



## COMPANY ANNOUNCEMENT

### Capital Raising

**25 October 2011**

Mining Projects Group Limited (ASX : MPJ) (“the Company”) has reviewed several projects over the last few months for possible investment. The Company has recently been approached regarding various coal and gold projects in Indonesia and is reviewing these projects. If appropriate the Company intends to proceed to undertake due diligence on these opportunities and establish their prospectivity for possible investment.

These activities inherently require expenditure such as engagement of qualified experts to verify legal ownership, logistics and geology before committing to any one project. To ensure the Company has sufficient working capital for the costs of such investigations the Company is announcing it is undertaking a fundraising program to raise up to approximately \$1 million.

The fundraising will be implemented through a non renounceable rights issue (“the Rights Issue”). The Rights Issue will be a two for three non renounceable rights issue to shareholders at 2 cents per ordinary share (“Shares”) with an attaching option on a one for one basis exercisable at 2 cents with an expiry date February 2013 (“the Options”). On exercise the Options will entitle the holder to one further ordinary share and attaching option expiring February 2014 and exercisable at 3 cents for one further ordinary share. If fully subscribed the Rights Issue will raise up to approximately \$1 million before costs of the issue. The maximum number of new Shares offered under the Rights Issue is 49,636,588 together with 49,636,588 free attaching Options each with an entitlement to a further option upon exercise. In addition to their own entitlements, shareholders who have taken up their full entitlement will also have the opportunity and are invited by the Company to apply for additional Shares and Options that are not subscribed under the Rights Issue (“the Shortfall Shares and Options”). The Company may also accept applications for the Shortfall Shares and Options from investors who are currently not shareholders.



Peregrine Corporate Limited (“Peregrine”) has agreed to fully underwrite the Rights Issue for a fee of 6% of the value of the shortfall. Two of the Company’s Directors (Messrs Frost and Revelins) are also directors and shareholders of Peregrine. Both Mr Frost and Mr Revelins have advised they intend to subscribe for their full entitlement under the Rights Issue subject to compliance with the Corporations Act. Messrs Frost and Revelins have agreed to sub-underwrite up to \$300,000 and \$100,000 respectively of the Shortfall Shares and Option.

Shareholder approval is not required for the Rights Issue and the offer of Shortfall Shares and Options.

Offers of the Company’s securities will be made in a Prospectus which is expected to be lodged with the Australian Securities and Investments Commission and ASX Limited and be available during the week commencing 31 October 2011. The Prospectus will be sent to shareholders in accordance with a timetable which will be separately announced. Anyone who is eligible to participate in the Rights Issue will need to complete an Entitlement and Acceptance Form that will accompany the Prospectus. A copy of the Prospectus will be available to be viewed on the website of ASX ([www.asx.com.au](http://www.asx.com.au)) or the Company’s website ([www.miningprojectsgroup.com.au](http://www.miningprojectsgroup.com.au)) or it can be requested from the Company.

As indicated funds raised from the Rights Issue will be used for working capital and in particular the costs associated with reviewing potential mining projects.

For further Information visit: [www.miningprojectsgroup.com.au](http://www.miningprojectsgroup.com.au)

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