



Mining Projects Group Limited

Quarterly Report for the 3 Months Ended 30th September 2007

Highlights

- A detailed ground EM was completed at the Talga Peak Project, Pilbara, Western Australia.
- NTA as at 30 September 2007 was \$19.81 million or 1.1 cents per share
- Atlas Iron Limited completes an \$85m placement, acquires the Mid West Iron Ore Project and releases an initial JORC compliant inferred resource of 8.6 million tonnes at 57.5% Fe at its second Direct Shipping Ore project, the Abydos Project
- Mintails announces an increased JORC uranium resource to 30.5 million pounds and is added to the S&P/ASX 300 index
- Eleckra commences an aircore drilling program at Thatchers Soak Uranium Project as well as signing a farm-in agreement to explore for copper-gold mineralisation over a tenement in the Dinninup Area 200km south of Perth

Talga Peak Project

("MPJ" earning 51% with rights to go to 80%)

The ground electromagnetic (EM) survey was conducted over the identified 15km strike length of the mineralised horizon at the Talga Peak Project. The aim of the survey was to locate bedrock conductors associated with volcanogenic massive sulphide (VMS) style precious metal rich, base metal mineralisation within the extensive gossanous and geochemically anomalous zone.

The initial review of the data identified 16 EM conductors of which 5 were identified as being "moderately strong mid time anomalies that are considered to be bedrock responses of the type expected for conductive VMS deposits" and "as such warrant drill testing." The previous drilling has tested none of these 5 EM conductors. (For locations of these conductors please refer to the EM Survey announcement released on 10th September 2007)

The EM survey also detected EM conductors associated with the previously identified and drilled mineralisation at Cord. However these conductors were generally much weaker than the newly identified conductors defined by this survey. These newly identified anomalies have not yet been drill tested.

A program of geological mapping and rock chip sampling of these anomalies is nearing completion, with a total of 101 rock chip samples being submitted for assay. The mapping and rock chip sampling confirms that these conductors are located within the known mineralised horizon – on strike from the previously discovered Cu – Ag rich massive sulphide mineralisation at Cord.

At the same time the surface EM survey was completed, a down hole EM survey was also completed which the Company is currently awaiting the results of.

+ See chapter 19 for defined terms.

Corporate

During the quarter the Company announced it had reached agreement with Melbourne Capital Limited, subject to shareholder approval, for a private placement to sophisticated investors of up to 330,000,00 new shares and a one for one attaching at an issue price of 0.7 cents per share. The placement was fully subscribed and completed during September and raised \$2.31 million before costs.

In addition to the \$2.31 million capital raising, the Company sold approximately 1 million AGO shares to take advantage of strong share price appreciation in that particular company. These two actions have raised the Company's cash position significantly since the end of the previous quarter. As previously stated it is the Company's intention to realise some of its listed positions as share prices reach the Company's target prices.

Unaudited Balance Sheet as at 30th September 2007

<u>Investment</u>	<u>Share Holding (approximate)</u>	<u>Price at 30 September 2007</u>	<u>Value at 30 September 2007 (approximate)</u>
AGO	1,935,000	\$1.88	\$3,638,000
AGOO	1,644,000	\$1.65	\$2,713,000
MLI	5,420,000	\$0.62	\$3,360,000
EKM	4,650,000	\$0.32	\$1,488,000
CLD-TSX (\$A equivalent)	5,700,000	\$0.18	\$1,026,000
Other listed and unlisted investments			\$3,523,000
Total Investments			\$15,748,000
Cash as at 30 June 2007			\$4,872,000
Other Assets			\$2,127,000
Total Assets			\$22,747,000
Current and Non- Current Liabilities			\$2,933,000
Net Tangible Assets			\$19,813,000
Shares on Issue			1,833,390,276
NTA per share			\$0.011 or 1.1 cents

+ See chapter 19 for defined terms.

Atlas Iron Limited (ASX : AGO)

Atlas Iron Limited (“Atlas”) had a very productive September quarter achieving several important milestones in the development of the Company. On 3rd August 2007, Atlas announced an \$85 million placement in order to fund the project development of the Direct Shipping Iron Ore (DSO) Project Pardoo 70km east of Port Hedland, the pre-feasibility study for the Pardoo Magnetite Project and the continued exploration and resource development at Abydos located 100km south of Port Hedland. On 6th September 2007 Shareholders approved the placement for 59.5 million shares to be issued at \$1.43 per share.

On 17th August 2007, Atlas announced it had acquired additional iron ore projects, located in Western Australia’s Mid West. Atlas acquired two projects, Mt Gould (M52/236) at Jack Hills and Wilgie Mia (M20/118) at Mt Weld for \$13.25 million in staged cash and share payments. Atlas has already begun exploration on the projects with a 1:5,000 scale mapping of outcrop and open pit mining areas, a completed review of historical mining areas and a collection of rock chip samples. 37 sample traverses were completed at Mt Gould returning an average grade of 66.53% Fe and 14 samples were completed at Wilgie Mia which averaged 62.3% Fe. The Company considers there to be potential for 30-40 million tonnes of high grade haematite over the two tenements.

On 17th October 2007, Atlas announced an initial resource at its second Direct Shipping Iron Ore Project located at Abydos. The initial JORC compliant inferred resource was 8.6 million tonnes at 57.5% Fe. This resource estimate increased Atlas’ entire resource by 85%. It is the Company’s intention to now commence a pre-feasibility study at Abydos on a 3 million tonne per annum operation. The Company expects to increase its resources at Abydos over the coming months and early indications are that the deposit contains highly marketable iron ore with attractive low phosphorus and alumina.

MPJ holds approximately 1.935m shares and 1.644m options in Atlas.

Mintails Limited (ASX : MLI)

On 25th July 2007 Mintails Limited (“Mintails”) announced it had completed a \$90 million Institutional placement. The funds raised were applied towards the accelerated development of the West Rand Gold and Uranium Project (WERGO) which included the construction of a uranium treatment and processing facility. The funds were also used for the recommissioning and upgrade of a CIL circuit on the East Rand to allow mineral processing in respect of the tailings Joint Venture with DRDGold Limited previously announced on the 7th June 2007.

On 16th August 2007, Mintails announced a significant agreement for the Company’s future uranium operations. Mintails executed an agreement for the Off-take and Toll Treatment of its uranium rich slurries with Nuclear Fuels Corporation of South Africa (Proprietary) Limited (“Nufcor”), a 100% owned subsidiary of AngloGold Ashanti Limited, the only operating calcining facility in South Africa. Nufcor holds all the necessary regulatory approvals to accredit and calcine Mintails’ uranium rich slurries into yellowcake, the end product saleable to the uranium market. These arrangements provide an essential part of the framework which will allow Mintails to proceed with its long term uranium plans.

On 12th October 2007, Mintails announced a further upgrade to its JORC uranium resource located on the West Rand. Mintails upgraded its uranium resource from 21 million lbs to 30.5 million lbs. The JORC resource currently stands at 14.71 million lbs in the JORC indicated category and 15.59 in the JORC Inferred category. The Company expects uranium recoveries

+ See chapter 19 for defined terms.

from these slimes in the range of 70-86%. As surface tailings have already been mined and milled they can therefore be processed with greater efficiency allowing the Company process and recover uranium at a substantially lower per pound cost than traditional underground mining operations.

MPJ currently owns approximately 5,420,000 shares.

Eleckra Mines Limited (ASX : EKM)

On 13th August 2007, Eleckra Mines Limited (“Eleckra”) announced it has signed a farm-in agreement to explore ELA 70/2955 in the Dinninup Area 200km south of Perth, Western Australia. The tenement application covers an area of approximately 250km² where the focus is on copper gold mineralisation in stockwork vein systems similar in style to the polymetallic Boddington deposit.

Further exploration also commenced by Eleckra at the Company’s Thatcher Soak Uranium Project. Eleckra’s review of past exploration work at Thatchers Soak and the recent encouraging results released by Uranex NL, which is exploring the adjacent tenements, has highlighted the potential for significant calcrete uranium mineralisation to be present within the Thatchers Soak tenements. The first pass program will consist of 5000-6000 metres of aircore drilling in over 500 holes. The program is expected to take 2-3 weeks with assay results expected to be received 4-6 weeks after the completion of the program.

MPJ currently holds 4,650,000 million shares in Eleckra.

For And On Behalf Of The Board



Richard Revelins
Director

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

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

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

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Rule 5.3

Appendix 5B – 1st 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')

30th September 2007

Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (3 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	(118)	(118)
(b) development	-	-
(c) production	-	-
(d) administration	(284)	(284)
(e) contract services	(97)	(97)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	31	31
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	(468)	(468)
<u>Cash Flows Related to Investing Activities</u>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(2,535)	(2,535)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	4,761	4,761
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	121	121
1.12 Other (provide details if material)	-	-
Net Investing Cash Flows	2,347	2,347
1.13 Total Operating and Investing Cash Flows	1,879	1,879

+ See chapter 19 for defined terms.

		Current Quarter \$A'000	Year to Date (3 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	1,879	1,879
<u>Cash Flows Related to Financing Activities</u>			
1.14	Proceeds from issues of shares, options, etc.	2,186	2,186
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		2,186	2,186
Net Increase / (Decrease) in Cash Held		4,065	4,065
1.20	Cash at beginning of quarter/year to date	738	738
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at End of Quarter	4,803	4,803

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	91
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
-

+ See chapter 19 for defined terms.

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	-
Total:	300

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	4,803	738
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)	4,803	738

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	Nil	Interests in mining tenements relinquished, reduced or lapsed		
6.2	Nil	Interests in mining tenements acquired or increased		

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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	1,833,390,276	1,833,390,276		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs	330,000,000 72,222	330,000,000 72,222	\$0.007 \$0.009	Fully Paid Fully Paid
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>	1,023,300,199	1,023,300,199	Exercise Price \$0.009	Expiry Date 31/07/2009
7.8	Issued during quarter	330,000,000	330,000,000	\$0.009	31/07/2009
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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: 31st October 2007

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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