# Appendix 4D
# For the Half Year Ended 31 December 2009

## Results for Announcement to the Market

Current Reporting Period - Half Year Ended 31 December 2009
Previous Reporting Period - Half Year Ended 31 December 2008

| | | | | |
|---|---|---|---|---|
| Revenues | up | 34.68% | to | $40,788 |
| Result after tax attributable to members | | | | $676,959 |
| Result for the period attributable to members | | | | $676,959 |

| Dividends (distribution) | Amount per Security | Franked Amount per Security |
|---|---|---|
| Final dividend | n/a | n/a |
| Previous corresponding period | n/a | n/a |

**Net Tangible Asset per Security (cents per security):**

| | |
|---|---|
| As at 31 December 2009 | 0.24 |
| As at 31 December 2008 | 0.26 |

**Profit/(Loss) per Share Attributable to the Ordinary Equity Holders of the Company (cents per security):**
(Basic and Diluted)

| | |
|---|---|
| As at 31 December 2009 | 0.02 |
| As at 31 December 2008 | (0.70) |

| | |
|---|---|
| Record date for determining entitlements to the dividend, (in the case of a trust, distribution) | n/a |

Explanation of the above information:

Refer to the Directors' Report - Review of Operations.

# MINING PROJECTS GROUP LIMITED

ABN 41 095 060 745

## Appendix 4D
## Interim Financial Report

## For the Half Year ended December 2009

To be read in conjunction with the 30 June 2009 Annual Report

In compliance with Listing Rule 4.2A

# Table of Contents

# Directors' Report

Your directors present their report on the consolidated entity consisting of Mining Projects Group Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2009.

**Directors**
The following persons were directors of Mining Projects Group Limited during the whole of the half-year and up to the date of this report, unless stated otherwise:

| | |
|---|---|
| Bryan Frost | Executive Chairman |
| Richard Revelins | Executive Director |
| James Babbage | Non-Executive Director |
| Christopher Taylor | Director of Exploration (appointed 25 November 2009) |

**Operating Result**
The profit of the consolidated entity after providing for income tax amounted to $677,294 (2008: loss $12,847,945). For further detail, refer to the Review of Operations below.

**Review of Operations**

During the period Mining Projects Group Limited ("MPJ" or "the Company") achieved a number of corporate milestones. The Company completed a 1 for 2 non-renounceable rights issue to all shareholders on the basis of 1 new share and 1 free attaching option for every 2 shares held at the record date. The issue was successfully completed on 16 July 2009 raising $1.83 million before allowing for costs.

Shareholders also approved a private placement of up to 500 million new shares and 1 for 1 attaching options. This issue was completed on 1 October 2009 and raised $1 million before allowing for costs. The two issues raised a combined total of $2.83 million which is planned to be applied towards securing and developing new opportunities as well as for working capital purposes.

The first opportunity announced on 4th December 2009, was the proposed acquisition of Raptor Minerals (Pty) Ltd ("Raptor"). MPJ entered into a binding heads of agreement to acquire Raptor. Raptor holds a number of granted prospecting rights strategically located in key regions of South Africa which MPJ considers have potential to host significant gold, uranium and molybdenum mineralisation.

Raptor has a 70-74% interest in 7 granted prospecting rights, with a further prospecting right under application to the Department of Mineral Resources. The remaining equity is held by Raptor's Black Economic Empowerment partners. In total the rights cover approximately 44,209 hectares of gold, pyrite and uranium exploration tenements in the Free State Province and uranium and molybdenum exploration tenements in the Western Cape Province.

Under the terms of the heads of agreement MPJ is to pay a consideration of A$1,890,000 comprising:

- a cash payment of no more than A$500,000 as reimbursement for verified exploration expenditure and transfer fees incurred in developing and procuring the prospecting rights; and;
- the balance of the payments through the issue of fully paid MPJ shares at an issue price of A$0.002

The purchase of Raptor is subject to all relevant regulatory and shareholder approvals. Currently an Independent Expert is preparing a Competent Person's Report for shareholders to assess whether the transaction is considered fair and reasonable.

Site visits to the Raptor prospects occurred in January 2010 to initiate landholder access agreements and develop initial exploration programs. The initial program of exploration will include an airborne radiometric survey which can identify outcropping uranium anomalies quickly and efficiently as the terrain is generally flat and amenable to this type of survey. Anecdotal evidence from companies within the area is that substantial drilling programs are either underway or about to start indicating a renewed level of exploration activity in the area.

The board evaluated a significant number of projects with an emphasis on uranium and gold and it believes the package of tenements assembled by Raptor offer the Company a unique opportunity in terms of exploration potential.

**Raptor Minerals (Pty) Limited**

***Gold / Uranium Prospects:***

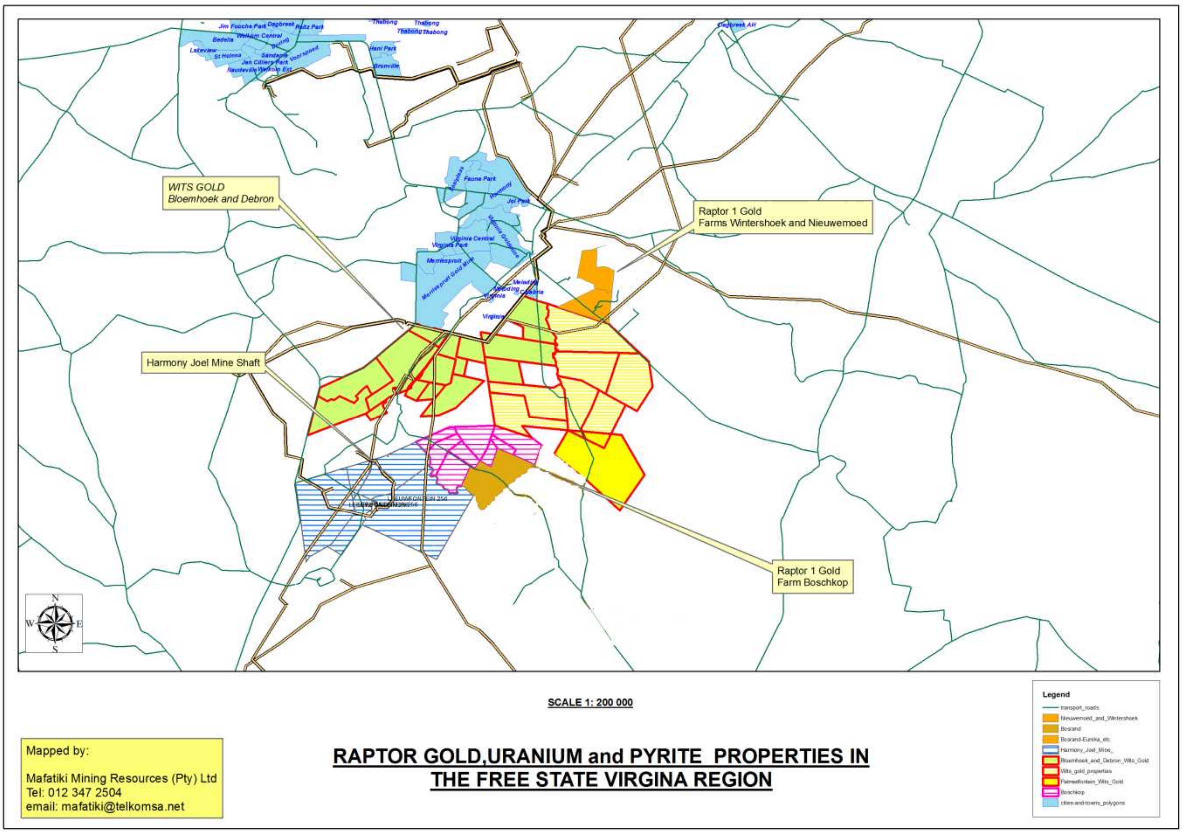


**Figure 1. Regional Tenement Map for Free State Prospects**

The gold and uranium prospects include two Prospecting Rights known as Boschkop and Wintershoek which are located close to the mining town of Virginia, within the Free State Province, approximately 300km to the southwest of Johannesburg. The Free State Goldfield is not only the southernmost but also one of the most productive goldfields along the margin of the Witwatersrand Basin having produced in excess of 311 million ounces of gold at an average grade of 8.4 g/t Au.

Mining occurs on a number of reef horizons in the area which are generally 1m to 2.5m wide and extend to depths of about 2500m. These depths are considered shallow by South African standards and a number of producing gold operations are located adjacent to the Raptor prospects. These include the Joel Mine owned and operated by Harmony Gold Mining Company Limited which is focused on the Beatrix Reef and has measured, indicated and inferred gold resources of 28.2 million ounces of gold at 6.76 g/t. In addition it has a Proven and Probable Reserve of 565,000 ounces of gold at 5.58 g/t. The Beatrix Mine owned and operated by Gold Fields Limited is also nearby as well as an area covered by the Bloemhoek Project Pre-Feasibility Study completed by Witwatersrand Consolidated Gold Resources ("Wits Gold"). The pre-feasibility study completed by Wits Gold covers tenements which are contiguous to the Raptor gold and uranium prospects and reported a JORC indicated mineral resource of 10.6 million ounces of gold at 6.9 g/t Au. This was converted into a Probable Reserve of 5.4 million ounces of gold at 5.33 g/t Au ranging in depth from 1300m to 2500m. The uranium estimate includes 13,774 tonnes of U3O8 at 0.15kg/t.

The Company believes that the stratigraphy and structure of the nearby mining operations are strong indications that similar geology, reef structures and potential mineralisation could be present in the Raptor prospects.

On 24 February 2010 Acclaim Exploration (ASX:AEX) announced it had entered a preliminary agreement to purchase an initial 33% interest in the Mangalisa Gold Project for the consideration of $5 million in cash, $5 million in AEX shares and $5 million in exploration expenditure within 12 month to maintain its interest. The project is located 20km east of Welkom in the Free State Province of South Africa. This projects sits approximately 15 to 20km north of Raptors tenement areas.

***Uranium Prospects:***

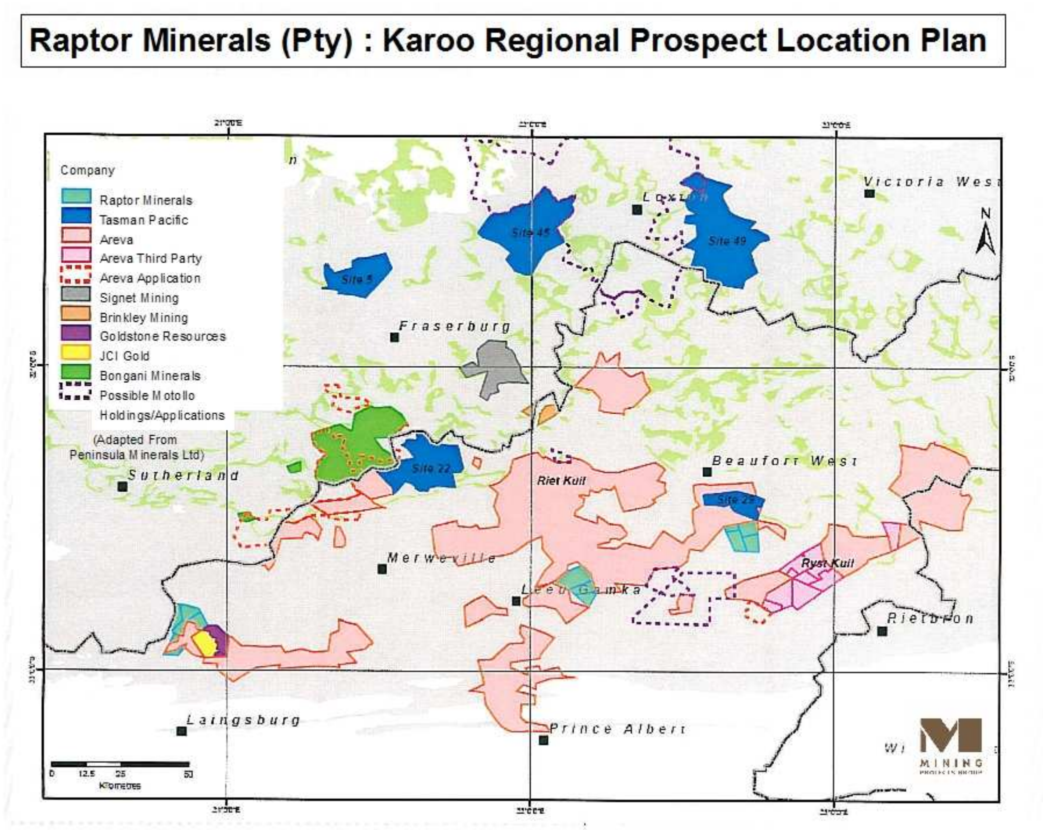


**Figure 2. Regional Tenement Map of Karoo Prospects within Western Cape.**

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. Several significant uranium exploration and development operations are being established in the Karoo Basin and MPJ believes its Raptor prospects could be located within the next uranium hotspot.

Raptor's Beaufort West properties in the Western Cape are contiguous with AREVA Resources South Africa (AREVA), Rietkuil and RystKuil uranium projects which were acquired from Uramin for US$2.5 Billion. 'A Lukisa', a subsidiary of AREVA is completing a feasibility study to verify the historical data and determine the viability of the Rystkuil deposit.

Other recent exploration activity in the region includes airborne radiometric surveys by Peninsula Minerals Limited ("Peninsula") which has defined a number of anomalies on its Site 29 target and which have been ground proven with maximum grades of 2.1% U3O8 and 2430 ppm Mo. These radiometric anomalies indicate several areas with potential to host uranium mineralisation adjacent to Raptors' Schietkop uranium prospect.

According to their website Peninsula Minerals Limited are planning to undertake a drilling program in mid 2010 on two sites with the intention of converting historically defined non JORC compliant uranium and molybdenum mineralisation in to JORC compliant resources.

**Talga Peak**

Talga Peak has been explored by MPJ over the past 4 years primarily for gold and base metals mineralisation at the Duesenberg and Cord Prospects. After receiving and analysing the drilling results from Cord in December 2008 the Company concluded that the potential for shallow to moderate depth base metal VMS style mineralisation along the Cord Valley had diminished and accordingly re-rated the VMS exploration potential.

At the conclusion of the VMS drilling program the Company also undertook some preliminary rock chip sampling of an iron ore feature in the western part of the lease where five rock chip samples were collected from a single traverse sampled at 10m continuous intervals. Although these results were very preliminary and no subsurface investigation of the iron feature was undertaken MPJ was successful in attracting interest from Process Minerals International Pty Ltd ("PMI") a 100% owned subsidiary of Mineral Resources Limited (ASX : MIN).

On 1 October 2009 MPJ announced that it had entered into an exclusive and irrevocable option agreement with PMI whereby PMI will undertake exploration for iron ore on the tenement area and pay MPJ a royalty per dry metric tonne of iron ore removed from the tenements.

MPJ retains the rights to all other minerals other than iron ore.

**Xplor Limited**

On 12 June 2009 the Company announced its intention to acquire all the shares in Xplor Limited ("Xplor") subject to the approval of MPJ shareholders and acceptance of offers by Xplor shareholders.

The acquisition was finalised in September 2009. The lease portfolio of Xplor consisted of 3 projects; the Egerton Project, Gascoyne region, WA, the Mount Tarrengower Project at Maldon, Victoria and the Golden Mount Project at Bonnie Doon, Victoria. On 22 October 2009 the Company announced that it had entered into an agreement with Exterra Resources Pty Ltd ("Exterra") in respect to the Egerton Project.

Under the agreement Exterra acquired a 6 month option over all MPJ's interest in the Egerton Project on the following basis:

- Exterra paid MPJ a $20,000 non-refundable option fee for an exclusive 6 month option period. Exterra may at its election extend this period for a further 6 months by paying MPJ an additional $20,000 cash and allotting to MPJ 500,000 options in Exterra exercisable at 20 cents each on or before 30 September 2013;

- Exterra will undertake to use its best endeavours to achieve listing on the Australian Stock Exchange (ASX) prior to the end of the option period. Within 7 days of listing on ASX Exterra will issue to MPJ 2,500,000 fully paid ordinary shares and 1,250,000 options exercisable at 20 cents each on or before 30 September 2013;

- Should Exterra produce gold from the Egerton tenements Exterra will pay MPJ a 2% net smelter royalty on all gold produced to a maximum amount of $500,000.

The Company is advised that the Exterra IPO is progressing and the Company is expected to list on the ASX in due course and this will provide the catalyst for the allotment of the subject shares and options to MPJ. Should the IPO be delayed beyond the 6 month option period then the Company can elect to extend the option for an additional 6 months for the consideration mentioned above.

MPJ is undertaking an evaluation in respect to Mount Tarrengower and Golden Mount and plans to commence new exploration activity for these projects.

**New Director**

MPJ was also pleased to announce the appointment to the board of Mr Christopher Taylor in the capacity of Director of Exploration. Chris has previously held senior roles as Exploration Geologist and Consulting Geologist to a number of Australian and international mining companies including Newcrest Mining Limited, Delta Gold Limited and Gutnick Resources N.L.

It is proposed that Chris will take a leading role in directing and implementing the exploration activities of the Company and overseeing the introduction of new mining projects and opportunities. Chris was in South Africa in late December 2009 completing initial assessments of the prospects. Chris returned to South Africa in late January to begin developing initial exploration programs for the prospects in anticipation of shareholders approving the acquisition of Raptor.

**Current Investments**

- ***West Wits Mining Limited (ASX : WWI)***

West Wits Mining Limited (West Wits) continued over the period to focus on the development of its Emerald Gold Project. During the period West Wits signed a binding Heads of Agreement to purchase a CIL Plant and ball mill (including ancillary equipment) and secured access to and use of, the North Sand mill site, deposition facilities, servitudes and connections. This agreement enabled the Company to acquire its own gold processing plant which will be based at the North Sands site, adjacent to the Emerald Gold Project.

The mill site is considered ideal as it is located approximately 1km from both the Emerald Gold Project and the Company's next most prospective near surface target, the Elder Target.

During the quarter a 1km southern extension at the Emerald Gold Project was confirmed with initial sample program returning high grade gold values of WRCKG02 6.72 g/t Au, WRCKG03 5.91 g/t Au & WRCKG10 11.9 g/t Au.

A channel sampling program was also completed at the Elder Target which returned high grade gold results including; 5.30m @ 8.01 g/t Au (including 2m @15.84g/t). The Elder Target has the potential to host significant near surface gold mineralisation over a strike distance of at least 4.5 kms and is being targeted to potentially provide additional feedstock to the plant.

Follow up drill programs are currently taking place at the Elder Target and the 1km southern extension of the Emerald Gold Project.

MPJ currently holds 8m WWI shares.

- ***Mintails Limited (ASX : MLI)***

MPJ continues to persevere with its strategic investment in Mintails Limited ("MLI") which has continued to underperform despite the intrinsic value of its underlying assets. At the MLI AGM held on 30 November 2009, the Company received shareholder approvals facilitating the completion of the A$15m capital raising which was applied towards the completion of the expanded gold production capacity at Gold 2. Gold 2 has a design capacity to process a further 350 000 tonnes per month and the Company is targeting an increase in production by approximately 20,000 ounces of gold per year once the circuit is fully commissioned.

On 5$^{th}$ February 2010, the Gold 2 plant was commissioned and the first gold bar from this expanded circuit was poured.

MPJ currently holds 10.6 million shares in MLI.

***Watermark Global PLC (AIM : WET)***

Watermark Global Plc (Watermark), on 30 October 2009, announced that the Definitive Feasibility Study ("DFS") being conducted into the possibility of commercially treating AMD within South Africa was completed by its wholly owned subsidiary, Western Utilities Corporation (Pty) Ltd ("WUC").

The DFS, led by independent consultants confirmed the project's viability in five main areas: (1) the verification and securing of AMD for treatment; (2) the selection, design and costing of the scheme; (3) the completion of the Integrated Regulatory Process; (4) the signing of a binding off-take agreement; (5) the economic and financial analysis of the project.

Focus now turns to the integrated regulatory process which requires completion of the Environmental Impact Assessment ("EIA") for the entire scheme. Approval of a final scoping report was required from Gauteng Department of Agriculture and Rural Development before WUC could submit its EIA report for public review. Watermark received this approval on 21st December 2009. The EIA will be submitted to the relevant authorities and the final Record of Decision will be provided ounce the legal framework around how the water will be distributed is resolved with the relevant authorities.

The topic of environmental rehabilitation and consequences for ecological damage from acid mine drainage are matters that are being strongly debated in South Africa. The likely imposition of strong government sanctions on South African Mining companies implicated in contributing to this problem, places Watermark in an ideal situation to provide a commercial and environmentally friendly solution to a major environmental problem that has existed and continues to grow within the country. At the moment there is no other commercial solution. The current estimate of this water resource is in excess of 50 years.

MPJ holds 17.86 million WET shares.

For And On Behalf Of The Board

Richard Revelins
Director
Mining Projects Group

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

*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.*

Chartered Accountants
& Business Advisers

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of Mining Projects Group Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mining Projects Group Limited and the entities it controlled during the year.

**J A Mooney**
**Partner**
**PKF**

15 March 2010
Melbourne

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Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia
GPO Box 5099 | Melbourne | Victoria 3001

# Consolidated
# Statement of Comprehensive Income
# For the Half Year Ended 31 December 2009

| | Note | 31 December 2009 | 31 December 2008 |
|---|---|---|---|
| | | $ | $ |
| Revenue | 3 | 40,788 | 30,285 |
| Net movement in fair value of financial assets held for trading | 3 | 1,346,204 | - |
| Fair value gain on shares held in subsidiary acquired | 3 | 79,500 | - |
| | | 1,466,492 | 30,285 |
| Auditor fees | | (27,040) | (24,000) |
| Depreciation | | (9,982) | (12,407) |
| Tenement expenses | | - | (11,122) |
| Capitalised exploration expenses written off | 4 & 7 | - | (2,814,246) |
| Directors' & consultants' fees | | (221,370) | (222,498) |
| Net movement in fair value of financial assets held for trading | 4 | - | (9,339,841) |
| Impairment of available for sale financial assets | 4 | (104,536) | (120,000) |
| Travel & marketing | | (45,056) | (9,671) |
| Administration | | (95,364) | (58,050) |
| Professional fees | | (175,742) | (167,368) |
| Rent | | (47,004) | (47,004) |
| Other expenses | | (63,104) | (52,023) |
| **Profit/(Loss) Before Income Tax** | | 677,294 | (12,847,945) |
| Income Tax Benefit/Expense | | - | - |
| **Profit/Loss for the Period** | | 677,294 | (12,847,945) |
| **Total Comprehensive Profit/(Loss) for the Period** | | **677,294** | **(12,847,945)** |
| Total Comprehensive Income and Profit/(Loss) for the year attributable to: | | | |
| - owners of Mining Projects Group Ltd | | 676,959 | (12,847,945) |
| - Non-controlling interests | | 335 | - |
| | | 677,294 | (12,847,945) |
| | | **Cents** | **Cents** |
| Profit/(Loss) per Share Attributable to the Ordinary Equity Holders of the Company: | | | |
| Basic earnings/(loss) per share | 10 | 0.02 | (0.70) |
| Diluted earnings/(loss) per share | 10 | 0.02 | (0.70) |

The accompanying notes form part of these financial statements.

# Consolidated Statement of Financial Position
# As at 31 December 2009

| | Note | 31 December 2009 | 30 June 2009 |
|---|---|---|---|
| | | $ | $ |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | | 1,555,251 | 185,704 |
| Trade and other receivables | | 38,045 | 66,555 |
| Other financial assets | **6** | 4,703,418 | 3,258,003 |
| Other | | 33,299 | 16,077 |
| **TOTAL CURRENT ASSETS** | | 6,330,013 | 3,526,339 |
| | | | |
| **NON-CURRENT ASSETS** | | | |
| Other financial assets | **6** | 1,283,069 | 1,062,605 |
| Plant and equipment | | 33,573 | 43,077 |
| Exploration and evaluation costs | **7** | 781,645 | 53,759 |
| **TOTAL NON-CURRENT ASSETS** | | 2,098,287 | 1,159,441 |
| | | | |
| **TOTAL ASSETS** | | 8,428,300 | 4,685,780 |
| | | | |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | | 73,396 | 172,264 |
| **TOTAL CURRENT LIABILITIES** | | 73,396 | 172,264 |
| **TOTAL LIABILITIES** | | 73,396 | 172,264 |
| | | | |
| **NET ASSETS** | | 8,354,904 | 4,513,516 |
| | | | |
| **EQUITY** | | | |
| Issued capital | **9** | 30,746,676 | 27,584,674 |
| Accumulated losses | | (22,394,199) | (23,071,158) |
| Non-controlling interests | | 2,427 | - |
| **TOTAL EQUITY** | | 8,354,904 | 4,513,516 |

The accompanying notes form part of these financial statements.

# Consolidated Statement of Changes in Equity
# For the Half Year Ended 31 December 2009

| | Issued Capital | Accumulated Losses | Non-controlling Interest | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| As at 30 June 2008 | 27,594,552 | (10,070,172) | - | 17,524,380 |
| Total Comprehensive income | - | (12,847,945) | - | (12,847,945) |
| **As at 31 December 2008** | **27,594,552** | **(22,918,117)** | **-** | **4,676,435** |
| Total Comprehensive income | - | (153,041) | - | (153,041) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Options exercised | 788 | - | - | 788 |
| Transaction costs | (10,666) | - | - | (10,666) |
| **As at 30 June 2009** | **27,584,674** | **(23,071,158)** | **-** | **4,513,516** |
| Total Comprehensive income | - | 676,959 | 335 | 677,294 |
| *Transactions with owners in their capacity as owners:* | | | | |
| Non-controlling interest of acquired subsidiaries | - | - | 2,092 | 2,092 |
| Shares issued | 3,326,900 | - | - | 3,326,900 |
| Options exercised | 4,880 | - | - | 4,880 |
| Options issued | 64,833 | - | - | 64,833 |
| Transaction Costs | (234,611) | - | - | (234,611) |
| **As at 31 December 2009** | **30,746,676** | **(22,394,199)** | **2,427** | **8,354,904** |

The accompanying notes form part of these financial statements.

# Consolidated Cash flow Statement
# For the Half Year Ended 31 December 2009

| | Note | 31 December 2009 | 31 December 2008 |
|---|---|---|---|
| | | $ | $ |
| **CASH FLOWS RELATED TO OPERATING ACTIVITIES** | | | |
| Receipts from customers | | 20,031 | - |
| Payments to suppliers and employees | | (937,524) | (932,619) |
| Interest received | | 19,391 | 30,285 |
| **NET OPERATING CASH FLOWS** | | (898,102) | (902,334) |
| **CASH FLOWS RELATED TO INVESTING ACTIVITIES** | | | |
| Payment for purchases of plant and equipment | | (478) | (23,519) |
| Proceeds from sales of equity investments | | 4,725,061 | 1,597,738 |
| Payment for purchases of equity investments | | (5,137,918) | (1,549,010) |
| Loans to other entities | | (50,000) | - |
| Loans repaid by other entities | | 100,000 | - |
| Payment for exploration and evaluation of tenements | | (58,981) | (742,469) |
| Cash acquired in business combination | **12** | 21,219 | - |
| **NET INVESTING CASH FLOWS** | | (401,097) | (717,260) |
| **CASH FLOWS RELATED TO FINANCING ACTIVITIES** | | | |
| Proceeds from issues of securities | | 2,903,357 | - |
| Capital raising costs | | (234,611) | - |
| **NET FINANCING CASH FLOWS** | | 2,668,746 | - |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | | 1,369,547 | (1,619,594) |
| Cash and cash equivalents at the beginning of the half year | | 185,704 | 2,222,692 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE HALF YEAR** | | **1,555,251** | **603,098** |

The accompanying notes form part of these financial statements.

## Note 1 - Basis of Preparation

The general purpose financial report for the interim half-year reporting period ended 31 December 2009 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This half-year financial report does not include all notes of the type normally included in an Annual Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the Annual Report.

Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2009 and any public announcements made by Mining Projects Groups Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

<u>Accounting Policies</u>

The accounting policies adopted are consistent with the most recent Annual Report for the year ended 30 June 2009, except as follows:

*AASB 8 and AASB 2007-3*

Operating Segments and consequential amendments to other Australian Accounting Standards (Application date of standard 1 January 2009 & Application date for consolidated entity 1 July 2009)

The consolidated entity has adopted the new standard AASB 8 replacing AASB 114 Segment Reporting, which adopts a management reporting approach to segment reporting.

AASB 8 is a disclosure standard and as such this interpretation, as expected, has had no impact on the amounts included in the consolidated entity's financial statements. Segment information is noted in Note 5.

*AASB 101 (Revised), AASB 2007-8 and AASB 2007-10*

Presentation of Financial Statements and consequential amendments to other Australian Accounting Standards (Application date of standard 1 January 2009 & Application date for consolidated entity 1 July 2009).

Introduction of a Statement of Comprehensive Income.  Other amendments include the impact on the presentation of items in the Statement of Changes in Equity, new presentation requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends, and changes to the titles of the financial statements.  These amendments, as anticipated have only affected the presentation of the consolidated entity’s financial report and have not had a direct impact on the measurement and recognition of amounts disclosed in the financial report.

The consolidated entity has presented a single Statement of Comprehensive Income.

*AASB 3 (Revised)*

Business Combinations (Application date of standard 1 July 2009 & Application date for consolidated entity 1 July 2009)

The revised standard introduces a number of changes to the accounting for business combinations, the most significant of which allows entities a choice for each business combination entered into – to measure a non-controlling interest (formally a minority interest) in the acquirer either at its fair value or at its proportionate interest in the acquirer’s net assets. This choice will effectively result in recognising goodwill relating to 100% of the business (applying the fair value option) or recognising goodwill relating to the percentage interest acquired. The changes apply prospectively. During the period the consolidated entity acquired various entities. See note 12.

The consolidated entity has reviewed changes to Accounting Standards effective during the period, and has identified only the above listed standards as having an impact on the consolidated entity’s financial reporting.

## Note 2 - Dividends

No dividends have been declared for the period ended 31 December 2009.

## Note 3 –Revenue

| | 31 December 2009 | 31 December 2008 |
|---|---|---|
| | $ | $ |
| Interest revenue - other persons/corporations | 19,406 | 30,285 |
| Other [1] | 21,382 | - |
| | 40,788 | 30,285 |
| Other Income | | |
| Net movement in fair value of financial assets held for trading | 1,346,204 | - |
| Fair value gain on shares held in subsidiary acquired | 79,500 | - |
| | 1,466,492 | 30,285 |

[1] This includes the option fee received from Exterra see note 12.

## Note 4 –Significant Expense

| | 31 December 2009 | 31 December 2008 |
|---|---|---|
| | $ | $ |
| The following significant expense items are relevant in explaining the financial performance: | | |
| Net decrease in fair value of financial assets held for trading [1] | - | 9,339,841 |
| Impairment of available for sale financial assets | 104,536 | 120,000 |
| Capitalised exploration expenses written off | - | 2,814,246 |

[1] The net movement in fair value of financial assets held for trading represents the decrement in the fair value of assets held for trading at balance date and purchases and disposals during the reporting period.

## Note 5 –Segment Information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the management team in assessing performance and determining the allocation of resources.

The operating segments are identified by management based on the manner in which the expenses are incurred and resources allocated. Discrete financial information about each of these operating segments is reported to the board on a regular basis.

The reportable segments are based on aggregated operating segments determined by similarity of expenses, where expenses in the reportable segments exceed 10% of the total expenses for either the current and/or previous reporting period.

**Note 5 –Segment Information *continued***

Operating segments

- Investments - The consolidated entity invests in a portfolio of listed investments for short term gains and liquidity purposes, and in unlisted equities for the purpose of long-term results.
- Exploration - The consolidated entity invests in exploration activities of areas of interest in order to identify mineral deposits for exploitation through sale of rights or mining activities.
- Corporate - The Corporate business segment consists of the Board of Directors and the costs of the consolidated entity communications and reporting.

Segments are reported before tax. Tax is reflected in corporate expenditure.

*Operating Segments*

| **31 December 2009** | **Investments $** | **Exploration $** | **Corporate $** | **Total $** |
|---|---|---|---|---|
| *Revenue* | | | | |
| External Sales | | | | |
| Other | - | 20,000 | - | 20,000 |
| Interest | - | - | 20,788 | 20,788 |
| Fair value gains | 1,425,704 | - | - | 1,425,704 |
| Total Revenue | 1,425,704 | 20,000 | 20,788 | 1,466,492 |
| *Result* | | | | |
| Segment Result | 1,321,168 | - | (643,874) | 677,294 |
| Net Result | 1,321,168 | - | (643,874) | 677,294 |
| *Assets* | | | | |
| Segment Assets | 5,986,487 | 781,645 | 1,660,168 | 8,428,300 |
| Total Assets | 5,986,487 | 781,645 | 1,660,168 | 8,428,300 |

| **31 December 2008** | **Investments $** | **Exploration $** | **Corporate $** | **Total $** |
|---|---|---|---|---|
| *Revenue* | | | | |
| External Sales | | | | |
| Interest | - | - | 30,285 | 30,285 |
| Total Revenue | - | - | 30,285 | 30,285 |
| *Result* | | | | |
| Segment Result | (9,459,841) | (2,825,368) | (562,736) | (12,847,945) |
| Net Result | (9,459,841) | (2,825,368) | (562,736) | (12,847,945) |
| *Assets* | | | | |
| Segment Assets | 4,060,831 | - | 728,454 | 4,789,285 |
| Total Assets | 4,060,831 | - | 728,454 | 4,789,285 |

## Note 6 - Other Financial Assets

| | Note | 31 December 2009 | 30 June 2009 |
|---|---|---|---|
| | | $ | $ |
| Current [1] | | | |
| Financial assets (held for trading) at fair value through profit and loss | | 4,603,418 | 3,258,003 |
| Convertible Note [3] | | 100,000 | - |
| Non-Current [2] | | 4,703,418 | 3,258,003 |
| Financial assets (available for sale) | | 1,740,836 | 1,660,836 |
| Accumulated Impairment | | (582,767) | (598,231) |
| Joint Venture | **13** | 125,000 | - |
| | | 1,283,069 | 1,062,605 |

[1] The current financial assets are valued using market prices.

[2] The non-current financial assets are carried at cost. Indications of impairment are determined by review of financial and corporate updates of investments held including recent capital raisings.

[3] The Convertible note has a life of 12 months. Conversion may occur anytime during this 12 month period at the election of the note holder. The notes convert into ordinary shares in Biosignal Limited at a rate determined under the agreement which is based on future events.

## Note 7 - Exploration and Tenement Expenditure

| | | 31 December 2009 | 31 December 2008 |
|---|---|---|---|
| | | $ | $ |
| Balance at beginning of half-year | | 53,759 | 2,071,777 |
| Additions through acquisition | **(b)** | 668,905 | - |
| Exploration expenditure capitalised | | 58,981 | 796,228 |
| Exploration expenditure expensed to Profit & Loss | **(a)** | - | (2,814,246) |
| | | 781,645 | 53,759 |

a) At reporting date the consolidated entity owned 80% of the Talga Peak joint venture. During the year ended 30 June 2009, the consolidated entity received assay results from its Reverse Circulation (RC) drill programme at Talga Peak, which targeted shallow to moderate depth VMS targets. On review of the complete set of results the consolidated entity took the position that the potential for shallow to moderate depth base metal VMS style mineralisation along the Cord Valley appeared to have diminished. As a result, the decision was made at 31 December 2008, to impair $2,814,246 in capitalised costs incurred on the consolidated entity's Talga Peak Project in the Pilbara, Western Australia. It is considered likely that the remaining carrying value of the asset is recoverable through the sale of iron ore mineral rights.

b) During the period ended 31 December 2009, the consolidated entity acquired the rights held by Xplor Ltd and its subsidiaries in:

- Egerton Gold Project, Gascoyne, Western Australia
- Mt Tarrengower Project, Maldon, Central Victoria
- Golden Mount, Eastern Victoria

On acquisition, these rights were determined to have a fair value of $668,905. See note 12.

### Note 8 – Contingent Assets and Liabilities

There has been no change in contingent assets and liabilities since the last annual reporting date.

### Note 9 – Issued Capital

| | 31 December 2009 | | 30 June 2009 | |
|---|---|---|---|---|
| | **No.** | **$** | **No.** | **$** |
| Issued Capital | | | | |
| Fully paid ordinary shares [1] | 3,497,671,398 | 30,697,742 | 1,833,641,562 | 27,584,674 |
| Options over fully paid ordinary shares [2] | 2,065,030,602 | 48,934 | 1,023,048,913 | - |
| Total Issued Capital | | 30,746,676 | | 27,584,674 |

[1] During the period the following movements in ordinary shares occurred:

| | |
|---|---|
| Exercise of options | 581,125 |
| Issue to investors per prospectus 16/6/09 | 916,820,571 |
| Acquisition of Xplor Ltd (see note 12) | 246,628,140 |
| Issue to professional investors | 500,000,000 |
| | 1,664,029,836 |

[2] During the period the following movements in options occurred:

| | |
|---|---|
| Exercise of options | (581,125) |
| Issue to investors per prospectus 16/6/09 | 916,820,571 |
| Issue to investors per prospectus 26/8/09 | 648,260,031 |
| Issue to professional investors | 500,000,000 |
| Expiry of Options | (1,022,517,788) |
| | 1,041,981,689 |

### Note 10 – Profit/(Loss) per Share

| | 31 December 2009 | 31 December 2008 |
|---|---|---|
| | **$** | **$** |
| Basic profit/(loss) per share (cents) | 0.02 | (0.70) |
| Diluted profit/(loss) per share (cents) | 0.02 | (0.70) |
| a) Net profit/(loss) used in the calculation of basic and diluted loss per share | $676,959 | ($12,847,945) |
| | **No.** | **No.** |
| b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic loss per share | 3,013,968,844 | 1,833,554,002 |
| Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted loss per share | 3,138,972,859 | 1,833,554,002 |

Options that are considered to be potential ordinary shares are excluded from the weighted average number of ordinary shares used in the calculation of basic loss per share. Where dilutive, potential ordinary shares are included in the calculation of diluted loss per share. There have been no other conversions to, call of, or subscriptions for ordinary shares since the reporting date and before the completion of this report.

Diluted loss per share is different from basic loss per share because the consolidated entity made a profit for the December 2009 period, however upon rounding to two decimal places, there is no difference between the basic and diluted loss per share.

## Note 11 - Net Tangible Assets

| | 31 December 2009 | 31 December 2008 |
|---|---|---|
| | $ | $ |
| Net Tangible Assets | 8,354,904 | 4,676,435 |
| Shares (No.) | 3,497,671,398 | 1,833,554,002 |
| Net Tangible Assets (Cents) | 0.24 | 0.26 |

## Note 12 - Acquisition and Disposal

Xplor Ltd

On 14 August 2009 the shareholders of Mining Project Group Ltd passed a resolution to acquire the shares of Xplor Ltd. On 26 August 2009 Mining Projects Group Ltd, issued a Prospectus to Xplor Ltd shareholder offering them 15 Mining Project Group Ltd shares for each share held in Xplor Ltd.

Prior to the passing of the resolution the consolidated entity owned 2,650,000 shares in Xplor Ltd, representing 13.88% of the issued capital. (see (a) below)

On 17 September 2009, Mining Project Group Ltd issued 246,628,140 shares to Xplor Ltd shareholders, acquiring the balance of the Xplor Ltd group.

The estimated fair value of the assets and liabilities acquired by Mining Projects Ltd is as follows:

| | |
|---|---|
| Purchase consideration [(a)] | $572,756 |
| Fair value of net identifiable assets acquired [(b)] | $572,756 |

**(a) Purchase Consideration**

The purchase consideration was the issue of 15 Mining Project Group Ltd shares for each Xplor Ltd share held. At the time of the offer, the Mining Project Group Ltd shares had an average market value of $0.002 per share.

| | |
|---|---|
| Xplor shares acquired (No.) | 16,441,876 |
| Mining Project Group Ltd shares issued (No.) | 246,628,140 |
| Fair value of shares issued | $493,256 |
| Fair value gain on shares already held by consolidated entity | $79,500 |
| Total Purchase Consideration | $572,756 |

## Note 12 - Acquisition and Disposal *continued*

### (b) Assets and Liabilities Acquired

The assets and liabilities arising from the acquisition are as follows:

| | Acquirer's carrying amount $ | Fair Value $ |
|---|---|---|
| Cash | 21,219 | 21,219 |
| Trade and other receivables | 1,775 | 1,775 |
| Other current assets | 299 | 299 |
| Exploration assets | 342,456 | 668,905 |
| Trade and other payables | (117,350) | (117,350) |
| Net assets | 248,399 | 574,848 |
| | | |
| Non-controlling Interest | | (2,092) |
| Net identifiable assets acquired | | 572,756 |

Raptor Minerals (Pty) Ltd

On 4 December 2009, the consolidated entity announced its proposed acquisition of the Raptor Minerals' group, a South African Gold and Uranium group. The acquisition is subject to approval by the shareholder of Mining Project Group Ltd and regulatory approval. At the date of this report, the shareholder meeting has not been scheduled. In anticipation of the Raptor Minerals (Pty) Ltd acquisition, the consolidated entity acquired a 70-74% interest in three South African subsidiaries, Stylestar Prop 176 (Pty) Ltd, Scribaspace Investments (Pty) Ltd and Scribamax Inv (Pty) Ltd during the 6 months ended 31 December 2009. These entities have not been consolidated into the accounts presented for the period ended 31 December 2009 as they are not considered material to the consolidated entity.

Exterra Resources Pty Ltd

On 22 October 2009 the consolidated entity announced that it had entered into an agreement with Exterra under which Exterra has a 6 month option to acquire from the consolidated entity the Egerton Project located in the Gascoyne region of Western Australia. This asset was acquired by the consolidated entity through the acquisition of the Xplor group.

## Note 13 - Joint Venture

During the period the consolidated entity acquired an interest in a joint venture in which they hold a 6.25% non-controlling interest. This investment is currently carried at cost. The consolidated entity's investment is in a project called Casey Gardens which is being managed by Providence Housing. Providence Housing seeks to reduce housing stress for Middle Australians through the funding, development and long term ownership of affordable housing projects that align community values with socially responsible investment objectives. The consolidated entity's investment is in the Casey Gardens project which is being developed in Narre Warren, Victoria.

## Note 14 - Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the consolidated entity, the result of those operations or the state of affairs of the consolidated entity in subsequent financial years.

# Director's Declaration

The Directors' of the consolidated entity declare that;

1. The financial statements and notes, as set out on pages 11 to 21 are in accordance with the Corporations Act 2001, including:

   a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

   b. give a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Richard Revelins
Director
Mining Projects Group

Dated: 15th day of March 2010

Chartered Accountants
& Business Advisers

## INDEPENDENT AUDITOR'S REVIEW REPORT

## TO THE MEMBERS OF MINING PROJECTS GROUP LIMITED

We have reviewed the accompanying half-year financial report of Mining Projects Limited ("the company"), which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2009 or from time to time during the half year ended on that date.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Mining Projects Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mining Projects Group Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

**PKF** **J A Mooney**
Partner

15 March 2010
Melbourne

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