

# Minemakers Limited

## Proposed Acquisition of UCL Resources Limited

Investor Presentation  
13 February 2012



**MINEMAKERS**  
LIMITED

[www.minemakers.com.au](http://www.minemakers.com.au)

TSX: MAK, ASX: MAK, NSX: MMS

# Important Information

The purpose of this presentation is to provide general information about a proposed acquisition by Minemakers Limited (“Minemakers”) (ASX, TSX: MAK, NSX: MMS) of shares in UCL Resources Limited (“UCL”) (ASX: UCL) by way of an off-market takeover offer (“Offer”)

This presentation is not a prospectus nor an offer of securities for subscription or sale in any jurisdiction nor a securities recommendation.

The information in this presentation is an overview and does not contain all information necessary for investment decisions. In making investment decisions, investors should rely on their own examination of Minemakers Limited and consult with their own legal, tax, business and/or financial advisers in connection with any acquisition of securities.

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The presentation contains only a synopsis of more detailed information published in relation to the matters described in this document and accordingly no reliance may be placed for any purpose whatsoever on the sufficiency or completeness of such information and to do so could potentially expose you to a significant risk of losing all of the property invested by you or incurring by you of additional liability. Recipients of this presentation should conduct their own investigation, evaluation and analysis of the business, data and property described in this document. In particular any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and you should satisfy yourself in relation to such matters.

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Drummond, who is Executive Chairman of the Company and a Fellow of The Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Drummond has sufficient experience deemed relevant to the style of 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.

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

For further information regarding the Sandpiper Marine Phosphate Programme, please refer to Minemakers’ NI43-101 compliant technical report entitled “Updated Estimation of Phosphate Resources for the Sandpiper Project in EPLs 3415 and 3323, Namibia”, dated March 11, 2011 and available on SEDAR at [www.sedar.com](http://www.sedar.com).

For further information on Wonarah, please refer to Minemakers’ NI43-101 compliant technical report entitled “Technical Report Mineral Reserve Estimation for Wonarah Phosphate Project, Northern Territory, Australia”, dated September 2010 and available on SEDAR at [www.sedar.com](http://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.

# Proposed Offer

Offer	<ul style="list-style-type: none"><li>▪ Off-market takeover offer for UCL Resources Limited (“UCL”)</li><li>▪ 9 Minemakers shares for every 10 UCL shares held</li></ul>
Value of Offer	<ul style="list-style-type: none"><li>▪ AUD 30.2 cents per UCL share based on Minemakers’ closing price of AUD 33.5 cents on 10 February 2012</li><li>▪ Represents a:<ul style="list-style-type: none"><li>▪ <b>59.7%</b> premium to UCL’s last closing price of AUD 19.0 cents per share on 10 Feb 2012</li><li>▪ <b>61.6%</b> premium to UCL’s 1 month VWAP on 10 Feb 2012</li><li>▪ <b>51.5%</b> premium to UCL’s 3-month VWAP on 10 Feb 2012</li></ul></li></ul>
Conditions	<ul style="list-style-type: none"><li>▪ 50% minimum acceptance by UCL shareholders</li><li>▪ Namibian Competition Commission approval</li><li>▪ No material asset sales or acquisitions by UCL</li><li>▪ No loss or announcement of loss of rights to the tenements held in relation to the Sandpiper Project or rejection of any licence applications or renewals material to the Sandpiper Project</li><li>▪ No "prescribed occurrences" occurring, regulatory prohibition, judicial restraint or unanticipated distribution</li><li>▪ Customary conduct of business conditions</li></ul>
Share Sale Facility	<ul style="list-style-type: none"><li>▪ Minemakers will offer eligible UCL shareholders the ability to participate in a share sale facility for a limited pool of Minemakers shares (subject to regulatory approval)</li><li>▪ Allows Minemakers shares to be sold at market prices and UCL shareholders to receive cash</li></ul>
Timetable	<ul style="list-style-type: none"><li>▪ Bidder’s statement expected to be lodged in week starting 20 February</li></ul>

# Why Should UCL Shareholders Accept?

- ✓ 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
- ✓ Ongoing exposure to the Sandpiper Project, as well as diversification and participation in potential upside from Minemakers' portfolio of other high quality assets
- ✓ Minemakers better placed to secure competitive finance for the development of the Sandpiper Project than each company would separately under the current ownership structure
- ✓ Simplified ownership structure, allowing for potentially streamlined decision-making and accelerated development
- ✓ Likely lower dilution risk for UCL shareholders
- ✓ Avoids the risk of becoming a minority shareholder in a more illiquid company, or the risk of remaining a shareholder in a company that is delisted
- ✓ Given Minemakers' 13.1% shareholding in UCL, a competing proposal is less likely
- ✓ You will be eligible to participate in a limited share sale facility<sup>1</sup>
- ✓ CGT tax rollover relief is potentially available

# Offer Premium

Minemakers' Offer is at a substantial premium to UCL's recent trading.



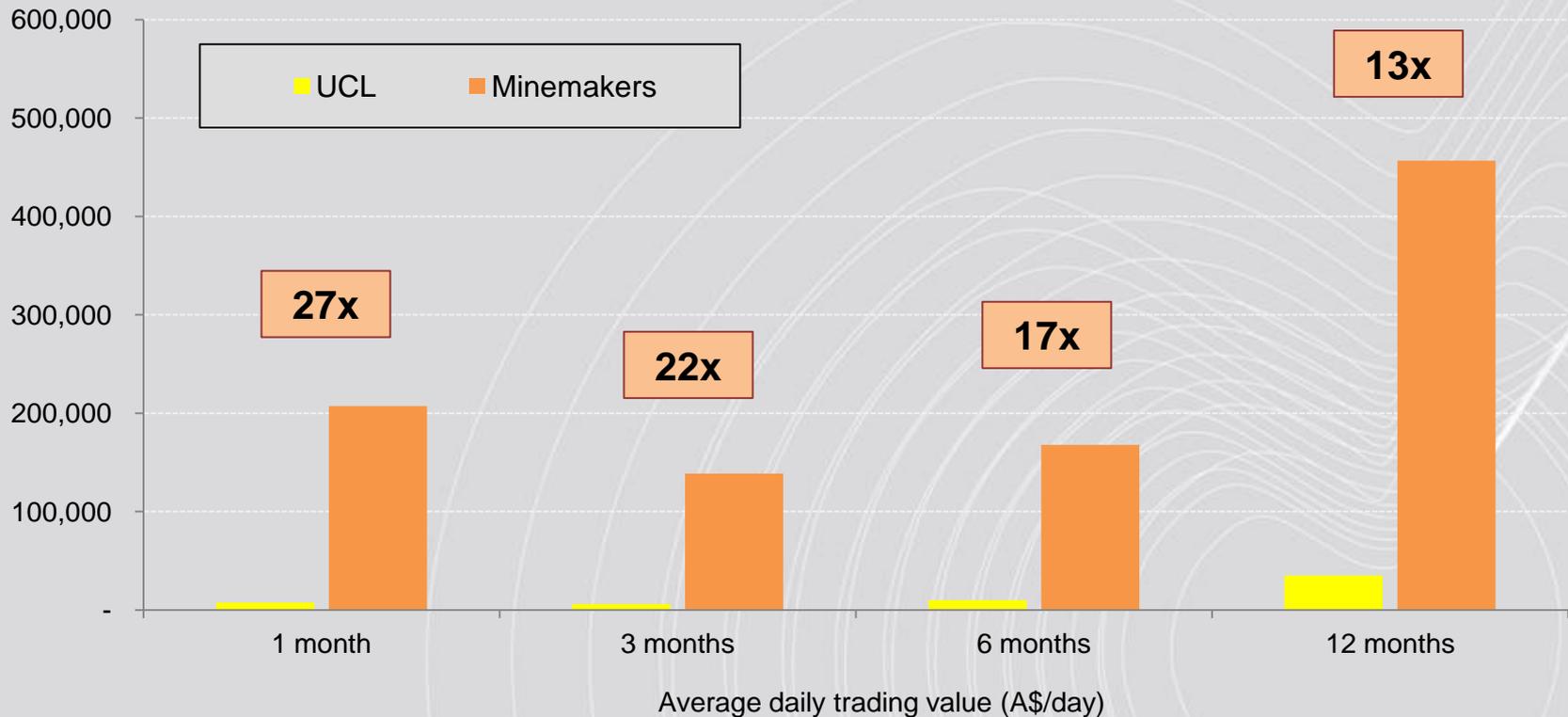
1. Based on the Minemakers' closing share price of AUD 33.5 cents per share on 10 February 2012.

2. VWAP periods all end on 10 February 2012.

Source: Bloomberg, 10 February 2012

# Liquidity

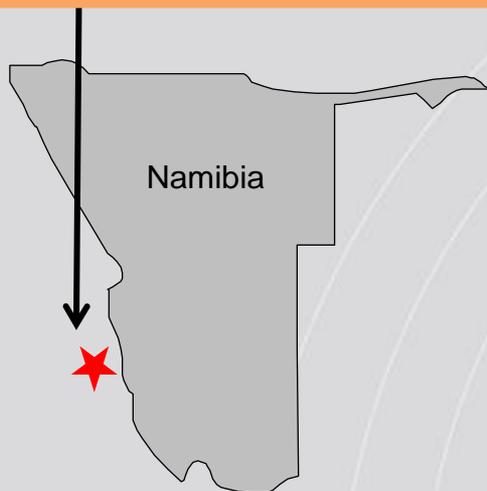
At each major interval of time over the past 12 months, Minemakers' liquidity<sup>1</sup> has been significantly higher than UCL's.



# Overview of Combined Group

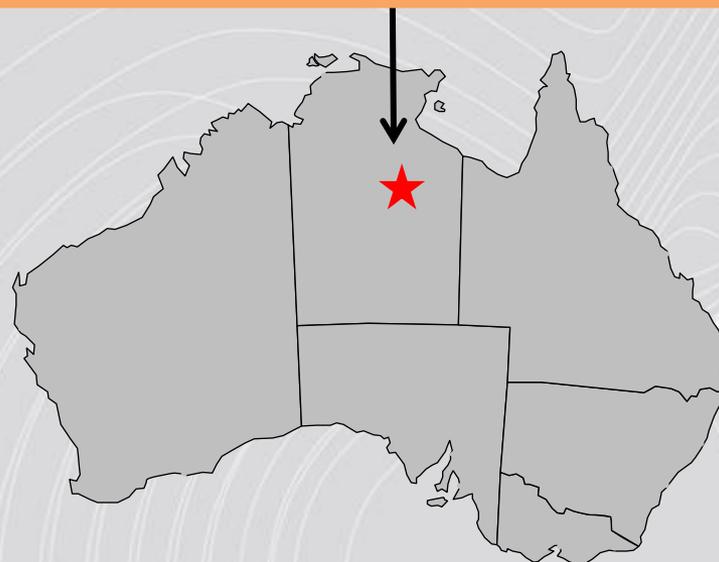
## **Sandpiper Phosphate Project (85%)**

- Located on the Namibian continental shelf
- JORC resource of 1,951Mt @ 18.5% P<sub>2</sub>O<sub>5</sub>
- DFS due end of March 2012
- Rocky Point marine phosphate exploration project (70% owned) located immediately north of the Sandpiper Project



## **Wonarah Phosphate Project (100%)**

- Located in the Northern Territory
- Largest undeveloped rock phosphate project in Australia, with a JORC resource of 782 Mt @ 18.1% P<sub>2</sub>O<sub>5</sub>
- Minemakers has signed a MOU with NMDC for a pathway to development of the project
- Discussions with NMDC ongoing



## **Other Assets & Cash**

- 6.7% interest in JDC Phosphate, a private, US-based fertiliser technology company
- Cash of approximately \$16m, comprising Minemakers expected cash by mid-Feb of A\$14m<sup>1</sup> and UCL cash at 31 Dec of A\$2m
- Expected 5.0m shares & 2.0m 20c options in Australian Minerals and Mining Group Limited (ASX: AKA)

## **TNT Mines (20%)**

- Unlisted Australian tin, tungsten and fluorspar explorer focused on Tasmania



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