



DECEMBER 2014 QUARTERLY ACTIVITIES REPORT

30 January 2015

HIGHLIGHTS

JDCPHOSPHATE, INC. (JDCP)

(Minemakers Ltd approx. 8.0% equity)

- JDCP successfully completed further laboratory test work focussed on reducing dusting in the kiln
- JDCP validated its proprietary process for significantly strengthening feedstock agglomerates which has resulted in several new patents for the Improved Hard Process (IHP)
- JDCP completed interim modifications to the demonstration plant and commenced a campaign run of the plant on 26 January as part of the process of incorporating these modifications into longer-term operation parameters
- JDCP secured commitments for a bridge financing arrangement with its major shareholders
- JDCP's capital raise to fund commercialisation is underway, led by Macquarie Capital (USA)

WONARAH PHOSPHATE PROJECT

(Minemakers Ltd 100% equity)

- The Company considered a small DSO operation at Wonarah and concluded that, even with the depreciating Australian Dollar and potentially lower local costs, it is still not viable
- A number of actions have been taken in order to reduce the holding cost of the Wonarah tenements while the IHP technology undergoes commercial validation

CORPORATE

- Minemakers continues to focus on near-term production opportunities for rock phosphate given that its selling price has remained relatively stable over the past few years compared with most other commodities
- The Company is undertaking due diligence and is in negotiations in respect of a near-term production, low-cost direct shipping ore (DSO) phosphate project
- Minemakers will participate, together with all JDCP's major shareholders, in the JDCP bridge financing. Minemakers contribution will be US\$557,102 (+/-A\$700,000)
- Cash balance at 31 December 2014 was A\$19.6m

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Mr Rod Wheatley
CFO and Company Secretary, Minemakers Limited

1. JDCPHOSPHATE, INC.

1.1 FLORIDA DEMONSTRATION PLANT PROGRESS

Minemakers Limited (Minemakers or the Company) owns approximately 8.0% of JDCP and has an exclusive licence to utilise IHP technology in Australia for an extensive period of time. JDCP has constructed a demonstration plant in Fort Meade, Florida. This plant is a 1:18 scale of an anticipated full-scale plant, but is nonetheless expected to operate as a commercial plant over time.

As previously reported, a number of demonstration plant runs were successful in validating key aspects of the process but were limited in duration due to dusting. JDCP's laboratory work resulted in the design of a proprietary means of addressing the strength of the feed agglomerates and reducing the dust generation inside the kiln; these methods were proven out at full demonstration plant scale. A period of engineering and optimisation to implement these changes in the demonstration plant is well under way.

Since the June 2014 Quarterly Report, JDCP has completed a significant body of laboratory testwork and engineering design. In addition to validating their proprietary method of strengthening the feedstock agglomerates, JDCP has identified a number of factors that influence the level of dust generation during processing. JDCP believes that it has quantified the relationships among grind size of the raw materials, moisture levels, optimum moisture addition placement, clay binder type and application rates and mechanical requirements for the kiln system to operate with minimal and acceptable dusting.

The proprietary process has been expanded to include process steps to reduce dusting and the purchase and installation of additional equipment at the demonstration plant, for which capital raising is currently in progress. JDCP believes that this expansion will have a favourable impact on long-term capital and operational costs. In the interim period JDCP has made modifications to the plant and is conducting a full operational campaign in order to assess the impact of these modifications. This campaign started on 26 January and will proceed until JDCP has accumulated the information that it requires.

The JDCP financing effort to fund commercialisation is underway with several interested parties, both financial and strategic. Interested parties have commenced their due diligence including making visits to the Fort Meade demonstration plant. The financing is being led by Macquarie Capital (USA).

In order to continue operations, JDCP successfully secured commitments for bridge financing from existing major shareholders on 29 January 2015. All major shareholders are participating with Minemakers contribution being US\$ 557,102 (+/-A\$700,000).

Tip Fowler, CEO of JDCP commented *"Commercialization of the Improved Hard Process, continues to progress. Having now proven all key aspect of the process, and added substantially to the Intellectual Property estate, we are now poised for successful commercialization of this transformational process."*

2. WONARAH PHOSPHATE PROJECT, NORTHERN TERRITORY

2.1 INTRODUCTION

Minemakers 100% owned Wonarah phosphate project (Wonarah) hosts one of the largest contained P₂O₅ resources of any known phosphate deposit in Australia.

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:

- Location 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 regionally
- Growing importance of technical grade phosphoric acid and fluid fertilisers both globally and locally

2.2 WONARAH FEASIBILITY STUDY

Given the challenges experienced during commissioning the JDCP demonstration plant at Fort Meade in Florida, feasibility study work has been largely suspended in order to limit expenditure in this area until the technology is commercially validated. Work on the feasibility study will resume following successful commercial validation of the IHP technology.

2.2.1 Improved Hard Process

Minemakers is focused on the downstream production of high-value SPA at Wonarah utilising the IHP technology. In summary, IHP entails utilising conventionally mined and simply beneficiated phosphate ore as feed for:

- Grinding with green 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 68-70% P₂O₅ (a high strength product with thermal acid properties with both agricultural and industrial applications)
- By-product is usable inert spent pellets (J-Rox) with low environmental impact. J-Rox can be used as an aggregate, as backfill for mine pits and as fill material for infrastructure works needed as part of the rehabilitation process

2.3 REDUCTION OF HOLDING COSTS

A number of actions have been taken in order to reduce the holding costs of the Wonarah tenements. These have included completion of the rehabilitation of drill holes and exploration tracks, which will enable the Company to seek a reassessment of its rehabilitation bond.

The Company has demobilised the leased camp facilities at the site, thereby eliminating this recurring cost. Surplus vehicles and equipment have been sold.

The Northern Territory Department of Mines and Energy has agreed to the Company's request to defer the rent on the main Wonarah Mineral Lease for a period of 12 months.

2.4 REVIEW OF LOW COST MINING OPPORTUNITY

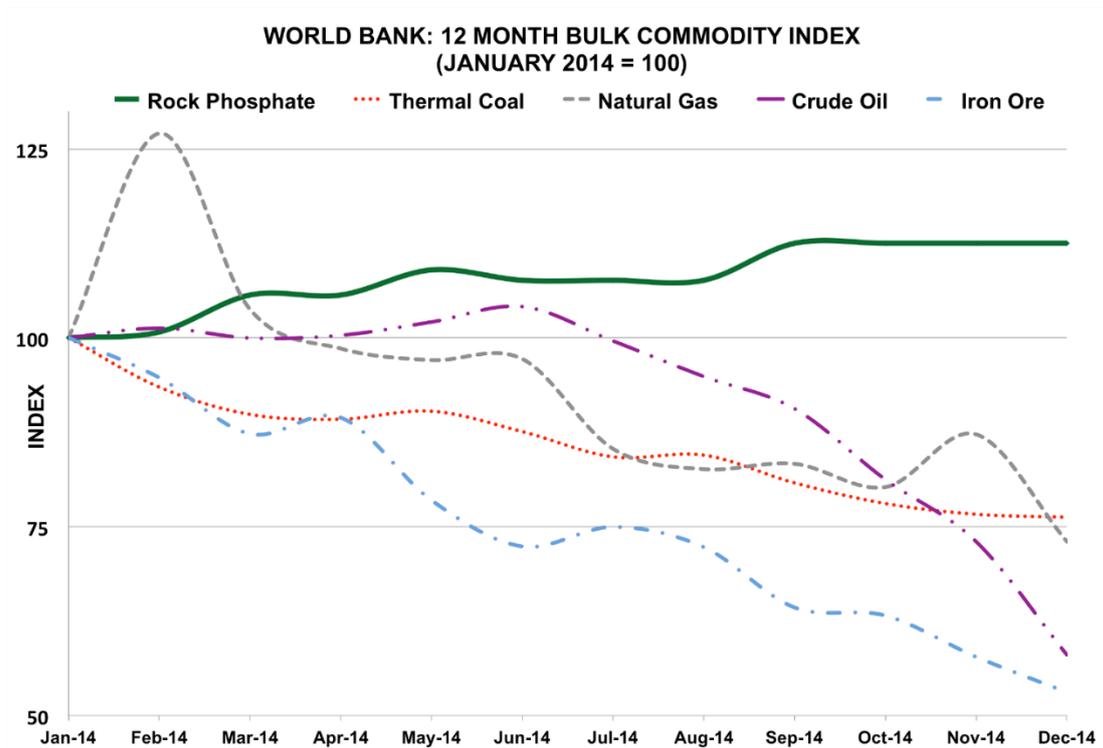
The relative stability of the rock phosphate selling price coupled with the depreciating value of the Australian Dollar and potentially lower energy, mining and logistical costs (due to halted projects and resultant surplus equipment and port facilities) presented a review opportunity at Wonarah. The Company's review considered a small DSO operation as a base case and concluded that, even with these potential positive factors, a small DSO operation is still not feasible at Wonarah due to local costs still being too high.

In this context, it should be noted that Wonarah's physical location continues to support the Company's existing strategy of a longer term IHP based solution at Wonarah. However, we will continue to seek means to secure shorter term revenue from Wonarah if possible.

3. BUSINESS DEVELOPMENT AND DUE DILIGENCE ACTIVITIES

Minemakers continues to focus on near-term production phosphate opportunities. The rock phosphate selling price has remained relatively stable over the past few years compared with most other commodities. As a result of the selective contracting out of Minemakers geological and development capability and the resultant knowledge of the opportunity, the Company is undertaking due diligence and is in negotiations in respect of a

near-term production opportunity. It is potentially a low cost, low capex, DSO phosphate project capable of moving into production quickly. Minemakers views this opportunity as a potential nearer-term project to complement the longer-term IHP based strategy and compares favourably with other opportunities that have been pursued over the past period.



Notes: Rock Phosphate – Morocco 32% P₂O₅ f.a.s Casablanca
 Thermal Coal – Australian 6,300 kcal/kg f.o.b. Port Kembla
 Natural Gas – US spot price Henry Hub
 Crude Oil – UK spot price Brent API 38
 Iron Ore – US spot price 62% Fe c.f.r. China

Source: World Bank, January 2015

4. CORPORATE AND INVESTMENTS

4.1 NIUMINCO GROUP (ASX:NIU)

Minemakers holds a 2.27% equity interest in Niuminco Group.

4.2 JDCPHOSPHATE, INC.

Minemakers holds approximately 8.0% equity interest in JDC Phosphate, Inc.

4.3 MATAYO TRADING 7 (PTY) LTD

Minemakers holds a historic 74% equity interest in Matayo Trading 7 (Pty) Ltd, the owner of the Matayo diamond project located in South Africa.

4.4 SHARE BUY-BACK

As part of Minemakers ongoing capital management strategy the Company announced an on-market share buy-back on 17 October 2014. The share buy-back process commenced on 6 November 2014 and during the quarter 1,300,000 shares were bought back at a cost of \$97,000.

4.5 CASH POSITION

At the end of the December 2014 Quarter, Minemakers had cash of \$19.6 million.

Breakdown of cash spend for the quarter:

Tenement cost and maintenance	(\$0.04m)
Wonarah Project and JDCP	(\$0.36m)
Share buy-back	(\$0.10m)
Net Admin and Corporate	(\$0.57m)

The Company has continued to reduce costs wherever possible as is reflected in the attached Quarterly Cashflow Report (Appendix 5B).

Cliff Lawrenson
Managing Director

Schedule of Minemakers Limited Tenements as at 31 December 2014

Location	Tenement Name	Tenement	Nature of Company's Interest
Northern Territory	Wakaya	EL24607	100%
Northern Territory	Arruwurra	EL29840	100%
Northern Territory	Wonarah	EL29841	100%
Northern Territory	Dalmore	EL29849	100%
Northern Territory	West Wonarah	EL23767	100%
Northern Territory	Wonarah Mineral Lease	ML27244	100%
Northern Territory	Dorcherty Island	EL24728	Application
Northern Territory	Tree Point	EL25555	Application
Northern Territory	Wadeye North	EL29050	Application
South Africa	Matayo (formerly Savanna)	ML25/2003	74%

Qualified Persons' Statement

The Qualified Person in relation to this document is Russell Fulton, who is the Geological Manager of the Company and a Member of the Australian Institute of Geoscientists, and who has reviewed and approved the scientific and technical information in this document. 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 2012 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.

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 and to Minemakers' market announcement dated 30/04/2014.

Cautionary Statement Regarding Forward-Looking Information

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