
SEPTEMBER 2008 QUARTERLY REPORT

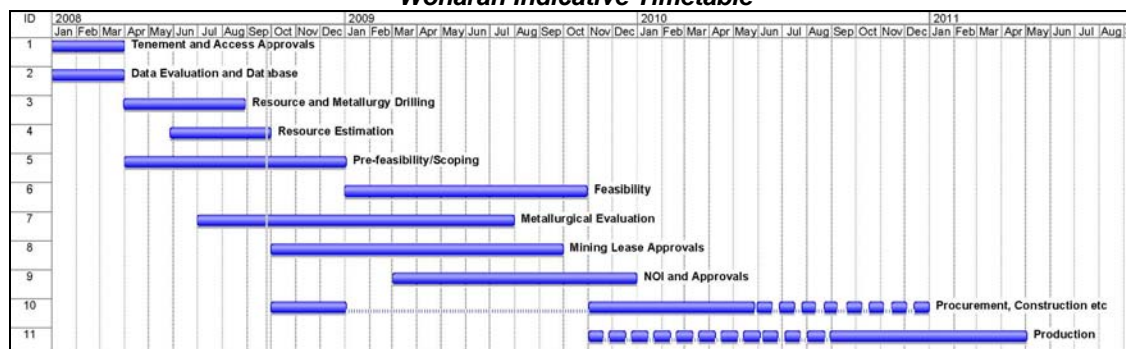
28 October 2008

HIGHLIGHTS

WONARAH ROCK PHOSPHATE PROJECT

- Drilling completed and it delineates widespread mineralisation which has not been closed off: significant resource estimate increases anticipated.
- The Arruwurra Prospect is now the focus of the independent Scoping Study, which is due for completion in the December 2008 quarter.
- Major Project Status has been awarded by the Northern Territory Government.
- Project management personnel have been appointed and the project is scheduled for 2010 production.
- Reversion of the Australian dollar exchange rate to more traditional levels may have a major positive impact on cashflow.

Wonarah Indicative Timetable



FRASER IRON

- The recent \$1 billion corporate deal involving Grange Resources and its Southdown Magnetite Project exemplifies the value of Minemakers' adjacent West Southdown deposits.
- Aiming to deal on the Project.

MOINA

- Encouraging results lead to the decision to drill to obtain core for a full metallurgical test programme involving all the components of this major fluorspar and multi-commodity deposit.

MINEMAKERS LIMITED

ABN 48 116 296 541
Level 2, 34 Colin Street
West Perth
Western Australia 6005
(PO Box 1704 West Perth WA 6872)
Phone: +61 8 9264 7000
Facsimile: +61 8 9264 7099
Web: www.minemakers.com.au
ASX Code: MAK

CONTACTS

Mr Andrew Drummond
Managing Director
Minemakers Limited

Mr Ian Howarth
General Manager (Vic)
Farrington Corporate Services Pty Limited
401 Collins Street
Melbourne VIC 3000
Phone: 0407 822 319

PROJECTS

- Wonarah Phosphate, Northern Territory
- Fraser Iron, Western Australia
- NE Tasmania Tin and Tungsten
- Moina Fluorite–Magnetite–Zinc, Tasmania
- Port Keats Salt, Northern Territory
- Uranium, Tasmania and Western Australia

PLANNED WORK PROGRAMMES FOR THE DECEMBER 2008 QUARTER

➤ **WONARAH ROCK PHOSPHATE**

- Resource estimation, Arruwurra.
- Completion of Stage I metallurgical studies.
- Airborne EM survey to identify groundwater targets.
- Completion of drill assaying.
- Arruwurra Scoping Study.
- Direct shipping ore potential to be assessed.

➤ **MOINA FLUORSPAR – TUNGSTEN – TIN – BASE METALS AND MAGNETITE**

- Drilling to obtain core for metallurgical testwork.

➤ **TASMANIAN TIN AND TUNGSTEN**

- RC drilling at Aberfoyle.
- Check diamond drilling at Storey's Creek.

➤ **FRASER IRON**

- Aiming to deal on the project.

1.0 WONARAH ROCK PHOSPHATE, NORTHERN TERRITORY

100% OWNED

During the Quarter, the Company has continued to focus its efforts on Wonarah.

1.1 RESOURCE DRILLING AND ESTIMATION

A 192 hole RC drilling programme was completed over the Main Zone and Arruwurra. The aims were to determine the general extent, continuity and grade of mineralisation, as well as thickness and closeness to surface.

Assays from Arruwurra have been received and are currently being incorporated in the resource model. We anticipate receiving the resource estimate during November 2008.

The drilling did not close off the phosphate mineralisation at either target area, as is exemplified by Figures 2 and 3.

The programme was terminated due to reaching the objective of delineating sufficient mineralisation to support a long term mining operation and/or reaching the lateral limits set by the current Exploration Agreement under which Minemakers has been working.

1.2 SCOPING STUDY AND FEASIBILITY STUDY

This Scoping Study on mining and processing Arruwurra mineralisation is expected to be completed in the December 2008 quarter. Initial economics seem more favourable there, compared to the Main Zone, as the mineralisation is much closer to the surface. This leads to the potential to make substantial savings on start up capital costs.

A full appraisal of the relative economic merits of development of Arruwurra versus the Main Zone will be made early in 2009 when all drill data and a resource estimate will be available for the latter. It is currently envisaged that this will be part of a full feasibility study which should immediately follow the Scoping Study.

During the quarter the Scoping Study has otherwise focussed on metallurgical, environmental and hydrological matters and progress has been satisfactory, as is indicated in the following Table 1.

Table 1 – Wonarah Work Completed and in Progress

Item	Completed	In Progress	Expected Completion
1. Resource Drilling			
1.1 Arruwurra Stages 1 & 2	X		
Arruwurra Extension	X		
1.2 Main Zone	X		
Infill and Extension	X		
2. Assaying			
2.1 Routine		X	November – December 2008
2.2 Chemical characterisation		X	October 2008
3. Metallurgy			
3.1 Drilling	X		
3.2 Logging, Photography and Sample Selection	X		
3.3 Testwork Design – Stage I Study It includes bulk determinations, communiton, grinding and size analysis studies, assaying, diagnostic mineralogy, QEM scan, abrasion and grinding indices determination, flotation testwork, site water analysis.	X		
3.4 Testwork		X	4 th Quarter 2008
4. Direct Shipping Ore Study			
Part of Scoping Study		X	4 th Quarter 2008
5. Resource Estimation			
Assay and database validation, geological logging and validation, duplicate assaying, umpire assaying etc. are all in progress.		X	4 th Quarter 2008
6. Hydrological Investigations			
6.1 Consultants report and recommendations for seeking and establishing a borefield	X		
6.2 Planning for airborne EM survey	X		
6.3 Flying of survey		X	
6.4 Drilling			Late 2008, 1 st Quarter 2009
7. Environmental Studies			
7.1 Literature and desk top studies	X		

Item	Completed	In Progress	Expected Completion
7.2 Field investigations, Stage I	X		4 th Quarter 2008
7.3 Reporting		X	
7.4 Stage II (may not be necessary)			
8. Freight Studies			
8.1 Draft proposal for third party freight of mine product to ships in Darwin	X		
8.2 Port expansion studies		X	TBA
9. Permitting and Land Access			
9.1 Liaison with CLC re 2008 and 2009 programmes and Exploration and Mining Agreements	X		
9.2 <ul style="list-style-type: none"> • Exploration Agreement • Approval of plans for 2009 field programme including hydrological and borefield drilling establishment, infill drilling for ore resource definition and pit planning, camp construction, testing for road and footings construction materials. • Requests for allowances for borefield, camp, village, optional mine sites, waste and tailings sites, access and haul roads. 	X	X X	October 2008
10. Scoping Study			
Results from 1 – 8 to be incorporated firstly into a Scoping Study. The general aims of the study are to determine: overall project viability, optimal treatment route, first-pass mill design and capital item requirements, resources, optimal initial (years 1-10) mining locations, preferred sites for processing plant, village, services, potential for direct shipping ore, etc.		X	4 th Quarter 2008
11. Definitive Feasibility Study			
Many of the items from 1 – 8 and 10 will become input for the final feasibility and will be supplemented as identified in the Scoping Study.			2009

Figure 1 - Main Zone and Arruwurra Prospect

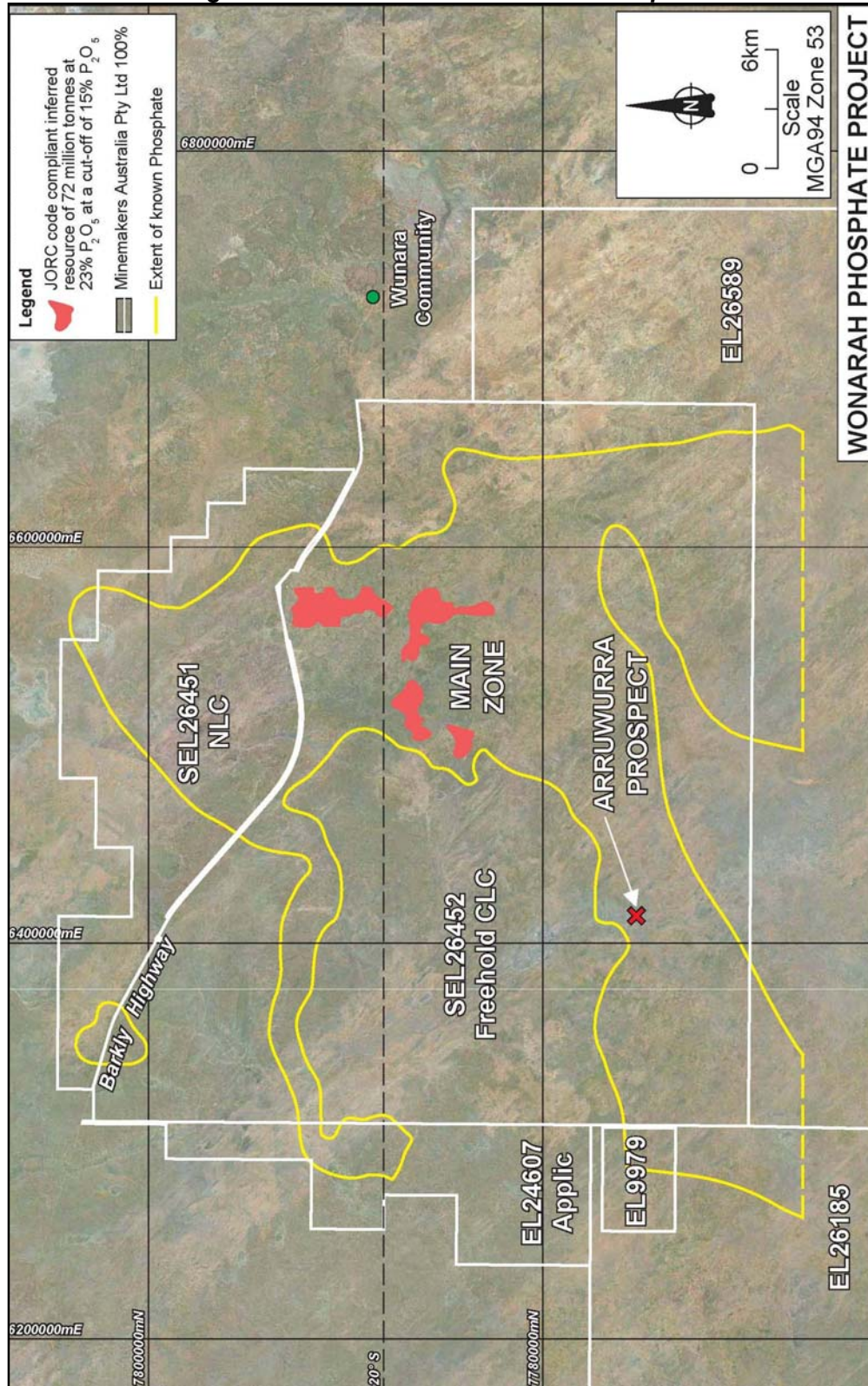


Figure 2 – Arruwurra Interim Grade by Thickness

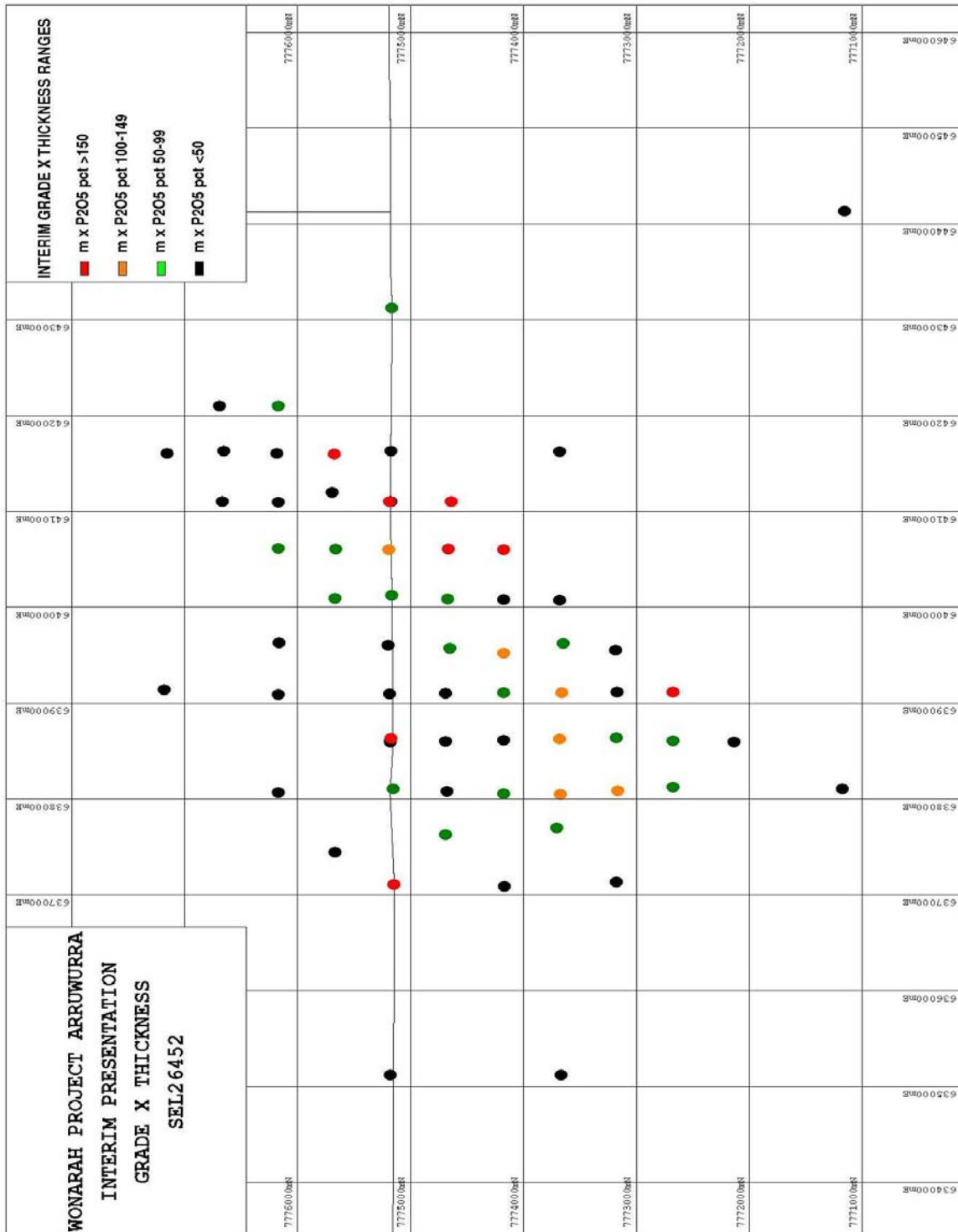
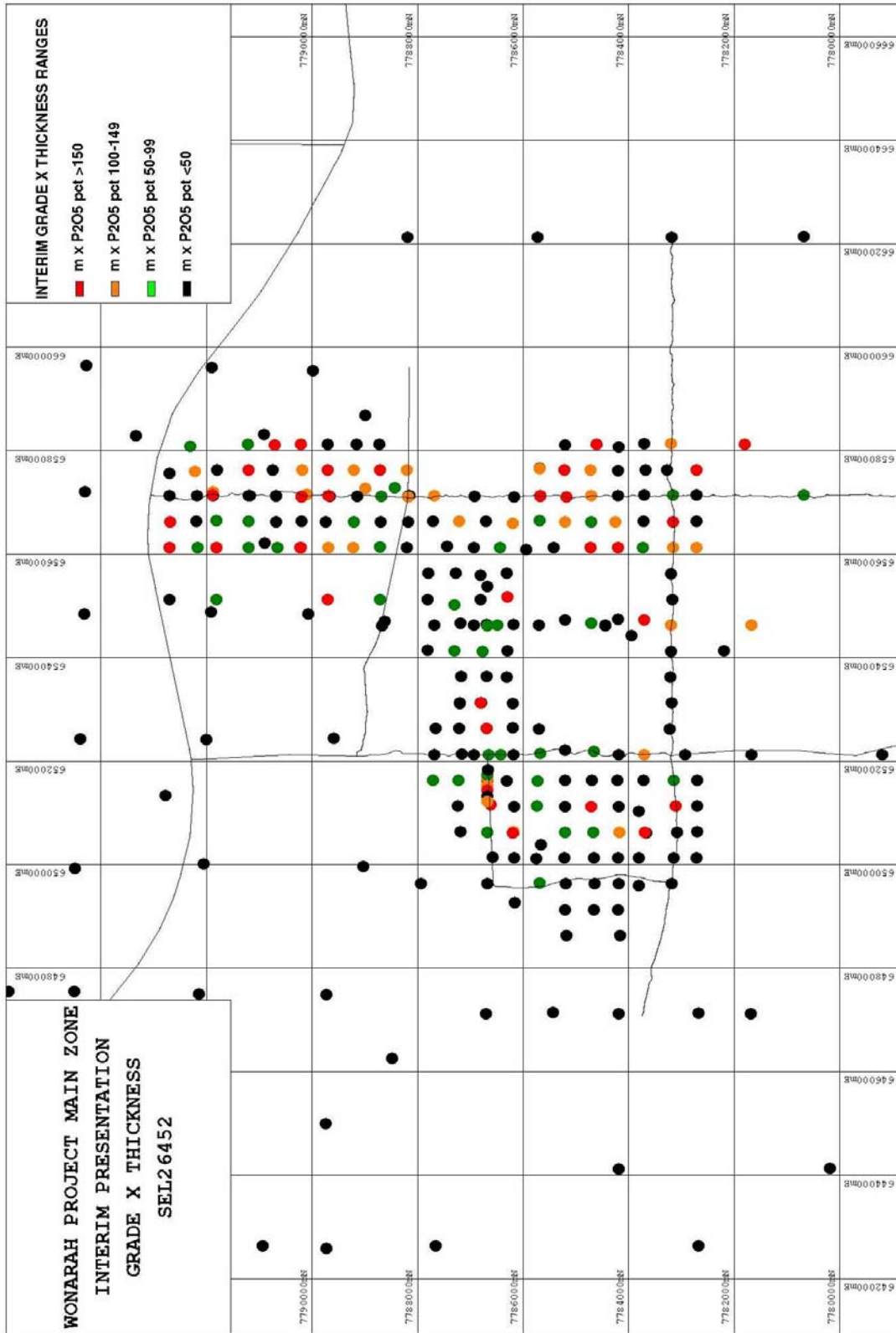


Figure 3 – Main Zone Interim Grade by Thickness



1.3 FREIGHT AND EXPORT CONSIDERATIONS

Considerable effort has been expended during the quarter on advancing the issues associated with moving product from Wonarah to ships in the East Arm port in Darwin.

They have involved numerous meetings with:

- The appropriate Northern Territory Government departments and Ministers.
- Freightlink, the rail carrier.
- The Port of Darwin concerning expansion of its export and loading facilities.
- A road freight company.
- The proponents of a bulk commodity re-handling facility at Tennant Creek.
- An Aboriginal mining contractor company.

The Northern Territory Government has awarded Wonarah, the Tennant Creek bulk handling hub and the upgrade of the Port of Darwin Major Project Status. The aim is to allow Minemakers to export 3Mtpa of product from late 2010.

This essentially entails the Department of the Chief Minister co-ordinating and expediting all of the government inputs into the development of the approvals process.

1.4 MANAGEMENT PERSONNEL

Minemakers has succeeded in attracting Mr Neville Bergin to the position of General Manager, Projects Development and Mr Barrie Hancock to that of Metallurgical Manager. This completes recruitment of the project management team.

1.5 ABORIGINAL MATTERS

A very positive meeting was held with members of the Arruwurra Aboriginal Corporation at the start of September. It was organised and co-ordinated by the Central Land Council ("CLC") and resolutions from the meeting are due in the near future.

The meeting considered the matter of a new Exploration Agreement, which would incorporate a right to mine and clearances for all of the work programmes planned for 2009.

The Aboriginal land owners and the CLC are very supportive of the development.

1.6 DIRECT SHIPPING ORE

In the current adverse world financial scene, the financial advantage of being able to produce Direct Shipping Ore ("DSO") without the need to build and then operate a processing plant is obvious and this aspect is being addressed in the Scoping Study.

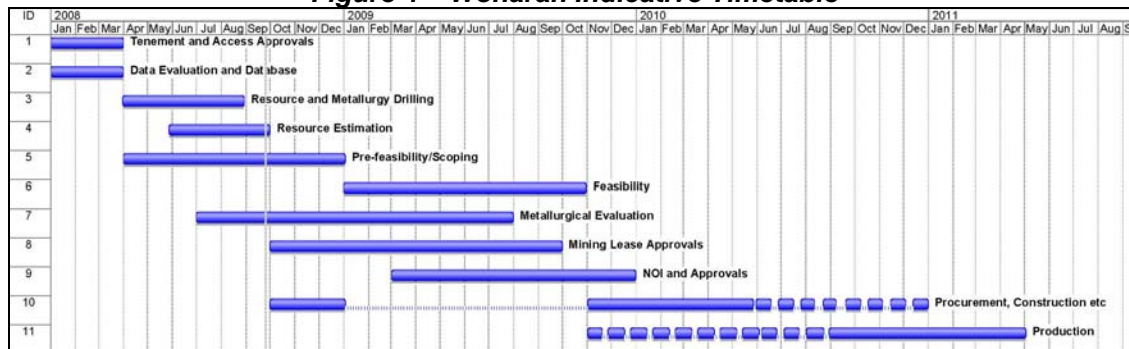
To date, there have been numerous drill intersections which attain the required grade. However, the current assay and metallurgical testwork will help determine whether the other characteristics of the ore will be acceptable for a DSO product.

1.7 TIMELINE

An updated timeline chart is presented as Figure 4. Minemakers aims to be in production during 2010 and to date has not identified any issue that cannot be concluded or resolved in that time frame.

Delays experienced during the drilling programmes and the assaying have caused some flow-on slowing of the metallurgical testwork and estimation of resources, which are essential components of the economic studies. Other areas are on or ahead of schedule.

Figure 4 – Wonarah Indicative Timetable



1.8 ROCK PHOSPHATE PRICING AND THE EXCHANGE RATE

While prices of DAP, the usual phosphate fertiliser, have softened recently, this is understood to be a function of lower gas prices and some easing of demand. As far as Minemakers is aware, rock phosphate prices have remained stable at US\$450-500/tonne fob Morocco.

In late September and early October, there has been a very large adjustment to the US/Australian dollar exchange rate. At the time of writing, one Australian dollar was buying 70 cents American, or less. This is a reversion to the exchange rate levels of much of the 2000s and, if sustained, will have a very significant impact on the economics of Wonarah.

World rock phosphate is now trading at about AU\$650 - \$700 per tonne. This Australian dollar increase in value of the product apparently exceeds the range of likely operating costs of production.

2.0 MOINA FLUORSPAR AND POLYMETALLICS DEPOSIT, TASMANIA

OPTION TO ACQUIRE AN INITIAL 80% EQUITY

The very large Moina skarn deposit in Tasmania has the potential to be a world significant producer of fluorspar, tungsten and bismuth as well as having tin, magnetite and other base metal credits.

During the quarter, first stage metallurgical processing was completed on drill core in a European fluorspar company's laboratory. The results indicated that the task of producing a saleable fluorspar concentrate would be challenging.

Minemakers has decided that it will now proceed to a full metallurgical evaluation of Moina as a potential multi-commodity producer. Drilling will be required to obtain the appropriate quantities of new test material from several localities within the mineralisation. It is planned to be undertaken in the December 2008 quarter.

It would be used for further testwork on fluorspar, in addition to the other commodities.

Davis Tube assaying for magnetite content is currently being undertaken as that information on this large magnetite body situated in a favourable infrastructure position has not previously been determined.

3.0 TASMANIAN TUNGSTEN AND TIN

MINEMAKERS 100% EQUITY

Tin price has decreased during the quarter due to the World financial crisis. Nonetheless, the fundamentals are sound based on supply and demand factors and London Metals Exchange stocks have decreased by over 50% during the calendar year.

Assessment work has been resumed with emphasis during the quarter on portable XRF assaying of old drill core held at Minerals and Resources Tasmania ("MRT"). In the light of the weaker tin price, initiation of a pre-feasibility study at Anchor has been deferred.

3.1 ABERFOYLE

Planning and permitting is under way for an RC drilling programme which will test the strike extension of the mineralised system directly beyond the extent of the old underground workings. Drilling is scheduled for the December 2008 quarter.

3.2 STOREY'S CREEK

It is considered that there is potential that the 2007 RC drilling programme understated tungsten grades, in particular.

The Company now intends to twin the best two mineralised RC holes with HQ diameter diamond drilling so as to check that possibility. Drilling should take place in the December 2008 quarter.

4.0 FRASER IRON

OPTION TO ACQUIRE AN INITIAL 80% EQUITY

At West Southdown the potential of Minemakers' magnetite deposits has been illustrated by a \$1 billion corporate deal involving Grange Resources, the majority owner of the adjacent Southdown deposit, and Chinese iron interests.

Minemakers is targeting 300-500Mt of magnetite mineralisation. As previously announced, it has appointed an iron consultancy firm to superintend a deal on West Southdown and also the possibly larger Frankland target area some 150kms westwards.

5.0 TAY MUNGLINUP, WESTERN AUSTRALIA

MINEMAKERS HAS A FREE-CARRIED 20% EQUITY WITHIN AN OPTION ARRANGEMENT

Operator, Jutt Holdings Limited, undertook an auger drilling and assaying programme during the quarter, with mild encouragement. Jutt advised that it has withdrawn from the joint venture on 29 September 2008.

In view of its commitment to its other projects, Minemakers has determined that it would not exercise its option and therefore withdrew from the project effective 10 October 2008.

6.0 PORT KEATS SALT, NORTHERN TERRITORY

100% EQUITY

No work this quarter.

7.0 TASMANIAN URANIUM

A suitably experienced uranium geologist has assessed and interpreted the airborne radiometric data acquired by MRT over all of the Company's north east Tasmanian tenements and also by Minemakers over the Castle Carey target area.

Numerous anomalies worthy of field checking have been identified and this will be undertaken in the December 2008 quarter.

MINEMAKERS' BACKGROUND

Minemakers has acquired and aims to be a developer of mineral projects. The Company has a portfolio comprising several projects with identified resources and large databases and others with highly prospective mineral targets. There are currently five distinct groups of project areas in the portfolio covering iron ore, tin and tungsten, salt, phosphate, fluorspar and polymetallics. The tin/tungsten project areas are also considered prospective for uranium mineralisation.

The most advanced opportunity is the Wonarah rock phosphate project (NT). Others are for tin and tungsten, centred on the historic Aberfoyle and Storey's Creek mines in the northeast of Tasmania, as well as several other tin or tin/tungsten deposits. The Moina (Tas) fluorspar and polymetallics project is also under assessment.

The Company has identified a unique opportunity to position itself with non-mainstream minerals commodities. Rising demand has increased prices for many mineral commodities. In several of the commodities for which Minemakers holds large deposits or targets, restricted Chinese mineral exports have decreased available supply.

Minemakers' projects are all in Australia, with its low sovereign risk and generally contain deposits with open cut mining potential.

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.

Since the adoption of the JORC Code, there has been insufficient work conducted on the named projects to be able to determine the grades and tonnages of the deposits with greater accuracy. Any tonnages or grades reported are conceptual in nature and insufficient exploration has been conducted to define Mineral Resources. It is uncertain if further exploration will result in the determination of Mineral Resources.