



Quarterly Activities Report for the 3 Months Ended 30th June 2013

Review of Operations

Mining Projects Group Limited (ASX : MPJ) (“MPJ” or “the Company”) had a very significant highlight for the reporting period in successfully renegotiating the Company’s two joint venture (“JV”) agreements with Oroya Mining Limited (“Oroya”). This renegotiation delivered **immediate control of both the Roe Hills Nickel Project (“Roe Hills”) and the Mt Barrett Gold Project (“Mt Barrett”)**, removing all funding obligations under the previous arrangements. The board recognises this transaction as a commercial windfall securing **100% ownership in both projects** and in particular Roe Hills. Roe Hills will be the primary focus of the Company’s near term exploration program given the recently announced technical review which **highlighted significant prospectivity for nickel sulphide mineralisation**.

During the quarter the Company completed an extensive review of historical data held for Roe Hills. On 25th July 2013 MPJ announced the data review had confirmed strong evidence of a **Kambalda style Komatiite belt** with significant nickel mineralisation occurring within the ultramafic rock types. **Three priority prospects with multiple exploration targets have been identified**, each highly prospective for massive nickel sulphide mineralisation. In addition gold anomalism was confirmed as prospective. Follow up drill programs are now being developed to investigate each target.

MPJ also continued to undertake desktop work on its Delcarmen Coal Project in Queensland with a focus on creating a stronger regional presence. This strategy is supported by the Company’s new substantial shareholder.

+ See chapter 19 for defined terms.

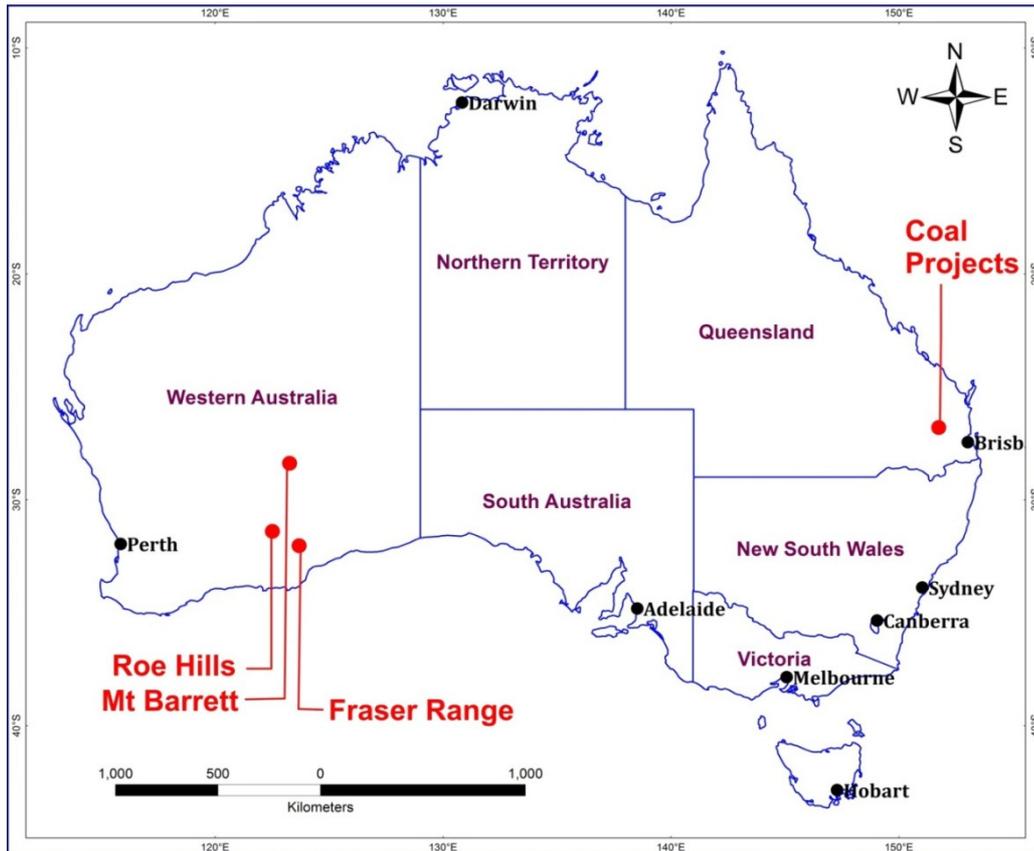


Figure 1. Project location map

Renegotiation of Oroya JV agreements

On 14th May 2013, MPJ executed a binding terms sheet with Oroya for MPJ to take 100% ownership of both Roe Hills and the Mt Barrett for the consideration of \$200,000. In addition MPJ loaned Oroya a further \$50,000 which will be repaid by offset against funds due to Oroya upon completion of a selective buyback of the 50 million MPJ shares which Oroya holds. Approval for the selective buy back is subject to approval by shareholders at the General Meeting to be held on 20th August 2013. MPJ will also cancel the 30 million options exercisable at 1 cent and expiring on 30th June 2016 which were issued to Oroya as part of the consideration in connection with the formation of the two joint ventures.

The Roe Hills Joint Venture agreement required MPJ to complete a minimum expenditure of \$800,000 during the first 12 months and to continue to solely fund the project until completion of a bankable feasibility study in order to earn a 75% participating interest. In acquiring the 100% interest, the funding obligation in respect of the Roe Hills Joint Venture has been terminated. Under the Mt Barrett Joint Venture MPJ had the right to earn an 80% participating interest by

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funding all required expenditure until completion of a bankable feasibility study. This funding requirement has now also become redundant.

Nickel Projects

The primary exploration focus over the next quarter will be at the Roe Hills. **Roe Hills is a 40km strike length of highly strained greenstone belt located in Western Australia’s Kambalda nickel region** and provides further expansion to the Company’s existing nickel portfolio which is located within the Fraser Range (see Figure 2).

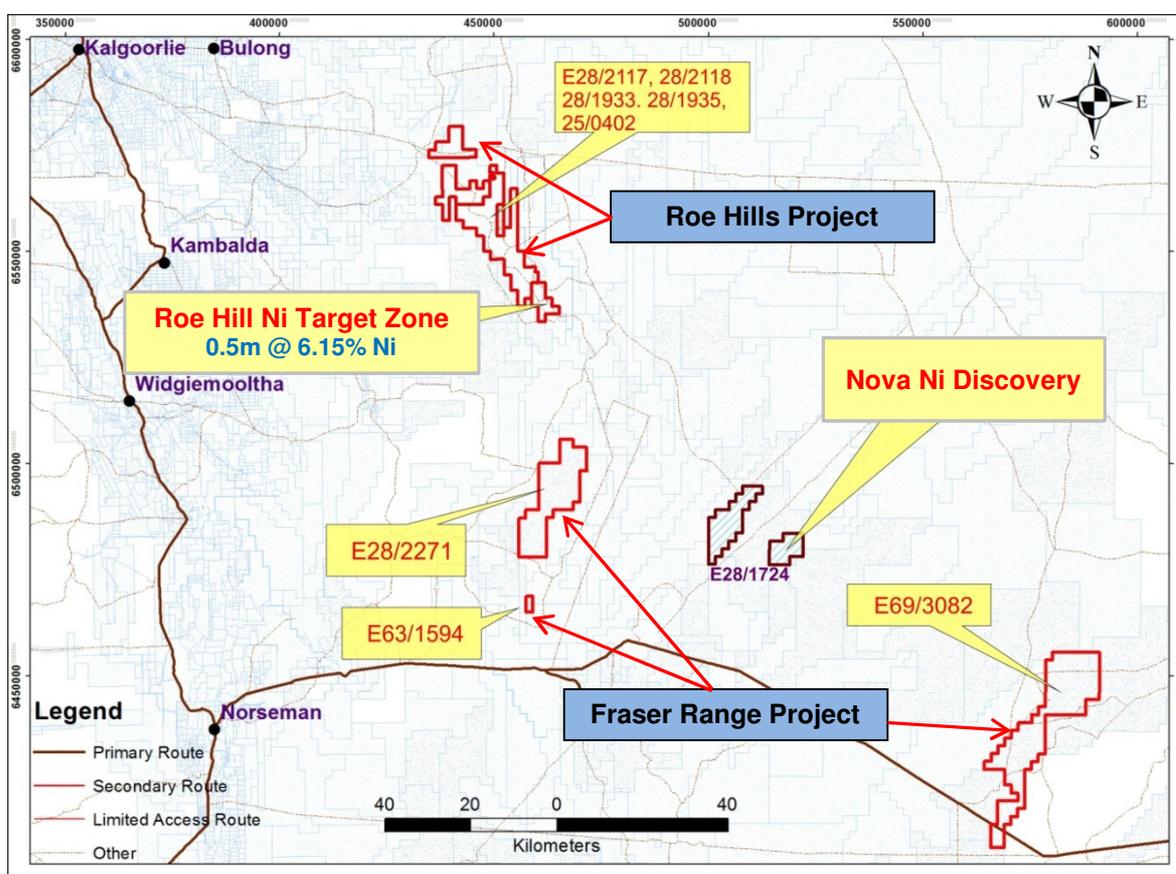


Figure 2. Roe Hill and Fraser Range tenement locations

Roe Hills Nickel Project – Western Australia (100%)

MPJ announced the findings of its data review for Roe Hills undertaken by HGS Australia (“HGS”) on 25th July 2013. HGS assessed all available historical data and then generated a **3D analysis of the project area**. Previous field mapping, drilling and aeromagnetic data have provided an excellent framework for delineating the ultramafic lithology on the project area. As mentioned

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above this analysis identified and confirmed strong evidence of a **Kambalda style Komatiite belt with significant nickel mineralisation occurring within the ultramafic rock types**. **Three priority prospects were identified, each with multiple exploration targets and all highly prospective for massive nickel sulphide mineralisation**. In addition gold anomalism was confirmed as prospective. As part of HGS' engagement it is now completing its recommended follow up drill programs for each target.

During deposition of the ultramafic Komatiites, separation of the olivine rich rocks occurred, which allowed HGS to identify lithologies (cumulates) potentially containing nickel sulphide as well as the basal contact on which the nickel sulphides rest. **The 3D analysis highlighted three priority target zones prospective for potential massive sulphide nickel mineralisation and follow up drilling**. The target zones have been identified as; Talc Lake, Roe 1 & Roe 2 (see Figure 3).

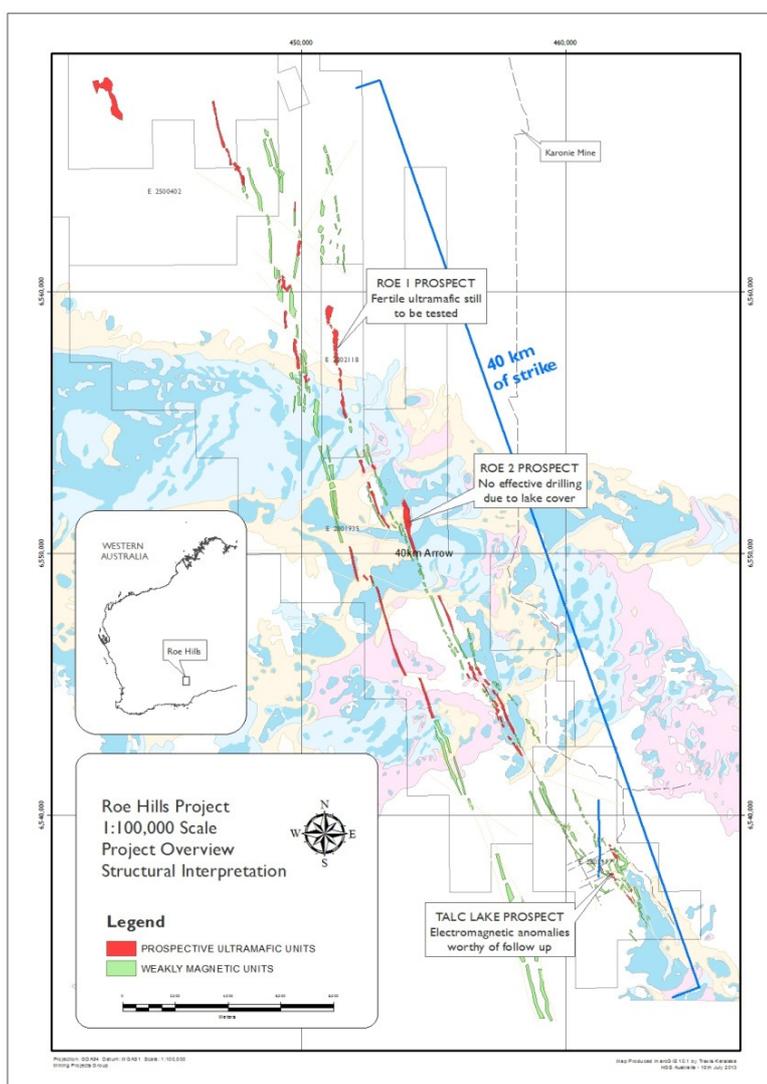


Figure 3. Targets and planned drilling suggested for the Roe Hills project.

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Talc Lake Prospect

The Talc Lake Prospect is located at the southern edge of the Roe Hills project on E28/2117 and is considered the most prospective of the group. **Previous drilling for nickel sulphide mineralisation in the area has defined three prospective ultramafic flows, analogous in style to that seen at Kambalda.** Strong encouragement to continue exploration at depth and along strike is based on historic drilling results which include:

- **0.5m at 6.15% from 155.5m in RC drill hole ROE 114;**
- **1.9m @1.65% Ni from 131.55m;**
- **0.15m @1.33% Ni from 222.75m; and**
- **0.3m @1.46% Ni from 182.8m.**

The majority of drilling activity has been focused on one isolated area surrounding ROE 114 (see figure 4), yet **the optimal targets remain along strike both to the north and south and down dip of this area.**

The follow up drill program currently being designed by HGS will be based on two failings of historical exploration completed at Roe Hills; the lack of holes that penetrate the prospective ultramafic basal contact at depth and the concentration of work in one isolated area surrounding ROE 114. As part of the drill program a XRF analysis of the drill samples and downhole electromagnetics will be conducted at the drill rig to establish any immediate vectors towards more prospective areas based on the information collected.

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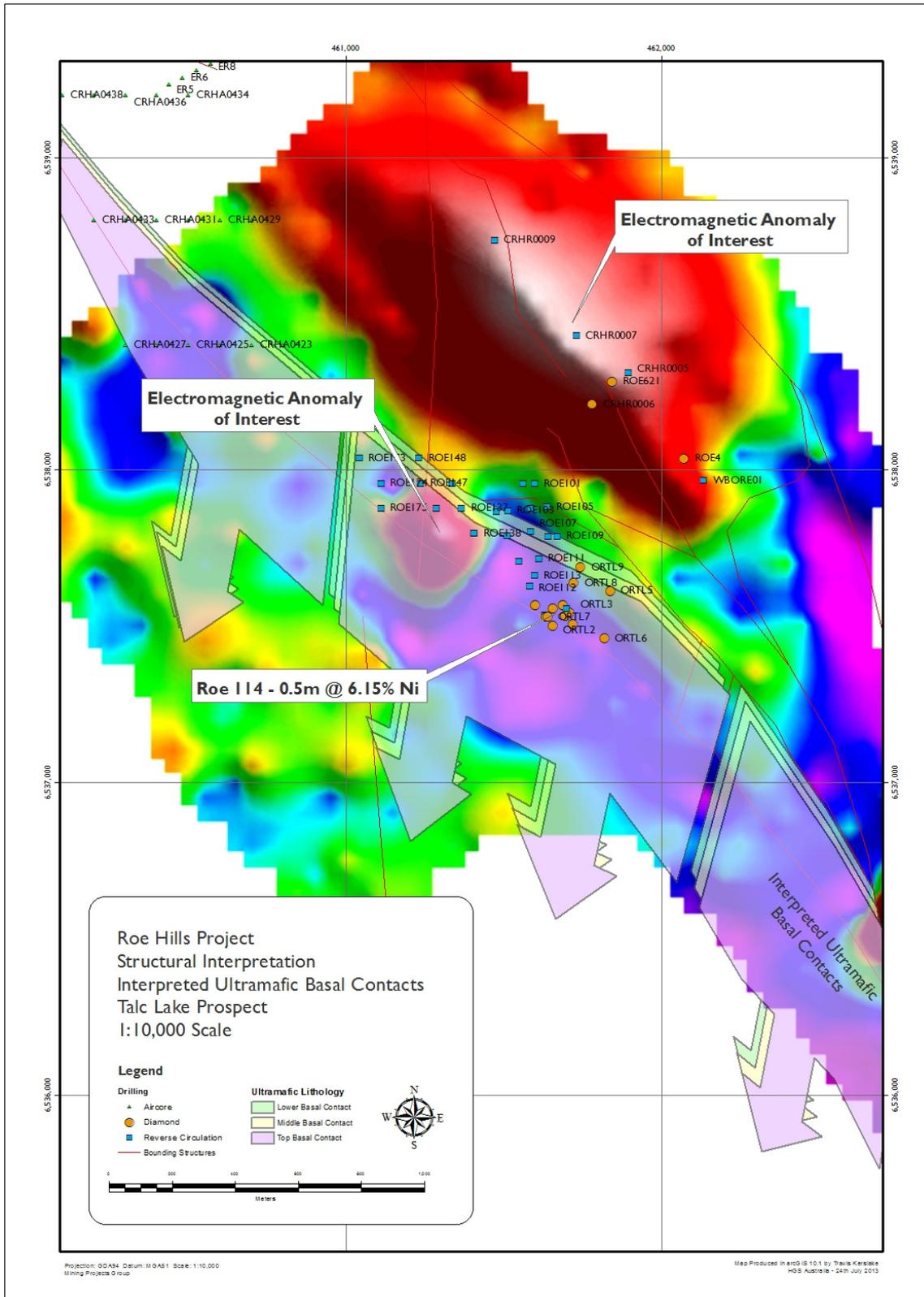


Figure 4. Talc Lake Prospect showing ultramafic outline and trend, and electromagnetic anomalies of interest. The translucent overlay highlights the extensive ultramafic sequence with 3 defined flows down dipping to the south-east which remains substantially untested.

+ See chapter 19 for defined terms.

Roe 1 & 2 Prospects

The Roe 1 & 2 Prospects encompass highly magnetic ultramafic units terminating due to faulting or thrusting. The geological logging, analysis of the magnesium content, background nickel levels and magnetic interpretation of the area suggest **thick portions of fertile ultramafic suitable for hosting economic deposits of massive nickel sulphides.**

At the Roe 1 Prospect a diamond hole (ROE 2) intersected the ultramafic rocks returned 10.6m @ 0.39% Ni at the end of the hole (141.4m). Prospective areas of ultramafic lithology remain untested at depth and to the south. In addition to the nickel sulphide prospectivity HGS has also highlighted gold prospectivity to the west.

At the Roe 2 Prospect drilling has not been conducted on the ultramafic unit in this area due to the salt lake system covering the region. A program to drill a number of holes from a smaller number of common pads to test the target and define the basal contact is being developed.

Gold Prospectivity

HGS has also concluded a follow up is required to determine the prospectivity of mesothermal lode gold mineralisation at Roe Hills. As part of the review a number of historic holes, which have intersected gold regolith anomalism, are currently being analysed including:

- **ROE 100: 2m @2.7g/t Au from 44m**
- **ROE 114: 2m @2.6g/t Au from 132m**
- **ROE 147: 24m @1.01g/t* Au from 144m (to end of hole) *Including 2m @11g/T Au**
- **ROE 247: 5m @13.7g/t Au from 48m (to end of hole)**

Preview for Next Quarter

HGS is developing a drill program to test the three priority target zones of Talc Lake, Roe 1 and Roe 2. However before the drill programs are finalised **MPJ has engaged Bill Amann from Newexco Services Pty Ltd (“Newexco”)** to review previous electromagnetic surveying at Roe Hills conducted with both fixed and moving loop surveys at surface together with downhole electromagnetics on 7 historic holes. Newexco has considerable experience in the successful interpretation of electromagnetics for massive nickel sulphides and consequent design of exploration programs which led to the recent discoveries at **Spotted Quoll and Nova**. On completion of the review MPJ will finalise its drilling program for Roe Hills as proposed by HGS.

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Over the coming quarter MPJ looks forward to advising the market on findings made by Newexco and finalising the follow up drill programs for commencement..

Fraser Range Nickel Project - Western Australia (Option to acquire 70%)

MPJ may exercise an option to acquire a 70% interest in the project. The exploration lease applications, EL28/2271, EL69/1594 and EL69/3082, cover approximately 566km² along the south-east margin of the Archean Yilgarn Craton within the Albany-Fraser Province.

Recent nickel discoveries have been made in the Fraser Range through drilling programs following up on prospective targets identified from extensive geo-physics and soil geochemistry. This will be the process used for identifying prospective drilling targets within the exploration lease applications.

EL28/2271 and EL63/1594 are located 60 kilometres south-east of Kambalda and EL69/3082 is located in the heart of the Fraser Range Orogeny.

During the quarter the Company will undertake further desktop review in assessing the tenement area.

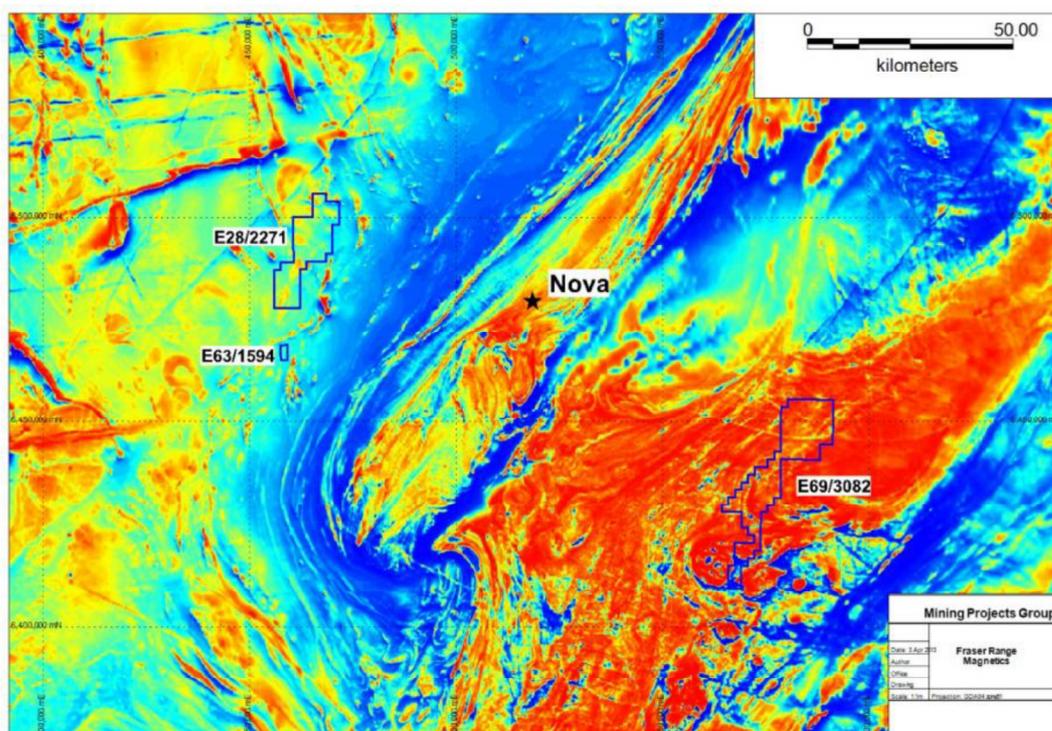


Figure 5. Fraser Range regional magnetics

+ See chapter 19 for defined terms.

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**. 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 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 began its regional review of the Esk Basin. The Company is assessing, with the support of key new shareholders, expanding its footprint within the basin. The board has also received interest from a strategic party interested in playing a role in the development of Delcarmen. Discussions are now underway.

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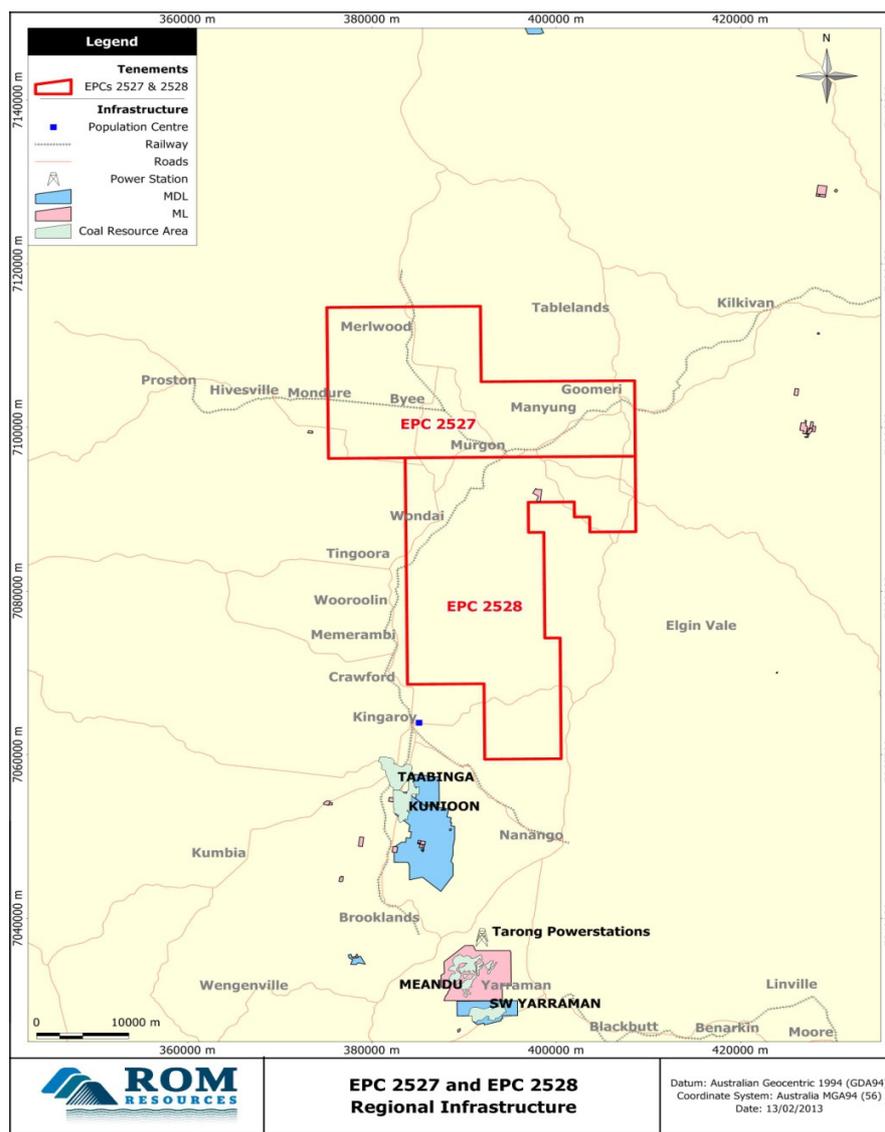


Figure 6. Delcarmen project location

Board Appointment

Post balance date, MPJ appointed Mr Dehong Yu to the Company’s board as a Non-Executive Director. Mr Yu sits on the board as a representative of the Company’s major shareholder. Mr Yu is a business development executive with over 20 years’ experience in international trade relations. He is a Chinese national and has been a resident of Australia since the late 1980’s. Mr Yu was formally recognised by the Chinese community for his significant commercial achievements within Australia in 2008. He established his business operation in Australia within property development and expanded into Mining Exploration to utilise his extensive network of Chinese investors. Mr Yu brings to the MPJ board his strong experience in mining exploration investment and access to his network of investors for the benefit of all MPJ shareholders.

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For And On Behalf Of The Board



Joshua Wellisch
Managing Director

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 2004 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.

Rule 5.3

Appendix 5B – 4th 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')

30th June 2013

Consolidated Statement of Cash Flows

Cash Flows Related to Operating Activities		Current Quarter \$A'000	Year-to-Date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration and evaluation	(60)	(198)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(70)	(304)
	(e) contract services	(231)	(893)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	8	15
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		(353)	(1,380)
Cash Flows Related to Investing Activities			
1.8	Payment for purchases of:		
	(a) prospects	-	(24)
	(b) equity investments	-	(50)
	(c) other fixed assets	-	-
	(d) physical non-current assets	(2)	(2)
	(e) other non-current assets	(200)	(404)
1.9	Proceeds from sale of:		
	(a) business	20	20
	(b) equity investments	48	183
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	(4)
1.11	Loans repaid by other entities	-	62
1.12	Other (provide details if material)	-	-
Net Investing Cash Flows		(134)	(219)
1.13	Total Operating and Investing Cash Flows	(487)	(1,599)

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		Current Quarter \$A'000	Year-to-Date (12 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(487)	(1,599)
Cash Flows Related to Financing Activities			
1.14	Proceeds from issues of shares, options, etc.	-	2,654
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	(116)	(216)
1.19b	Other – Share Buy-back	(50)	(50)
Net Financing Cash Flows		(166)	2,388
Net Increase / (Decrease) in Cash Held		(653)	789
1.20	Cash at beginning of quarter/year to date	1,645	204
1.21	Exchange rate adjustments to item 1.20	(9)	(10)
1.22	Cash at End of Quarter	983	983

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	96
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
	During the period the Company issued the following securities as approved by shareholders at the March 2013 General Meeting: - 4,000,000 ordinary shares were issued to Oroya Mining Limited (24/05/2013)
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	200
Total:		400

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	983	1,645
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)		983	1,645

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	Raptor Tenements	Via controlled entity Raptor Minerals P/L	Held	Relinquished
6.2	Interests in mining tenements acquired or increased	Roe Hills	100% acquired through Binding Terms Agreement	-	Acquired
		Mt Barrett	100% acquired through Binding Terms Agreement	-	Acquired

+ 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 <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	600,166,840	600,166,840	-	-
7.4	Changes during quarter				
	(a) Increases through issues	4,000,000	4,000,000	\$0.008	\$0.008
	(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	-
		231,463,686	-	Exercisable at \$0.01 to \$0.50	-
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: Wednesday 31st July 2013

Print Name: **Bryan Frost**

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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