



EXCHANGE RELEASE

Baobab Phosphate Project direct investment and placement MOU to accelerate and fund to full mine permit

4 November 2015

- **Memorandum of Understanding for the inclusion of a Senegalese equity partner, Mimran Natural Resources:**
 - **Direct investment in Baobab Phosphate Project of US\$11.25m (A\$15.6m) for 20% of the project**
 - **Direct investment to qualify as Senegalese investor under mining code**
 - **Minemakers to place 19.9% of stock with Mimran Natural Resources at VWAP plus 10% premium**
 - **Combined total new funding of approximately A\$28m**
- **Surplus funds to be deployed to accelerate development of the Baobab Phosphate Project beyond the current small mine permit**

Minemakers Limited ("Minemakers") is pleased to announce it has entered into a non-binding Memorandum of Understanding ("MOU") with Mimran Natural Resources ("MNR"), a member of a leading West African agri-food industrial group, Groupe Mimran ("Mimran Group") for:

- the issue of 20% of the capital in Baobab Mining and Chemicals Corporation ("BMCC") to MNR for consideration of US\$11.25 million (A\$15.6m) and the transfer of a phosphate exploration permit in the Republic of Senegal held by MNR to BMCC ("BMCC Investment"); and
- the issue of approximately 103 million ordinary fully paid Minemakers shares ("Shares") to MNR (bringing MNR's interest in Minemakers to 19.9%) at a price of A\$0.117 ("Placement"). This price is the VWAP of the Minemakers share price for the 10 days prior to signing of the MOU, plus a premium of 10%.

The Mimran Group includes Grands Moulins d'Abidjan and Grands Moulins de Dakar, one of the largest producers of flour and agri-food in West Africa. Under the banner of the Mimran Group, the Mimran family has a long history of operating successfully and responsibly in Africa. The family is also a major sugar producer in the region and the largest private sector employer in Senegal through Compagnie Sucrière Sénégalaise.

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Mr Rod Wheatley

CFO and Company Secretary, Minemakers Limited

If completed, the BMCC Investment and Placement will deliver approximately A\$28 million in gross proceeds. The additional funding will ensure the development of the Baobab Phosphate Project small mine is fully funded from a capital and working capital perspective and the majority of funds raised will be available for the exploration and project development of the Baobab Project beyond the small mine.

The parties expect that the introduction of MNR as a shareholder of BMCC will satisfy the requirement in the Senegalese mining code for Minemakers to have a Senegalese equity partner in order to expand beyond a Small Mine Permit ("SMP"). Immediately following completion of the BMCC Investment, Mr David Mimran will be appointed to the board of BMCC.

The Placement is planned to be completed in two tranches. The first tranche of Shares will be issued immediately following completion of the BMCC Investment and the second tranche after shareholder approval for the issue of Shares has been obtained.

The Placement is subject to the approval of the Toronto Stock Exchange (the "TSX") or the ability of Minemakers to rely on an exemption from the private placement standards of the TSX Company Manual.

On completion of the second tranche and subject to MNR holding no less than 10% of the shares in Minemakers and to the approval of the TSX, Minemakers shall appoint Mr David Mimran as a director of Minemakers.

Minemakers Managing Director and CEO Mr Cliff Lawrenson said:

"The opportunity to introduce a highly regarded and financially substantial Senegalese partner for the Baobab Project is of huge benefit to Minemakers. The new funding, in addition to Minemakers existing cash, not only provides for the total development and working capital requirements of the Baobab Phosphate Project as a small mine, it also provides substantial surplus funds which will be directed towards the exploration and development of the Baobab Project beyond the SMP. We continue to see great potential in the Baobab Phosphate Project and this development allows us to move to a full mine permit in parallel with commencing mining as a small mine. The SMP covers 5km² out of our current 1553km² tenements. Having MNR as a project partner and Minemakers shareholder ensures alignment of interests for all shareholders and complements our existing strong relationships within Senegal."

Mr David Mimran, CEO of Mimran Natural Resources stated:

"We have been in discussions with the owners of the Baobab Phosphate Project for some time and have observed the positive developments with interest. As a company with substantial operations in the agri-food sector in West Africa, our investment in the nutrients value chain is of great interest. We see this as an early stage entry into a project and company with enormous potential and proven ability to deliver. We look forward to working together in the interests of all shareholders"

The BMCC Investment and Placement contemplated by the MOU remain subject to due diligence, definitive and binding documentation (including customary terms and conditions) and Minemakers shareholder approval. The MOU remains valid until 31 December 2015, or such later date agreed between the parties.

Cliff Lawrenson
Managing Director