

29th January 2015

Mining Projects Group Limited (ASX: MPJ)

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 DECEMBER 2015

Highlights

- **Executed binding term sheet to acquire Pilbara Lithium-Gold Project**
- **CPS mandate received firm commitment to raise \$1.2m Jan 2016**
- **Highly Experience Executive Mr Ian Finch agreed to join as Chairman**
- **Completed ongoing intensive exploration and diamond drill programme at the Roe Hills Nickel Sulphide Project**
- **R&D rebate finalised and lodged with expected return in Q1 2016**

Pilbara Lithium-Gold Project, Pilbara Region, WA (to acquire 100%)

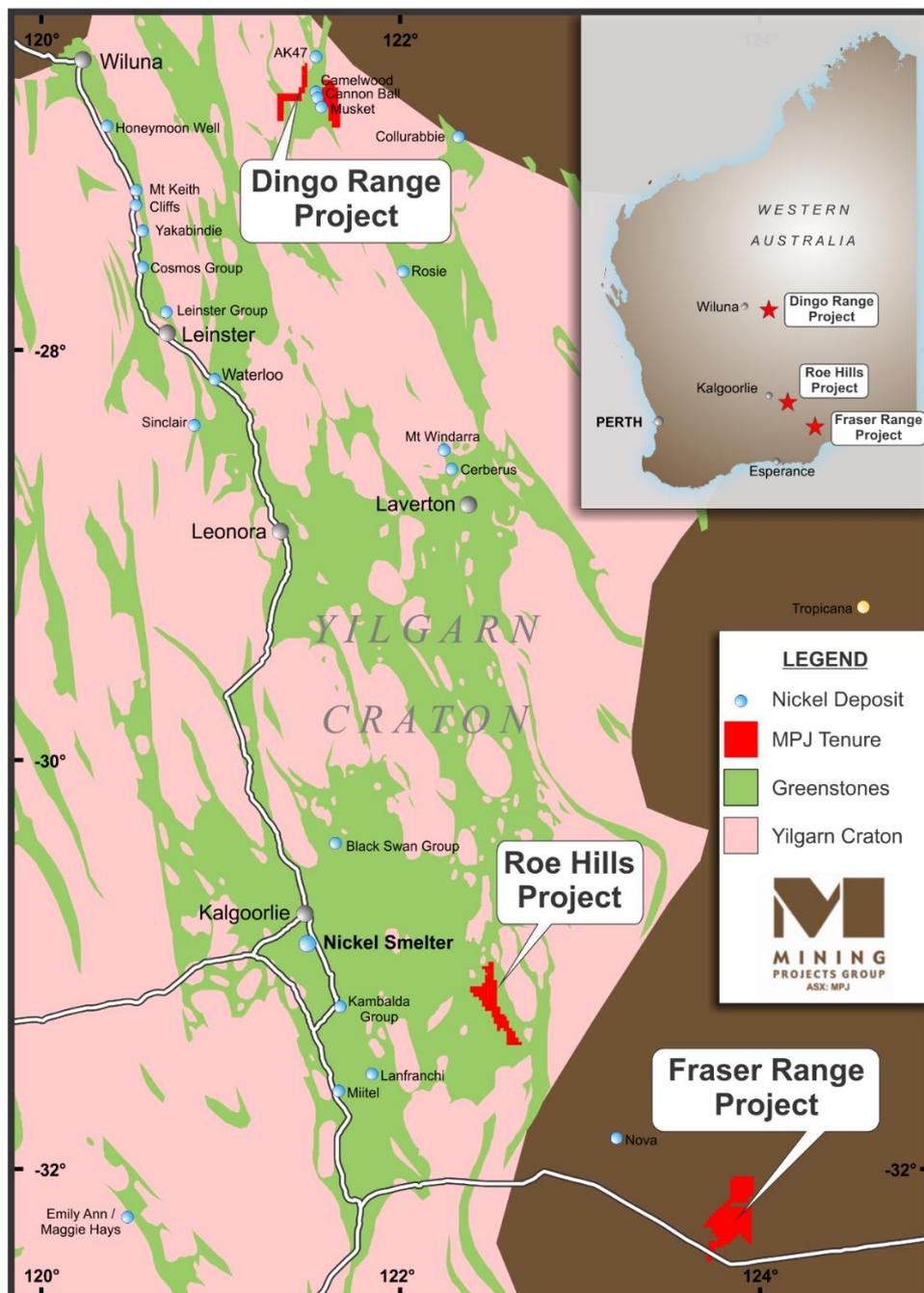
- Covers 29km² ~100km south of Port Hedland in the Pilgangoora 'Lithium Hot Spot' Pilbara region of W.A.
- Directly borders Pilbara Mineral's (ASX:PLS) and Altura Mining (ASX: AJM)

Roe Hills Project, Kambalda Region, WA (100% Owned)

- 10 diamond drill holes (RHDD0023 – RHDD0032) for 2860.5m completed during the quarter
- Significant disseminated, blebby and veinlet massive nickel bearing sulphides identified in numerous holes – final assays pending
- Initial testing of previously unexplored eastern, interpreted basal, sequence at Talc Lake confirms mineralisation & prospectivity
- Results support exploration methodologies and targeting
- 28.3 line km (301 stations) of MLEM geophysical surveys completed
- 7.3 line km's (228 stations) of FLEM geophysical surveys completed
- DHEM geophysical surveys completed in 12 holes for 4161m
- Petrographic studies in progress to characterise host lithologies/NiS species
- Detailed mapping, geological/structural interpretation and historical data compilation ongoing
- Interpretation, priority targeting, program planning for 2016 ongoing

Other Projects - Fraser Range, Dingo Range (Mt. Fisher/Mt. Eureka)

- Compilation of all available geoscientific datasets
- Ongoing geological assessment
- Target prioritisation
- Program planning



Company Overview

MPJ aims to become an accomplished West Australian explorer and capitalise on the commodity trends by diversifying its portfolio of assets. By combining its leading Technical experts with the Company's core projects in the most highly prospective W.A. regions, MPJ is focused on the discovery and delineation of Lithium, Gold and Nickel Sulphide resources.

Technical Team

- Mr Ian Finch (Proposed Chairman) – Anglo America, Rio Tinto, Taipan Resources
 - Mr Neil Hutchison (Technical Director) – Posiedon Nickel, Jubilee Mines
 - Mr Steve Vallance (Technical Manager) – WMC, ACM, Jubilee Mines, Xstrata, LionOre, Kagara
 - Ms Sarah Dowling (Komatiite Specialist) – CSIRO, ACM, MPI
 - Dr Nigel Brand (Geochemical Specialist) – WMC, Anglo American
 - Newexco Services
(Geophysical and Geological Consultants)
 - Mr Adrian Black
 - Mr Bill Amman
- Greater than +100 years combined experience in NiS exploration & mining
 - Pivotal roles in discovery, delineation & development of Nickel Sulphide resources greater than 500kt of Ni with an in ground value greater than \$10Billion.
 - All participating in part equity for services.

Pilbara Lithium Gold Project Project Review

Pilbara adjoins the lithium projects of both Pilbara Minerals and Altura Mining

Mining Projects Group Limited has agreed to acquire the “Lynas Find Assets” to be renamed the Pilbara Lithium-Gold Project (Pilbara) in WA's Pilbara region from Tyranna Resources (ASX: TYX) and Tribal Mining Pty Ltd.

Pilbara adjoins both Pilbara Minerals' (ASX:PLS) Pilgangoora lithium-tantalum project (52.2Mt @ 1.3% Li₂O & 32.9Mt 0.0022% Ta₂O₅)₁ and Altura Mining's (ASX:AJM) Pilgangoora lithium project (26.06Mt @ 1.20% Li₂O)₂ [Figure 1].

The project's northern tenements border Pilbara Mineral's spodumene deposit, where recent drilling is less than 500m from the tenement boundary. Spodumene is a mineral which hosts lithium. Pilbara Mineral's spodumene lithium bearing deposit is internationally recognised and has defined an emerging lithium region.

The Pilbara project covers 29km² ~100km south of Port Hedland. In 2008, ASX-listed Trafford Resources published a JORC (2004) gold resource of 49,515oz comprising 933,400t at 1.65gpt. The project had produced 125,493oz between 1994 and 1998.

The project lies in the Pilgangoora greenstone belt, which is dominated by the Pilgangoora syncline. The syncline is stoped out by regional granite. Where this granite wanes, pegmatite sills intrude the dolerite. These pegmatite sills are the source of the tantalum-lithium mineralisation in the area.

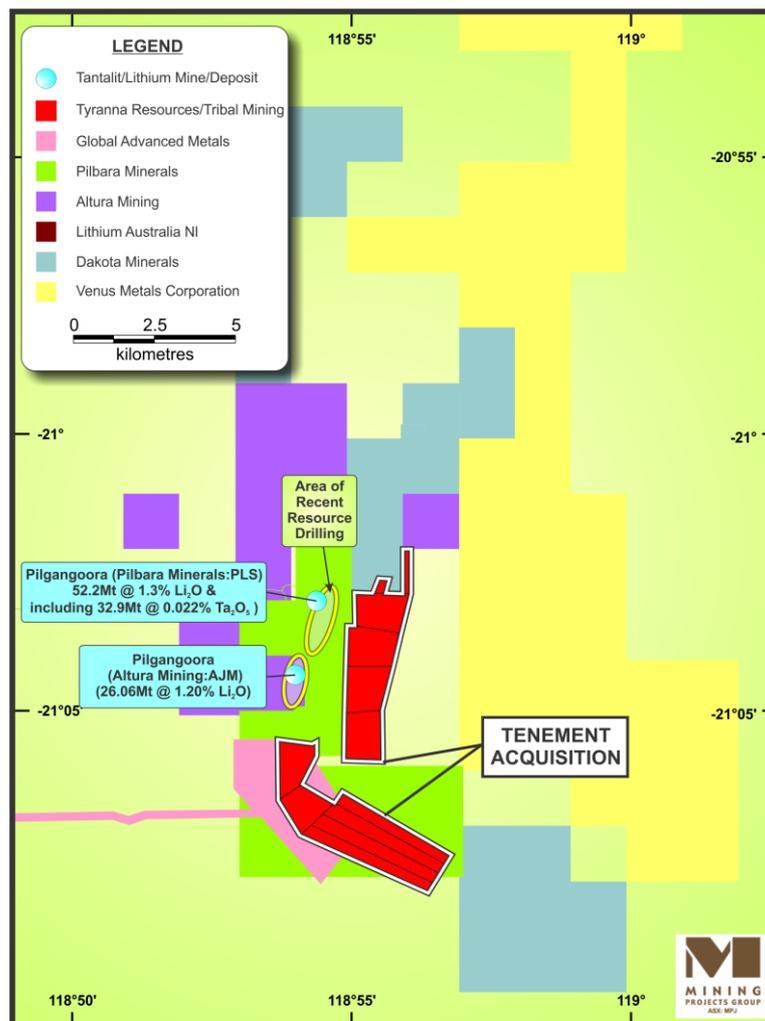


Figure 1: The Pilbara Project adjoins the lithium projects of both Pilbara Minerals and Altura Mining.

Roe Hills Project Review

Drilling

During the quarter 10 RCP/diamond drillholes (RHDD0023-RHDD0032) were completed for a total combined metreage of 2860.5m.

In addition, historical diamond drillhole ORTL9X was located, re-entered, cleaned out and successfully cased in preparation for DHEM geophysical surveying. Significant nickel bearing sulphide mineralisation was identified in numerous holes.

Most significantly holes RHDD0026 and RHDD0027 confirmed the potential of the easternmost ultramafic sequence at Talc Lake. Previously unexplored, this sequence is now interpreted to represent the basal unit at Talc Lake and as such may potentially be the most prospective. Both holes successfully intersected broad widths of nickel bearing sulphides including disseminated, blebby and narrow massive veinlets confirmed with portable Niton XRF. Final assays are pending for all holes and will be reported on separately once received and interpreted.

Table 1 below presents a summary of drilling completed at the Roe Hills Project during the December uarter.

Figures 2 and 3 present drill hole location plans for the project.

Figure 4 presents a schematic cross-section of the Talc Lake East Prospect showing diamond drill hole RHDD0027.

Table 1: Drilling Summary Roe Hills Project October – December 2015

Hole ID	MGA_N	MGA_E	Dip	Azimuth	EOH
RHDD0023	6537688	461212	-60	057	395.2
RHDD0024	6536384	461156	-60	050	212.2
RHDD0025	6538800	460080	-60	090	282.9
RHDD0026	6538100	462175	-60	053	327.9
RHDD0027	6538439	461742	-60	050	463.0
RHDD0028	6537800	461108	-67	070	346.0
RHDD0029	6550040	454030	-60	090	142.0
RHDD0030	6547375	455590	-60	090	187
RHDD0031	6546725	455393	-60	090	219.4
RHDD0032	6543250	458602	-60	050	284.9

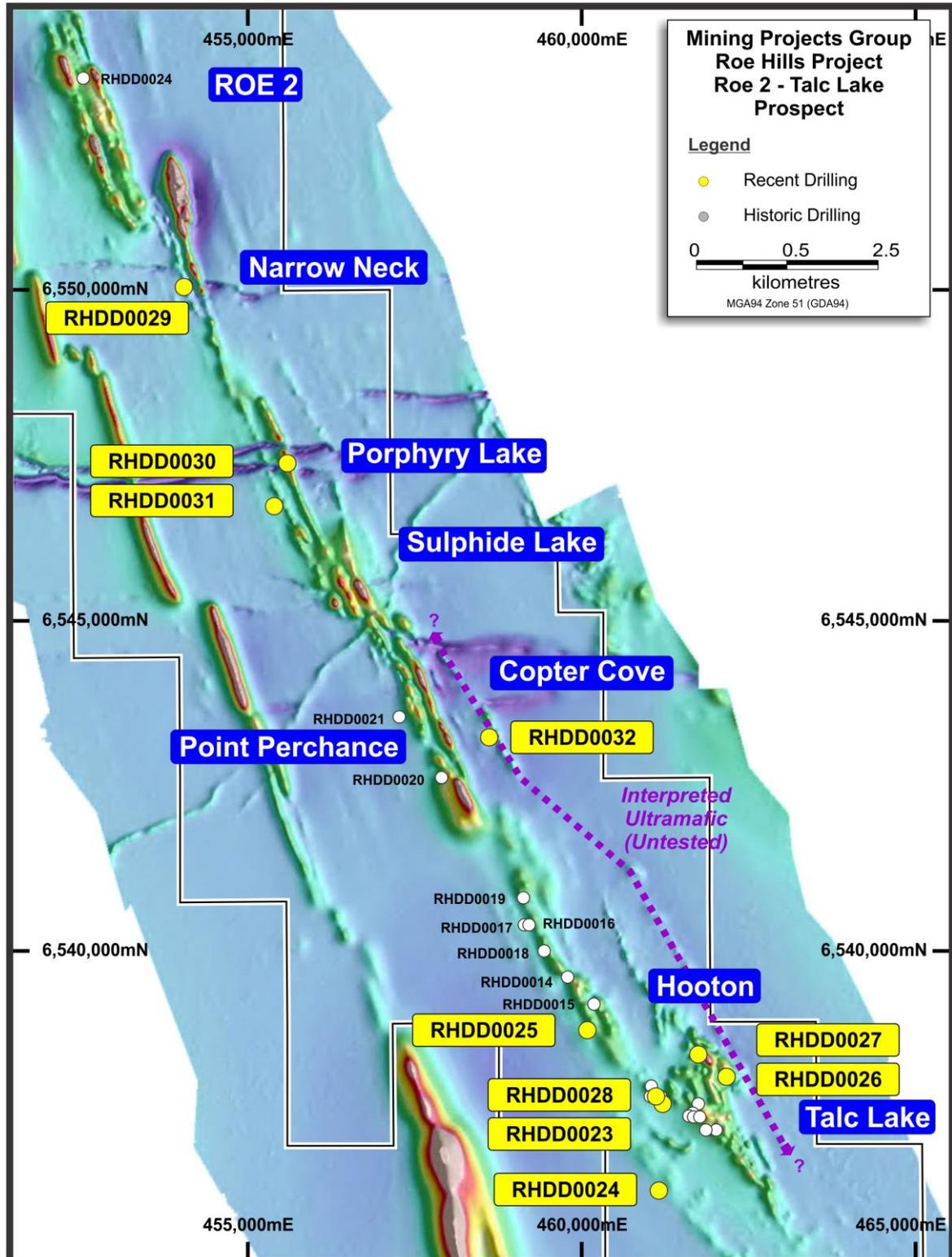


Figure 2: Roe Hills Project Drill hole Location Plan December 2015

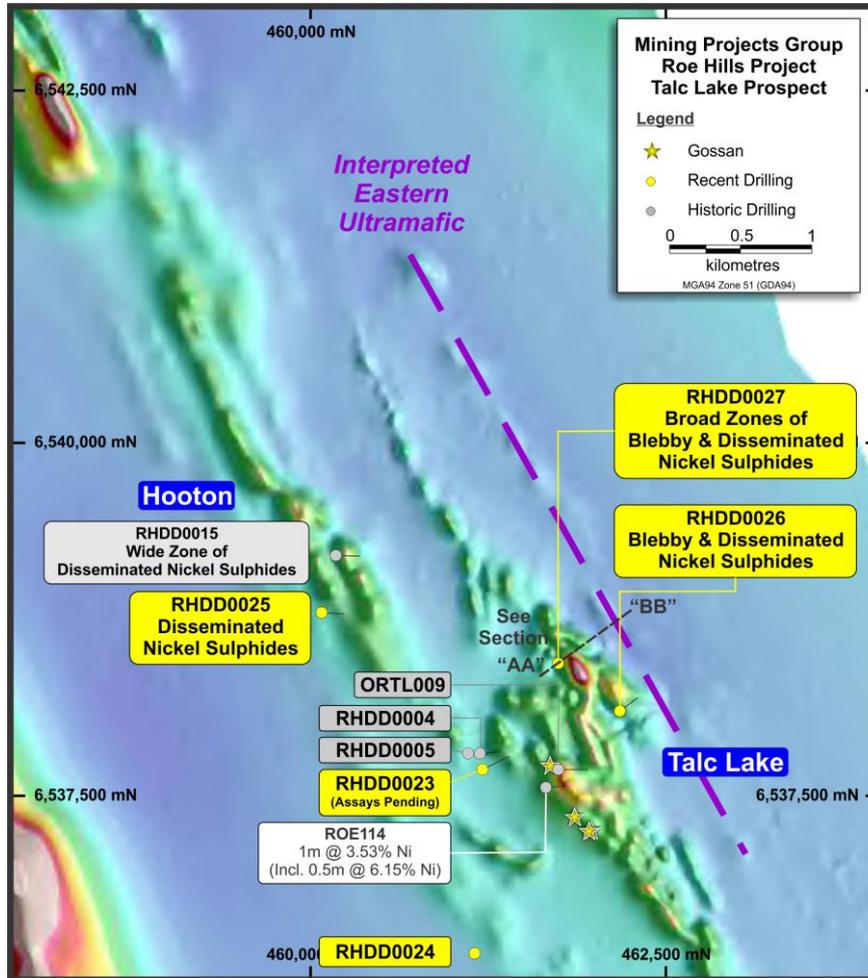


Figure 3: Roe Hills Project Drill hole Location Plan December 2015

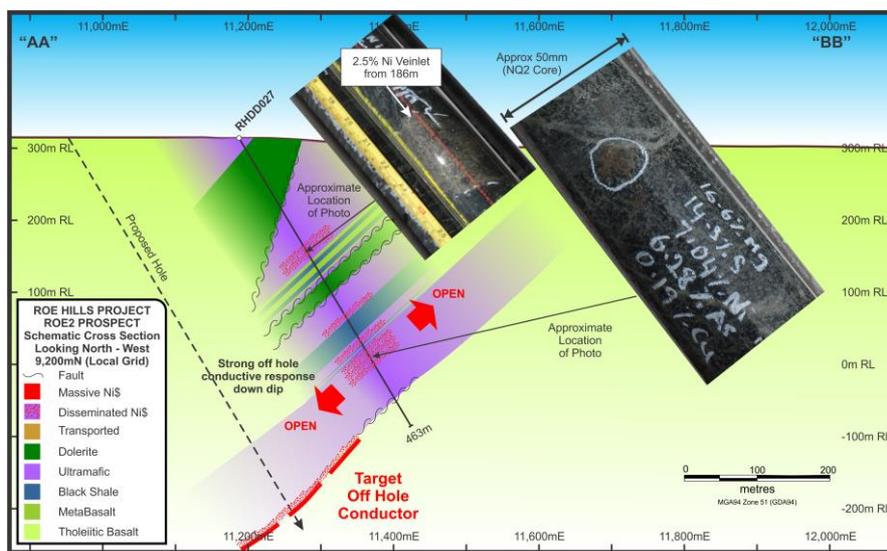


Figure 4: Roe Hills Project Talc Lake East Prospect Schematic Cross-Section

Geophysics

The Company's geophysical programs continue to be managed by Newexco and during the quarter comprised ongoing regional surface MLEM designed to further evaluate the central corridor between Point Perchance, Copter Cove, Sulphide Lake, Porphyry Lake and ROE2 Prospects, follow-up FLEM surveys to better define selected high priority MLEM conductors and DHEM surveying of all recently completed drill holes. An additional DHEM survey was completed for hole ORTL9X.

During the current reporting period MLEM totaled 301 stations on 25 lines for a total survey of 28300m (28.3 line kilometres). Follow-up FLEM surveys totaled 228 stations for a total survey of 7325m (7.3 line kilometres).

DHEM surveys were completed on 12 holes for a total survey of 4161m (NB: holes RHDD0026, RHDD0027 and RHDD0029 were each surveyed twice in order to enable comparison of responses utilising different survey parameters).

All data is currently being evaluated and interpreted by Newexco in collaboration with MPJ's geological team. The results from this work will enable prioritisation of targets in preparation for the next phase of drilling planned to commence early 2016.

Importantly, the conductors selected for drill targeting during the December quarter campaign were limited to the southern third of the project area only.

Numerous high priority Category 1 conductors identified during earlier programs in the Narrow Neck/ROE2/ROE1 Prospects as reported previously remain untested and unexplained.

Planning is in progress to test these exciting high priority conductors as part of the highly anticipated exploration field season recommencing Q1 2016.

Figure 5 presents geophysical survey summaries and priority conductor locations for the Roe Hills Project as at December 2015.

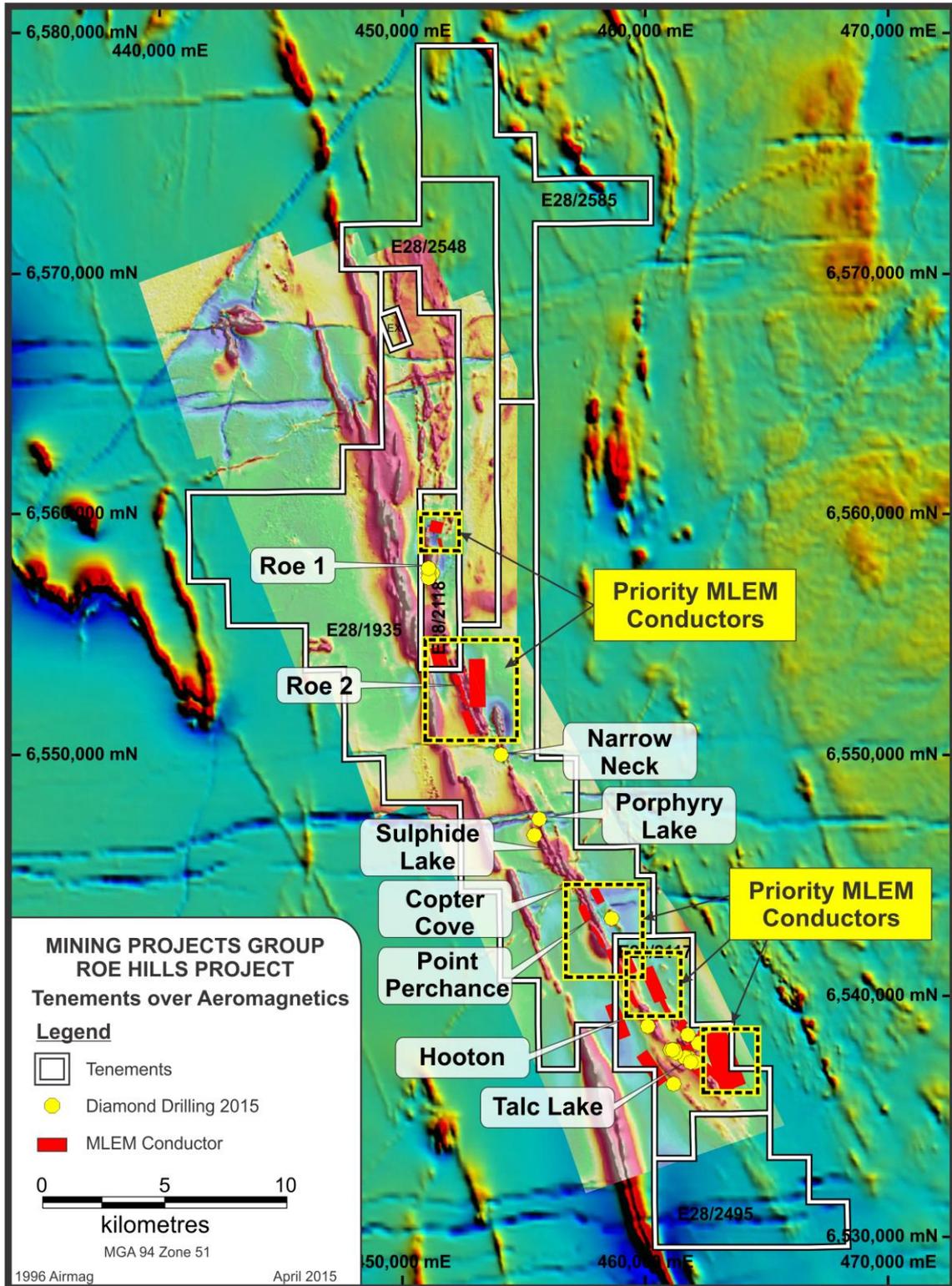


Figure 5: Roe Hills Project MLEM Priority Conductors

Corporate

Pilbara Lithium-Gold Acquisition

Mining Projects has agreed to pay a combination of cash and shares for Pilbara, which is 90 per cent-owned by Tyranna and 10 per cent by Tribal Mining Pty Ltd.

Mining Projects has paid the vendors a non-refundable deposit of \$20,000, reflecting their past exploration and acquisition expenditure.

Mining Projects has agreed that upon completion of the deal, it will pay the vendors \$200,000 cash and issue 200 million shares and 100 million unlisted options exercisable at 1c by June 30, 2017. It will issue a further 100 million shares when the tenements are granted. All these shares and options will be escrowed for 12 months.

Mining Projects has also agreed to issue the vendors “Milestone Shares” if certain JORC Resources of lithium or gold are established at Pilbara. These will be issued as follows:

- (i) 80 million shares (First Milestone Shares) on a mineral resource:
 - A. of at least 5 million tonnes at 1.2% Li₂O (lithium oxide); or
 - B. containing at least 500,000 ounces of gold, being identified within three years of the Completion Date on any or all of the Tenements and;
- (ii) 80 million shares (Second Milestone Shares) on a mineral resource:
 - A. of at least 15 million tonnes at 1.2% Li₂O; or
 - B. containing at least 1,000,000 ounces of gold, being identified within five years of the Completion Date on any or all of the Tenements.

Capital Raise \$1.2m – February 2016

The Company has entered into a placement agreement with CPS Capital [ACN 088 055 636] to act as Lead Manager to place 300 million new fully paid ordinary shares at \$0.004 (0.4 cents) per share to raise \$1.2 million before associated costs to strategic and sophisticated investors (Placement). The Placement comes

with a 1:3 free attaching MPJO option. All securities under the offer will be issued pursuant to Chapter 7 of the ASX Listing Rules.

The Company has received commitments for the Placement and expects to close the Placement in early February 2016.

Proposed Appointment – Mr Ian Finch

In line with this diversification strategy, Mining Projects is pleased to announce that it has reached agreement with highly experienced resources industry executive Mr Ian Finch to become Chairman.

“Mr Finch is an exploration and mining geologist with over 45 years experience. He worked extensively throughout Southern Africa, Asia and Australia with Anglo American and Rio Tinto before successfully listing Taipan Resources Ltd on ASX in 1993.

More recently he was founding Chairman of ASX listed companies Robust Resources and Bannerman Resources and President of Canadian listed Goldminco Corporation.

He formed ASX listed companies Trafford Resources and IronClad Mining in 2006 and 2007 respectively and oversaw their recent merger to form Tyranna Resources Ltd., of which he is the current chair. Trafford Resources Ltd was a cornerstone seed capital investor in the highly acclaimed Orinoco Gold Ltd whose high grade gold mine in Brazil is due to commence production this quarter. Mr Finch is a non-executive director at Orinoco.

Amongst his successes he identified and purchased the Paulsens project for Taipan, identified and oversaw the original exploration at the multi commodity Romang Island project for Robust and materially assisted (through Trafford) the rapid progress of Orinoco’s gold projects in Brazil.”

Project/Tenements	Location	Held at the end of quarter	Acquired during the quarter	Disposed during the quarter
Roe Hills Project E28/1935 E28/2117 E28/2118	W.A., Australia	100%		
Fraser Range Project E69/3082 E69/3211	W.A., Australia	100%		
Dingo Range E53/1731 E53/1732 E53/1733 P53/1624	W.A., Australia	100%		

ENDS

For further information please contact:

Investors:

Mr Joshua Wellisch
Managing Director
Mining Projects Group Limited

Media:

Nicholas Read/Paul Armstrong
Read Corporate
Ph: 08 9388 1474

For online Information visit: www.miningprojectsgroup.com.au

COMPETENT PERSON STATEMENT:

Competent Person: The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Mr N Hutchison, who is a Non-Exec Director for Mining Projects Group and who is a Member of The Australian Institute of Geoscientists. Mr Hutchison has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' (the JORC Code 2012). Mr Hutchison has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

References

Mining Projects Group Limited (ASX: MPJ) - 2014/2015	
Date	Title
30/11/2015	ASX:PLS – “AGM Presentation”
30/11/2015	ASX:AJM – September 2015 Quarterly Activities Report
30/09/2015	Significant Nickel Sulphide Mineralisation Confirmed at ROE2
10/09/2015	Strong Bedrock Conductors Identified at Roe 1
12/08/2015	MPJ Advance with New Nickel Sulphide Zone Identified - ROE 2
10/07/2015	Newly Identified Hooton Prospect Returns Nickel Sulphides
17/06/2015	Drilling Commences at Roe Hills Nickel Sulphide Project
31/03/2015	ASX:TRF – ASX Announcement – “Scheme Booklete”
12/06/2015	Multiple Significant Conductors Highlighted at Roe Hills

Rule 5.5

Appendix 5B – 4th Quarter

Mining Exploration Entity and Oil and Gas Exploration Entity Quarterly Report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of Entity:

Mining Projects Group Limited (ASX:MPJ)

ABN:

84 006 189 331

Quarter Ended ('Current Quarter')

31st December 2015

Consolidated Statement of Cash Flows

Cash Flows Related to Operating Activities		Current Quarter SA '000	Year-to-Date (6 months) SA '000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration and evaluation	(743)	(1,755)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(98)	(250)
	(e) contract services	(147)	(303)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other –Rental Income	2	7
Net Operating Cash Flows		(986)	(2,300)
Cash Flows Related to Investing Activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) physical non-current assets	-	(2)
	(e) other non-current assets	-	-
1.9	Proceeds from sale of:		
	(a) business	-	-
	(b) equity investments	85	85
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net Investing Cash Flows		85	83

1.13	Total Operating and Investing Cash Flows	(901)	(2,217)
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		Current Quarter \$A'000	Year-to-Date (6 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(901)	(2,217)
Cash Flows Related to Financing Activities			
1.14	Proceeds from issues of shares, options, etc.	3	1,188
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19a	Other – Capital Raising Costs	(11)	(94)
1.19b	Other – Share Buy-back	-	-
Net Financing Cash Flows		(8)	1,094
Net Increase / (Decrease) in Cash Held		(909)	(1,123)
1.20	Cash at beginning of quarter/year to date	1,100	1,314
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at End of Quarter	191	191

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	86
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	
	The Company has issued 41,236,545 ordinary MPJ shares to settle the exploration, consulting and drilling services and 24,000,000 options to brokers for fees pursuant to the August 2015 placement.	
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	
	-	

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	300
4.2	Development	-
4.3	Production	-
4.4	Administration	150
4.5	Contract Services	-
Total:		450

As referred in the Company's Activities Report above, the Company has entered into a placement agreement with CPS Capital [ACN 088 055 636] to act as Lead Manager to place 300 million new fully paid ordinary shares at \$0.004 (0.4 cents) per share to raise \$1.2 million before associated costs to strategic and sophisticated investors (Placement). The securities will be placed pursuant to Chapter 7 of ASX Listing Rules.

In light of the above factors, the Company believes that it will have sufficient cash to fund its activities. The Company expects to have negative cashflows from operations of approximately \$450,000 for the forthcoming quarter. The Company's Board and Management is focused on meeting its current objectives and confirm that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1;

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	191	1,100
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)		191	1,100

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	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

Refer to schedule above

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	1,929,529,086	1,929,529,086	-	-
7.4	Changes during quarter				
	(a) Increases through issues	41,236,545	41,236,545	\$0.006	\$0.006
	(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>	1,248,814,833 90,000,000	1,248,814,833 90,000,000	Exercisable @ \$0.010 Exercisable at \$0.01, \$0.02 and \$0.03	- - -
7.8	Issued during quarter	124,000,000	124,000,000	Exercisable @ \$0.010	-
7.9	Consolidation during quarter	-	-	-	-

Appendix 5B
Mining Exploration Entity Quarterly Report

	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	1,400,000	1,400,000	Exercisable at \$0.10, \$0.25 and \$0.50	-
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-

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: 
Managing Director

Date: 29 January 2016

Print Name: **Joshua Wellisch**

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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