

MINEMAKERS LIMITED

ABN 48 116 296 541

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED

31 DECEMBER 2012

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2012 and any public announcements made by Minemakers Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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MINEMAKERS LIMITED

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DIRECTORS' REPORT

Your directors submit their report on the consolidated entity consisting of Minemakers Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2012.

DIRECTORS

The names of the directors who held office during or since the end of the half-year are:

Andrew Drummond
Cliff Lawrenson
Edward Ellyard (resigned 31 August 2012)
Richard O'Shannassy
Dennis Wilkins (resigned 4 December 2012)
Dick Block
Ian McCubbing (appointed 20 December 2012)

REVIEW AND RESULTS OF OPERATIONS

A summary of consolidated revenues and results for the half-year is set out below:

	2012	
	Revenues	Results
	\$	\$
Consolidated entity from continuing operations	1,084,880	(4,507,680)
Consolidated entity from continuing and discontinuing operations	1,256,676	17,452,867

During the half year the Company commenced a Bankable Feasibility Study ("BFS") on its Wonarah phosphate project.

The BFS considers two technical alternatives for Wonarah's development; the traditional wet acid process and the IHP kiln based patented technology ("IHP"), owned by JDCPhosphate Inc. ("JDCP") of Florida. The study represents an extension of the work that was undertaken for the Direct Shipping Ore ("DSO") feasibility study in 2010.

The BFS will update, extend and/or validate the earlier studies and initiate new studies for aspects of the project that were not required in earlier evaluations, such as tailings storage. Investigations will cover the full range required for preparation of a BFS, the major elements of which will include:

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

A technical decision on the development route for the project will be taken in mid-2013.

An RC drilling programme commenced on 8 September 2012 and was completed in early October 2012. This programme was targeting high grade and relatively shallow phosphate intersections to the north of Main Zone and close to the Barkly Highway, as well as broadly spaced testing to the northwest of Main Zone and in the western target area to determine their overall prospectivity and to confirm areas that need to be retained for potential future production. A total of 2,945m was drilled during the period.

On 20 December 2012, the Company's environmental consultants, Coffey Environments, submitted on behalf of Minemakers, a new Notice of Intent to the Northern Territory government, thereby triggering the Territory's environmental impact assessment process.

JDCP announced in August 2012 that a second tranche of funding had successfully been concluded to fund the construction of a demonstration plant at its site in Fort Meade, Florida. Commissioning is anticipated in the first half of 2013. The plant will have a capacity of 12,000tpa of high quality and high concentration Superphosphoric Acid. Notable

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amongst the investors in the second tranche were Mitsui & Co (USA) Inc. and Vulcan Phosphates LLC (a special purpose entity formed by the owners of Agrifos Fertilisers LLC). The participation of these two companies provides strong encouragement as to the prospects of commercialising this technology.

Construction of the JDCP IHP demonstration plant is nearing completion at Fort Meade in Florida. As at 31 December 2012, it was approximately 90% complete.

Minemakers continues to engage actively with potential project partners for the Wonarah project. The key criteria remain technical input, support in financing and off-take of product.

On 15 October 2012 the takeover bid for Minemakers by UCL Resources Ltd lapsed. UCL did not acquire any Minemakers shares pursuant to this bid.

On 4 October 2012 Minemakers announced it had entered into a share sale agreement with Mawarid Mining LLC ("Mawarid") for the sale of its 42.5% interest in the Sandpiper Phosphate Project and 70% interest in the Rocky Point Project in Namibia for \$25 million. The sale was conditional upon Minemakers shareholder approval which was obtained at the Annual General Meeting on 29 November 2012 and upon Namibian Competition Commission approval which was also obtained during November 2012. The sale was then completed on 12 December 2012 upon the receipt of the funds. The sale resulted in a gain on disposal in the financial statements of \$21.9 million.

As at 31 December 2012 Minemakers had free cash of \$27.3 million and \$2.4 million in tradeable shares of ASX listed companies.

Board changes during the period were as follows:

- On 31 August 2012 Ted Ellyard retired as a Director of the Company.
- On 4 December 2012 Dennis Wilkins retired as a Director of the Company.
- On 20 December 2012 Ian McCubbing was appointed to the Board as a Non-Executive Director.
- On 31 December 2012 Andrew Drummond moved from Executive Chairman to Non-Executive Chairman.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of directors.

Cliff Lawrenson
Managing Director

Perth, 13 March 2013

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To the Board of Directors

**Auditor's Independence Declaration under Section 307C of the
Corporations Act 2001**

As lead audit director for the review of the financial statements of Minemakers Limited for the half year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- ▶ the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- ▶ any applicable code of professional conduct in relation to the review.

Yours faithfully

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

DATED at PERTH this 13th day of March 2013

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Notes	31 December 2012 \$	31 December 2011 \$
REVENUE		327,782	897,169
Other income		757,098	94,337
Gain on deconsolidation		-	3,157,095
EXPENDITURE			
Depreciation expense		(65,614)	(110,234)
Salaries and employee benefits expense		(2,370,812)	(784,176)
Exploration expenditure		(332,460)	(43,341)
Impairment (expense)/reversal		693	(302,903)
Corporate expenses		(1,291,341)	(412,728)
Administration expenses		(1,185,357)	(242,112)
Share based expense		(302,252)	(94,708)
Other expenses		(45,417)	(331,101)
Share of net profit in associate		-	-
PROFIT / (LOSS) BEFORE INCOME TAX		(4,507,680)	1,827,297
Income tax benefit / (expense)		-	-
PROFIT / (LOSS) FOR THE HALF-YEAR FROM CONTINUING OPERATIONS		(4,507,680)	1,827,297
Discontinued operation			
Profit / (loss) for the period from discontinued operation	5	21,960,547	(143,111)
PROFIT FOR THE HALF-YEAR		17,452,867	1,684,186
OTHER COMPREHENSIVE INCOME			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations			
Exchange differences arising during the period		(152,062)	(296,922)
Reclassification adjustments relating to foreign operations disposed of in the period		(1,309,896)	-
		(1,461,958)	(296,922)
Available-for-sale financial assets		(98,054)	4,548,824
Other comprehensive income for the period, net of tax		(1,560,012)	4,251,902
TOTAL COMPREHENSIVE INCOME FOR THE HALF YEAR		15,892,855	5,936,088
Profit / (loss) for the period attributable to:			
Owners of Minemakers Limited		17,467,385	1,695,408
Non-controlling interest		(14,518)	(11,222)
		17,452,867	1,684,186
Total comprehensive income for the period attributable to:			
Owners of Minemakers Limited		15,907,373	5,947,310
Non-controlling interest		(14,518)	(11,222)
		15,892,855	5,936,088
Earning per share			
From continuing and discontinuing operations			
Basic profit per share (cents)		7.5	0.7
Diluted profit loss per share (cents)		6.5	0.7
From continuing operations			
Basic profit / (loss) per share (cents)		(1.9)	0.8
Diluted profit / (loss) per share (cents)		(1.7)	0.7

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

MINEMAKERS LIMITED**31 DECEMBER 2012****CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	Notes	31 December 2012 \$	30 June 2012 \$
CURRENT ASSETS			
Cash and cash equivalents		27,348,357	8,851,764
Trade and other receivables		401,381	1,750,516
TOTAL CURRENT ASSETS		27,749,738	10,602,280
NON-CURRENT ASSETS			
Other receivables		1,481,600	1,289,500
Available-for-sale financial assets		4,098,348	3,491,851
Plant and equipment		553,941	602,355
Capitalised exploration and evaluation expenditure		42,502,677	41,144,746
Investments accounted for using the equity method		-	2,614,629
TOTAL NON-CURRENT ASSETS		48,636,566	49,143,081
TOTAL ASSETS		76,386,304	59,745,361
CURRENT LIABILITIES			
Trade and other payables		1,153,543	986,517
Provisions		138,539	237,387
TOTAL CURRENT LIABILITIES		1,292,082	1,223,904
NON CURRENT LIABILITIES			
Provisions		1,289,500	1,289,500
TOTAL NON CURRENT LIABILITIES		1,289,500	1,289,500
TOTAL LIABILITIES		2,581,582	2,513,404
NET ASSETS		73,804,722	57,231,957
EQUITY			
Issued capital		87,407,470	87,407,470
Reserves	4	9,265,475	10,523,235
Accumulated losses		(23,136,351)	(40,603,736)
Capital and reserves attributable to members of Minemakers Limited		73,536,594	57,326,969
Non-controlling interest		268,128	(95,012)
TOTAL EQUITY		73,804,722	57,231,957

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Attributable to Owners of Minemakers Limited					
	Issued Capital	Reserves	Accumulated Losses	Total	Non- controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JULY 2011	87,947,116	11,996,646	(37,685,712)	62,258,050	(72,809)	62,185,241
Profit/(Loss) for the period	-	-	1,695,408	1,695,408	(11,222)	1,684,186
Other comprehensive income for the period	-	4,251,902	-	4,251,902	-	4,251,902
Total comprehensive income for the period	-	4,251,902	1,695,408	5,947,310	(11,222)	5,936,088
Shares issued during the period	406,000	-	-	406,000	-	406,000
Share issue transaction costs	(275,000)	-	-	(275,000)	-	(275,000)
Employee share options	-	12,794	-	12,794	-	12,794
In specie distribution	(1,677,262)	(5,557,301)	-	(7,234,563)	-	(7,234,563)
BALANCE AT 31 DECEMBER 2011	86,400,854	10,704,041	(35,990,304)	61,114,591	(84,031)	61,030,560
BALANCE AT 1 JULY 2012	87,407,470	10,523,235	(40,603,736)	57,326,969	(95,012)	57,231,957
Profit/(Loss) for the period	-	-	17,467,385	17,467,385	(14,518)	17,452,867
Other comprehensive income for the period	-	(1,560,012)	-	(1,560,012)	-	(1,560,012)
Total comprehensive income for the period	-	(1,560,012)	17,467,385	15,907,373	(14,518)	15,892,855
Shares issued during the period	-	-	-	-	-	-
Share issue transaction costs	-	-	-	-	-	-
Employee share options	-	302,252	-	302,252	-	302,252
Derecognition of non- controlling interest in disposal of subsidiary	-	-	-	-	377,658	377,658
BALANCE AT 31 DECEMBER 2012	87,407,470	9,265,475	(23,136,351)	73,536,594	268,128	73,804,722

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

	Notes	31 December 2012 \$	31 December 2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(4,548,870)	(1,940,616)
Interest received		207,453	709,232
Receipts from customers		54,007	170,200
Expenditure on mineral interests		(1,559,242)	(2,001,685)
Net cash used in operating activities		(5,846,652)	(3,062,869)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(35,217)	(4,229)
Proceeds on sale of plant and equipment		-	11,414
Net cash inflow on disposal of subsidiary	6	24,965,817	-
Proceeds on sale of tenements		-	10,000
Payment for available-for-sale financial assets		-	(250,000)
Proceeds on sale of available-for-sale financial assets		37,617	553,709
Loan to associate accounted for using the equity method		(647,905)	(1,654,006)
Repayment of loans from other entities		-	3,246,958
Refund of security deposits		21,804	53,287
Deconsolidation of subsidiary		-	(269,230)
Net cash provided by investing activities		24,342,116	1,697,903
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of capital raising fees		-	(50,000)
Net cash used in financing activities		-	(50,000)
Net increase/(decrease) in cash and cash equivalents		18,495,464	(1,414,966)
Cash and cash equivalents at the beginning of the half-year		8,851,764	10,909,315
Effects of exchange rate changes on cash and cash equivalents		1,129	25,009
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR		27,348,357	9,519,358

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

These general purpose financial statements for the interim half-year reporting period ended 31 December 2012 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Minemakers Limited and its controlled entities (the "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2012, together with any public announcements made during the half-year.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2012.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the Group's presentation of, or disclosure in, its half-year financial statements.

Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income. The amendments also require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. The amendments have been applied retrospectively and the application of the amendments to AASB 101 do not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

NOTE 2: SEGMENT INFORMATION

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board considers the business from both a functional and geographic perspective and has identified three reportable segments. Development of the Wonarah Project is the main focus of the Group, with these activities forming the Wonarah segment. The Group is also undertaking exploration activities for a range of commodities, in several locations around the world, with these activities classed as the Exploration segment. The Other Segments is the aggregation of the Groups' other operating segments that are not separately reportable. All assets, liabilities, revenues and expenses are monitored by the Board of Directors.

Development of the Sandpiper Project in Namibia was a reportable segment in prior years up until its disposal on 1 October 2012 as detailed in Note 6.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 2: SEGMENT INFORMATION (Contd)

(b) Segment information provided to the Board of Directors

The following is an analysis of the Group's revenues and results by reportable operating segment for its continuing operations for the half-years under review:

31 December 2012	Wonarah \$	Exploration \$	All other segments \$	Consolidated \$
Revenue				
External sales	-	-	111,731	111,731
Intersegment sales	-	-	-	-
Total segment revenue	-	-	111,731	111,731
Segment net loss before tax	-	(332,460)	(55,788)	(388,248)
<u>Amounts not included in segments result but reviewed by the Board</u>				
Depreciation	(12,764)	-	(29,691)	(42,455)
<u>Unallocated items</u>				
Option expense				(302,252)
Impairment				693
Other				(3,775,418)
Net profit/(loss) before tax (continuing operations)				(4,507,680)
31 December 2011				
Revenue				
External sales	-	-	-	-
Intersegment sales	-	-	-	-
Total segment revenue	-	-	-	-
Segment net loss before tax	-	(43,342)	(70,397)	(113,739)
<u>Amounts not included in segments result but reviewed by the Board</u>				
Depreciation	(10,862)	-	(69,060)	(79,922)
<u>Unallocated items</u>				
Option expense				(94,708)
Gain on deconsolidation of subsidiary				3,157,095
Other				(1,041,429)
Net profit/(loss) before tax (continuing operations)				1,827,297

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 2: SEGMENT INFORMATION (Contd)

The following is an analysis of the Group's assets by reportable operating segment for its continuing operations.

	Wonarah \$	Exploration \$	All other segments \$	Consolidated \$
31 December 2012				
Total segment assets	44,303,967	-	440,792	44,744,759
Unallocated assets				31,641,545
Total Group assets				76,386,304
30 June 2012				
Total segment assets	42,933,821	-	502,100	43,435,921
Assets relating to Namibian operations (now discontinued)				2,614,629
Unallocated assets				13,694,811
Total Group assets				59,745,361

NOTE 3: EQUITY SECURITIES ISSUED

	31 December 2012		31 December 2011	
	Shares	\$	Shares	\$
Issues of ordinary shares during the half-year				
Issued as consideration pursuant to tenement acquisition agreement at 32.69 cents per share	-	-	336,482	110,000
Issued as consideration pursuant to tenement acquisition agreement at 35.5 cents per share	-	-	200,000	71,000
Issued as consideration for equity facility fee	-	-	696,295	225,000
Share issue costs	-	-	-	(275,000)
	-	-	1,232,777	131,000

	Number of options	
	31 December 2012	31 December 2011
Movements of options during the half-year		
Unlisted options, exercisable at 49 cents, on or before 17 August 2013	-	500,000
Expiration of \$1.00 unlisted options on 30 November 2011	-	(1,200,000)
Expiration of 75 cent unlisted options on 30 November 2011	-	(2,675,000)
Expiration of \$2.00 unlisted options on 31 December 2011	-	(500,000)
	-	(3,875,000)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 4: RESERVES

	31 December 2012	30 June 2012
	\$	\$
Available-for-sale financial assets	(1,780,166)	(1,682,112)
Foreign Currency translation	(1,964,186)	(502,228)
Share based payments	13,009,827	12,707,575
	9,265,475	10,523,235
Movements:		
<i>Available-for-sale financial assets reserve</i>		
Balance at beginning of year	(1,682,112)	35,266
Revaluation	(98,054)	3,839,923
In specie distribution	-	(5,557,301)
Balance at end of year	(1,780,166)	(1,682,112)
<i>Foreign currency translation reserve</i>		
Balance at beginning of year	(502,228)	(117,625)
Currency translation differences arising during year	(152,062)	(384,603)
Gain / loss reclassified to profit or loss on disposal of foreign operations	(1,309,896)	-
Balance at end of year	(1,964,186)	(502,228)
<i>Share-based payments reserve</i>		
Balance at beginning of year	12,707,575	12,079,005
Employee share options	302,252	628,570
Balance at end of year	13,009,827	12,707,575

NOTE 5: DISCONTINUED OPERATION

On 1 October 2012 the Company entered into a sale agreement to dispose of Minemakers Mauritius Pty Ltd, which through various subsidiaries carried all its Namibian operations. The proceeds of sale substantially exceeded the carrying amount of the related net assets of the operations disposed of.

Analysis of profit / (loss) for the year from discontinued operations

	31 December 2012	31 December 2011
	\$	\$
Revenue	174,624	114,015
Other gains	-	17,820
	174,624	131,835
Expenses	(105,627)	(274,946)
Profit / (loss) before tax	68,997	(143,111)
Attributable income tax	-	-
	68,997	(143,111)
Gain on disposal (Note 6)	21,891,550	-
Attributable income tax	-	-
	21,891,550	-
Profit/(loss) for the period from discontinued operations	21,960,547	(143,111)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 6: DISPOSAL OF SUBSIDIARY

On 1 October 2012, the Group sold its 100% interest in Minemakers Mauritius Pty Ltd for \$25,000,000 cash. Minemakers Mauritius, through its subsidiaries, holds 42.5% in the Sandpiper Phosphate Project and 70% in the Rocky Point Project in Namibia. Total proceeds were received on 12 December 2012.

(i) Consideration received

	\$
Consideration received in cash and cash equivalents	25,000,000
Total consideration received	25,000,000

(ii) Analysis of assets and liabilities over which control was lost

	\$
Current assets	
Cash and cash equivalents	34,183
Trade and other receivables	1,166,550
Total Current Assets	1,200,733
Non-current assets	
Investments accounted for using the equity method	2,846,867
Total non-current assets	2,846,867
Total assets	4,047,600
Current Liabilities	
Trade and other payables	6,912
Total Current Liabilities	6,912
Total Liabilities	6,912
Net assets disposed of	4,040,688

(iii) Gain on disposal of subsidiary

	\$
Consideration received	25,000,000
Net assets disposed of	(4,040,688)
Non controlling interest	(377,658)
Cummulative gain/loss on foreign currency reserve reclassified from equity on loss of control of subsidiary	1,309,896
Gain on disposal (Note 5)	21,891,550

(iv) Net cash inflow on disposal of subsidiary

	\$
Consideration received in cash and cash equivalents	25,000,000
Less: cash and cash equivalent balances disposed of	(34,183)
	24,965,817

NOTE 7: CONTINGENCIES

There has been no change in contingent assets or contingent liabilities since the last annual reporting date.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 8: SUBSEQUENT EVENTS

As at the date of this report there is no matter or circumstance has arisen since 31 December 2012, which has significantly affected, or may significantly affect the operations of the group, the result of those operations, or the state of affairs of the group in subsequent financial years.

NOTE 9: KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report. In addition on 31 December 2012 Mr A Drummond retired as an executive of the Company and received a termination payment of \$333,945 plus payment for outstanding accrued leave in accordance with his contractual entitlements established in 2006.

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DIRECTORS' DECLARATION

In the directors' opinion:

1. the financial statements and notes set out on pages 6 to 15 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standards AASB 134: Interim Reporting and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that Minemakers Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Cliff Lawrenson
Managing Director

Perth, 13 March 2013

MINEMAKERS LIMITED

31 DECEMBER 2012



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Independent Auditor's Review Report

To the Members of Minemakers Limited

We have reviewed the accompanying half-year financial report of Minemakers Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Minemakers Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

MINEMAKERS LIMITED

31 DECEMBER 2012

Independent Auditor's Review Report

To the Members of Minemakers Limited (Continued)



Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Minemakers Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

BENTLEYS
Chartered Accountants

MARK DELAURENTIS CA
Director

DATED at PERTH this 13th day of March 2013