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EXCHANGE RELEASE

MINEMAKERS PLACES 14m SHARES TO KEY STRATEGIC FERTILISER INVESTOR AT A 33% PREMIUM TO MARKET

2 April 2013

Minemakers Limited (ASX and TSX: MAK) (**Minemakers** or **Company**) welcomes Vulcan Phosphates LLC (**Vulcan**) as a strategic cornerstone investor in Minemakers.

Minemakers will place 14 million ordinary fully paid shares to Vulcan at A\$0.18, representing a 33% premium to Minemakers' last closing share price of A\$0.135 (28 March 2013). Vulcan will also be granted options to acquire a further 14 million shares at A\$0.30 per share, exercisable until April 2017. Post placement, Vulcan will hold a 5.7% shareholding in Minemakers with the option to increase its holding to over 10% by exercising the options granted to it.

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. Further details of the investors behind Vulcan are outlined at the end of this release.

Benefits of Strategic Relationship with Vulcan

The introduction of Vulcan as a new 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 a major investor in JDCPhosphate Inc (**JDC**), the Florida-based private developer of the Improved Hard Process (**IHP**). IHP is a thermal technology which improves the efficiency of the production of superphosphoric acid (**SPA**) from rock phosphate via the combination of petroleum coke, silica and rock phosphate in a dry kiln production process. If successfully proven, IHP is expected to result in significant capital and operating cost benefits versus traditional wet acid production methods.

JDC has been developing IHP for several years and is scheduled to commission a 12,000tpa P₂O₅* demonstration plant in Florida in first half 2013. The funding of this demonstration plant has been provided by investors including Vulcan, Mitsui & Co (USA) Inc, and the Florida Opportunities Fund. Successful commissioning of this plant will be the defining step in the commercialisation of IHP.

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Minemakers is also an investor in JDC and holds the exclusive Australian rights to utilise IHP for Wonarah and any other Australian projects along with various other development rights that recognise Minemakers' early investment in JDC. Through their common shareholding in JDC, 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

Under the placement agreement, Minemakers will issue 14 million ordinary fully paid shares (a 5.7% shareholding in Minemakers post issue) to Vulcan at A\$0.18 per share. The placement price represents a 33% premium to Minemakers' last closing share price of A\$0.135 as at 28 March 2013.

In addition, Minemakers will issue Vulcan with options to acquire a further 14 million Minemakers shares at a strike price of A\$0.30 per share exercisable at any time during the next 4 years. The option price represents a 122% premium to Minemakers' last closing share price of A\$0.135 as at 28 March 2013.

The issue of shares and options are within Minemakers' 15% placement capacity, with completion of the placement expected to occur in the coming days. Minemakers has applied to TSX in relation to the issue of these securities.

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; and
- 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.

Confirmation of Wonarah's Strategic Value and Potential

In June 2012, Minemakers commenced a strategic partnership process to support the development of Wonarah. In December 2012, Minemakers completed the divestment of its direct interest in the Sandpiper Phosphate Project in Namibia for A\$25 million cash which has enabled the Company to concentrate on the development of Wonarah.

Minemakers Managing Director Cliff Lawrenson commented: *"Following the successful sale of our Namibian assets in late 2012, we are delighted to reach another major milestone and welcome Vulcan as a cornerstone investor and strategic partner in Minemakers. This is a value-adding strategic investment rather than simply a means to raise funds, and we cannot think of a better group with whom to work to liberate the huge phosphate resources at Wonarah."*

"This investment by Vulcan, with its deep understanding of world fertiliser markets and impressive fertiliser investment track record, is a strong endorsement of the potential to apply IHP at Wonarah to create a significant high value phosphate production facility."

"Like Vulcan and JDC's other strategic investors, we continue to be extremely encouraged by the potential for IHP dry kiln technology and its application to Wonarah. Along with significant capital and operating cost advantages and environmental benefits, when compared with wet acid DAP or MAP production, a key benefit of IHP is its ability to be constructed in 200,000tpa P₂O₅ production modules. This means that the rate of development of Wonarah is flexible and would commence initially with one or two kilns,*

significantly reducing reliance on third party financing, as operating cashflows could be used to finance future expansion.”

Mr Farouk Chaouni of Vulcan commented: *“In our view, Wonarah is a large and highly strategic phosphate resource that is extremely well suited to the application of the IHP technology. IHP has the potential to unlock the value of Wonarah and produce a high value SPA product which currently trades in North America at about US\$1,000/t P₂O₅. One of the challenges for the Wonarah project - indeed, for many phosphate projects under development - is its distance from a port, which makes a simple DSO rock phosphate play challenging; but Wonarah is connected by existing rail and road networks that are well suited for shipping high value SPA.”*

“We have developed a lot of confidence in IHP through our significant investment in JDCPhosphate, so it is a logical step for us to invest in Minemakers at such an attractive entry valuation, particularly combined with an option to increase our investment in the future. We like what we see at Minemakers: an agile change-driven culture with sharp focus and discipline. We are excited to join their team and add value by applying our lifetimes of experience in phosphate and fertilisers. We were very impressed by what we saw during a recent Wonarah site visit: a tremendous opportunity in a wonderful country that, if managed diligently, will benefit all stakeholders, including the traditional landowners, the farming community in Australia and, of course, shareholders among whom we now count. Thank you for welcoming us into Minemakers.”

Path Forward

From a development perspective, the next milestone for the commercialisation of IHP will be the successful commissioning of JDC's development plant in the coming months. At that point, Minemakers intends to commit to finalising the BFS at Wonarah.

Minemakers is well capitalised to fund the BFS with a cash balance post Vulcan's investment of approximately A\$27 million, sufficient to finalise the BFS under an IHP configuration by the end of the first quarter of 2014.

Minemakers will also continue to review other opportunities in the fertiliser space, including the potential to work together with Vulcan in relation to other phosphate and fertiliser projects.

Cliff Lawrenson
Managing Director

**tpa P₂O₅ is short tons per annum of contained P₂O₅. Short ton is a standard USA convention, one short ton is equal to approximately 0.91 metric tonne.*

Further Details of Agrifos and Solvochem and Key Principals

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 thousand metric tons.

Farouk Chaouni

Mr Chaouni joined Agrifos at its inception in 1996 and has most recently served as its Chairman. From 1987 to 1996, Mr Chaouni was involved in a number of transactions in the United States phosphate fertiliser industry including the acquisition of the fertiliser assets of W.R. Grace (Seminole Fertilizer Corporation), the acquisition of the Wingate Creek Mine, and the re-commissioning of the Mississippi Chemical Pascagoula phosphate fertiliser plant. Prior to this, Mr Chaouni was employed by Office Cherifien des Phosphates, the Moroccan government-owned company in charge of phosphate operations. Mr Chaouni is a graduate of the French business university, HEC, located in Paris.

Timothy Cotton

Mr Cotton joined Agrifos at its inception in 1996 and has served variously as its Vice Chairman, President, Chief Operating Officer and Chief Financial Officer. From March 1993 until 1996, he worked closely with Mr Chaouni on numerous investment and capital-raising projects involving the international agricultural chemicals industry. Prior to 1993, Mr Cotton was an investment banker based in New York, specialising in venture capital investments and leveraged acquisitions. Mr Cotton received a B.A. in Political Science from Yale University in 1985.

Margaret R. Smith

Ms Smith joined Agrifos in June 2000 as General Counsel. Prior to June 2000, Ms Smith was a partner at Seward & Kissel LLP, a law firm located in New York. Ms Smith received a B.A. in Political Science from the University of Georgia and a J.D. from the Harvard Law School.

Anthony J. Flouty

Mr Flouty is the Chairman, Managing Director and founding owner of the Solvochem group of companies, which commenced operation in 1979. Prior to founding Solvochem, Mr Flouty was Area Manager for Shell Chemicals in the Middle East. Mr Flouty received a degree in Chemistry and Polymer Technology from London University.