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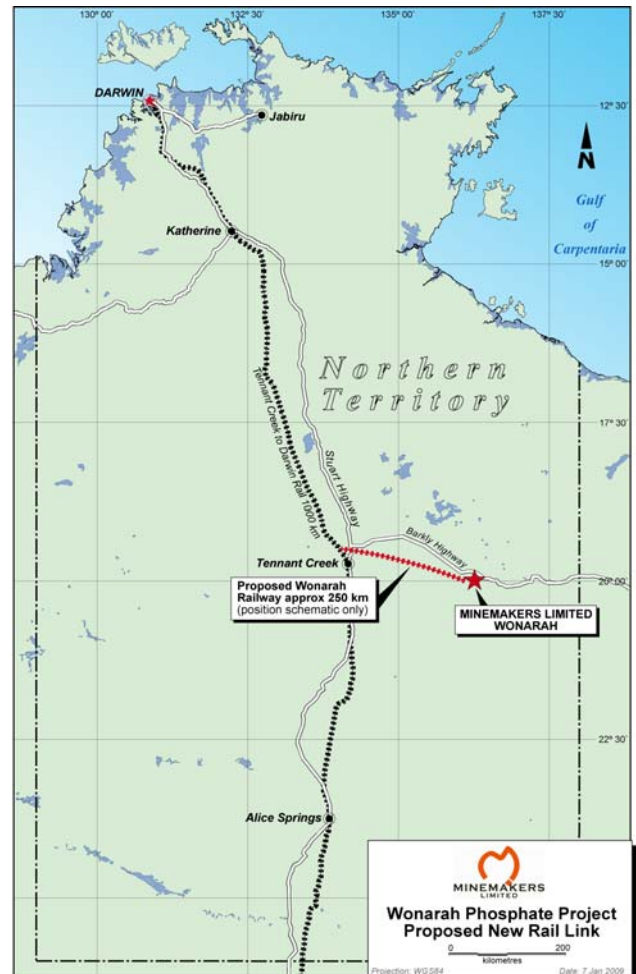
ASX ANNOUNCEMENT

MOU SIGNED ON WONARAH RAILWAY STUDY

9 January 2008

HIGHLIGHTS

- Minemakers and Australian Transport and Energy Corridor Ltd ("ATEC") have signed an MOU covering a financial study of the economics of a 250km open access standard gauge rail link from the Wonarah Phosphate Project to near Tennant Creek.
- ATEC will manage the study. Should the outcome of the study be positive, ATEC would manage the approvals process, financing and construction of the rail link.
- The rail link would be expected to lower materially Minemakers' operating costs and could potentially allow higher production output than the 3Mtpa limit otherwise set by road haulage.



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BACKGROUND

1. Wonarah Phosphate

Minemakers' current plans for the development of its Wonarah Phosphate deposits include road freight of the Direct Shipping Ore and/or beneficiated rock phosphate from minesite to a transport hub at Tennant Creek. There it would be re-handled and loaded onto trains for standard gauge rail haulage to the export port of Darwin.

The road freight and rehandling component has been identified as the single greatest operating cost of the whole production, processing and freight chain. Moreover, practical limitations to road haulage over the approximately 270km of the Barkly Highway are considered to set a production ceiling of about 3Mtpa.

The construction of a standard gauge rail spur line from near Tennant Creek to the minesite would likely result in considerable cost savings by removing the road haulage and re-handling aspects and, subject to market demand, could allow considerable expansion of production.

2. ATEC

ATEC is an unlisted dedicated rail infrastructure development and investment company. ATEC was successful in securing an unsolicited Public Private Partnership mandate from the Queensland Government to deliver the Surat Basin Rail project. ATEC is also the long-time proponent of the Inland Railway which aims to link Melbourne and Darwin. The Tennant Creek to Darwin sector already exists.

ATEC has already undertaken a preliminary assessment of linking Mount Isa to Tennant Creek as part of its inland rail vision. On the basis of those results, and the current mining developments in the region, ATEC proposed to Minemakers to advance its assessment with an initial feasibility assessment on the design, approvals and construction of an open access standard gauge rail link between Wonarah and the current Alice Springs to Darwin standard gauge rail line, linking near Tennant Creek. Later it could extend the link from Wonarah to Mount Isa.

3. KEY POINTS FROM THE MOU

Minemakers and ATEC have entered into a Memorandum of Understanding between the two parties. The main aspects of the MOU are as follows:

- The feasibility study will be managed by ATEC with appropriate input from Minemakers.
- Stage I of the study will be a desktop one and will be completed by 31 May 2009 and will include preliminary financial modelling. Minemakers will contribute equally with ATEC towards the costs of completion of Stage 1 of the study subject to Minemakers not being required to pay more than \$30,000.
- Subject to Stage 1 outcomes, Stage II is planned to be a more detailed assessment in preparation for a formal submission to governments for an exclusive mandate to build and operate the rail link.
- Should the financial study prove positive, the parties would aim for construction of the rail link within the shortest practicable time. ATEC would manage approvals, funding and construction and Minemakers would have the

right, but not obligation, to subscribe for up to 25% equity in the entity operating the rail link.

- The terms of the contract for haulage of Minemakers' freight will be a key aspect of proving the financial viability of the Wonarah rail corridor. The negotiation process will aim to strike an appropriate balance between sufficient freight revenue to justify construction of the railway by ATEC, and for significant operating cost savings to Minemakers with potential to satisfy its future production expansion aims.

Minemakers' Managing Director, Andrew Drummond, said:

"This is a wonderful opportunity for Minemakers. It has the potential to lower our costs very significantly and allow us to expand development of the international markets for our very large resources."

"While it has long been our stated objective for a rail link to Wonarah to be constructed as the key to a second stage development of the Wonarah deposits, the ATEC approach potentially enables a faster track to satisfy this objective. ATEC's experience in rail infrastructure matters is doubly important at this time of difficulty in raising capital for large infrastructure projects."

Andrew Drummond
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Drummond, 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'. 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.