, assuming Minemakers acquires 50% of all of the UCL Shares

	Minemakers adjusted and unaudited 31-Dec-11	UCL adjusted and unaudited 31-Dec-11	Adjustments unaudited 31-Dec-11	Combined Group pro-forma unaudited 31-Dec-11
CURRENT ASSETS				
Cash and cash equivalents	9,519,358	2,164,797	(431,218)	11,252,937
Trade and other receivables	7,483,148	68,747	(552,036)	6,999,859
Financial assets	-	150,000	-	150,000
TOTAL CURRENT ASSETS	17,002,506	2,383,544	(983,254)	18,402,796
NON-CURRENT ASSETS				
Trade and other receivables	1,289,500	-	-	1,289,500
Plant and equipment	675,097	11,952	87,879	774,928
Financial assets	3,222,965	50,583	(1,906,347)	1,367,201
Capitalised exploration and evaluation expenditure	39,210,526	-	11,900,893	51,111,429
Investments accounted for using the equity method	1,730,459	5,295,957	(7,026,416)	-
TOTAL NON-CURRENT ASSETS	46,128,557	5,358,492	3,056,009	54,543,058
TOTAL ASSETS	63,131,063	7,742,036	2,072,755	72,945,854
CURRENT LIABILITIES				
Trade and other payables	580,696	311,677	190,969	1,083,342
Provisions	230,307	27,149	-	257,456
TOTAL CURRENT LIABILITIES	811,002	338,826	190,969	1,340,797
NON-CURRENT LIABILITIES				
Borrowings	-	500,000	-	500,000
Provisions	1,289,500	-	-	1,289,500
TOTAL NON-CURRENT LIABILITIES	1,289,500	500,000	-	1,789,500
TOTAL LIABILITIES	2,100,502	838,826	190,969	3,130,297
NET ASSETS	61,030,560	6,903,210	1,881,786	69,815,557
EQUITY				
Issued capital	86,400,854	101,687,383	(92,698,847)	95,389,390
Reserves	10,704,040	1,917,781	(1,917,781)	10,704,040
Accumulated losses	(35,990,303)	(96,701,954)	96,552,258	(36,140,000)
Capital and reserves attributable to members of Minemakers	61,114,591	6,903,210	1,935,630	69,953,430
Non-controlling interest	(84,031)	-	(53,843)	(137,874)
TOTAL EQUITY	61,030,560	6,903,210	1,881,787	69,815,557

BIDDER'S STATEMENT

(d) Pro-forma adjustments and assumptions

The following adjustments and assumptions have been made in the preparation of the pro-forma unaudited consolidated statements of financial position of the Combined Group under the two scenarios set out in sections 6.4(b) and 6.4(c).

- The 100% acquisition scenario assumes the issue of 68,417,437 new Minemakers Shares to UCL Shareholders pursuant to the Offer. The 50% acquisition scenario assumes the issue of 26,831,450 new Minemakers Shares to UCL Shareholders pursuant to the Offer, before transaction costs;
- In the 100% acquisition scenario, the UCL Convertible Notes are assumed to have been converted into UCL Shares, which are then acquired under the Offer. In the 50% acquisition scenario, the UCL Convertible Note is assumed to remain in place.
- In the 100% acquisition scenario, UCL Performance Rights and In-the-money UCL Options are assumed to have been exercised and the UCL Shares issued on exercise have been acquired under the Offer. All other UCL Options are assumed to have been acquired for cash based on their estimated Black-Scholes valuation.
- In the 50% acquisition scenario, all UCL Options and UCL Performance Rights are assumed to remain in place.
- In both scenarios, the statement of financial position of the NMP Joint Venture as at 31 December is assumed to be consolidated into the Combined Group, rather than accounted for on an equity basis as is currently the case. The statement of financial position of the NMP Joint Venture as at 31 December has been extracted from the unaudited accounts for the NMP Joint Venture for the six month period ended 31 December 2011.
- In both scenarios, the excess of consideration over the fair value of UCL's non mineral assets resulting from the transaction has been attributed in full to capitalised exploration and development expenditure. An effect of this is to increase the exploration and development expenditure recognised on the pro-forma statement of financial position by A\$7.9 million (in both the 50% and 100% acquisition scenarios). In the 50% and 100% acquisition scenario, this results in the recognition of exploration and development expenditure of approximately A\$4.0 million and A\$16.9 million respectively.
- In the 50% and 100% scenario, approximately A\$1.05 million and A\$1.40 million respectively in cash transaction costs are expected to be incurred by Minemakers in relation to the Offer. This excludes UCL's costs of the transaction.

6.5. Financial outlook for the Combined Group

This Bidder's Statement does not include any financial forecasts or projections for revenue or profit in relation to Minemakers, UCL or the Combined Group.

Minemakers considers that the inclusion of financial forecasts would be speculative and potentially misleading for UCL Shareholders given:

- (a) Minemakers' and UCL's assets are principally pre-development exploration projects;
- (b) development is subject to inherent risks associated with material grades and quantities, mining and process equipment availability, the granting of production licenses, extraction and logistics costs; and
- (c) the future market prices for phosphate rock and phosphate fertilisers are inherently uncertain.

7. Australian tax implications

The following is intended only as a general guide to the income tax position under current Australian income tax law and administrative practice as at the date of this Bidder's Statement. Income tax is a complex area of law and the income tax implications for you may differ from those detailed below, depending on your particular circumstances. As these statements are of a general nature only it is recommended that you obtain your own independent professional advice in respect of the Australian income tax implications of the Offer.

The following is an overview of the likely Australian income tax implications as a consequence of the Takeover for an Australian tax resident UCL Shareholder who holds their UCL Shares on capital account.

The following may not apply to certain UCL Shareholders, such as if you are a dealer in securities, you hold UCL Shares on revenue account or as trading stock, if you are an insurance company or a collective investment scheme. In addition, the following may not apply to you if you acquired your shares as a result of an employment or services arrangement. Such persons may be subject to special rules or any gain on the exchange of their UCL Shares for Minemakers Shares may be assessed as ordinary income.

The following may also not apply to non-Australian tax resident UCL Shareholders. The Australian income tax implications for non-Australian resident UCL Shareholders are complex and will depend upon their own specific circumstances. Non-Australian tax resident UCL Shareholders may also have tax implications in their country of residence.

7.1. Capital gains tax

The transfer of UCL Shares to Minemakers pursuant to the Offer will trigger a capital gains tax (CGT) event for you. The income tax implications for you will depend on whether you receive Minemakers Shares or participate in the Sale Facility and choose to obtain scrip-for-scrip roll-over relief under Subdivision 124-M of the Income Tax Assessment Act 1997 (ITAA 1997) in relation to the disposal of your UCL Shares. Broadly, you may choose to obtain scrip-for-scrip roll-over relief where you:

- (a) receive Minemakers Shares;
- (b) hold your UCL Shares on capital account;
- (c) acquired your UCL Shares on or after 20 September 1985; and
- (d) would, apart from the application of the roll-over, make a capital gain from the disposal of your UCL Shares.

7.2. Where scrip-for-scrip roll-over relief is chosen

Where the above conditions are met, UCL Shareholders who wish to obtain scrip-for-scrip roll-over relief must choose to obtain the roll-over relief.

Where scrip-for-scrip roll-over relief is chosen, any capital gain arising from the disposal of your UCL Shares will be disregarded and deferred until a CGT event occurs in respect of the Minemakers Shares acquired by you under the Offer. The CGT cost base and reduced cost base of each Minemakers Share received will be determined by apportioning, on a reasonable basis, the cost base and reduced cost base of your UCL Shares disposed of pursuant to the Offer.

If you can apply the discount capital gains tax rules in Division 115 of the ITAA 1997 and you choose scrip-for-scrip roll-over relief, your Minemakers Shares will be taken to have been acquired at the time your UCL Shares were originally acquired for the purposes of applying the CGT discount rules.

Where a capital loss arises, you will not be eligible to obtain scrip-for-scrip roll-over relief.

7.3. Where scrip-for-scrip roll-over is not chosen

Where scrip-for-scrip roll-over relief is not chosen, you will make a capital gain equal to the market value of your Minemakers Shares you are entitled to less the CGT cost base of your UCL Shares. In determining your capital gain, the market value of your Minemakers Shares should be determined using the market value of those shares on the date you cease to have ownership of your UCL Shares.

BIDDER'S STATEMENT

You may be entitled to concessional CGT treatment under Division 115 of the ITAA 1997. This will depend upon your individual circumstances.

If your reduced cost base is greater than the market value of your Minemakers Shares you are entitled to, you may realise a capital loss.

Where scrip-for-scrip roll-over relief is not chosen, the cost base of the Minemakers Shares will be equal to their market value, as determined on the date the Minemakers Shares are allotted or issued.

Where scrip-for-scrip roll-over relief is not chosen, the acquisition date of the Minemakers Shares for CGT purposes will be the date on which the Minemakers Shares are allotted or issued to you.

7.4. Disposal of Minemakers Shares under the Sale Facility

Where you accept the Offer and elect to participate in the Sale Facility, you will dispose of your Minemakers Shares that you receive (or are entitled to receive) for those Minemakers Shares that participate in the Sale Facility as a result of acceptance of the Offer. This will trigger a CGT event for you with respect to the Minemakers Shares in addition to the CGT consequences of acceptance of the Offer discussed above.

If the sale proceeds that you are entitled to receive under the Sale Facility are greater than the CGT cost base of the Minemakers Shares (discussed below), you will have a capital gain. If your reduced cost base is greater than the sale proceeds you are entitled to receive under the Sale Facility, you may have a capital loss.

If you elect to use the scrip-for-scrip roll-over relief in relation to the exchange of UCL Shares for Minemakers Shares:

- (a) for the purpose of determining the cost base and reduced cost base of the Minemakers Shares that are sold under the Sale Facility, you must apportion, on a reasonable basis, the cost base and reduced cost base of the UCL Shares disposed of pursuant to the Offer; and
- (b) for the purpose of determining eligibility for the discount capital gains tax rules in Division 115 of the ITAA 1997, the time of acquisition of the Minemakers Shares will be treated as being the time at which you acquired the original UCL Shares that you exchanged in the roll-over. Therefore, where you elected to use the roll-over and you held your UCL Shares for at least 12 months before the sale of their Minemakers Shares under the Sale Facility, provided you are an individual, complying superannuation entity or trust, you will be entitled to discount capital gains treatment.

If you do not elect to use the scrip-for-scrip roll-over relief in relation to the exchange of UCL Shares for Minemakers Shares:

- (a) the cost base and reduced cost base of the Minemakers Shares will be equal to their market value, as determined on the date the Minemakers Shares were allotted or issued to you; and
- (b) assuming that the Minemakers Shares will be sold under the Sale Facility within 12 months of issue or allotment following the Offer, you will not be eligible for discount capital gains treatment in relation to the Minemakers Shares that are sold under the Sale Facility because the shares will not have been held for at least 12 months prior to disposal.

7.5. Stamp Duty

If you accept the Offer you will not be required to pay any stamp duty on the disposal of your UCL Shares under the Offer, on the acquisition of Minemakers Shares under the Offer, or on a subsequent disposal of Minemakers Shares.

7.6. GST

None of the following transactions is subject to Australian GST:

- (a) the transfer of UCL Shares pursuant to the Offer (except brokerage if any);
- (b) the payment of dividends on Minemakers Shares; and
- (c) a disposal of Minemakers Shares (except brokerage if any).

8. Risk factors

8.1. Overview

If the Offer becomes unconditional, and you accept the Offer you will become a Minemakers Shareholder. In those circumstances, you will:

- (a) continue to be exposed to the risks associated with an investment in UCL as a result of your indirect interest in UCL through Minemakers;
- (b) be exposed to the risks which are specific to an investment in Minemakers; and
- (c) be exposed to additional risks relating to the Offer and the Combined Group.

These risks are explained in detail below. You should read this Bidder's Statement carefully and consult your professional advisers before deciding whether to accept the Offer.

Broadly speaking, if you accept the Offer you will:

- (a) diversify your risk across a greater number of projects owned and operated by Minemakers; and
- (b) decrease your exposure to the Sandpiper Project.

The Sandpiper Project is a major asset that is jointly owned and operated by Minemakers, UCL and Tungeni Investments. It currently represents the sole asset of UCL that has the potential to proceed to production. Acceptance of the Offer is expected to result in the Combined Group having greater access to technical synergies and competitive funding (among other things), which is expected to benefit the development of the Sandpiper Project going forward and lower development related risks.

However, the financial performance and operation of Minemakers' business, the price of Minemakers Shares and the amount and timing of any distributions that Minemakers pays will continue to be affected and influenced by a range of risks. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, while others can be covered by insurance but some are outside the control of Minemakers and cannot be mitigated or insured against. Many of these risks also affect the businesses of other companies operating in the same industry.

Note that an investment in Minemakers carries no guarantee with respect to the payment of dividends, return of capital or price at which Minemakers Shares will trade and should be considered speculative. The principal risk factors include, but are not limited to, the following.

8.2. Risks relating to the Sandpiper Project

In addition to the industry risks that the Combined Group will be exposed to, the following risks have been identified as being key risks relating to the Sandpiper Project. These are risks that you are currently exposed to and, by accepting the Offer, you will diversify your risk away from the risks associated with the Sandpiper Project.

Ability to raise sufficient capital to fund development

The continued development of the Sandpiper Project will be dependent upon the Combined Group's ability to obtain debt and/or equity financing. There is a risk that the Combined Group will not be able to access capital on terms that make the project economically viable, or at all. Even if the Combined Group is able to raise finance, it may be on terms that materially dilute your equity in the Combined Group.

Current market conditions, including volatility in European markets due to concerns about the sovereign debt position of various countries, has affected investor confidence. This has caused a noticeable contraction in the willingness of European banks to provide project finance for mining projects. These concerns have negatively impacted the availability and extent of capital for projects such as the Sandpiper Project.

Technical risks associated with extraction of phosphate products

The NMP Joint Venture's preference for mining of the unconsolidated phosphatic sediment of the Sandpiper Project is by a trailing suction hopper dredge. The ability to mine at the water depths of the NMP Joint Venture's deposits will require modification of a currently existing dredge. The NMP Joint Venture cannot guarantee that this

BIDDER'S STATEMENT

can be successfully accomplished. If it cannot be modified in the manner anticipated, there are alternative mining techniques available, but they are expected to be less efficient and would negatively impact on the economic viability of the Sandpiper Project.

Operating in Namibia

The Sandpiper Project is located in Namibia. Namibia is exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks include currency exchange rates, rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, restrictions on foreign exchange, changing political conditions and governmental regulations.

Changes in any of these matters may adversely affect the Combined Group's operations or profitability.

The Namibian government is proposing to introduce changes to its taxation laws. These changes may generate tax consequences for upstream acquisitions such as the proposed acquisition of all UCL Shares by Minemakers under the Offer. It is currently uncertain if these proposed laws will be passed and if passed, it is not certain they apply to tax upstream acquisitions at all. However, if these changes come into effect in the form proposed and they are intended to capture upstream acquisitions, Minemakers would be taxed at the rate of 10% of the value of the UCL Shares it acquires after the date the legislation takes effect. The legislation, if passed, is not expected to take effect until 1 May 2012 at the earliest.

In addition, the Combined Group may be exposed to uncertainties regarding the future level of royalty payments required to be made under Namibian laws, although no changes to royalty payment laws are currently proposed. Any material changes in taxation laws in relation to the returning of capital or profits from Namibia may affect the viability and profitability of the Combined Group.

The Definitive Feasibility Study may not confirm the Sandpiper Project is economically viable

The results of the DFS, which is due for release at the end of March 2012, may be that the Sandpiper Project is not economically viable or sufficiently attractive to attract capital required for development. While Minemakers does not expect this will be the outcome, at the date of this Bidder's Statement the results of the DFS are yet to be released.

Environmental approvals are yet to be obtained

Although the NMP Joint Venture has submitted the Marine Environmental Impact Assessment and an Environmental Management Plan Report for environmental approvals for the Mining Licence, the NMP Joint Venture cannot guarantee that these approvals will be granted. If the approvals are not granted, the Sandpiper Project cannot proceed.

Product marketing risks

The successful development of the Sandpiper Project will result in a material amount of new rock phosphate product entering the world market. If this materially increases world supply, this has the potential to adversely impact on prices received for the Combined Group's product.

Despite having conducted marketing activity and technical testing on the likely demand for the product, there can be no certainty that based on the product specifications, the Combined Group will be able to secure off-take contracts enabling the product to be successfully sold.

8.3. Risks associated with Minemakers' projects other than the Sandpiper Project

In addition to the industry risks that the Combined Group will be exposed to, the following risks have been identified as being key risks relating to Minemakers' projects other than the Sandpiper Project. These are risks that UCL Shareholders are not currently exposed to and, by accepting the Offer, will become exposed to.

Capital raising risk – NMDC joint venture

There is a risk that the Combined Group will be unable to negotiate a joint venture agreement with NMDC or Legacy for the Wonarah Project in which case an alternate joint venture partner would need to be located. If a joint venture partner cannot be located and the Combined Group is not able to access capital from other sources, this would have a material adverse impact on the development of the Wonarah Project.

Product marketing risks

The successful development of the Wonarah Project has the potential to produce a material amount of fertiliser products entering the world market. Until the project is finally designed, it is not clear what proportion of the production will be rock phosphate, SPA, DAP or MAP. The potential to increase world supply of any of these products has the potential to have a negative impact on prices received for the Combined Group's product.

Process technology risk

Different process technologies are being considered for the Wonarah Project. One process being considered, the "improved hard process", is not yet commercially proven at the scale being contemplated and if able to be successfully adopted, could materially impact the design of the project and significantly increase the capital requirements of the project. JDC, the holder of the patent for the improved hard process, must prove its ability to produce at commercial scale. JDC is raising capital to construct and operate a demonstration plant in Florida and aims to have it completed around the end of 2012.

Infrastructure access arrangements

The Wonarah Project requires significant amounts of input materials to be transported to the project area and finished product to be delivered to domestic and export markets. To ensure this occurs, securing access to infrastructure at commercially reasonable rates, particularly the Adelaide – Darwin railway line, will be important. If this cannot be achieved, there is a risk that the project economics will be materially affected.

Input prices

Depending on the processing route chosen, various levels of input products may be required to be purchased for the Wonarah Project (e.g. sulphur, diesel, energy). Price increases in key inputs have the ability to detrimentally impact project economics.

Carbon Tax

The Australian Federal Government has announced the introduction of new regulations to address global warming and potential climate change.

Broadly, the proposed measures will apply as a fixed tax from 1 July 2012 to 30 June 2015. The carbon price will start at \$23 per tonne and rise by 2.5 per cent a year in real terms. From 1 July 2015 onwards, the system is scheduled to switch to an emission trading scheme where the price of carbon pollution will be set by the market and the number of permits issued by the Government each year will be capped.

The new regulation, if introduced in accordance with the Australian Federal Government's proposal, may have an adverse impact on Minemakers' profitability, net assets and cash flow from its Australian operations. The impact could be direct, by way of being subject to the carbon tax, and also indirect, due to the increased cost of supplies that may reflect any carbon tax paid. The effect of the proposed regulation on the Combined Group's business cannot be stated with meaningful precision at this point due to the preliminary nature of the available information.

Joint ventures with product end-users

Mining projects are often conducted through unincorporated joint ventures or incorporated joint venture companies.

It is possible that joint venture partners may also be end-users of the expected Wonarah Project phosphate products. Partnering with a consumer of product gives rise to unique risks.

Joint ventures can often require unanimous approval of the parties to the joint venture or their representatives for certain fundamental decisions such as an increase or reduction of registered capital, merger, division, dissolution, amendment of the constituting documents, and the pledge of the joint venture assets, which means that each joint venture party may have a veto right with respect to such decisions, which could lead to a deadlock.

Native title and Aboriginal heritage

It is possible that, in relation to tenements in which Minemakers has an interest or will in the future acquire such an interest in Australia, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Minemakers to gain access to tenements (through

BIDDER'S STATEMENT

obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.

The effect of the present laws in respect of native title that apply in Australia is that mining tenement applications and existing tenements may be affected by native title claims or procedures. This may preclude or delay granting of exploration and mining tenements and considerable expenses may be incurred negotiating and resolving issues. For the same reasons, native title claims or procedures may preclude or delay the development of necessary infrastructure, in particular the Wonarah slurry pipeline route connecting the onshore buffer pond and beneficiation plant (which is currently the subject of cultural clearances).

If any known (or currently unknown but later discovered) Aboriginal heritage sites cannot be avoided on tenements held by Minemakers. By virtue of Aboriginal Heritage legislation, there is a risk that the presence of any Aboriginal heritage sites may limit or preclude exploration or mining activity within the sphere of influence of those sites and delays and expenses may be experienced in obtaining clearances.

8.4. Industry risks for the Combined Group

You are currently exposed to these risks through your shareholding in UCL and will continue to be exposed to them as a shareholder in the Combined Group.

Tenure risks

Interests in exploration and mining tenements are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance. These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. Consequently the Combined Group could lose title to, or its interest in, its tenements if licence conditions are not met or if expenditure commitments are not met.

Similarly, overseas mining and exploration licences are also generally subject to periodic renewal and are governed by specific legislation. However, uncertainties with governmental policies and laws in developing countries means that there are no guarantees any of the overseas exploration licences or mining tenements currently held by the Combined Group will be renewed or retained. Conditions may also be imposed upon the Combined Group's exploration licences in the future. Refer to the section headed "General foreign operation risks" below for more information.

Development

There can be no assurance that any development activity in regard to the Combined Group's phosphate deposits, will result in a profitable operation.

Development, dredging, processing, export and marketing may be hampered by circumstances beyond the control of the Combined Group.

Operational and technical risks

The operations of the Combined Group may be affected by various factors, including failure to achieve predicted grades in mining, operational and technical difficulties encountered in dredging, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical or recovery problems which may affect extraction costs and product quality, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Infrastructure

Mining, processing, development and exploration activities depend on adequate infrastructure.

Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. There is no assurance that such infrastructure can be put in place or that the capital will be available to the Combined Group on satisfactory terms, or at all, in order to build and maintain such infrastructure, which would have a material adverse effect on the Combined Group's financial condition and results of operation.

Further, a serious failure of basic infrastructure, high occurrences of power outages across the country, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure, could adversely affect production at the Combined Group's operations, financial condition and results of operations.

Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates may change. Accordingly, the actual resources may materially differ from these estimates and assumptions and no assurances can be given that the resource estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans, which may, in turn, affect the Combined Group's operations and ultimately its financial performance and value.

Commodity price fluctuations

In the event of feasibility exploration and development success, any future revenue derived through any future sales of phosphate products exposes the potential income of the Combined Group to commodity price risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Combined Group. These factors include world demand for commodities, aggressive marketing by competitors and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities.

Low phosphate product prices or weak demand for phosphate-based products will have a materially adverse effect on the Combined Group. It is not possible to accurately predict future movements in phosphate product prices or supply and demand dynamics for the phosphate industry, particularly in the current uncertain global economic environment.

Exchange rate fluctuations

International prices of most commodities are denominated in United States dollars, whereas the income and expenditure of the Combined Group, whilst operating on Namibian or Australian projects, will be in Namibian or Australian currency, exposing the Combined Group to the fluctuations and volatility of the rate of exchange between the United States dollar, the Australian dollar and the Namibian dollar, subject to any currency hedging the Combined Group may undertake.

Environmental risks

The operations and activities of the Combined Group are subject to State, Federal and Namibian laws and regulations concerning the environment. As with most dredging and mining operations, the Combined Group's activities are expected to have an impact on the environment. In Namibia, the NMP Joint Venture is still waiting on the determination of environmental conditions, if any, by the Namibian government. At Wonarah, there may be substantial costs for environmental rehabilitation, damage, control and losses. Further, if there are environmental rehabilitation conditions attaching to the mining tenements of the Combined Group, failure to meet such conditions could lead to forfeiture of these tenements.

Joint venture partners and contractors

The Combined Group would rely significantly on strategic relationships with other entities and also on a good relationship with regulatory and government departments and other interest holders. The Combined Group would also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed and the Combined Group could be adversely affected by changes to such relationships or difficulties in forming new ones.

Competition

The Combined Group will compete with other companies, including major phosphate product companies. Some of these companies have greater financial and other resources than the Combined Group and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Combined Group can compete effectively with these companies.

8.5. General investment risks

The business activities of the Combined Group will be subject to various general economic and investment risks that may impact on the future performance of the Combined Group. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Combined Group and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions.

The Combined Group may lack liquidity

There is no guarantee your new Minemakers Shares will be approved for quotation on ASX, TSX or NSX.

Even if your new Minemakers Shares are quoted on ASX, TSX or NSX, there is no guarantee that there will be an ongoing liquid market for Minemakers Shares. Accordingly, there is a risk that, should the market for Minemakers Shares become illiquid, Minemakers Shareholders will be unable to realise their investment in Minemakers.

General economic conditions

Economic conditions, both domestic and global, may affect the performance of the Combined Group. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Combined Group's future possible revenues and share price can be affected by these factors, all of which are beyond the control of the Combined Group.

Equity market conditions

Securities listed on the stock market, and in particular securities of mining and exploration companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Changes in Australian government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Combined Group, and consequent returns to investors. The activities of the Combined Group will be subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards, occupational health and safety and other matters.

General foreign operation risks

The operations of the Combined Group will be exposed to various levels of political, economic and other risks and uncertainties associated with operating in foreign countries. UCL Shareholders are already exposed to these risks, as UCL already operates in Namibia (Sandpiper Project) and in Iran (Mehdiabad Project).

These risks and uncertainties vary from country to country and include, currency exchange rates, rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, restrictions on foreign exchange, changing political conditions and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from a particular jurisdiction or otherwise benefit residents of that country or region.

Changes if any, in mining or investment policies or shifts in political attitude may adversely affect the operations or profitability of the Combined Group and add uncertainties which cannot be accurately predicted.

Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Combined Group.

8.6. Risks relating to the Offer

Issue of Minemakers Shares as consideration

UCL Shareholders are being offered Minemakers Shares as consideration under the Offer. As a result, the value of the consideration will fluctuate depending upon the market value of Minemakers Shares. Accordingly, the market value of the Minemakers Shares at the time you receive them may vary significantly from their market value on the date of your acceptance of the Offer.

Roll-over relief

If Minemakers does not acquire the number of UCL Shares sufficient to bring its total interest in UCL to at least 80% of the voting shares, scrip-for-scrip CGT roll-over relief will not be available to holders of UCL Shares.

Sale of Minemakers Shares

Under the Offer, Minemakers will issue a significant number of new Minemakers Shares. Some UCL Shareholders may not intend to continue to hold their Minemakers Shares and may wish to sell them (whether under the Sale Facility or otherwise). There is a risk that increased sales of Minemakers Shares may adversely impact on the price of and demand for Minemakers Shares in the short term.

Acquisition of less than 90% of UCL Shares

If Minemakers acquires less than 90% of all of the UCL Shares on issue under the Offer, this would prevent Minemakers compulsorily acquiring all remaining UCL Shares. The existence of a minority interest in UCL may have an impact on the operations of the Combined Group, although this impact will depend upon the ultimate level of UCL ownership acquired by Minemakers.

Due diligence

In preparing the information relating to UCL contained in this Bidder's Statement, Minemakers has relied on publicly available information relating to UCL. Risks may exist in relation to UCL (which will affect the Combined Group) of which Minemakers may be unaware. If any material risks are known to the UCL Directors, they must be disclosed in the Target's Statement to be issued by UCL.

Triggering change in control provisions

UCL is a party to agreements that may contain change of control provisions which may be triggered if, following completion of the Offer, Minemakers acquires control of UCL. The operation of these provisions could have a material adverse effect on the Combined Group (such as the loss of major contracts or the need to renegotiate financings). There are no change in control provisions in the NMP Joint Venture agreement.

9. Additional information

9.1. Minemakers' interest in UCL Shares

Minemakers and its Associates had the following Relevant Interests in, and voting power in relation to, UCL Shares:

Class of Securities	Day before the date of this Bidder's Statement	Day before the date first Offer was sent
UCL Shares	10,590,815 (13.1%)	10,590,815 (13.1%)

9.2. Acquisitions of UCL Shares by Minemakers and its Associates during the last 4 Months

Neither Minemakers nor any of its Associates has made any acquisitions of UCL Shares during the 4 months preceding the date of this Bidder's Statement.

9.3. Collateral benefits

During the period of 4 months before the date of this Bidder's Statement, neither Minemakers nor any of its Associates gave, or offered to give or agreed to give, a benefit to another person that was likely to induce the other person, or an Associate of that person, to:

- (a) accept the Offer; or
- (b) dispose of their UCL Shares,

and which is not offered to all holders of UCL Shares under the Offer.

9.4. UCL Performance Rights

The UCL Performance Rights are rights to receive a UCL Share by way of new issue or transfer upon satisfaction of certain performance conditions and the payment of the exercise price. Each recipient holds a number of tranches of UCL Performance Rights with different vesting conditions for each tranche. The exercise price for each UCL Performance Right is determined by a formula referable to the trading prices of UCL Shares on the ASX during the period prior to the relevant vesting event.

For further details, UCL Shareholders are referred to UCL's notice of annual general meeting issued on 31 October 2011, which is available through UCL's ASX announcements at www.asx.com.au.

9.5. Offer Consideration

Based on the number of UCL Shares on issue on the day before the date of this Bidder's Statement, the maximum number of Minemakers Shares which would be required to be issued under the Offer if every UCL Shareholder accepted the Offer (other than Minemakers) is 68,417,437.³⁴

Minemakers has the capacity to issue the maximum number of Minemakers Shares which it may be required to issue under the Offer.

9.6. Minemakers is a disclosing entity

Due to the fact that Minemakers is offering Minemakers Shares as consideration for the acquisition of UCL Shares under the Offer, the Corporations Act requires that this Bidder's Statement must include all information that would be required for a prospectus for an offer of Minemakers Shares under sections 710 to 713 of the Corporations Act.

Neither Minemakers nor UCL need to issue a prospectus for the Offer of the Minemakers Shares as the Offer is occurring under a takeover bid.

³⁴ Assumes In-the-money UCL Options exercised, UCL Convertible Note is converted and UCL Performance Rights vest and are exercised into UCL shares.

Minemakers is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all disclosing entities, Minemakers is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of Minemakers Shares.

Minemakers Shares have been quoted on the Official List of ASX during the 3 months prior to the date of this Bidder’s Statement. For this reason, Minemakers is only required to disclose information in this Bidder’s Statement that would usually be required where Minemakers Shares have been continuously quoted securities.

In general terms where Minemakers Shares are continuously quoted securities the Bidder’s Statement is only required to contain information in relation to the effect of the Offer on the rights and liabilities attaching to the Minemakers Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company unless such information has been excluded from a continuous disclosure notice in accordance with the Listing Rules and it is information:

- (a) that investors and their professional advisers would reasonably require for the purposes of making an informed assessment of such matters; and
- (b) relating to the rights and liabilities attaching to the Minemakers Shares.

Having made such enquiries as are reasonable, Minemakers believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Bidder’s Statement which required Minemakers to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Bidder’s Statement, other than that which is considered necessary to make this Bidder’s Statement complete.

Minemakers, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to Minemakers (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Bidder’s Statement and the date the offer closes:
 - (i) the annual financial report most recently lodged by Minemakers with ASIC;
 - (ii) any half year financial report lodged with ASIC by Minemakers after the lodgement of the annual financial report referred to in paragraph (i) and before the lodgement of this Bidder’s Statement with ASIC; and
 - (iii) any documents used to notify ASX of information relating to Minemakers during that period in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to Minemakers can be inspected at the registered office of Minemakers during normal office hours.

Minemakers has lodged the following announcements with ASX since 30 June 2011:

Date lodged	Description of document
16/02/2012	Appendix 3X
16/02/2012	Completion of Recovery of Investment in BCD Resources NL
14/02/2012	BCD: Convertible Note Redemptions
13/02/2012	Clarification to Announcement
13/02/2012	UCL: Minemakers Limited - Takeover Proposal
13/02/2012	Investor Presentation

BIDDER'S STATEMENT

13/02/2012	Minemakers Announces Proposal to Acquire UCL Resources
09/02/2012	New Board Appointment
03/02/2012	Response to ASX price and volume query
31/01/2012	Quarterly Cashflow Report
31/01/2012	Quarterly Activities Report
20/01/2012	Sandpiper Project – Final laboratory based testwork results
17/01/2012	Minemakers Limited Corporate Profile Video – audio broadcast
16/01/2012	New issue announcement, application for quotation of additional securities and agreement
13/01/2012	Sandpiper Project Namibia – Lodgement of environmental impact assessment and environmental management plan report
10/01/2012	New issue announcement, application for quotation of additional securities and agreement
03/01/2012	Final director's interest notice
21/12/2011	Minemakers 2011 Market and Activities Review – audio broadcast
01/12/2011	New issue announcement, application for quotation of additional securities and agreement
29/11/2011	Minemakers Annual General Meeting Presentation – audio broadcast
27/11/2011	Wonarah enabling study confirms economic potential for major fertilizer production facility
25/11/2011	Results of Annual General Meeting
25/11/2011	Minemakers' Board and Executive Changes
25/11/2011	Annual General Meeting shareholders briefing
24/11/2011	Notification under section 708A of the Corporations Act 2001 (Cth)
24/11/2011	New issue announcement, application for quotation of additional securities and agreement
21/11/2011	Minemakers secures \$15M equity subscription facility with New York-based Haverstock Fund LLC
14/11/2011	Minemakers Release Results of Pilot Scale Testwork in Namibia – audio broadcast
07/11/2011	New issue announcement, application for quotation of additional securities and agreement
04/11/2011	Further progress for the Sandpiper Phosphate Project in Namibia
31/10/2011	Quarterly Cashflow Report
27/10/2011	Quarterly Activities Report
25/10/2011	Notice of Annual General Meeting/Proxy Form
25/10/2011	Annual Report to shareholders
07/10/2011	Completion of the bulk sample programme for the Sandpiper Phosphate Project in Namibia
05/10/2011	Wonarah phosphate deposit: Significant resource additions from 2011 drilling programme
29/09/2011	Full Year Statutory Accounts
20/09/2011	Minemakers Limited presentation to the GPCA Fertilizer Convention Dohar
06/09/2011	Minemakers Progressing Two Phosphate Projects – audio broadcast
06/09/2011	MV Smit Mandura vessel departs Cape Town to collect the bulk sample for the pilot plant and marketing sample at the Sandpiper Phosphate Project in Namibia
31/08/2011	Updated resource estimate for Sandpiper Phosphate Project in Namibia from further regional infill sampling results

31/08/2011	Updated resource estimate for Sandpiper Phosphate Project in Namibia from further regional infill sampling results
24/08/2011	Minemakers Limited presentation at the AFSA National Conference
23/08/2011	New issue announcement, application for quotation of additional securities and agreement
17/08/2011	Results of General Meeting
16/08/2011	Appointment of General Project Manager at Sandpiper Phosphate Project in Namibia
12/08/2011	ATO confirms CGT demerger relief for TNT Mines Limited's demerger from Minemakers Limited
09/08/2011	Tax cost base apportionment following demerger of TNT Mines Limited
29/07/2011	Change of Registered Office
29/07/2011	Quarterly Cashflow Report
29/07/2011	Quarterly Activities Report
21/07/2011	Letter to shareholders regarding demerger of TNT Mines Limited
19/07/2011	In-specie distribution of TNT Mines Limited Shares to Minemakers' shareholders
19/07/2011	Minemakers Limited Corporate Profile Video – audio broadcast
18/07/2011	Change of director's interest notice
15/07/2011	Notice of Preparedness to Grant Mining Licence in relation to Sandpiper Phosphate Project in Namibia
11/07/2011	Notice of General Meeting
04/07/2011	Wonarah progress update
04/07/2011	Record date for in-specie distribution of TNT Mines Limited Shares to Minemakers' Shareholders

Copies of these announcements are available from Minemakers' website www.minemakers.com.au or alternatively from the ASX at www.asx.com.au.

9.7. Information about Minemakers Shares

The Minemakers Shares to be issued pursuant to the Offer will, from their date of issue, rank equally in all respects with existing Minemakers Shares on issue.

9.8. Disclosure of interests/fees and benefits payable to Minemakers Directors and advisers

Other than as set out below or elsewhere in this Bidder's Statement, no:

- (a) Minemakers Director;
 - (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
 - (c) promoter of Minemakers; or
 - (d) broker or underwriter in relation to the issue of Minemakers Shares pursuant to the Offer,
- has, or had within 2 years before the date of this Bidder's Statement, any interest in:
- (e) the formation or promotion of Minemakers;
 - (f) any property acquired or proposed to be acquired by Minemakers in connection with its formation or promotion or in connection with the issue of Minemakers Shares under the Offer; or
 - (g) the offer or issue of Minemakers Shares under this Bidder's Statement,

BIDDER'S STATEMENT

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Minemakers Director or expert of Minemakers or otherwise for services rendered by him or her in connection with the formation or promotion of Minemakers or the issue of Minemakers Shares under this Bidder's Statement.

9.9. Directors' security interests

The Minemakers Directors have the following interests in Minemakers Securities (either held directly or held by their Associates) as at the date of this Bidder's Statement.

Director	Minemakers Securities	Minemakers Options
Andrew Drummond	10,936,175	4,000,000
Ted Ellyard	7,215,079	2,000,000
Richard O'Shannassy	1,047,652	1,500,000
Dennis Wilkins	538,717	1,500,000

The Minemakers Directors do not have any interest (either held directly or held by their Associates) in UCL Securities as at the date of this Bidder's Statement.

9.10. Directors' fees and benefits

The constitution of Minemakers provides that the Minemakers Directors may be paid for their services as Minemakers Directors a sum not exceeding such fixed sum per annum as may be determined by Minemakers in general meeting, to be divided among the Minemakers Directors as agreed and in default of agreement then in equal shares.

The amounts in the table below have been paid by Minemakers by way of remuneration for services provided by the Minemakers Directors or their Associates for services provided to Minemakers (including amounts by way of salary, fees, superannuation benefits and equity):

Director	Year ended 30/6/2011 A\$	Year ended 30/6/2010 A\$
Andrew Drummond	364,866	335,136
Ted Ellyard	37,557	33,429
Richard O'Shannassy	152,748	104,987
Dennis Wilkins	302,034	351,235
Richard Block ²	N/A	N/A

Notes

2. Minemakers announced on 9 February 2012 that Richard Block has consented to join the Minemakers Board, once the statutory vetting processes of the TSX have been completed.

9.11. Advisers' fees and benefits

Minemakers estimates it will incur fees for services provided in connection with the Offer, including for legal, taxation and corporate advisers, in the amount of approximately \$A1.4 million.

Azure Capital Limited has acted as financial adviser to Minemakers in relation to the Offer. Minemakers estimates that it will pay approximately A\$800,000 (excluding GST and disbursements) to Azure Capital Limited if the Offer is successful.

Corrs Chambers Westgarth has acted as legal adviser to Minemakers in connection with the Offer. Minemakers estimates that it will pay approximately A\$400,000 (excluding GST and disbursements) to Corrs Chambers Westgarth for services performed up to the date of this Bidder's Statement. Further amounts may be paid to Corrs Chambers Westgarth in accordance with its normal time-based charges.

Bentleys Audit and Corporate (WA) Pty Ltd (Bentleys) has acted as auditor to Minemakers in relation to the Offer.

Richard O'Shannassy & Co Pty Ltd, an incorporated legal practice of Mr O'Shannassy who is a non-executive director of Minemakers, has been involved in due diligence and verification processes in connection with this Offer. Minemakers estimates that it will pay approximately \$5,000 (excluding GST and disbursements) to Richard O'Shannassy & Co Pty Ltd for services performed up to the date of this Bidder's Statement. Further amounts may be paid to Richard O'Shannassy & Co Pty Ltd in accordance with its normal time-based charges.

Diekmann Associates has acted as foreign legal adviser (Namibia) to Minemakers in connection with the Offer. Minemakers estimates that it will pay approximately A\$10,000 (excluding GST and disbursements) to Diekmann Associates for services provided in relation to preparation of this Bidder's Statement.

Fraser Milner Casgrain, LLP (FMC) has acted as foreign legal adviser (Canada) to Minemakers in connection with the Offer. Minemakers estimates that it will pay approximately A\$10,000 (excluding GST and disbursements) to FMC for services provided in relation to preparation of this Bidder's Statement.

Robertsons has acted as foreign legal adviser (Hong Kong) to Minemakers in connection with the Offer. Minemakers estimates that it will pay approximately A\$6,000 (excluding GST and disbursements) to Robertsons for services provided in relation to preparation of this Bidder's Statement.

9.12. Consents

In accordance with section 636(3) of the Corporations Act:

- (a) Azure Capital Limited has consented to being named in this Bidder's Statement as financial adviser to Minemakers in the form and context in which it is named;
- (b) Corrs Chambers Westgarth has consented to being named in this Bidder's Statement as Australian legal adviser to Minemakers in the form and context in which it is named;
- (c) Computershare Investor Services Pty Limited ACN 078 279 277 has consented to being named in this Bidder's Statement as the share registry to Minemakers in the form and context in which it is named; and
- (d) Bentleys (WA) Pty Ltd ACN 128 948 201 has consented to being named in this Bidder's Statement as the auditor to Minemakers in the form and context in which it is named.

Each of the persons named above has not withdrawn its consent prior to the lodgement of this Bidder's Statement with ASIC.

These consents have been given on the basis that the person named as giving its consent:

- (a) did not authorise or cause the issue of this Bidder's Statement; and
- (b) does not make, or purport to make, any statement in this Bidder's Statement other than as specified in this Bidder's Statement.

As permitted by ASIC Class Order 03/635, this Bidder's Statement may include or be accompanied by certain statements fairly representing a statement by an official person or from a public official document or a published book, journal or comparable publication.

9.13. Funding of the Offer

The total amount of cash that Minemakers may become obliged to pay to satisfy all expenses incurred by Minemakers and relating to the Offer will be provided from Minemakers' existing cash balances.

9.14. No material litigation

Minemakers is not party to any material litigation and is not involved in any material disputes.

9.15. ASIC relief

Minemakers has obtained relief from ASIC dated 20 February 2012 to modify section 617 of the Corporations Act to allow the Offer to extend to all UCL Shares that are issued following the vesting and exercise of UCL Performance Rights (if any).

BIDDER'S STATEMENT

9.16. Ineligible Foreign Shareholders

If you are an Ineligible Foreign Shareholder and you accept the Offer, you will not receive any Minemakers Shares. Instead, you will receive in respect of your UCL Shares a cash amount calculated under section 10 of annexure A.

The Offer is not registered in any jurisdiction outside Australia. It is your sole responsibility to satisfy yourself that you are permitted by any law of a country other than Australia applicable to you to accept this Offer and to comply with any other necessary formality and to obtain any necessary governmental or other consents.

The contents of this document have not been reviewed by any regulatory authority in the Hong Kong Special Administrative Region of the Peoples Republic of China (Hong Kong). You are advised to exercise caution in relation to the Offer and should inform yourself as to the legal requirements. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This document is distributed on a confidential basis only to the members of UCL who are registered in the register of members of UCL with a registered address in Hong Kong (**HK Shareholders** and **HK Shareholder** if singular) but not to, nor is it intended to be distributed to, anyone else nor to any person other than the person to whom this document is sent. No person receiving a copy of this document may treat the same as constituting an invitation to that person, unless such an invitation could lawfully be made to that person under the Laws of Hong Kong without compliance with any registration or other similar legal requirements. This document is not directed at nor are its contents intended to be accessed or read (whether concurrently or otherwise) by the public of Hong Kong other than the HK Shareholders who are sent the same.

Minemakers Shares have not been, will not be and are not intended to be offered or sold in Hong Kong, by means of any document, other than (i) to "professional investors" as defined in the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the **Securities and Futures Ordinance**) and any rules made under the Securities and Futures Ordinance, or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance, Chapter 32 of the Laws of Hong Kong (the Companies Ordinance), or (iii) which do not constitute an offer to the public within the meaning of the Companies Ordinance (except if permitted to do so under the securities laws of Hong Kong).

No advertisement, invitation or document relating to the UCL Shares has been or will be issued, or possessed for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the UCL Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance and any rules made under that Ordinance.

Any recipient of this document, if his or her application for Minemakers Shares is accepted by Minemakers, shall be deemed to have undertaken to comply with the Laws of Hong Kong and not to resell or transfer in any manner whatsoever the Shares to be allotted to him or her or any of them to the public of Hong Kong.

9.17. Competent person statement

The information in this Bidder's Statement that relates to Minemakers' exploration results, mineral resources or ore resources is based on information compiled by Mr Andrew Drummond, who is Executive Chairman of Minemakers, 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 ("NI43-101"). 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.

9.18. Other material information

There is no other information that:

- (a) is material to the making of a decision by a holder of UCL Shares as to whether or not to accept the Offer;
- (b) is known to Minemakers;

- (c) relates to the value of Minemakers Shares; and
- (d) has not previously been disclosed to UCL Shareholders,
other than as is contained elsewhere in this Bidder's Statement.

9.19. Date for determining holders

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) of the Corporations Act is 7.00 pm (Sydney Time) on 20 February 2012.

10. Definitions and interpretation

10.1. Definitions

In this Bidder's Statement (including **annexure A**), unless the context otherwise requires:

A\$	Australian dollars
Acceptance Form	The form of acceptance form for the Offer enclosed with this Bidder's Statement or alternatively an acceptance form sent to an UCL Shareholder by Minemakers' share registry in relation to the Offer
AMMG	Australia Minerals and Mining Group Limited
Announcement Date	The date the Takeover Bid was announced, being 13 February 2012
ASIC	The Australian Securities and Investments Commission
Associate	Has the meaning given to that term in the Corporations Act
ASX	ASX Limited ACN 008 624 691 or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires
ASX Settlement	ASX Settlement Pty Limited ACN 008 504 532
ASX Settlement Operating Rules	The operating rules of the settlement facility provided by ASX Settlement
BCD Resources	BCD Resources NL ACN 057 793 834 (ASX: BCD)
Bidder's Statement	This document
CEO	Chief Executive Officer
CGT	Capital gains tax
CHESS Holding	A number of UCL Shares which are registered on UCL's share register being a register administered by ASX Settlement and which records uncertificated holdings of UCL Shares
Combined Group	Minemakers and its Subsidiaries following the acquisition by Minemakers of all, or a majority of, the UCL Shares
Condition Period	The period beginning on 13 February 2012 and ending at the end of the Offer Period
Controlling Participant	In relation to your UCL Shares, has the same meaning as in the ASX Settlement Operating Rules
Corporations Act	Corporations Act 2001 (Cth)
DAP	Diammonium phosphate
DFS	Definitive feasibility study
Eligible UCL Shareholder	A UCL Shareholder who is not an Ineligible Foreign Shareholder
Excluded Regulatory Authority	(i) ASIC; (ii) the Takeovers Panel; (iii) any person mentioned in section 657G(2) of the Corporations Act who applies to the court for an order under section 657G(1) of the Corporations Act; (iv) any person mentioned in section 659B(1) of the Corporations Act who commences court proceedings in relation to a takeover bid or a proposed takeover bid; and (v) a court that makes an order in response to an application under section 657G(1) of the Corporations Act or proceedings commenced pursuant to section 659B(1) of the Corporations Act
Holder Identification Number	Has the same meaning as "HIN" in the ASX Settlement Operating Rules

IMIDRO	Iranian Mines and Mining Industries Development and Renovation Organization
Ineligible Foreign Shareholder	Has the meaning given to that term in section 10 of annexure A
In-the-money UCL Options	All UCL Options that are in the money at the implied offer price of A\$0.302
JDC	JDCPhosphate Inc., a company incorporated in Delaware
JORC Code	The Australian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, as amended or replaced from time to time
Legacy	Legacy Iron Ore Ltd ACN 125 010 353 (ASX: LCY)
Listing Rules	The listing rules of ASX, as amended from time to time
MAP	Monoammonium phosphate
MOU	Memorandum of understanding
Mt	Million metric tonnes
Mtpa	Million metric tonnes per annum
Minemakers or Company	Minemakers Limited ACN 116 296 541
Minemakers Board	The board of directors of Minemakers
Minemakers Director	A director of Minemakers
Minemakers Group	Minemakers and its Subsidiaries
Minemakers Option	An unquoted option to acquire a Minemakers Share
Minemakers Share	A fully paid ordinary share in Minemakers
Minemakers Shareholder	A holder of a Minemakers Share
Mining Licence	Mining Licence 170 issued to the NMP Joint Venture by the Namibian Government
MZC	Mehdiabad Zinc Company
NMDC	NMDC Limited
NMP Joint Venture	The joint venture between Minemakers (Namibia) (Pty) Ltd (a Subsidiary of Minemakers), Sea Phosphates (Namibia) (Pty) Ltd (a Subsidiary of UCL and Tungeni Investments
NPV	Net present value
NSX	Namibian Stock Exchange
Offer	The Offer for UCL Shares contained in this Bidder's Statement.
Offer Period	The period referred to in section 3 of annexure A , during which the Offer remains open for acceptance
Official Quotation	Official quotation on ASX
Public Authority	Any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity whether foreign, federal, state, territorial or local in any part of the world in which a party is domiciled or holds any of its assets, including ASIC and ASX (and any other stock exchange)
Record Date	The date set by Minemakers under Section 633(2) of the Corporations Act, being 7.00 pm (Sydney Time) on 20 February 2012
Relevant Interest	Has the meaning given to that term in sections 608 and 609 of the Corporations Act
Reserve or Ore Reserve	Has the meaning given to Ore Reserve in the JORC Code

BIDDER'S STATEMENT

Resource or Mineral Resource	Has the meaning give to Mineral Resource in the JORC Code
Rights	All accretions to and rights attaching to the relevant UCL Shares at or after the Announcement Date (including all dividends and all rights to receive dividends and to receive or subscribe for shares, stock units, notes or options declared, paid, or issued by UCL)
Rocky Point Project	Each and all of the tenements granted by, or under application to, the Namibian Department of Mines by the Minemakers Tungeni Joint Venture Exploration (Namibia) (Pty) Ltd including EPL 4011, EPL 4019, EPL 4020 and EPL 4061
Sale Nominee	Has the meaning given to that term in section 10(b)(i) of annexure A
Sale Facility	The mechanism to facilitate the sale of new Minemakers Shares set out in annexure B.
Sale Facility Acceptance Period	Has the meaning given to that term in section 2(e) of annexure B
Sale Facility Agent	The entity appointed by Minemakers to sell the new Minemakers Shares in accordance with the terms of the Sale Facility
Sale Facility Document	Has the meaning given in to that term in section 2(d)(i) of annexure B
Sale Facility Limit	15 million Minemakers Shares
Sale Facility Participants	Each UCL Shareholder who has accepted into the Offer and elected to participate in the Sale Facility
Sale Price	Has the meaning given to that term in section 6(b) of annexure B
Sandpiper Project	Each and all of the tenements granted by, or under application to, the Namibian Department of Mines by the NMP Joint Venture including EPL 3323, EPL 3414, EPL 3415, EPL 4009, EPL 4021, EPL 4010, EPL 4059 and ML170
Security Holder Reference Number	Has the same meaning as in the ASX Settlement Operating Rules
Subsidiary	A subsidiary within the meaning given to that term in section 9 of the Corporations Act
Sydney Time	The local time in Sydney, being either Australia Eastern Daylight Time or Australian Eastern Standard Time, as the context requires.
Takeover	The proposed takeover of UCL by Minemakers by way of off market conditional takeover offer
Takeover Bid	Minemakers' takeover bid for UCL by making the Offer
Takeover Transferee Holding	Has the same meaning as in the ASX Settlement Operating Rules.
Target's Statement	The target's statement to be prepared by UCL and despatched to UCL Shareholders on or before the day that is 15 days after the date that UCL receives notice that all the Offers have been despatched to UCL shareholders
TNT Mines	TNT Mines Limited ACN 107 244 039
TSX	Toronto Stock Exchange
Tungeni Investments	Tungeni Investments cc, a company incorporated in Namibia
Twynam	Twynam Agricultural Group Pty Ltd ACN 000 573 213 and its Associates, including Donwillow Pty Ltd ACN 002 928 421
UCL	UCL Resources Limited ACN 002 118 872
UCL Board	The board of directors of UCL
UCL Convertible Note	The convertible note held by Donwillow Pty Ltd ACN 002 928 421, an Associate of Twynam, issued for the provision of a loan of \$500,000 which accrues interest at 7.50% per annum and which is convertible into 3,333,334 UCL Shares
UCL Director	A director of UCL

UCL Group	UCL and its Subsidiaries
UCL Options	The unquoted options issued by UCL as set out in section 4.7(a) of this Bidder's Statement
UCL Performance Rights	Performance rights issued to UCL Directors under the Union Resources Limited Performance Rights Plan adopted by the UCL Board on 25 October 2011 (as amended from time to time) where the issue of those performance rights were specifically approved at the annual general meeting of UCL Shareholders held on 29 November 2011
UCL Share	A fully paid ordinary share in UCL
UCL Shareholder	A holder of UCL Shares
US\$	United States dollars
VWAP	The daily volume weighted average price of all shares sold on ASX's trading platform
WAP	Wet acid process
Wonarah Project	Each and all of the tenements granted by, or under application to, the Northern Territory Department of Resources – Minerals and Energy by Minemakers Australia Pty Ltd including ML27244, SEL26451, SEL26452, EL26584, EL26586, EL26585, EL26589, EL264607, EL9979, EL26185, EL28233 and EL29355

10.2. Interpretation

The following rules of interpretation apply unless the intention appears or the context requires otherwise:

- (a) a reference to a time is a reference to Sydney Time;
- (b) headings are for convenience only and do not affect interpretation;
- (c) the singular includes the plural and conversely;
- (d) a reference to a section is to a section of this Bidder's Statement or a section of the annexure to this Bidder's Statement, as applicable;
- (e) a gender includes all genders;
- (f) where a word or phrase is defined, the other grammatical forms have a corresponding meaning;
- (g) a reference to a person includes a body corporate, an unincorporated body or other entity and conversely;
- (h) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it;
- (j) a reference to any instrument or document includes any variation or replacement of it;
- (k) a term not specifically defined in this Bidder's Statement has the meaning given to it (if any) in the Corporations Act or the ASX Settlement Operating Rules, as the case may be;
- (l) a reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually;
- (m) a reference to you is to a person to whom an Offer is made; and
- (n) the words 'include', 'including', 'for example' or 'such as' are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

11. Approval of Bidder's Statement

This Bidder's Statement has been approved by a unanimous resolution passed by all the Minemakers Directors.

Signed for and on behalf of

Minemakers Limited

A handwritten signature in black ink, appearing to read 'R O'Shannassy', written over a horizontal line.

Richard O'Shannassy

Non-executive Director

ANNEXURE A

TERMS OF OFFER

1. General terms

- (a) Minemakers offers to acquire all of your UCL Shares, together with all Rights attached to them, on the terms and conditions set out in this Offer.
- (b) The consideration being offered by Minemakers for the acquisition of all of your UCL Shares is 9 Minemakers Shares for every 10 UCL Shares you own, subject to the terms and conditions set out in this Offer.
- (c) If you are an Ineligible Foreign Shareholder then, despite any other provision of this Offer, you are offered and will be paid for your UCL Shares a cash amount calculated under **section 10** of this **annexure A**.
- (d) The Minemakers Shares to be issued pursuant to this Offer will, from their date of issue, rank equally in all respects with existing Minemakers Shares currently on issue.

2. Official Quotation

Minemakers will apply for Official Quotation of the Minemakers Shares on ASX, TSX and NSX. Quotation will not be automatic but will depend on ASX, TSX and NSX exercising their respective discretions. Minemakers has already been admitted to the official list of ASX, TSX and NSX and the Minemakers Shares to be issued under the Offer are of the same class as Minemakers Shares already quoted on ASX. Minemakers cannot guarantee, and does not represent or imply, that Minemakers Shares will be listed on ASX, TSX or NSX following their issue.

3. Offer Period

Unless withdrawn, this Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7:00pm (Sydney Time) on 10 April 2012, subject to any extension in accordance with the Corporations Act.

4. Who may accept

- (a) This Offer is being made to each person registered as the holder of UCL Shares in the register or the UCL Performance Rights of UCL Shareholders as at the Record Date. It also extends to:
 - (i) holders of any UCL Shares that are issued during the period from the Record Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by UCL Options, the UCL Convertible Notes or the UCL Performance Rights; and
 - (ii) any person who becomes registered, or entitled to be registered, as the holder of UCL Shares during the Offer Period.
- (b) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of the UCL Shares to which this Offer relates:
 - (i) a corresponding offer on the same terms as this Offer will be deemed to have been made to that other person in respect of those UCL Shares;
 - (ii) a corresponding offer on the same terms as this Offer will be deemed to have been made to you in respect of any other UCL Shares you hold to which the Offer relates; and
 - (iii) this Offer will be deemed to have been withdrawn immediately at that time in respect of those UCL Shares.
- (c) If, at any time during the Offer Period and before this Offer is accepted, any person holds one or more distinct parcels of UCL Shares (for example, as trustee, nominee or otherwise on account of another person) within the meaning of section 653B of the Corporations Act then:

BIDDER'S STATEMENT

- (i) this Offer is deemed to consist of a separate corresponding Offer to that person in relation to each distinct parcel of UCL Shares; and
 - (ii) acceptance by that person of the Offer for any distinct parcel of UCL Shares is ineffective unless the person gives written notice to Minemakers in accordance with section 653B (3) of the Corporations Act stating that the UCL Shares consist of distinct portions and the acceptance specifies the number of the UCL Shares in each separate parcel to which the acceptance relates.
- (d) This Offer is not registered in any jurisdiction outside Australia. It is your sole responsibility to satisfy yourself that you are permitted by any law of a country other than Australia applicable to you to accept this Offer and to comply with any other necessary formality and to obtain any necessary governmental or other consents.

5. Fractional entitlements

If the number of UCL Shares you hold is such that your entitlement to Minemakers Shares under this Offer is not a whole number, your entitlement to Minemakers Shares will be rounded up to the nearest whole number. If Minemakers believes that your Shareholding of UCL Shares has been manipulated to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the next whole number of Minemakers Shares.

6. How to accept this Offer

- (a) You may only accept this Offer in respect of 100% (and not a lesser number) of your UCL Shares. For example, if you have 10,000 UCL Shares and you wish to accept the Offer, you may only accept this Offer in respect of 10,000 UCL Shares.
- (b) You may only accept this Offer during the Offer Period.
- (c) To accept the Offer for UCL Shares held in your name on UCL's issuer sponsored subregister (in which case your Security Holder Reference Number will commence with 'I') you must:
 - (i) complete and sign the accompanying Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
 - (ii) ensure that the Acceptance Form together with all other documents required by the terms of this Offer and the instructions on the Acceptance Form are received at the address shown on the Acceptance Form before the end of the Offer Period.
- (d) If your UCL Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you should instruct your broker or Controlling Participant (this is normally the stockbroker through whom you bought your UCL Shares or ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (e) If your UCL Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (f) Alternatively, to accept this Offer for UCL Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.
- (g) If your UCL Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with any other applicable ASX Settlement Operating Rules.
- (h) To accept this Offer for UCL Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:
 - (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and

- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.
- (i) The Acceptance Form forms part of the Offer.
- (j) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Minemakers at one of the addresses shown on the Acceptance Form before the end of the Offer Period.
- (k) When using the Acceptance Form to accept this Offer in respect of Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction on the Acceptance Form) are received by Minemakers in time for Minemakers to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (l) The postage of the Acceptance Form and other documents is at your own risk.

7. Validity of acceptances

- (a) Subject to this **section 7**, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in **section 6** of this **annexure A**.
- (b) Minemakers will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Minemakers is not required to communicate with you prior to making this determination. The determination of Minemakers will be final and binding on all parties.
- (c) Notwithstanding **section 6** of this **annexure A**, Minemakers may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of your UCL Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Minemakers.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of your UCL Shares, Minemakers may, in its sole discretion, regard the Offer to be accepted in respect of those of your UCL Shares but not the remainder.
- (e) Minemakers will provide the consideration to you in accordance with **section 9** of this **annexure A**, in respect of any part of an acceptance determined by Minemakers to be valid.

8. The effect of acceptance

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you, subject to sections 650E and 650G of the Corporations Act.
- (b) By following the procedure described in section 6 of this annexure A, you will be deemed to have:
 - (i) accepted this Offer (and any variation to it) in respect of the UCL Shares registered in your name to which this Offer relates, regardless of the number of UCL Shares specified in the Acceptance Form, subject to **sections 4(b)** and **4(c)** of this **annexure A**;
 - (ii) agreed to the terms of the Offer and, subject to the conditions contained in **section 12** of this **annexure A** being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASX Settlement Operating Rules) to Minemakers all of your UCL Shares;
 - (iii) agreed to accept the consideration being offered by Minemakers and agreed to be bound by the constitution of Minemakers;
 - (iv) authorised Minemakers (and any director, secretary or nominee of Minemakers) to alter the Acceptance Form on your behalf by inserting correct details of your UCL Shares, filling in any blanks and correcting

BIDDER'S STATEMENT

- any errors in or omissions from the Acceptance Form as may be considered necessary by Minemakers:
- (A) to make the Acceptance Form an effective acceptance of this Offer; and/or
 - (B) to enable registration of the transfer to Minemakers of your UCL Shares;
- (v) irrevocably authorised and directed UCL to pay to Minemakers or to account to Minemakers for all Rights which are declared, paid or which arise or accrue after the Announcement Date in respect of your UCL Shares (subject to Minemakers accounting to you for any Rights received by it if your acceptance of this Offer is validly withdrawn pursuant to section 650E of the Corporations Act or the contract resulting from that acceptance becomes void);
 - (vi) if you signed the Acceptance Form in respect of UCL Shares which are held in a CHESS Holding, irrevocably authorised Minemakers (or any director, secretary or agent of Minemakers) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of your UCL Shares in accordance with Rule 14.14 of the ASTC Settlement Rules;
 - (vii) if you signed the Acceptance Form in respect of UCL Shares which are held in a CHESS Holding, irrevocably authorised Minemakers (or any director, secretary or agent of Minemakers) to give any other instructions in relation to your UCL Shares to your Controlling Participant, as determined by Minemakers acting in its own interests as a beneficial owner and intended registered holder of those Shares;
 - (viii) irrevocably authorised Minemakers to notify UCL on your behalf that your place of address for the purpose of serving notices upon you in respect of your UCL Shares is the address specified by Minemakers in the notification;
 - (ix) agreed to indemnify Minemakers in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of your UCL Shares to Minemakers being registered by UCL without production of your Holder Identification Number or your Securityholder Reference Number for your UCL Shares;
 - (x) represented and warranted to Minemakers that, unless you have notified it in accordance with **section 4(c)** of this **annexure B**, your UCL Shares do not consist of separate parcels of UCL Shares;
 - (xi) irrevocably authorised Minemakers (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer your UCL Shares to Minemakers' Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
 - (xii) represented and warranted to Minemakers that:
 - (A) Minemakers will acquire good title to and beneficial ownership of all of your UCL Shares free from all mortgages, charges, liens, encumbrances (whether legal or equitable) and other third party interests of any kind;
 - (B) you have paid UCL all amounts which are due in respect of your UCL Shares;
 - (C) all of your UCL Shares are fully paid; and
 - (D) you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your UCL Shares (together with all Rights attached to them) to Minemakers;
 - (xiii) unless you are an Ineligible Foreign Shareholder, agreed to accept the Minemakers Shares to which you become entitled by accepting this Offer, subject to Minemakers' constitution and the terms of issue of the Minemakers Shares and to have authorised Minemakers to place your name on its register of shareholders as the holder of the Minemakers Shares issued to you under the Offer;
 - (xiv) if you have elected to participate in the Sale Facility, you acknowledge and agree that Minemakers will arrange for any Minemakers Shares otherwise issuable to you to be issued and sold in accordance with the terms of the Sale Facility and the proceeds remitted to you as described in **annexure B**;
 - (xv) acknowledged and agreed that if you are an Ineligible Foreign Shareholder, Minemakers will arrange for any Minemakers Shares otherwise issuable to you to be issued and sold, and the net proceeds to be

remitted to you, as described in **section 10** of this **annexure A**;

- (xvi) represented and warranted to Minemakers that the making by Minemakers to you, and your acceptance of this Offer is lawful under any law of a country other than Australia which apply to you to the making of this Offer and to your acceptance of this Offer;
- (xvii) with effect from the later of acceptance of the Offer and the date that any contract resulting from that acceptance becomes, or is declared unconditional, appointed (and agreed not to revoke that appointment) Minemakers and each of its Directors, secretaries and other officers from time to time severally as your agent and true and lawful attorney, with power to do all things which you could lawfully do concerning your UCL Shares or in exercise of any right or power derived from the holding of your UCL Shares including, without limitation:
 - (A) attend and vote in respect of your UCL Shares at any and all meetings of UCL;
 - (B) requisition or join with other holders of UCL Shares in requisitioning and/or convening a meeting of the members of UCL;
 - (C) demand a poll for any vote to be taken at any meeting of UCL Shareholders;
 - (D) propose or second any resolutions to be considered at any and all meetings of UCL Shareholders;
 - (E) execute all forms, transfers, assignments, notices, instruments (including instruments appointing a Director as a proxy in respect of all or any of your UCL Shares and a transfer form for your UCL Shares), proxies, consents, agreements, and resolutions relating to your UCL Shares;
 - (F) request UCL to register in the name of Minemakers or its nominee your UCL Shares which you hold on any register of UCL; and
 - (G) do all things incidental or ancillary to the foregoing,

and to have agreed that in exercising the powers conferred by the power of attorney, the attorney shall be entitled to act in the interests of Minemakers as the beneficial owner and intended registered holder of your UCL Shares in respect of which you will do all such acts, matters and things that Minemakers may require to give effect to the matters the subject of this paragraph (including the execution of a written form of proxy to the same effect as this paragraph which complies in all respects with the requirements of the constitution of UCL) if required by Minemakers. This appointment is irrevocable and terminates upon registration of a transfer to Minemakers of your UCL Shares; and

- (xviii) agreed not to vote in person, by proxy or otherwise at any general meeting of UCL or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on Minemakers and the Directors, secretaries and other officers of Minemakers by **section 8(b)(xvii)** of this **annexure A**.
- (c) The representations, warranties, undertakings and authorities referred to in this **section 8** of this **annexure A** will (unless otherwise stated) remain in force after you receive the consideration for your UCL Shares and after Minemakers becomes registered as the holder of them.

9. Provision of consideration

- (a) Subject to the terms of this Offer and the Corporations Act, Minemakers will provide the consideration for your UCL Shares not later than one month after this Offer is accepted or this Offer (or the contract resulting from its acceptance) becomes unconditional, whichever is the later, but in any event (assuming the Offer becomes or is declared unconditional) not later than 21 days after the end of the Offer Period.
- (b) Under no circumstances will interest be paid on the consideration to which you are entitled to under the Offer, regardless of any delay in providing the consideration or any extension of the Offer.
- (c) Subject to **sections 10** and **11** of this **annexure A**, the obligations of Minemakers to allot and issue any Minemakers Shares to which you are entitled under the Offer will be satisfied:
 - (i) by entering your name on the register of members of Minemakers;
 - (ii) if your name is entered into the issuer sponsored sub-register of Minemakers, by Minemakers dispatching

BIDDER'S STATEMENT

- to you an issuer sponsored holding statement of the Minemakers Shares to which you become entitled by accepting this Offer (by pre-paid mail to your address as shown on the register of members of UCL).
- (d) Where the Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
- (i) if that document is given with your acceptance, Minemakers will provide the consideration in accordance with **section 9(a)** of this **annexure A**;
 - (ii) if that document is given after acceptance and before the end of the Offer Period while this Offer is subject to a defeating condition, Minemakers will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within one month after this Offer becomes unconditional; or
 - (B) 21 days after the end of the Offer Period;
 - (iii) if that document is given after acceptance and before the end of the Offer Period while this Offer is not subject to a defeating condition, Minemakers will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within one month after that document is given; or
 - (B) 21 days after the end of the Offer Period; and
 - (iv) if that document is given after the end of the Offer Period, Minemakers will provide the consideration within 21 days after that document is given.
- (e) If you accept this Offer, Minemakers is entitled to all Rights in respect of your UCL Shares. Minemakers may require you to provide all documents necessary to vest title to those Rights in Minemakers, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Minemakers, or if you have received the benefit of those Rights, Minemakers will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Minemakers) of those Rights, together with the value (as reasonably assessed by Minemakers) of the franking credits, if any, attached to the Rights.
- (f) If, at the time you accept the Offer, any of the following:
- (i) Banking (Foreign Exchange) Regulations 1959 (Cth);
 - (ii) Part 4 of the Charter of the United Nations Act 1945 (Cth);
 - (iii) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
 - (iv) any other regulations made under Part 4 of the Charter of the United Nations Act 1945 (Cth); or
 - (v) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other Public Authority be obtained before you receive any consideration for your UCL Shares, or would make it unlawful for Minemakers to provide any consideration to you for your UCL Shares, you will not be entitled to receive any consideration for your UCL Shares until all requisite authorities, clearances or approvals have been received by Minemakers.

10. Ineligible Foreign Shareholders

- (a) If you are a person whose address as shown in the register of members of UCL is in a jurisdiction other than Australia, its external territories New Zealand, Canada or Namibia and the law of that jurisdiction makes it, in the reasonable opinion of Minemakers, unlawful or too onerous for Minemakers to make the Offer to you and to issue you with Minemakers Shares then you will be taken to be an Ineligible Foreign Shareholder.
- (b) As an Ineligible Foreign Shareholder, you will not be entitled to receive Minemakers Shares as consideration for your UCL Shares. Instead Minemakers will:

- (i) arrange for the issue to a nominee approved by ASIC (Sale Nominee) of the number of Minemakers Shares to which you and all other Ineligible Foreign Shareholders would have been entitled but for this section;
- (ii) cause those Minemakers Shares to be offered for sale on ASX or TSX as soon as practicable after the end of the Offer Period, in such manner, at such price and on such other terms and conditions as are determined by the Sale Nominee acting in good faith; and
- (iii) promptly pay, or procure that the Sale Nominee pays, to you the amount ascertained in accordance with the following formula (calculated on an average basis so that all Ineligible Foreign Shareholders who accept the Offer receive the same value per UCL Share, subject to rounding):

$$\frac{\text{Net Proceeds of Sale} \times \text{A}}{\text{B}}$$

Where:

Net Proceeds of Sale is the amount remaining after deducting the expenses of the sale and of appointing the Sale Nominee (brokerage, stamp duty and other selling costs, taxed and charges) from the proceeds of sale;

A is the number of Minemakers Shares which would, but for **section 10(b)** of this **annexure A**, have been allotted and issued to you; and

B is the total number of Minemakers Shares allotted and issued to the Sale Nominee under this section in respect of the UCL Shares held by all Ineligible Foreign Shareholders.

- (c) You will be paid your share of the net proceeds of the sale of the Minemakers Shares by the Sale Nominee in Australian currency.
- (d) Payment will be made by cheque posted to you at your risk by pre-paid mail as soon as practicable and in any event within the period required by the Corporations Act to your address in the most up to date copy of the UCL register provided to Minemakers before your consideration cheque is produced.
- (e) Under no circumstances will interest be paid on your share of the net proceeds of the sale of Minemakers Shares by the Sale Nominee, regardless of any delay in remitting these proceeds to you or your receipt of those proceeds.

11. Shareholders who elect to participate in the Sale Facility

- (a) You may only elect to participate in the Sale Facility in respect of 100% (and not a lesser number) of your UCL Shares.
- (b) If you have elected to participate in the Sale Facility, Minemakers will, in accordance with the election you make on your Acceptance Form:
 - (i) arrange for the issue to a nominee the number of Minemakers Shares you and all other UCL Shareholders have elected to participate in the Sale Facility on the Sale Facility Terms; and
 - (ii) promptly pay or procure that the Sale Agent pays to you the amount payable in accordance with the Sale Facility Terms.

12. Conditions of this Offer

- (a) The Offer and any contract that results from acceptance of the Offer is subject to the fulfilment of the following conditions:
 - (i) **(Minimum acceptance)** During, or at the end of, the Offer Period, Minemakers has relevant interests in at least 50% (by number) of all of the UCL Shares.
 - (ii) **(Namibian Competition Commission approval)** The Namibian Competition Commission granting, without imposing any terms or conditions which would have a material adverse effect on the economic

BIDDER'S STATEMENT

- value of the Sandpiper Project, its consent to the proposed acquisition of UCL by Minemakers in accordance with the terms of the Offer.
- (iii) **(No withdrawal or non-renewal of licences)** During the Condition Period, there is no official written notification of the withdrawal of any mining or exploration licences or rights to explore or develop the tenements in relation to the Sandpiper Project, or the rejection of any mining or exploration licence applications or renewals in relation to the Sandpiper Project or an announcement by any member of the Namibian Government to this effect.
- (iv) **(No material acquisitions, disposals, etc.)** None of the following events occur during the Condition Period:
- (A) UCL or any other member of the UCL Group acquires, offers to acquire or agrees to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$250,000 or makes an announcement about such an acquisition;
- (B) UCL or any other member of the UCL Group disposes, offers to dispose or agrees to dispose of, or creates, or offers to create an equity interest in one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than \$250,000 or in Sea Phosphates (Namibia) (Pty) Limited or makes an announcement about such a disposal;
- (C) UCL or any other member of the UCL Group enters into, offers to enter into or announces that it proposes to enter into any agreement, joint venture, partnership, farm-in agreement, farm-out agreement, management agreement or commitment or involving the disposal of a legal, beneficial or economic interest in or right to, or in connection with, any mining tenements or permits held by, or applications relating to any mining tenements or permits made by, UCL, or any other member of the UCL Group, or makes an announcement about such a commitment; and
- (D) UCL or any other member of the UCL Group incurs or commits to, or grants to another person a right the exercise of which would involve UCL or any other member of the UCL Group incurring or committing to any capital expenditure or liability for an amount in aggregate greater than \$250,000, or makes an announcement about such a commitment, other than cash calls made by Namibian Marine Phosphate (Pty) Limited in accordance with the shareholders' agreement for the Sandpiper Project.
- (v) **(No prescribed occurrences)** None of the following events happens during the Condition Period:
- (A) UCL converts all or any of its shares into a larger or smaller number of shares;
- (B) UCL or any other member of the UCL Group resolves to reduce its share capital in any way;
- (C) UCL or any other member of the UCL Group:
- enters into a buy-back agreement; or
 - resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (D) UCL or any other member of the UCL Group issues shares, or grants an option over its shares or agrees to issue shares or grant such an option, other than the issue of any UCL Shares in connection with:
- the exercise of options held by Dr Frank William Reid and Rt Hon Lord Lamont of Lerwick; or
 - the conversion of the convertible note held by Donwillow Pty Ltd;
- (E) UCL or any other member of the UCL Group issues, or agrees to issue, convertible notes;
- (F) UCL or any other member of the UCL Group disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (G) UCL or any other member of the UCL Group charges, or agrees to charge, the whole, or a substantial part, of its business or property;

- (H) UCL or any other member of the UCL Group resolves to be wound up;
 - (I) the appointment of a liquidator or provisional liquidator of UCL or any other member of the UCL Group;
 - (J) a court makes an order for the winding up of UCL or any other member of the UCL Group;
 - (K) an administrator of UCL or any other member of the UCL Group, is appointed under section 436A, 436B or 436C of the Corporations Act;
 - (L) UCL or any other member of the UCL Group executes a deed of company arrangement; or
 - (M) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of UCL or any other member of the UCL Group.
- (vi) **(Conduct of UCL's business)** During the Condition Period, none of UCL, or any other member of the UCL Group, without the written consent of Minemakers:
- (A) declares, pays or distributes any dividend, bonus, or other share of its profits or assets;
 - (B) issues or grants options over, or agrees to issue or grant options over, or otherwise makes any commitments regarding any shares or other securities, or alters its capital structure or the rights attached to any of its shares or other securities, or issues or agrees to issue any convertible notes;
 - (C) makes any changes in its constitution or passes any special resolution;
 - (D) gives or agrees to give any encumbrance over any of its assets otherwise than in the ordinary course of business;
 - (E) borrows or agrees to borrow any money;
 - (F) releases, discharges or modifies any material obligation owed to any member of the UCL Group or agrees to do so;
 - (G) has appointed any additional director to its board of directors whether to fill a casual vacancy or otherwise;
 - (H) enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or manager, or pays or agrees to pay any retirement benefit or allowance to any director, manager or other employee, or makes or agrees to make any substantial change in the basis or amount of remuneration of any director, manager or other employee (except as required by law or provided under any superannuation, provident or retirement scheme as in effect on the announcement of the Offer);
 - (I) conducts its business otherwise than in the ordinary course;
 - (J) has threatened or commenced against it any material claims or proceedings in any court or tribunal (including a petition for winding up or an application for appointment of a receiver or receiver and manager); or
 - (K) executes a deed of company arrangement or passes any resolution for liquidation, or has appointed or becomes susceptible to the appointment of an administrator, a receiver, a receiver and manager or a liquidator, or becomes subject to investigation under the Australian Securities and Investments Commission Act 2001 (Cth) or any corresponding legislation.
- (vii) **(No action by Public Authority adversely affecting the Offer)** During the Condition Period:
- (A) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority (other than an Excluded Regulatory Authority);
 - (B) no action or investigation is instituted, or threatened by any Public Authority with respect to UCL or any other member of the UCL Group (other than an Excluded Regulatory Authority); or
 - (C) no application is made to any Public Authority (other than an application by Minemakers or any

BIDDER'S STATEMENT

company in the Minemakers Group or an Excluded Regulatory Authority),

which restrains or prohibits or threatens to restrain or prohibit, or may otherwise materially adversely impact upon, the making of the Offer or the completion of any transaction contemplated by this Bidder's Statement (including implementation of the intentions express in the bidder's statement) or seeks to require the divestiture by Minemakers of any UCL Shares, or the divestiture of any assets of the UCL Group or by any company within the Minemakers Group.

- (viii) **(No force majeure event)** During the Condition Period, no outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster, hijacking, material increase in the intensity of any of the above events or other event beyond the control of UCL or any other member of the UCL Group occurs which materially affects or is likely to materially affect the assets, liabilities, financial position, performance, profitability or prospects of UCL or any other member of the UCL Group.
- (ix) **(Non-existence of certain rights)** No person has any right (whether subject to conditions or not) as a result of Minemakers acquiring UCL Shares to:
 - (A) acquire, or require UCL or any other member of the UCL Group to dispose of, or offer to dispose of, any material asset of UCL or any other member of the UCL Group;
 - (B) terminate or vary any material agreement with UCL or any other member of the UCL Group; or
 - (C) accelerate or adversely modify the performance of any obligations of UCL or any other member of the UCL Group in a material respect under any material agreements, contracts or other legal arrangements.

13. ASX quotation of new Minemakers Shares

The Offer is subject to the condition that permission for admission to Official Quotation by ASX of the Minemakers Shares to be issued pursuant to the Offer is sought no later than 7 days after the start of the Offer Period and is granted no later than 7 days after the end of the Offer Period. This condition is not a defeating condition for the purposes of the Corporations Act, and is not of the same nature as the conditions set out in **section 12** of this **annexure A**. The Offer cannot be freed of this condition and consequently no statements made by Minemakers can be taken to waive this condition.

14. Nature and benefit of conditions

- (a) The conditions in **section 12** of this **annexure A** are conditions subsequent. The non-fulfilment of any of these conditions does not, until the end of the Offer Period, or in the case of **section 12(v)** of this **annexure A** (No prescribed occurrences), until the end of the third business day after the end of the Offer Period, prevent a contract to sell your UCL Shares from arising under the Offer. However, Minemakers will be entitled to rescind the contract resulting from your acceptance of this Offer by written notice to you.
- (b) Subject to the Corporations Act, Minemakers alone is entitled to the benefit of the conditions in **section 12** of this annexure A, or to rely on any non-fulfilment of any of them.
- (c) Each condition in **section 12** of this **annexure A** is a separate, severable and distinct condition.

15. Freeing the Offer of conditions

- (a) Minemakers may free this Offer, and any contract resulting from its acceptance, from all or any of the conditions in **section 12** of this **annexure A**, by giving a notice to UCL and to the ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act.
- (b) This notice may be given:
 - (i) in the case of **section 12(v)** of this **annexure A** (No prescribed occurrences), not later than three Business Days after the end of the Offer Period; and
 - (ii) in the case of all the other conditions in **section 12** of this **annexure A**, not less than 7 days before the end of the Offer Period.

- (c) If, at the end of the Offer Period (or in the case of **section 12(v)** of this **annexure A** (No prescribed occurrences), at the end of the third Business Day after the end of the Offer Period), the conditions in **section 12(v)** of this **annexure A** have not been fulfilled and Minemakers has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

16. Notice on status of conditions

The date for giving notice on the status of the conditions required by section 630(1) of the Corporations Act is 2 April 2012 (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

17. Lapsing of the Offer

- (a) If the conditions of the Offer are not satisfied or waived at the end of the Offer Period, then the Offer will lapse and any acceptances received for the Offer will be void.
- (b) If this happens, you will continue to hold your UCL Shares and be free to deal with them as if the Offer had not been made.

18. Withdrawal of Offer

- (a) Minemakers may withdraw this Offer at any time before you accept it, but only with the consent in writing of ASIC (which consent may be given subject to such conditions, if any, as are imposed by ASIC). If ASIC gives such consent, Minemakers will give notice of the withdrawal to ASX and to UCL and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the conditions in **section 12** of this **annexure A** have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to one or more of the conditions in **section 12** of this **annexure A**, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal under **section 18(a)** of this **annexure A** will be deemed to take effect:
- (i) if the withdrawal is not subject to conditions imposed by ASIC, on the date after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on the date after the date on which those conditions are satisfied.

19. Variation

Minemakers may vary this Offer in accordance with section 650A of the Corporations Act.

20. Stamp duty or other costs

- (a) All costs and expenses of the preparation, dispatch and circulation of this Offer and any stamp or other duty payable in respect of the transfers will be paid by Minemakers.
- (b) No brokerage is payable by you if you accept this Offer.

21. Governing law

This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in New South Wales.

22. Date of Offer

This Offer is dated 5 March 2012.

ANNEXURE B SALE FACILITY

1. Description

- (a) Minemakers has made arrangements with the Sale Facility Agent whereby the Sale Facility Agent is making available the Sale Facility under which certain UCL Shareholders will be able to sell the Minemakers Shares that they receive (or are entitled to receive) as a result of acceptance of the Offer.
- (b) The provision of the Sale Facility is separate to the Offer to acquire your UCL Shares under the Offer and does not form part of the consideration for those UCL Shares. All references to the provision of the consideration under the Offer do not include a reference to any cash to which you may be entitled as a result of any sale under the Sale Facility.
- (c) Minemakers' obligations to you under the Offer will be satisfied by Minemakers providing you with the consideration described in **section 9 of annexure A** this **annexure B** within the time periods, and in the manner, specified in this **annexure B**.
- (d) No Minemakers Shares will be sold under the Sale Facility until after the end of the Offer Period.
- (e) The price at which Minemakers Shares will be sold under the Sale Facility is not fixed and is not underwritten, and may be less than the market price of Minemakers Shares at the time that you elect to participate or that any sale takes place.
- (f) Where the maximum number of Minemakers Shares to be sold under the Sale Facility exceeds the Sale Facility Limit, each Sale Facility Participant will have the number of Minemakers Shares to be sold under the Sale Facility scaled back by the proportion the number of new Minemakers Shares UCL Shareholders elect to participate in the Sale Facility bears to the number of all new Minemakers Shares that all Eligible UCL Shareholders have elected to participate in the Sale Facility. The excess Minemakers Shares not sold under the Sale Facility will be transferred to you by the Sale Facility Agent.
- (g) If Minemakers, after consultation with the Sale Facility Agent, forms the view that market conditions do not support the sale of Minemakers Shares, your Minemakers Shares participating in the Sale Facility that have not been sold will be transferred to you by the Sale Facility Agent.

2. Terms of participation

The terms of participation in the Sale Facility are as follows:

- (a) the Sale Facility is only available to UCL Shareholders who are not Ineligible Foreign Shareholders;
- (b) the Sale Facility will only be available in respect of Minemakers Shares that are (or, but for the operation of the Sale Facility, would have been) issued to UCL Shareholders as a result of their acceptance of the Offer. The Sale Facility is not available for Minemakers Shares acquired by any other means;
- (c) participation in the Sale Facility is entirely voluntary;
- (d) if you are eligible to participate in the Sale Facility and you elect to participate, you:
 - (i) will do so on the basis of the terms and conditions in this **annexure B**, the terms set out in the Acceptance Form, as well as any associated documents provided or made available to you in relation to the Sale Facility (together the **Sale Facility Documents**);
 - (ii) will be a Sale Facility Participant;
 - (iii) will not be liable to pay any brokerage, handling fees or stamp duty for the sale of your new Minemakers Shares under the Sale Facility. However, you will be liable for any other tax or charge on the sale of your new Minemakers Shares (including, CGT (if any));
- (e) election to participate in the Sale Facility must be received by 7.00 pm (Sydney Time) on 10 April 2012 unless

the Offer is extended or withdrawn, in which case the election period to participate in the Sale Facility will be likewise extended or withdrawn respectively (**Sale Facility Acceptance Period**); and

- (f) participation in the Sale Facility is only allowed up to the Sale Facility Limit.

3. Acceptance procedure

- (a) The acceptance procedure in relation to the Sale Facility is as follows:
 - (i) the Acceptance Form which accompanies this Bidder's Statement will contain a box allowing you to elect to participate in the Sale Facility; and
 - (ii) if you are an Eligible UCL Shareholder, you must mark the relevant election to participate (in the Sale Facility) specified in your Acceptance Form at the time you accept the Offer and return the Acceptance Form in accordance with the instructions on the Acceptance Form (including provision of documents, if any).
- (b) Minemakers reserves the right, on behalf of the Sale Facility Agent and for any reason, to modify the timetable for, or to suspend (for any period of time) the operation of, the Sale Facility (including to suspend the ability to elect to participate in, or to suspend the sale of Sale Shares under, the Sale Facility) in its sole discretion. Any such modification or suspension will be announced to ASX.

4. Sale Facility Agent

- (a) Each Sale Facility Participant irrevocably appoints the Sale Facility Agent as execution-only broker to sell all of the Sale Facility Participant's new Minemakers Shares on behalf of the Sale Facility Participant in accordance with the Sale Facility Documents. Instructions from Sale Facility Participants will be taken to be provided to the Sale Facility Agent at the time that Minemakers or its agent advises the Sale Facility Agent of the batch in which the relevant Sale Facility Participant's new Minemakers Shares are included in accordance with the Sale Facility Documents.
- (b) The Sale Facility Agent's appointment as 'execution-only' broker means that neither the Sale Facility Agent nor Minemakers or any of its agents is giving, nor are any of them obliged to give, any advice to you. This **annexure B** does not constitute advice or a recommendation by any of the above to buy, sell or hold securities in Minemakers, nor that the Sale Facility or any other facility is the best way to sell your new Minemakers Shares. Accordingly, before you elect to use the Sale Facility you should ensure that the Sale Facility meets your own objectives, financial situation and needs. If you are unsure of what action to take you should consult a licensed financial adviser. Minemakers will pay brokerage (and any applicable GST) to the Sale Facility Agent in relation to the sale of your new Minemakers Shares under the Sale Facility.
- (c) Minemakers and the Sale Facility Agent are irrevocably authorised by each Sale Facility Participant to do all things and execute all documents (including to effect any holding adjustment, securities transformation or other transmission or transaction in relation to a Sale Facility Participant's holding of new Minemakers Shares, whether personally or, where practicable, through an agent) to facilitate the sale of all the new Minemakers Shares of the Sale Facility Participant by the Sale Facility Agent as broker under the Sale Facility or the transfer of the Minemakers Shares from the Sale Facility Agent to you.

5. Election to participate

- (a) Once a Sale Facility Participant has provided a valid election to participate, they are not permitted to sell any of their new Minemakers Shares outside the Sale Facility.
- (b) Where a Sale Facility Participant elects to participate in the Sale Facility during their acceptance of the Offer, they will, or will be deemed, to direct Minemakers to issue the relevant new Minemakers Shares directly to the Sale Facility Agent (or its nominee) in a holding on Minemakers' issuer sponsored subregister for the purpose of sale under the Sale Facility. This direction will be taken to be given even if the relevant Minemakers Shares were held in a CHESS Holding and regardless of whether a holder identification number may be specified on the Sale Facility Participant's Acceptance Form.
- (c) Minemakers may, in its sole discretion, at any time determine on behalf of the Sale Facility Agent that an election to participate is valid in accordance with the Sale Facility Documents, even if the election to participate is incomplete, contains errors or is otherwise defective. Minemakers (or any agent of Minemakers acting on its

BIDDER'S STATEMENT

instructions) may correct any error in or omission from an Acceptance Form and complete the Acceptance Form by the insertion of any missing details.

- (d) Notwithstanding **section 5(c)** of this **annexure B**, neither Minemakers nor the Sale Facility Agent is under any obligation to accept any election to participate, whether completed correctly or not.

6. Processing of sales of new Minemakers Shares

- (a) Minemakers or its agent will process all elections to participate and will aggregate valid elections to participate according to the order in which they are processed to form batches to be sold by the Sale Facility Agent. Minemakers or its agent will advise the Sale Facility Agent of the number of new Minemakers Shares available to be sold in respect of each batch as batches become available (taking into account, amongst other things, the time at which the relevant new Minemakers Shares are issued) and the Sale Facility Agent will (subject to **sections 6(e)** and **6(f)** of this **annexure B**) sell the batches of new Minemakers Shares in the order in which the instructions in relation to each batch are provided by Minemakers or its agent.
- (b) The price (**Sale Price**) that a Sale Facility Participant will be paid for each of their new Minemakers Shares that are sold under the Sale Facility will be the volume weighted average price achieved by the Sale Facility Agent for the sale of all new Minemakers Shares sold by the Sale Facility Agent under the Sale Facility for the batch of Sale Shares in which the Sale Facility Participant's new Minemakers Shares are assigned.
- (c) Sale Facility Participants should note that they will not have control over the time of the sale of their new Minemakers Shares, and therefore will not be able to personally ensure that the sale occurs at a certain price. The Sale Price will depend upon the market conditions prevailing at the time of the sale and may be different to the price of Minemakers Shares appearing in the newspaper or quoted by ASX on the day that a Sale Facility Participant's new Minemakers Shares are sold.
- (d) The Sale Facility Agent may sell the new Minemakers Shares of a Sale Facility Participant at any time during the period commencing from the time at which the Sale Facility Participant's new Minemakers Shares are allotted and issued.
- (e) The Sale Facility Agent will (in its sole discretion) place one or more orders to sell all new Minemakers Shares comprising a batch on ASX or TSX in the ordinary course of business (including, in the Sale Facility Agent's sole discretion, by crossings). The new Minemakers Shares included in a batch may therefore be sold by multiple trades at different prices.
- (f) Subject to **section 7(d)** of this **annexure B**, The new Minemakers Shares included in a batch will generally be sold on the Trading Day (as defined in the Listing Rules) following the day on which Minemakers or its agent advises that a batch is available for sale under **section 6(a)** of this **annexure B** or as soon as practicable thereafter. However, Sale Facility Agent may, in its sole discretion, delay the sale of some or all of the new Minemakers Shares available to be sold on any Trading Day, if it considers that to be in the best interests of the relevant Sale Facility Participant (for example, because it considers market conditions to be unsuitable or to avoid an excessive concentration of sales on a particular Trading Day).

7. Payment and confirmation

- (a) Sale proceeds calculated in accordance with **section 6(b)** of this **annexure B** above will be paid to each Sale Facility Participant:
- (i) within 10 business days after the settlement of the sale of the last of the new Minemakers Shares of the relevant Sale Facility Participant; and
 - (ii) in Australian dollars by cheque posted to the address for that Sale Facility Participant as formerly shown in the register of members of Minemakers prior to the sale of their Minemakers Shares, and made payable to the name or names on the Minemakers register, at the risk of the Sale Facility Participant.
- (b) The excess Minemakers Shares not sold under the Sale Facility (ie new Minemakers Shares in excess of the Sale Facility Limit in respect of each Sale Facility Participant) will be issued to the Sale Facility Participants in accordance with the terms of the Offer.
- (c) Minemakers or its agent will notify each Sale Facility Participant, by way of a transaction confirmation statement

issued on behalf of the Sale Facility Agent sent to the address for the Sale Facility Participant, of the number of the Sale Facility Participant's new Minemakers Shares sold under the Sale Facility and the Sale Price for those new Minemakers Shares, within 10 business days after the settlement of the sale of the last of those new Minemakers Shares.

- (d) If Minemakers, after consultation with the Sale Facility Agent, forms the view that market conditions do not support the sale of Minemakers Shares your Minemakers Shares participating in the Sale Facility that have not been sold will be transferred to you by the Sale Facility Agent.

BIDDER'S STATEMENT

MINEMAKERS CORPORATE DIRECTORY

Directors

Andrew Drummond – Executive Chairman

Dennis Wilkins – Finance Director

Edward (Ted) Ellyard – Non-executive Director

Richard O'Shannassy - Non-executive Director

Company Secretary

John Ribbons

Registered Office

Ground Floor, 20 Kings Park Road

WEST PERTH WA 6005

Principal Office

Level 2, 34 Colin Street

WEST PERTH WA 6005

Financial Advisers to the Offer

Azure Capital

Level 34, Exchange Plaza, 2 The Esplanade

PERTH WA 6000

Australian Legal Advisers to the Offer

Corrs Chambers Westgarth

Level 15, 240 St Georges Terrace

PERTH WA 6000

Auditor

Bentleys Audit and Corporate (WA) Pty Ltd

Level 1, 12 Kings Park Road

WEST PERTH WA 6005

Share Registry

Computershare Investor Services Pty Limited

GPO Box 52

MELBOURNE VIC 3001



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