



Mining Projects Group Limited

Quarterly Report for the 9 Months Ended 31st March 2009

Highlights

- NTA as at 31 March 2009 was approximately \$4.731 million
- West Wits Mining Limited announces near surface JORC resources at four targets, with its maiden Emerald Resource anticipated to be in production by the end of 2009
- Mintails Limited completes the sale of the remaining interest in The Elsburg Joint Venture with DRDGold Limited. Mintails now has a cash balance of approximately A\$21 million, with no debt
- Mintails announces Conceptual Target of 14.36 mozs of gold, 184.35 mlbs of uranium and 12.37mt of sulphur

Talga Peak Project

("MPJ" owns 80%)

Mining Projects Group Limited (ASX : MPJ) ("MPJ" or "the Company") over the quarter has continued to assess its options with regards to the Company's 80% owned Talga Peak Project (Talga Peak), located in the Pilbara, Western Australia.

As previously reported, the Company's most recent sampling program undertaken in the western portion of the lease identified an iron feature. The iron feature is associated with the South Muccan Shear Zone, a major regional structure extending east – west, from Atlas Iron's ground on the eastern boundary, through the project area, extending to Moly Mines Limited's Spinifex Ridge project in the west. A small single traverse was completed at the feature where several samples reported high levels of iron indicating the potential for Direct Shipment Ore (DSO) to be discovered.

Surface enrichment may be a factor with rock chip sampling of this nature. Further ground inspections will be required to delineate the extent of iron enrichment of this and other iron features associated with this shear zone in the western portion of the project area, prior to drill testing. Until now, this major regional structure which has 12km of strike has received very limited exploration. The Company is currently in discussions with a number of parties that have expressed interest in assessing the iron ore potential of the Talga Peak lease.

New Projects

The Company is assessing a number of new gold opportunities predominately within Western Australia, however the assessment of these opportunities is preliminary in nature. MPJ is actively looking for new opportunities, which may include distressed assets that other explorers are unable

+ See chapter 19 for defined terms.

to complete expenditure commitments on. The Company is looking to expand its current lease portfolio with a number of prospective opportunities.

Lake Lefroy

(Independence Group (ASX:IGO) earning up to 100% of Nickel Sulphide Rights)

At Lake Lefroy, IGO is exploring for massive nickel sulphide mineralisation associated with untested or poorly tested ultramafic horizons interpreted from aeromagnetic data or known from previous drilling. In some cases this ultramafic stratigraphy is located in domal structures analogous to the Kambalda dome nickel camp 15-25km to the west. Where ultramafic stratigraphy is beneath conductive stratigraphy, which masks the bedrock TEM response, IGO has been using a proprietary Low Temperature SQUID TEM system ("LTS") under licence from Anglo American which is capable of testing beneath highly conductive lake sediments.

The MPJ JV tenements are located marginal to and within Lake Lefroy that is commonly prone to water inundation making access only possible for limited periods. Intrepreted ultramfuc stratigraphy in the JV area has been tested by the LTS in limited areas where access has been possible. TEM Conductors have been outlined; however follow-up TEM is required to determine their significance.

Corporate

Over the quarter the Company acquired a further 1m shares in West Wits Mining Limited and 0.5m shares in Watermark Global PLC. Each of these investments has been affected by the economic downturn, however the Company continues to believe both are undervalued.

As at 31 March 2009 the net tangible asset position of the Company equated to approximately \$4.731m.

Mining Projects holds no debt or leveraged investment positions.

Unaudited Balance Sheet as at 31st March 2009

<u>Investment</u>	<u>Share Holding</u> <u>(approximate)</u> <u>(m)</u>	<u>Price at 31 Mar</u> <u>2009</u> <u>(\$)</u>	<u>Value at 31 Mar 2009</u> <u>(approximate)</u> <u>(\$m)</u>
MLI	10.80	0.038	0.41
AGO	0.53	1.005	0.53
WWI	6.31	0.076	0.48
WET-AIM	14.36	0.007	0.22
(\$A equivalent)			
Other listed and unlisted investments			2.96
Total Investments			4.12
Cash and cash equivalents as at 31 December 2008			0.204
Other Assets			0.481
Total Tangible Assets			4.805
* Current and Non- Current Liabilities			0.074
Net Tangible Assets			4.731

+ See chapter 19 for defined terms.

West Wits Mining Limited (ASX : WWI)

West Wits Mining Limited (“West Wits”) achieved a number of significant resource milestones over the 2009 March quarter. West Wits was encouraged by the progress it made on its exploration program, in identifying prospective targets, pursuing validation of its conceptual target statement, and developing JORC resources at four of those targets; the Emerald, Princess, Marquise and Radiant Targets. The current combined JORC resource at these four near surface targets is 468,000 ounces at an average grade of 1.82g/t.

The individual resource numbers at these targets all outperformed their respective allocations within the conceptual target statement. The conceptual target statement currently stands at 3.95-5.20 million ounces of gold and 17-22 million pounds of uranium.

With these four resources now established, West Wits has elected to focus its endeavours towards the Emerald Resource. West Wits announced during the quarter its intention to bring this resource into production before the end of 2009.

The progressing of these targets to resource status, and the potential for exploitation of the Emerald Resource, provides a significant advancement in West Wits’ strategy to fund the access to its historical underground workings, where deeper and more significant targets are located. The presence of existing underground infrastructure provides West Wits with numerous possibilities and significantly reduces the capital expenditure required to access the targeted underground areas. Such access would enable detailed investigation and testing of parallel reefs and pillars remaining in situ after historical mining concluded. This investigation will include testing areas adjacent to the historically productive Main, Main Reef Leader and South Reef formations, which intersect all leases. The successful development of the Emerald Resource will provide a strong financial and operational platform to undertake that further exploration and investigate the significantly increased potential those previously inaccessible areas represent.

MPJ held 6.31 million shares at the end of the March quarter, representing approximately 5.18% of the company’s issued capital.

Mintails Limited (ASX : MLI)

Mintails Limited (ASX: MLI) recently announced the completion of the sale of the remaining interest in The Elsburg Joint Venture with DRDGold Limited. The finalising of this deal leaves Mintails with a cash balance at 31 March 2009 of approximately A\$21 million.

This cash balance places Mintails in a strong position to pursue its gold production and expansion plans on the West Rand. Furthermore, it will enable further funding of feasibility studies which focus on developing potential uranium production capacity on the West Rand.

Subsequent to the end of the quarter Mintails released a Conceptual Target Statement for its surface resources on the East Rand. Mintails has established a Conceptual Target Statement of 14.36 mozs of gold, 184.35 mlbs of uranium and 12.38 mt of sulphur from the 1.7 billion tonnes of tailings contained within its 50% ERGO Mining Joint Venture.

The immediate focus of Mintails is to generate cash through gold production at the Mintails’ Mogale Plant. Focus over the medium term will be to develop the significant uranium and sulphur resources Mintails holds.

MPJ currently owns approximately 10.80m shares in Mintails.

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Atlas Iron Limited (ASX : AGO)

Atlas Iron Limited (Atlas) released a number of important announcements over the March quarter. Atlas announced in March that take-off agreements had been executed with three further mid-size Chinese Steel mills for the remaining 70% of DSO at the Pardoo Iron Ore project. As a result, Atlas has now entered into four off-take agreements for 100% of its Pardoo DSO product for the next 3 years.

Atlas had two further strong announcements over the quarter, firstly in relation to the exploration program carried out at Wodgina, 100km south of Port Hedland. Results from the program are showing the potential for highly marketable direct shipping grade ore at low strip ratios and low capital costs. The project is less than 3 kilometres from the Wodgina production infrastructure. By mid-year, Atlas hopes to report increased resources, report initial reserves and disclose the findings of the Wodgina Scoping Study. The Wodgina Scoping Study is underway, with metallurgical drilling having already been completed, metallurgical test work underway, initial environmental baseline surveys started and Native Title negotiations commenced.

The second series of strong announcements released by Atlas in April 2009 referred to the Ridley Magnetite project, located 75km east of Port Hedland. Atlas announced the initial Ore Reserve estimate for Ridley, which achieved a Probable Ore Reserve of 970 million tonnes at 36.0% Fe, with a Davis Test Tube Concentrate grade of 68.3% Fe and 3.8% SiO₂. This reserve achieved an 88% conversion of indicated mineral resources to probable ore reserves. Following from the release of the Ridley Ore Reserve statement, Atlas also released the results of the Preliminary Feasibility Study (PFS) for Ridley, which included expanded concentrate production of 15mt pa at 68.3% Fe, project establishment costs estimated at \$2,272 million plus a \$250 million contingency, average real operating cost of \$36.22 per tonne FOB, average EBITDA per annum of \$535 million, a strip ratio of less than 0.5:1 for conceptual life of mine and greater than 30 years conceptual mine life.

MPJ currently holds 0.53m shares in AGO.

Watermark Global PLC (AIM : WET)

Watermark Global Plc (WET) continued over the quarter to progress their Definitive Feasibility Study which includes;

- Public participation
- Conducting the required Environmental Impact Assessments
- Finalisation of water license application process
- Compilation of an Environmental Management plan
- Price determination and finalisation of initial off-take agreements;
- Detailed engineering design with a deviation of 10% on capital and operating cost estimates for a full scale commercial plant;
- Projected financing model and options

WET, through its wholly owned subsidiary Western Utilities Corporation (WUC), has been established to treat Acid Mine Drainage (AMD) in the western basin outside Johannesburg, South Africa. After extensive analysis, the Alkaline Barium and Calcium process (ABC) from the Council for Scientific & Industrial Research (CSIR) has proven to be the best technical and commercial solution.

It is Watermark's intention to be able to treat the water through this proprietary technology, clean the water and re-sell the water to either Rand Water, who will re-introduced the water back into the potable drinking resource for Johannesburg or on-sell the water to the platinum producing area of Rustenburg, in North West Province, which is located north of Johannesburg.

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As part of the DFS, Watermark has engaged Golder and Associates to prepare an Environmental Impact Assessment (EIA) study. This study will assess possible sites for the construction of a commercial size plant to treat 75 mega litres of AMD per day, as Phase One of this project. The study will also assess possible off-take agreements with either Rand Water or the platinum mines of Rustenburg.

Watermark expects to have its DFS completed by July 2009.

During the quarter MPJ increased its holding in WET by 0.5m shares to 14.36 million shares.

For And On Behalf Of The Board



Richard Revelins
Director

The information in this report in relation to Mintails Limited was extracted from previous ASX announcements released by Mintails Limited.

The information in this report in relation to Atlas Iron Limited was extracted from previous AGO announcements released by Atlas Iron Limited.

The information in this report in relation to West Wits Mining Limited was extracted from previous ASX announcements released by West Wits Mining Limited.

The information in this report in relation to Watermark Global Plc was extracted from previous AIM announcements released by Watermark Global Plc.

Rule 5.3

Appendix 5B – 3rd Quarter

Mining Exploration Entity Quarterly Report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of Entity:

MINING PROJECTS GROUP LIMITED

ABN:

84 006 189 331

Quarter Ended ('Current Quarter')

31st March 2009

Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (9 months) \$A'000
<u>Cash Flows Related to Operating Activities</u>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation	(134)	(994)
(b) development	-	-
(c) production	-	-
(d) administration	(132)	(439)
(e) contract services	(111)	(306)
1.3 Dividends received	2	2
1.4 Interest and other items of a similar nature received	1	32
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Legal Fees)	-	(460)
Net Operating Cash Flows	(374)	(2,165)
<u>Cash Flows Related to Investing Activities</u>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(238)	(1,599)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	264	2,044
(c) other fixed assets	-	-
1.10 Loans to other entities	(50)	(75)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net Investing Cash Flows	(24)	370
1.13 Total Operating and Investing Cash Flows	(398)	(1,795)

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	Current Quarter \$A'000	Year to Date (9 months) \$A'000
1.13 Total Operating and Investing Cash Flows (Carried Forward)	(398)	(1,795)
Cash Flows Related to Financing Activities		
1.14 Proceeds from issues of shares, options, etc.	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other (provide details if material)	-	-
Net Financing Cash Flows	-	-
Net Increase / (Decrease) in Cash Held	(398)	(1,795)
1.20 Cash at beginning of quarter/year to date	590	1,987
1.21 Exchange rate adjustments to item 1.20	-	-
1.22 Cash at End of Quarter	192	192

**Payments to Directors of the Entity and Associates of the Directors
Payments to Related Entities of the Entity and Associates of the Related Entities**

	Current Quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	103
1.24 Aggregate amount of loans to the parties included in item 1.10	
1.25 Explanation necessary for an understanding of the transactions	
Salaries, directors' fees, corporate advisory & consulting fees at normal commercial rates	

Non-Cash Financing and Investing Activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	-
2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	-

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Financing Facilities Available

Add notes as necessary for an understanding of the position.

	Amount Available \$A'000	Amount Used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated Cash Outflows for Next Quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
Total:	-

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	192	590
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)	192	590

Changes in Interests in Mining Tenements

	Tenement Reference	Nature of Interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

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Issued and Quoted Securities at End of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total Number	Number Quoted	Issue Price Per Security (cents) (see note 3)	Amount Paid Up Per Security (cents) (see note 3)
7.1	Preference +Securities <i>(Description)</i>	-	-		
7.2	Changes During Quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions				
7.3	+Ordinary Securities	1,833,554,062	1,833,554,062		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs				
7.5	+Convertible debt securities <i>(Description)</i>	-	-		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(Description and Conversion Factor)</i>	1,023,136,413	1,023,136,413	<i>Exercise Price</i> \$0.009	<i>Expiry Date</i> 31/07/2009
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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Compliance Statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign Here:

Director

Date: 29th April 2009

Print Name: **Richard Revelins**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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The CFO Solution

+ See chapter 19 for defined terms.