



Mining Projects Group Limited

**Quarterly Report for the 3 Months
Ended 31st March 2011**

Highlights

- Geophysical survey completed over uranium prospects located within the Karoo Basin, South Africa. Data is now being reviewed by the independent geologist with the results expected by end of May
- Sale of Egerton Gold Project in Western Australia nearing completion as Exterra Resources' prospectus released on the ASX
- NTA as at 31 Mar 2011 approximately \$5.94 million

Review of Operations

Raptor Minerals Pty Ltd ("Raptor")

The low level helimag and radiometric survey over the prospective uranium tenements in the Karoo Region of South Africa has been completed. The radiometric survey is an efficient exploration tool for highlighting surface anomalies of uranium which can then be verified by on the ground mapping and sampling. The survey covered 3,815 line kilometres flown at low level (25-30m flight height) on 100m closely spaced flight lines. The data retrieved is currently with the independent geophysical consultant for interpretation.

The Company expects to have received the results of this survey by the end of May 2011. Any targets generated will be further investigated by field inspection, geological mapping and sampling and ultimately drilling.

The Raptor uranium prospects have been strategically selected based on the potential indicated by exploration completed on the adjacent properties to host significant uranium mineralisation. Australian Securities Exchange (ASX) listed uranium explorer, Peninsular Energy Limited (ASX Code: PEN), has recently started confirmation downhole geophysical logging and additional drilling (ASX Release: 18th Feb, 2011) on its Site 29 area (Figure 1) which has a historical (non JORC) uranium mineralisation of 600,000lbs @ eU3O8 grading > 1000ppm eU3O8 defined by Union Carbide in the 1970's.

Raptor is hopeful that it's radiometric survey will identify uranium targets close to the known uranium mineralised areas so potential synergies with other explorers can be exploited in the future.

+ See chapter 19 for defined terms.

Xplor Limited (“Xplor”)

No progress update has been received from Minotaur Exploration Limited regarding the outcome of its exploration program to date. It is understood that they are considering a number of alternate options but will meet the expenditures defined within the exploration option agreement which is due to expire on the 30th June 2011.

Exterra Resources Limited (“Exterra”)

Exterra lodged its prospectus on the 5 April 2011 with the Australian Securities and Investment Commission (ASIC) and is seeking to raise up to \$7 million. Ongoing confirmation drilling in the 1st quarter of 2011 at its Second Fortune Prospect at Linden enabled an inferred resource of 207,000t @ 7.4g/t Au for 52,270 ounces of gold to be estimated and reported according to JORC standards.

The Company’s Egerton Project is the subject of an option and sale agreement with Exterra Resources Limited (‘Exterra’). Under the agreement Exterra has provided MPJ with;

- a non-refundable payment of \$60,000,
- 2,500,000 shares and 2,100,000 options exercisable at 20 cents and
- a 2% net smelter royalty on all gold produced from the Egerton tenements to a maximum amount of \$500,000.

Further Opportunities

The Company is continuing to review and assess various new mining opportunities in conjunction with MPJ’s other existing activities.

Corporate

As at 31 Mar 2011 the net tangible asset position of the Company equated to approximately \$5.94m.

MPJ holds no debt or leveraged investment positions.

Unaudited Balance Sheet as at 31 Mar 2011

<u>Investment</u>	<u>Share Holding (approximate) (m)</u>	<u>Price at 31 Mar 2011 (\$)</u>	<u>Value at 31 Mar 2011 (approximate) (\$m)</u>
WWI.AU	9.01	0.057	0.51
WET.LN (\$A equivalent)	28.12	0.007	0.19
PSR.CN (\$A equivalent)	1.00	1.13	1.12
Other listed and unlisted investments			3.60
Total Investments			5.42
Cash and cash equivalents as at 30 June 2010			0.49
Other Assets			0.35
Total Tangible Assets			6.26
* Current and Non- Current Liabilities			0.32
Net Tangible Assets			5.94

+ See chapter 19 for defined terms.

Core Investments

West Wits Mining Limited (ASX : WWI)

West Wits Mining Limited (“West Wits”) during the quarter entered into a Heads of Agreement (HoA) to acquire a second project for the Company, the Derewo River Gold Project (“Derewo”), located in the Papua Province, Indonesia. Derewo is located approximately 110km north west of Freeport’s world class copper/gold Grasberg complex. This acquisition provides entry into a promising alluvial gold project based on evidence from existing artisanal operations, but the real opportunity and focus of this project is in the exploration upside of uncovering the source of these alluvial gravels.

Derewo is potentially a high grade placer gold deposit with gold occurring in the form of coarse nuggets within alluvial gravels. The immediate exploration target will be the hard rock source of this alluvial mineralisation. The likely source of the alluvials is a mesothermal vein deposit within the Derewo Valley. This project has similar characteristics to early stage Porgera, Edie Creek, Wau, Hidden Valley in Papua New Guinea.

The binding heads of agreement entered into is to acquire a 50% interest in the alluvial gold project and 50% of the exploration registered applications for the surrounding area, with the option to increase its ownership to 80% through exploration expenditure of A\$2 million.

The gold mineralisation which sits within the alluvial gravels is occurring in the form of coarse nuggets which show clear signs of fluvial transport. These nuggets are found in Derewo River terrace deposits. The source of this alluvial gold looks to be local, based on the size and shape of the nuggets discovered and the evidence of gold mineralisation from float samples observed within the mining area by independent geologists.

West Wits also entered into a mandate with BGF Equities Pty Ltd (“BGF”) to place with their institutional and high net worth clients, on a best endeavours basis, 67.5 million shares at 4.5 cents with a 1 for 8 option exercisable at 8 cents per share on or before 1 February 2014.

West Wits will also undertake a share purchase plan (SPP) for existing shareholders to raise \$500,000 through the issue of a further 12.5 million shares at 4 cents per share with an attaching 1 for 4 option exercisable at 8 cents per share on or before 1 February 2014.

The placement and SPP, which will generate approximately \$3.5 million, will be used to establish a modern alluvial operation and undertake initial exploration for the hard rock source of the alluvial gravels at the Derewo River Gold Project as well as allowing the Company to complete its drill program at the existing Monarch Resource and ‘gap’ area, both located along strike and directly south of the Emerald Gold Project in South Africa.

MPJ currently holds 9.013m WWI shares.

+ See chapter 19 for defined terms.

Watermark Global PLC (AIM : WET)

MPJ began to reduce its position in Watermark Global Plc (“Watermark”) over the quarter due to the spike in its share price. The Company continues to remain concerned over the time in which the South African government has taken to make its decision in dealing with this incredibly precarious situation. Whilst the Company continues to hope that approval will be achieved it has begun to diversify some of the risk away from this investment.

MPJ holds 28.12 million WET shares.

Polar Star Mining Corporation Limited (TSX: PSR)

PSR is an emerging exploration company with a focus on porphyry gold/copper mineralisation in Chile and its flagship property, Montezuma, covers 40 kilometres of the West Fault and the cross-cutting Esperanza Fault system and is strategically located between Codelco's Radomiro Tomic - Chuquicamata - Mansa Mina group of copper-molybdenum porphyry deposits, and Antofagasta PLC's El Tesoro - Esperanza - Polo Sur group of copper-gold porphyry deposits.

Recent drill results announced on the 29 March 2011 on the Toronto Securities Exchange (TSX), indicate the presence of a significant porphyry system extending over a strike of 9 kilometres within the Zone A, B and C mineralised target areas. Further interpretation and analysis of this data will assist in delineating additional drill targets.

PSR also announced on the 1 April, 2011 on the TSX that drilling results from the Chépica Mine project located 225 kilometres south of Santiago provided further evidence of Chépica's potential. The drill data will be incorporated into an updated NI 43-101 resource report and used to produce an updated Mine Plan which is expected to be completed by June 2011.

MPJ currently holds 0.99 million PSR shares.

For And On Behalf Of The Board



Richard Revelins
Director

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.

The information in this report in relation to Polar Star Mining Corporation Limited was extracted from previous TSX announcements released by Polar Star Mining Corporation Limited.

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 (ASX:MPJ)

ABN:

84 006 189 331

Quarter Ended ('Current Quarter')

31st March 2011

Consolidated Statement of Cash Flows

Cash Flows Related to Operating Activities		Current Quarter \$A'000	Year to Date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration and evaluation	(262)	(422)
	(b) development	-	(33)
	(c) production	-	-
	(d) administration	(100)	(407)
	(e) contract services	(266)	(837)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	7
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		(626)	(1,692)
Cash Flows Related to Investing Activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	(86)	(944)
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	658	2,564
	(c) other fixed assets	-	-
1.10	Loans to other entities	(17)	(92)
1.11	Loans repaid by other entities	8	26
1.12	Option Fee on Tenements	-	61
Net Investing Cash Flows		563	1,615
1.13	Total Operating and Investing Cash Flows	(63)	(77)

+ See chapter 19 for defined terms.

		Current Quarter \$A'000	Year to Date (9 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(63)	(77)
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		(63)	(77)
1.20	Cash at beginning of quarter/year to date	557	571
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at End of Quarter	494	494

**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	112
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	200
4.2	Development	-
4.3	Production	-
4.4	Administration	185
Total:		385

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	494	557
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)		494	557

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	-	-	-	-

+ See chapter 19 for defined terms.

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 (Description)	-	-	-	-
7.2	Changes During Quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary Securities	74,454,882	74,454,882	-	-
7.4	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs		-	-	-
7.5	+Convertible debt securities (Description)	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options (Description and Conversion Factor)	41,299,175	41,299,175	\$0.10	6/07/2014
7.8	Issued during quarter	-	-	-	-
7.9	Consolidation during quarter	-	-	-	-
	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-

+ 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:



Executive Director

Date: Friday, 29th April 2011

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

29 April 2011

+ See chapter 19 for defined terms.