



**Quarterly Activities Report for the 6 Months
Ended 31st December 2013**

Review of Operations

Mining Projects Group Limited (ASX : MPJ) (“MPJ” or “the Company”) continued to maintain its primary focus on establishing the Company as West Australian Nickel and Gold explorer. In the follow up to the recent drilling programme at the Roe Hills Project the management has been proactively engaging with potential Joint Venture partners to fund the planned major exploration programmes on the Roe Hills and Fraser Range Projects. The Company is very encouraged with the recent execution of a Framework Agreement with the International Mining Inner Mongolia Geology & Minerals Group Co. Ltd, a Chinese corporation (“IMMG”) as announced on the 20/12/2013 and subsequent successful completion of a capital raising. Further to the board is pursuing opportunities to realise value from its additional asset base and redirect capital expenditure towards the West Australian operations.

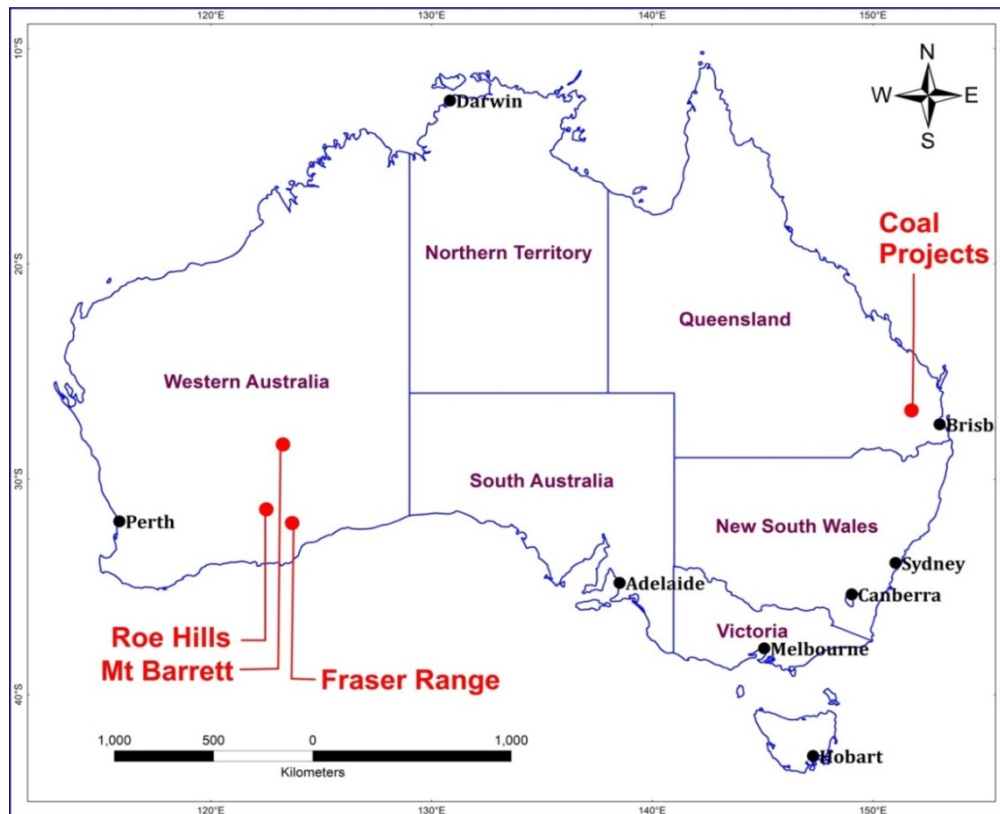


Figure 1. Project location map

+ See chapter 19 for defined terms.

Roe Hills Nickel Project - Western Australia (100%)

Talc Lake

Key exploration milestones completed during the quarter at the Talc Lake Prospect on the southern edge of the Roe Hills project, within the E28/2117 tenement, located 120km east of Kalgoorlie (Figure 3) are **assay results received from recent diamond drilling**.

During the quarter, MPJ received assays from its recently drilled diamond hole extension to identify the downhole electromagnetic conductor (DHEM) from historical exploration. The program entailed extending an old hole (ORTL9) for approximately 100m to intersect an identified conductor. This hole is the first stage of a major drilling program planned by MPJ in identifying massive nickel sulphides at its Roe Hills project.

MPJ intersected the downhole electromagnetic conductor (Figure 2), identified in the previous hole, at 365.3m. As mentioned in the announcement on 21/10/13 and 3/12/2013 (Diamond Drilling Identifies EM Conductor), the conductor was a sulphidic graphitic shale. Results of the komatiite preceding the shale intersection indicate anomalous background nickel values and MgO content indicative of a meso-cumulate dunite zone that sits above the adcumulate, that potentially contains massive nickel sulphides. The results include 26m @ 0.2%Ni and 28%MgO from 321m (see Table 1 below for hole details).

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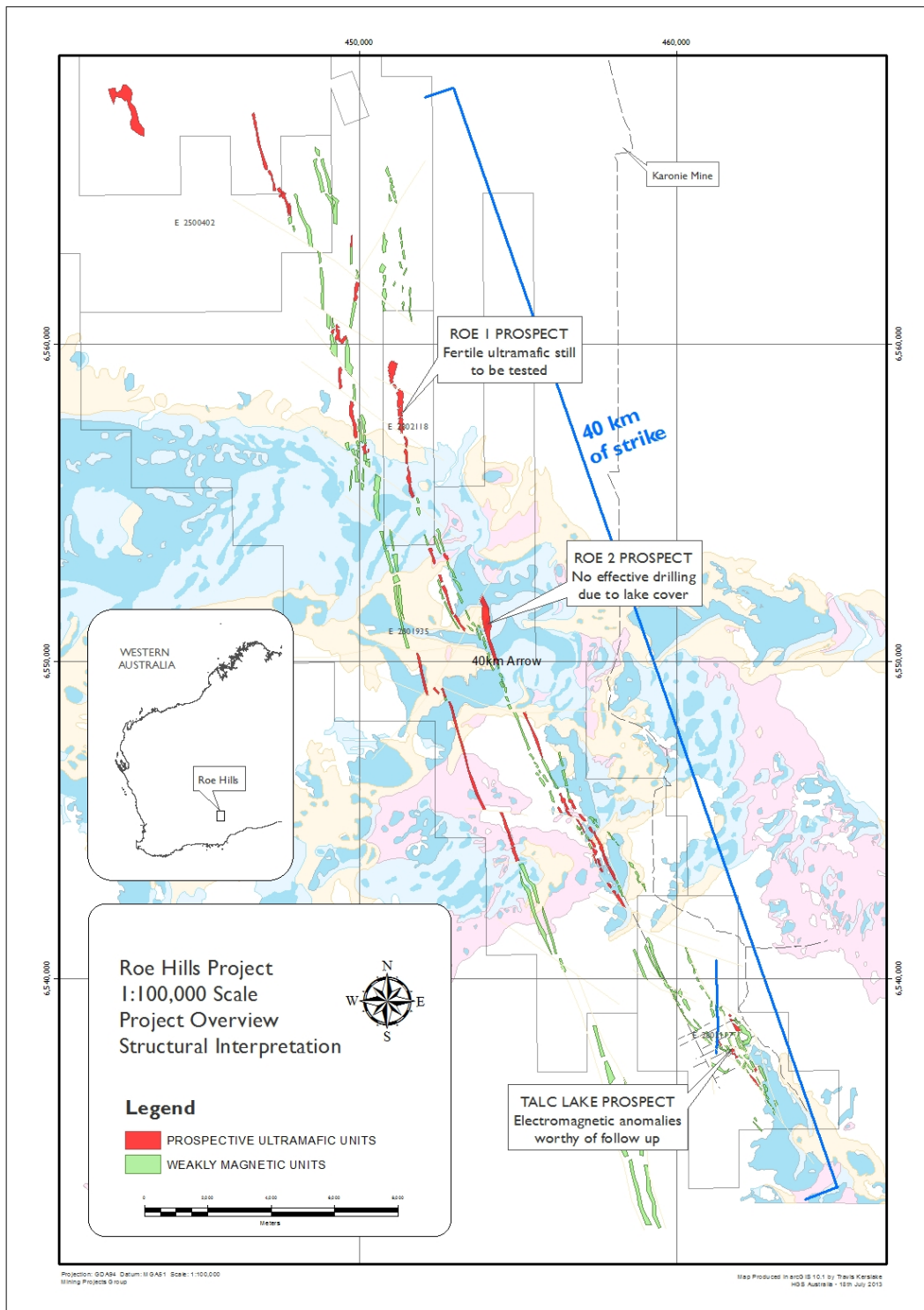


Figure 3: Roe Hills Project location map

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Fraser Range Nickel Project – Western Australia (70%)

MPJ has received geochemical sampling recommendations from geological consultants to identify mineralisation potential within the 3 tenements (Figure 4). These tenements have had little to no historical exploration, but contain geophysical signatures synonymous with the Nova Discovery.

MPJ plans to conduct the geochemical sampling program during the 2014 exploration season.

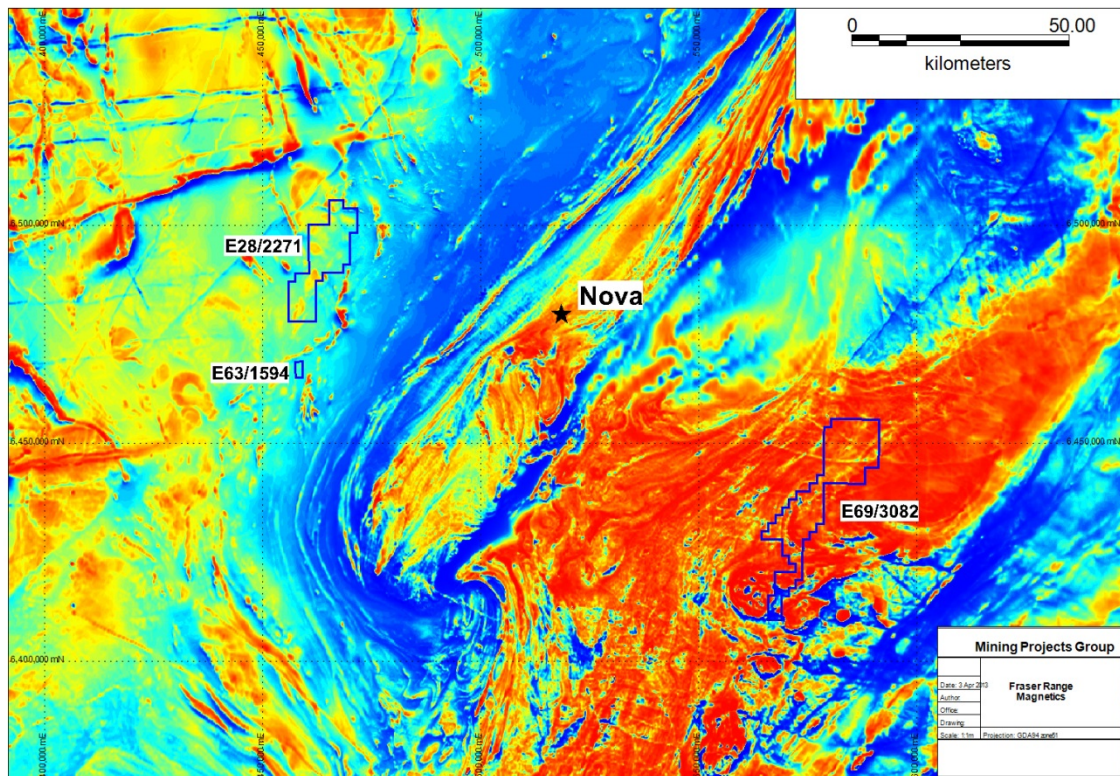


Figure 4: Fraser Range regional magnetics

Delcarmen Coal Project, Coal – Queensland (100%)

Delcarmen holds two prospective explorations for coal permits (“EPC”) north and east of Kingaroy, Queensland, which are located approximately 170kms west of Brisbane and cover a combined area of 1,030 km² (Figure 5). EPC2527 and EPC2528 are collectively referred to as the Delcarmen Coal Project (“Delcarmen”). EPC2528 remains in the process of being granted but the Company does not anticipate any impediments to its grant. Historical rail infrastructure exists within the Delcarmen tenements, several major deposits sit in close proximity and 85kms south

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within the Tarong Basin lies the major Meandu mine and the Tarong and Tarong North Power stations.

An independent geological report assessing the prospectivity of Delcarmen established an exploration target range of between 30 and 140 million tonnes of which up to 60 million tonnes has been identified as potentially semi soft coking coal.

The report identified the project area as demonstrating potential for coal deposits of potentially high energy thermal or a semi-soft coking coal product, located within the Triassic-age Esk and Gayndah Formations, and suggests previous exploration 35 years ago was neither extensive nor intensive enough to confirm the existence of economic coal and further exploration is warranted.

During the quarter MPJ continued its regional review of the Esk Basin and maintained ongoing discussions with third parties on a potential engagement in the development of the project.

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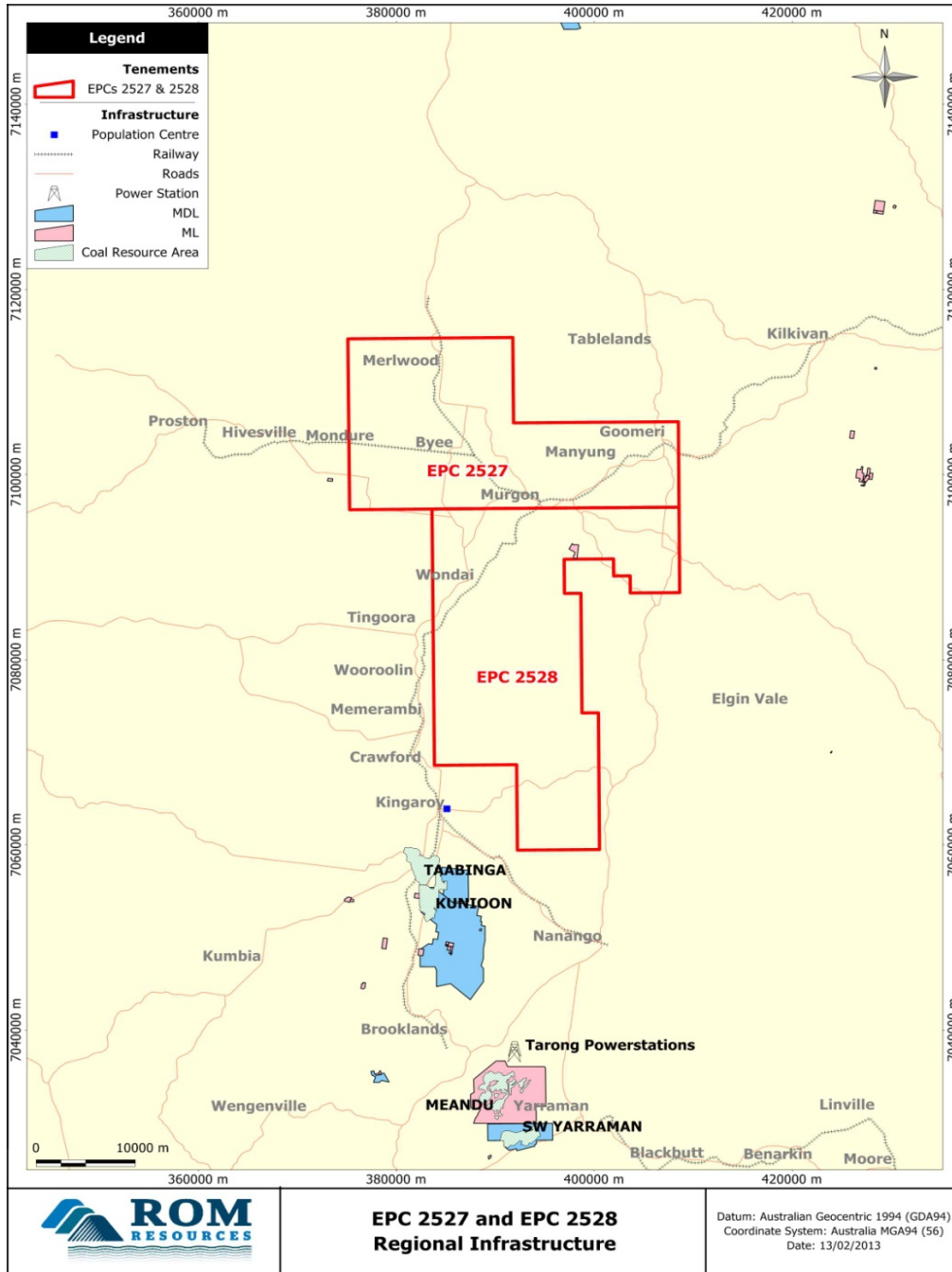


Figure 5: Delcarmen project location

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Corporate

Capital Raising

In January 2014, the Company raised \$240,000 under a placement mandate with CPS Capital Group Pty Ltd. The placement comprised of 80,000,000 million new fully paid ordinary shares at an issue price of \$0.003 per share.

Attaching options (MPJO) pursuant to the offer are subject to shareholder approval. A Notice of Meeting will for forwarded to all shareholders in due course.

The proceeds of the placement together with existing cash reserves will be used for working capital purposes.

Framework Agreement Signed

In December 2013, the Company has entered into a non-binding Framework Agreement with International Mining Inner Mongolia Geology & Minerals Group Co. Ltd, a Chinese corporation ("IMMG"). The purpose of the Framework Agreement is to establish a structure and guidelines for ongoing and further negotiations and the parties' due diligence investigations in respect of a potential joint venture arrangement. The Framework Agreement is non-binding and therefore there is no guarantee that a binding agreement will be reached with IMMG for an investment in the Roe Hills (Talc Lake) and Fraser Range tenements on any specific terms, at any particular time or at all.

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Interests in Mining Tenements

Project/Tenements	Location	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
Roe Hills Project E25/402 E28/1933 E28/1935 E28/2117 E28/2118	W.A., Australia	100%		
Mt Barrett Project E38/2053	W.A., Australia	100%		
Delcarmen Project EPC2527 EPC2528	QLD, Australia	100%		
Golden Mountain Project MIN4683	Vic, Australia	100%		
West Maldon EL4533	Vic, Australia	0%		100%

Farm-in agreements/Tenements	Location	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
Fraser Range Project E28/2271 E63/1594 E69/3082	W.A., Australia	70%		

For And On Behalf Of The Board



Joshua Wellisch
Managing Director

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COMPETENT PERSON STATEMENT:

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Andrew Hawker of Hawker Geological Services Pty Ltd. Mr Hawker is a member of the Australasian Institute of Mining and Metallurgy has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking. This qualifies Mr Hawker as a "Competent Person" as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hawker consents to the inclusion of information in this announcement in the form and context in which it appears.

Information note:

Information about the Roe Hills Project referred to above, insofar as it relates to exploration results is based upon information compiled by Mr Hawker, dated and released to ASX as an announcement on 21/10/13 and 3/12/2013. Further detail can be obtained from the above announcement, which is available from the ASX website, www.asx.com.au and the Company's website, www.miningprojectsgroup.com.au Mr Hawker is an third party consultant of the Company. The Company confirms that it is not aware of any new information or data that materially affects information as it relates to exploration results included in the announcements referred to, and that the form and context in which the competent person's Mr Hawker findings are presented have not been materially modified.

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Appendix 5B – 2nd 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 2013

Consolidated Statement of Cash Flows

Cash Flows Related to Operating Activities		Current Quarter \$A'000	Year-to-Date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration and evaluation	(135)	(442)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(63)	(141)
	(e) contract services	(134)	(342)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(331)	(920)
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	-	-
	(e) other non-current assets	-	-
1.9	Proceeds from sale of:		
	(a) business	-	-
	(b) equity investments	-	-
	(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		-	-
1.13	Total Operating and Investing Cash Flows	(331)	(920)

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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)	(331)	(920)
Cash Flows Related to Financing Activities			
1.14	Proceeds from issues of shares, options, etc.	-	4
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	-	(17)
1.19b	Other – Share Buy-back	-	-
Net Financing Cash Flows		-	(13)
Net Increase / (Decrease) in Cash Held		(331)	(933)
1.20	Cash at beginning of quarter/year to date	381	983
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at End of Quarter	50	50

**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	104
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	100
4.2	Development	-
4.3	Production	-
4.4	Administration	100
4.5	Contract Services	120
Total:		320

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	50	381
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)		50	381

The Company will rely on its existing cash resources and future capital raising (either debt and/or equity) to fund its current activities.

In addition to the \$240,000 raised from the placement of 80 million shares in January 2014, the Company will consider raising further funds from the placement of equity securities, including the utilisation of the equity available under Chapter 7 of ASX Listing Rules. The Company will also consider other fund raising alternatives such as debt instruments, if so required.

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 \$320,000 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.

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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 activities report for further information.

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	570,166,840	570,166,840	-	-
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>	41,299,175	41,299,175	Exercisable @ \$0.10	-
		105,282,868	105,282,868	Exercisable @ \$0.015	-
		204,300,000	204,300,000	Exercisable @ \$0.010	-
		76,463,686	-	Exercisable at \$0.01 to \$0.50	-
7.8	Issued during quarter	-	-	-	-

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7.9	Consolidation during quarter	-	-	-	-
	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
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: Friday 31st January 2014

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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