
MARCH 2013 QUARTERLY ACTIVITIES REPORT

24 April 2013

HIGHLIGHTS

WONARAH PROJECT (MINEMAKERS 100% Equity)

- Continued progression of Feasibility Study:
 - Further progress on metallurgical testwork.
 - Initial pit optimisation runs have been undertaken.
 - An optimised operating regime for the beneficiation of ore has been determined.
- A decision on the level of environmental assessment and the issue of guidelines is expected imminently from the Northern Territory Government.
- JDCPhosphate Inc.'s Improved Hard Process demonstration plant in Florida approaching completion and moving into commissioning phase.

CORPORATE

- On 2 April 2013 the Company announced that Vulcan Phosphates LLC (Vulcan) had become a strategic cornerstone investor in Minemakers.
 - 14 million shares were issued to Vulcan at \$0.18 per share.
 - After the placement, Minemakers had cash of \$26.9 million and approximately \$2.5 million in tradable securities held in ASX listed entities.

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

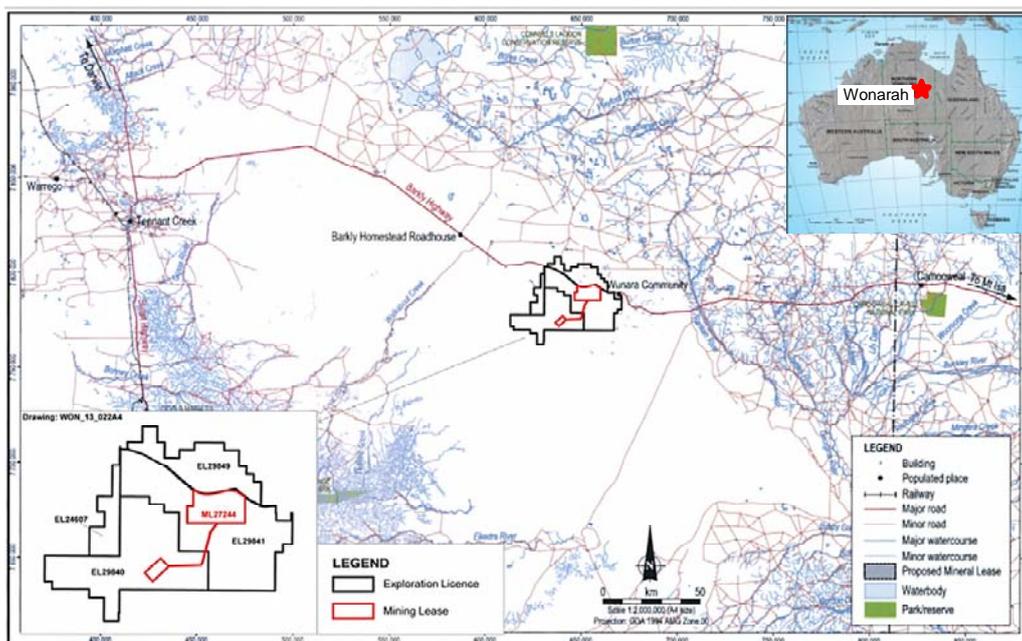


Figure 1: Wonarah Phosphate Project Locality Map

INTRODUCTION

Minemakers Limited's (Minemakers) 100% owned Wonarah phosphate project is the largest known phosphate deposit in Australia. To date, only 15% of the known mineralisation has been sufficiently drilled to enable a resource estimate to be defined.

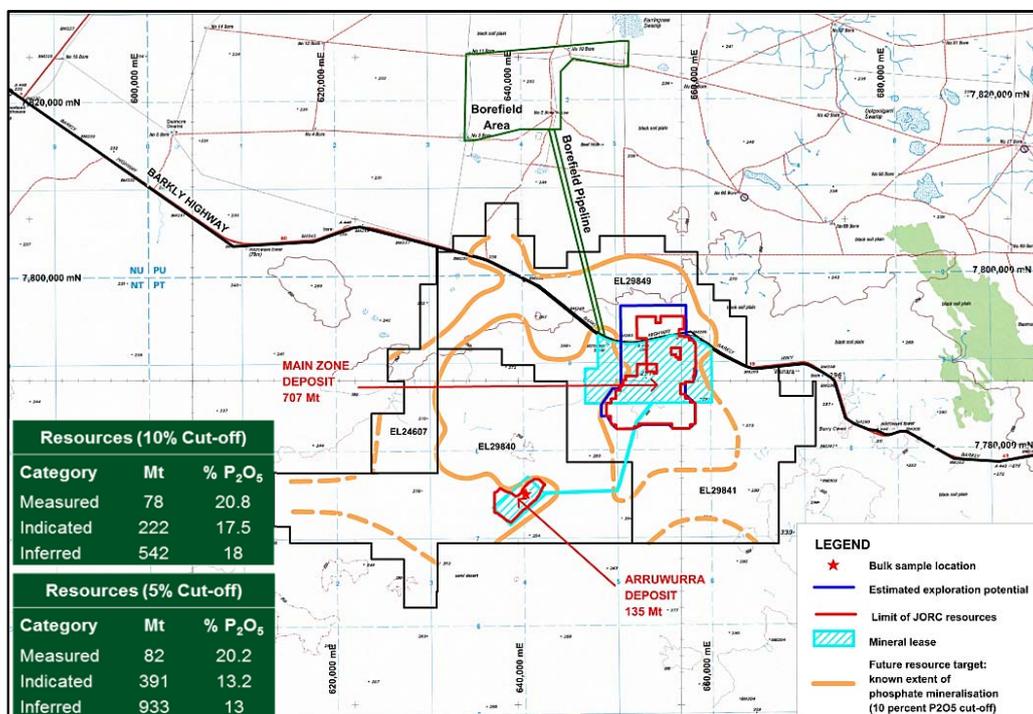


Figure 2: Wonarah Deposit

Mineral Resources

The current estimated mineral resources are set out above. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be classified as mineral reserves. There is no assurance that any part of the Inferred resources will ultimately be converted to mineral reserves.

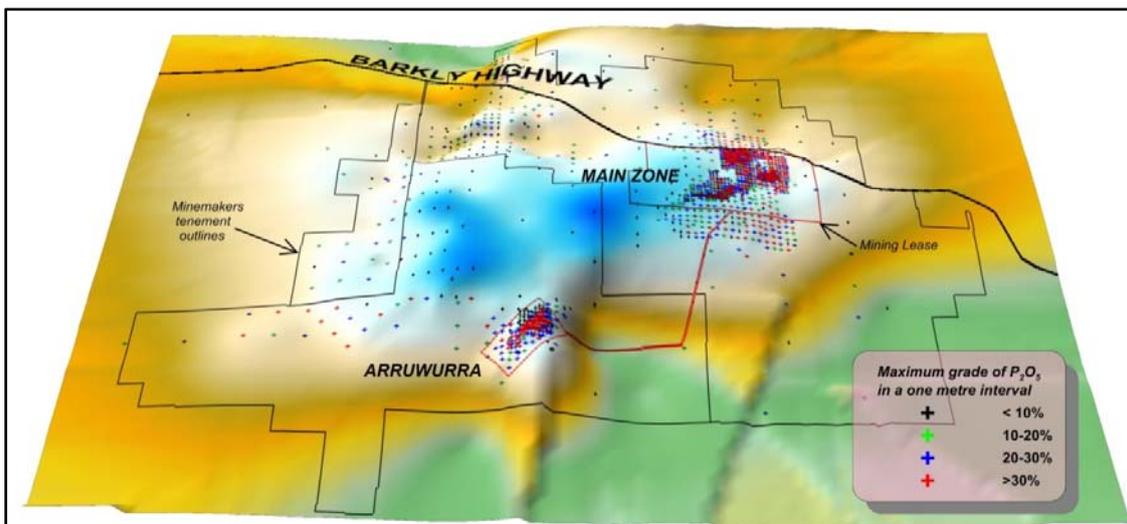


Figure 3: Modelled palaeosurface at Wonarah at the time of phosphate deposition, showing drilling and tenure

Minemakers aims to take advantage of Australia’s political stability and Wonarah’s favourable installed and available infrastructure to develop a major centre for the production of superphosphoric acid (SPA). Wonarah’s advantages, apart from its size and grade, include:

- Situated in a stable political jurisdiction
- Northern Territory Government support and designation as a Major Project
- A life of mine Mining Agreement in place with Traditional Owners which covers mining, processing and fertiliser production
- Proximity to a regional population centre at Tennant Creek
- Access to an established bulk commodity port at Darwin
- Bitumen highway access
- Proximity to a standard gauge railway with spare freight capacity
- Proximity to a natural gas supply, the pipeline for which closely follows the railway line
- Proximity to ample groundwater
- Silica available on site and petroleum coke readily available nearby



Figure 4: Wonarah Locality and Infrastructure

FEASIBILITY STUDY

A fully funded Feasibility Study (FS) is underway, which is focused on Wonarah's development using the Improved Hard Process (IHP) kiln based patented technology, owned by JDCPhosphate Inc. (JDCP) of Florida, USA. The FS is an extension of the work undertaken for the Direct Shipping Ore Feasibility Study completed in 2010 and the subsequent study undertaken in 2011.

The FS will update, extend and validate the earlier studies and incorporate new studies for aspects of the project that were not required in earlier evaluations. Investigations will cover the full range required for preparation of a FS, the major elements of which will include:

- Approvals
- Environmental and Social
- Geology and Resources
- Mining and Reserves
- Beneficiation
- IHP
- Slimes Storage Facility
- Project Logistics
- Surface Hydrology
- Hydrogeology, Water Supply and Water Balance
- Marketing
- Financial Analysis

Process

Minemakers is focused on the production of high-value SPA at Wonarah utilising IHP technology. Minemakers owns 3.3% of JDCP and has the exclusive right to utilise IHP in Australia.

In summary, IHP entails:

- Mining
- Beneficiation to 15-20% P₂O₅
- Grinding with raw petroleum coke and silica
- Pelletisation
- Roasting in a ported rotary kiln
- Delivery of a phosphorus rich gas
- Hydration process
- Superphosphoric acid production at a contained $\pm 70\%$ P₂O₅ – a very high nutrient product
- Co-product is a low environmental impact and usable inert spent pellets (see below)

The process produces inert pellets as a co-product, which JDCP has named J-ROX. Whilst J-ROX has demonstrated suitability as an aggregate in many applications, Wonarah's distance from major metropolitan centres indicates the likelihood of this co-product having real commercial value is low and it is anticipated that the majority of the co-product will be returned to the mined pits as fill.

Metallurgical Testwork

Good progress has been made on the metallurgical testwork over the past few months:

- The testwork program relating to the beneficiation of feed to IHP has resulted in an optimised regime using simple crushing, grinding and attrition, which removes unwanted clays from the ore.
- The next stage of testwork will evaluate various discrete samples, using the optimised conditions, to determine the effects of variability of ore composition and ensure that the optimised parameters adequately accommodate such variability.
- A suite of testwork was also undertaken to determine a suitable processing route to remove clay from the sand that overlies the deposit and which will be used in the IHP process. This work concluded that a simple wet screening process would produce a highly suitable silica sand product.

- Beneficiated ore samples have been despatched to the USA and generation of sand samples is expected to be completed and despatched shortly. Variability testing will resume on completion of the sand sample and is expected to be finalised by the end of the June 2013 Quarter.

Mineplan

AMC Consultants commenced work on defining pit shells based on anticipated revenue and cost structures and process algorithms. This work will be refined during the course of the FS. Early runs of the model have indicated that some areas of the Main Zone deposit may require further in-fill drilling in order to increase the resource category from Inferred to at least Indicated. This drilling will be scheduled later in the year when an anticipated period of ground disturbing activity at site ensues. Further work will include water bore drilling, civil geotechnical investigation and slimes storage facility site investigation.

NOTICE OF INTENT

On 20 December 2012, Minemakers submitted, through Coffey Environments, a new Notice of Intent (NOI) to the Northern Territory Government, thereby triggering the Territory's environmental assessment process.

Since submission of the NOI, Minemakers and Coffey Environments have maintained regular dialogue with the Northern Territory EPA including follow up visits by company representatives to discuss the EPA's initial thoughts on the NOI and provide additional information where required. A decision on the level of assessment and the issue of guidelines is expected shortly.

A constructive meeting was held in Tennant Creek during March 2013 with the Traditional Owners and the Central Land Council (CLC), during which the Company presented its proposed project and answered questions on its proposal. Through the guidance of the CLC, the Traditional Owners formed a Liaison Committee that will represent the group and work with the Company during the coming months to ensure their views are taken into consideration in the final version of the document submitted to the regulators.

STRATEGIC PARTNERSHIP PROCESS

In addition to securing a cornerstone investor in Vulcan Phosphate (see below in Corporate section), Minemakers continues to conduct discussions with potential strategic partners which will complement Vulcan's corporate level investment.

Minemakers continues to engage actively with potential partners for the Wonarah project seeking an appropriate value sharing model. The key attributes for a potential partner remain ability to add technical input, support in financing and provide off-take for product.

The Company's increasing understanding of the IHP technology, especially as it relates to timing and extent of capital expenditure, together with the cash received from the sale of Minemakers Namibian assets, allows more flexibility in the partner selection process.

Minemakers will ensure that its choice of strategic partner and any ensuing business combination is value enhancing and sustainable for the Company and its shareholders.

JDCPHOSPHATE INC. – FLORIDA IHP DEMONSTRATION PLANT

JDCP is a Florida-based private developer of IHP which aims to dramatically improve the efficiency of the production of superphosphoric acid from rock phosphate. JDCP has been developing IHP for several years.

JDCP successfully concluded the first tranche of funding for its demonstration plant in late 2011 and in August 2012 announced that a second funding tranche had been concluded. Funding of the demonstration plant has been provided by investors including Minemakers, Vulcan, Mitsui & Co (USA) Inc., Florida Opportunity Fund and Espirito Santo Ventures (Portugal). The participation of these companies provides strong encouragement as to the prospects of commercialising IHP technology.

In the March 2012 Quarter, JDCP commenced construction of a demonstration plant at its site in Fort Meade, Florida. Commissioning is anticipated in the first half of 2013. On completion the plant will have a capacity of 12,000 short ton per annum (stpa) of high quality and high concentration SPA.

It is expected that each commercial IHP production train will produce 200,000 stpa (181,000 metric tonnes) of contained P_2O_5 .



Figure 5: JDCP Demonstration Plant under construction, hydrator in which the SPA will be produced in the foreground – April 2013

Construction of the JDCP IHP demonstration plant is nearing completion at Fort Meade in Florida. As at 31 March 2013, the plant is almost complete with lining of the kiln concluded and electrical and instrumentation cabling and piping being run. The plant is expected to reach mechanical completion in May 2013 with equipment being progressively energised, instrumentation and control systems and interlocks tested then the plant dry run over the following weeks. Feed will be introduced to each successive section of the plant and the quality of the output from that section confirmed before the next section is tested. Once all sections are confirmed as fully operational, the feed blend will be progressively changed until it represents the “normal” operational feed. This process is likely to take a number of weeks to complete and there are likely to be some engineering issues to be resolved along the way, which may impact on the total time frame to achieve validation.

Members of the Minemakers management team have visited the Fort Meade site regularly to view progress of the demonstration plant and coordinate JDCP’s technical support for the Wonarah FS to ensure complete integration of the IHP into the overall Wonarah FS. The JDCP study team comprises members of the engineering team who have recently designed and built the demonstration plant. The Wonarah project should benefit enormously from the insights gained through the demonstration plant process.

INVESTMENTS

1. UCL RESOURCES LIMITED (ASX:UCL)

Minemakers holds a 13.81% equity interest in UCL Resources Limited, valued at approximately \$2 million at the end of the March 2013 Quarter. Value at 23 April 2013 is \$4,414,906 based on Mawarid Mining LLC's on market offer for UCL at \$0.31 per share.

2. AUSTRALIA MINERALS & MINING GROUP LIMITED (ASX:AKA)

Minemakers holds 4.65% equity interest in Australia Minerals & Mining Group Ltd, valued at approximately \$0.5 million at the end of the March 2013 Quarter.

3. TNT MINES LIMITED

Minemakers holds a 19% equity interest in TNT Mines Limited (TNT). Minemakers continues to explore opportunities for a liquidity event for its holding in TNT. Minemakers will monitor developments and act in the best interest of its shareholders as it relates to TNT.

4. JDCPHOSPHATE INC.

Minemakers holds a 3.3% equity interest in JDCPhosphate Inc.

CORPORATE

VULCAN PHOSPHATES LLC: STRATEGIC CORNERSTONE INVESTOR

On 2 April 2013, the Company announced that Vulcan Phosphates LLC (Vulcan) became a strategic cornerstone investor in Minemakers.

Benefits of Strategic Relationship with Vulcan

The introduction of Vulcan as a cornerstone strategic investor is expected to be highly beneficial to Minemakers on a number of levels. Through its investors, Vulcan not only has deep commercial and operational knowledge of the fertiliser market, but also strong industry relationships particularly with potential off-take partners.

Vulcan is also a major investor in JDCP. Successful commissioning of the demonstration plant will be a defining process in the commercialisation of IHP and the development of the Wonarah project. Through Vulcan's common shareholding in JDCP, Vulcan has become aware of the significant potential for Minemakers to apply IHP to the Wonarah deposit and develop a world scale SPA production facility.

Details of the Placement to Vulcan

Minemakers issued 14 million ordinary fully paid shares to Vulcan at \$0.18 per share resulting in \$2.52 million cash raised. In addition, Minemakers also issued Vulcan with options to acquire a further 14 million Minemakers shares at a strike price of \$0.30 per share exercisable at any time during the next 4 years.

Under the terms of the placement:

- Vulcan will have the right to nominate a director to the Board of Minemakers if it increases its shareholding in Minemakers to above 10%.
- If Vulcan acquires, and maintains voting power to more than 10% of Minemakers, Vulcan will have the option (subject to the receipt of an ASX waiver) to participate in any future Minemakers share issues in order to maintain its percentage shareholding in the Company.

- Vulcan has agreed to a 2 year standstill whereby it will not increase its shareholding above an agreed level unless it obtains prior approval from the Minemakers Board or if Minemakers receives a bona fide takeover proposal from an unrelated third party. The agreed level is 15% during the first 12 months following the placement and 19.9% during the second 12 months.

Further Details of Agrifos and Solvochem

Vulcan was formed in November 2011 by the owners of the Agrifos group of companies and their co-investor, Anthony Flouty, to make investments in the phosphate fertiliser industry. Mr Flouty is the Chairman, Managing Director and founding owner of the Solvochem group of companies.

The Agrifos group of companies are owned by Farouk Chaouni, Timothy Cotton and Margaret Smith. Following the sale to Rentech Nitrogen in November 2012 of its Pasadena, Texas ammonium sulfate plant for a cash price of US\$138 million and other consideration, the Agrifos group remains focused on project and business development activities in the fertiliser and related sectors.

Solvochem Holdings Ltd is a leading operator of chemical terminals in the Mediterranean, Middle East and East Africa. It has operations in the Middle East, Europe and East Africa and has established independent bulk terminals in Jordan, Egypt, Dubai, Tanzania and Kenya. The facilities currently accommodate storage of petrochemicals, fuel and base oil with a storage capacity of 140,000 metric tons.

TOGOLESE PHOSPHATE PROJECT

On 23 January 2013 Minemakers announced the Company had signed a Memorandum of Understanding with Balamara Resources Limited (ASX:BMB). Balamara is one of three entities shortlisted by the Government of the Republic of Togo to submit a tender to be evaluated for the grant of a concession over major phosphate deposits adjacent to those currently being worked in that country. The award of the concession to the successful tenderer is yet to be finalised and should Balamara succeed, Minemakers will consider possible participation.

CASH POSITION

At the end of the March 2013 Quarter Minemakers had cash of \$24.4 million. This cash balance increased to \$26.9 million post the Vulcan investment on 5 April 2013.

Cliff Lawrenson
Managing Director

Competent Persons' Statement

The qualified person in relation to this press release is Russell Fulton, who is the Geological Manager of the Company and a Member of the Australian Institute of Mining and Metallurgy, and who has reviewed and approved the information in this press release. Mr Fulton has sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' and a 'Qualified Person' as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr Fulton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

For further information on Wonarah, please refer to Minemakers' NI43-101 compliant technical report entitled "Technical Report Mineral Resource Estimation for the Wonarah Phosphate Project, Northern Territory, Australia", dated March 2013 and available on SEDAR at www.sedar.com.

Cautionary Statement Regarding Forward-Looking Information

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