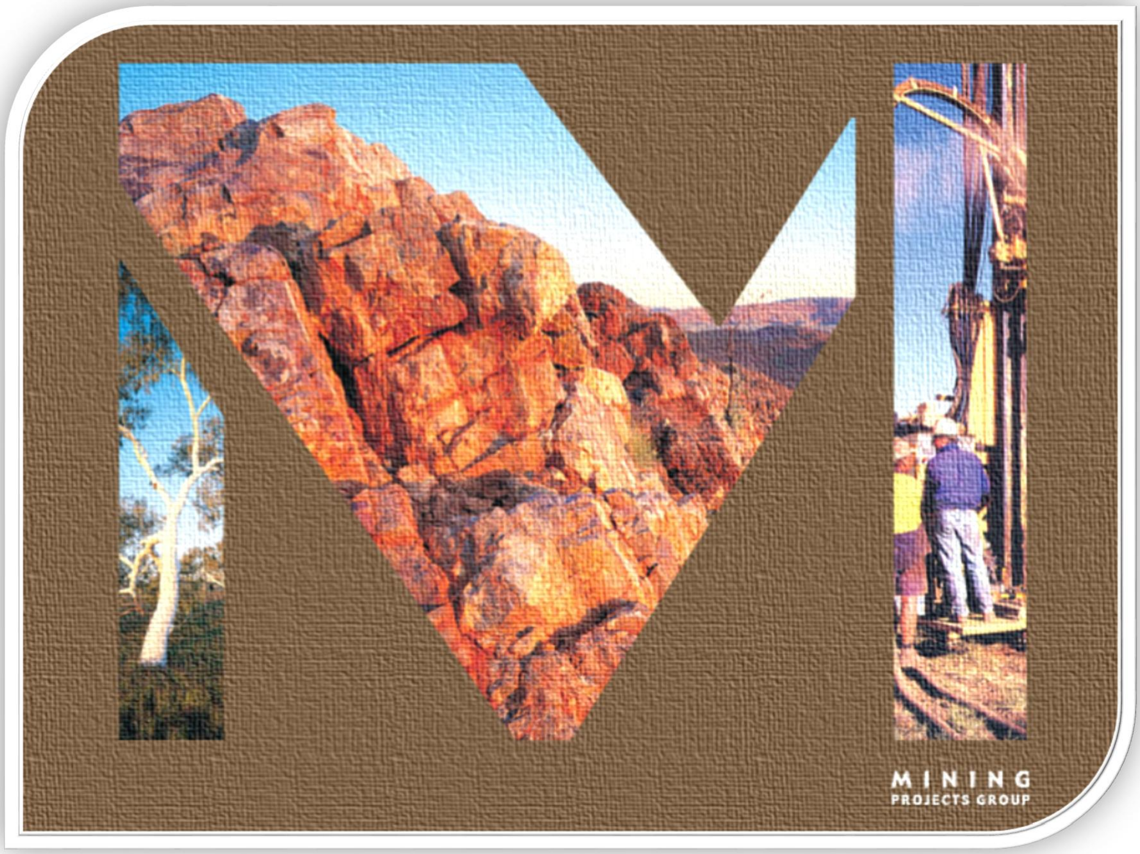
MINING PROJECTS GROUP LIMITED

ABN 84 006 189 331



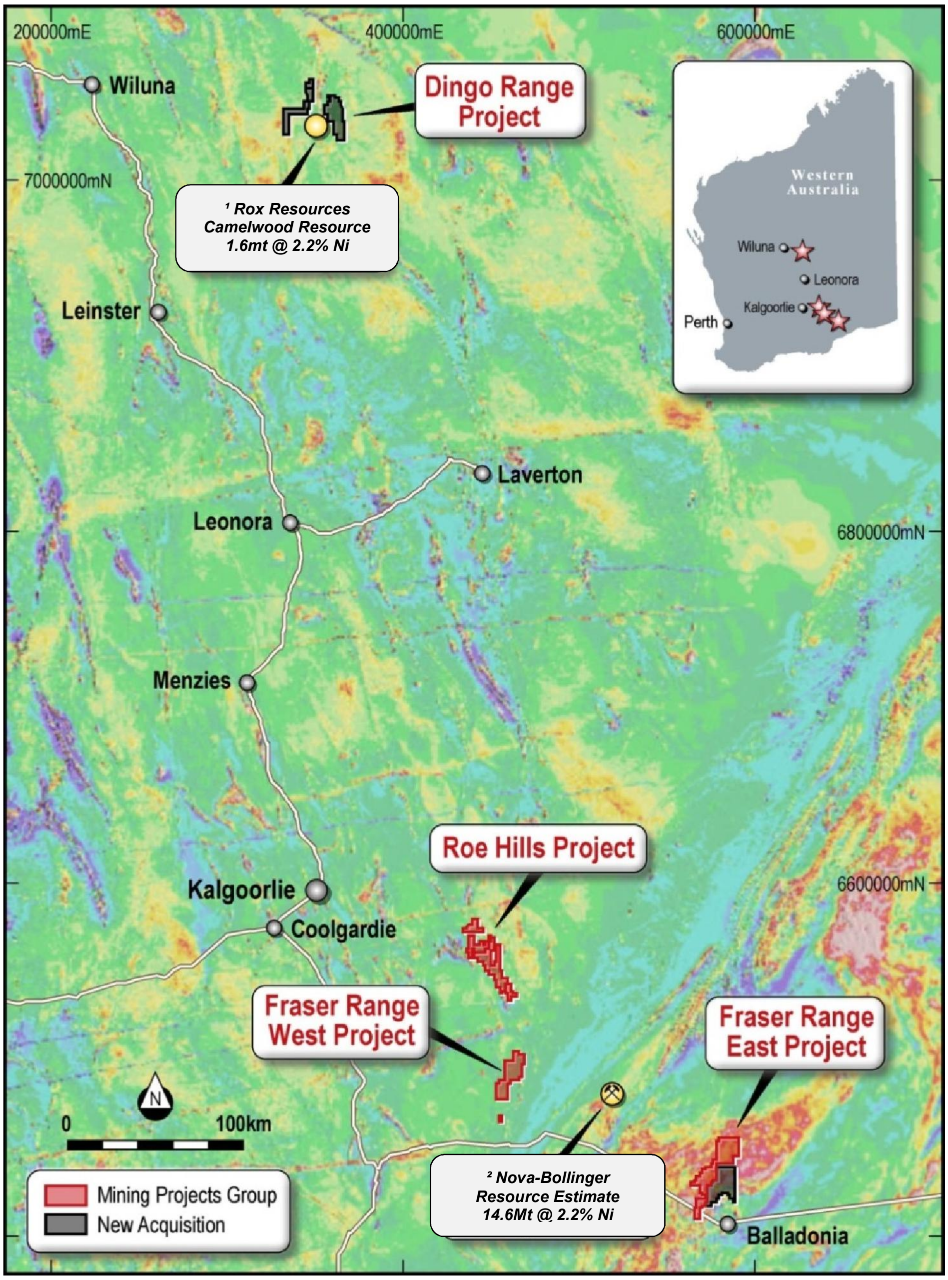
ANNUAL REPORT 2014

Contents

Review of Operations

The past 12 months for Mining Projects Group Limited (ASX : MPJ) ("MPJ" or "the Company") has been a period of transition both in focus and team. During the reporting period, MPJ secured strategic projects to compliment the Roe Hills Nickel Project. MPJ now controls 3 key Nickel projects in Western Australia with the primary project being Roe Hills, which is underpinned by the Fraser Range and Dingo Range Projects, all highlighted below. The Company has undertaken a rationalisation program on its other assets to ensure its primary focus and capital is efficiently utilised on the development of the W.A. Nickel Projects.

Western Australian Nickel Projects (100% Owned)



[1] Sourced from Rox Resources ASX announcement on 6th March 2014 "High Grade Massive Sulphide Intersections".
[2] Sourced from Sirius Resources ASX announcement on 14th February 2014 "Sirius to Acquire Creasy's 30% of Nova-Bollinger Project to Take Ownership to 100%"

Roe Hills Project (100% Owned)

The Roe Hills Project is located within a 50km length of prospective nickel bearing komatiitic greenstone belt located 110km east of Kalgoorlie. MPJ holds 100% of five (5) tenements covering a **continuous strike of 40km of ultramafic rocks** and 360km^2 of prospective greenstone terrain (Figure 1) and one new application (Figure 3).

Historic exploration activity at Roe Hills started in 1965 for both nickel sulphides and gold. Exploration was initially completed by various smaller companies up until 1995, until major campaigns were completed by WMC Resources Ltd, Vale-Inco Ltd and Oroya Mining Ltd between 1995 and 2009.

Previous drilling for nickel sulphide mineralisation at Roe Hills has defined three prospective ultramafic flows, analogous in style to that seen at Kambalda, Cosmos and Black Swan/Silver Swan. The results from the historic drilling have previously been reported and include historic results of **0.5m at 6.15% Ni** from a downhole depth of 155m in drill hole ROE114 and recent intersection of **3cm grading an average of 11% Ni** (PXRF analyser result) at a downhole depth of 215.3m in drill hole RHDD0001 at the Talc Lake prospect. The recent nickel sulphide intersection along with the historic intersections and the recent geochemical study confirm the prospectivity and potential for the Roe Hills Project to contain significant nickel sulphide accumulations within the fertile ultramafic lava channels providing highly prospective drill ready targets (Figure 2).

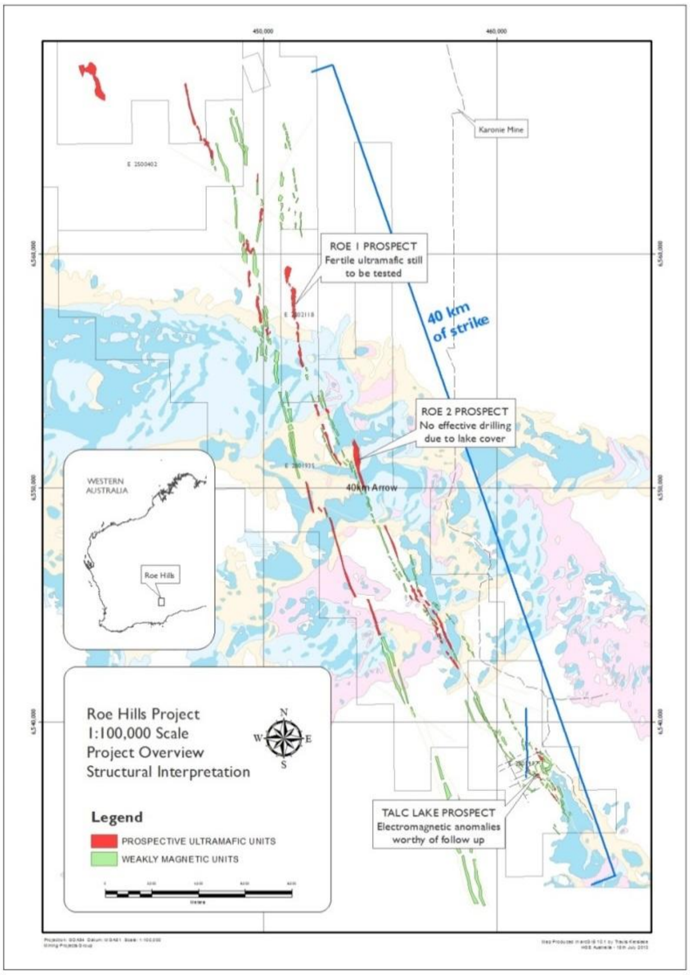


Figure 1: Roe Hills Project 40km of ultramafic strike.

³Sourced from Mining Projects Group ASX announcement on 21st December 2012 "MPJ Secures key Nickel and Gold Assets in W.A."

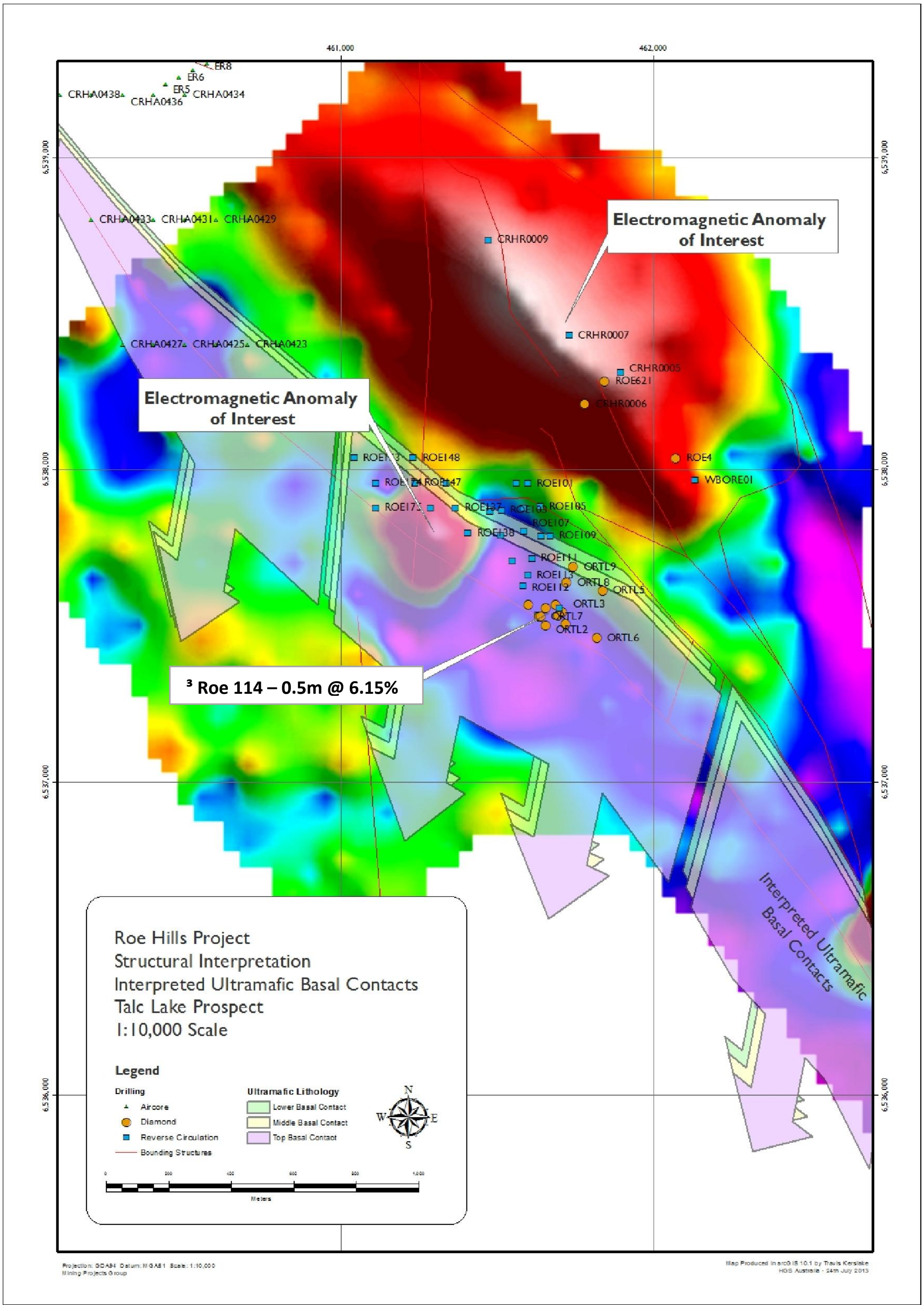


Figure 2: Talc Lake Aero-magnetics with 3 interpreted ultramafic flows.

³Sourced from Mining Projects Group ASX announcement on 21st December 2012 "MPJ Secures key Nickel and Gold Assets in W.A."

Highlights

- **Diamond drilling programme on Flagship Roe Hills Project finalised to test major Nickel Sulphide targets with an initial 15 hole plan totalling 5000m.**
- **The Company may extend the planned programme to 10,000m (at a discount rate on all metres drilled if extended) with 25% of the cost to be satisfied by the issue of MPJ Shares upon completion.**
- **The Company is fully funded to complete a 10,000m programme including Newexco's concurrent geophysical down hole EM survey work.**
- **Drilling commenced in the first week of September 2014.**

A drilling programme was finalised at MPJ's flagship Roe Hills Nickel Project in August. As previously reported, work completed by Director Mr Neil Hutchison has resulted in identifying several new and significant Nickel Sulphide targets zones at Talc Lake, Roe 1 and Roe 2 prospects. Mr Hutchison has completed a plan to diamond drill 15 holes totalling 5000m with concurrent down-hole electro-magnetic ("EM") surveys to be managed by Newexco Services Pty Ltd ("Newexco"). The Company has completed negotiations on a drilling contract that if extended to 10,000m will be at a discount rate on all metres drilled and with 25% of consideration for drilling services to be satisfied by issuing MPJ fully paid ordinary shares upon completion. MPJ recently raised $1.395m by way of a placement which ensures the Company is fully funded to complete up to 10,000m including the geophysical works to be conducted by Newexco and its partners.

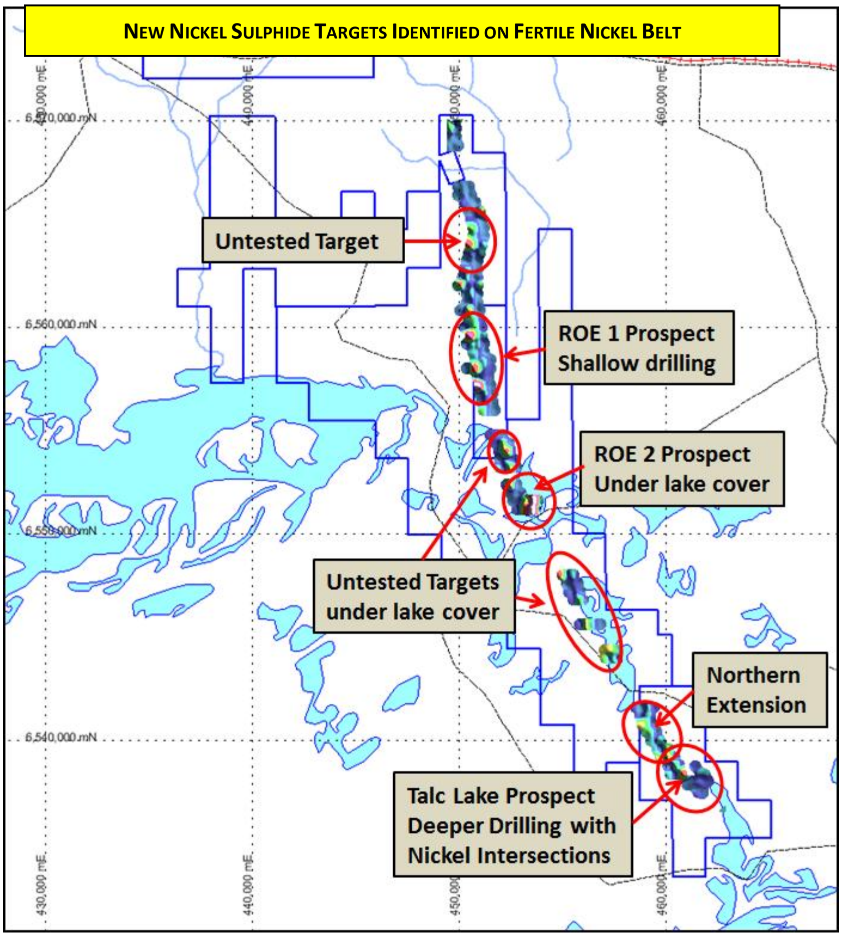


Figure 3: Talc Lake sits at the southern end of the prospective nickel belt. Earlier identified prospects Roe 1, Roe 2 & Talc Lake were confirmed as targets during the geochemical analysis as well as at least 4 other additional high priority targets.

Below is two of the planned cross sections of drilling at the Talc Lake Prospect (Figure 4) and the Roe 1 Prospect (Figure 5).

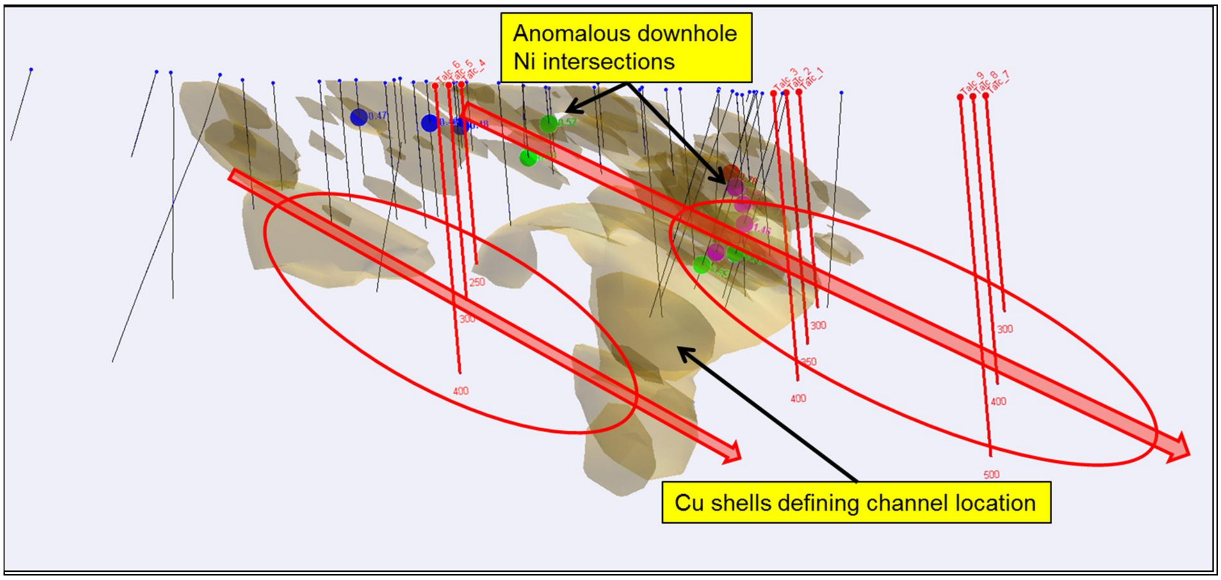


Figure 4: Diamond drill holes planned for 3200m at Roe 1 Prospect.

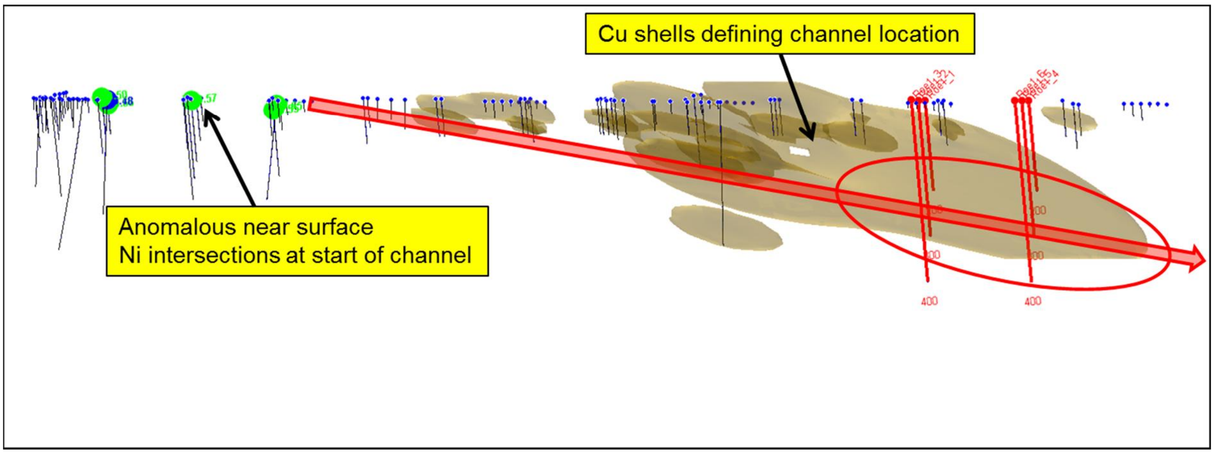


Figure 5: Diamond drill holes planned for 1,800m at Roe 1 Prospect.

Roe Hills – Subsequent Events

- **A narrow Nickel-Copper sulphide vein grading between 10.0%-12.6% Nickel (average 11%) and up to 2.75% Copper (using a Portable XRF Analyser) has been intersected in RHDD0001, the first diamond drill hole of the Roe Hills drill programme.**

- **The high grade Nickel-Copper sulphides were intersected at a depth of 215.3m and are indicative of remobilised sulphides from a nearby primary Nickel source.**

- **RHDD0001 is a stratigraphic diamond hole drilled to locate the position of the inter-fingering edges of the host lava channel 80m southeast and down plunge from historic intersections at the Talc Lake Prospect.**

- **RHDD0002 has been recently completed and RHDD0003 is nearing completion. The holes are 80m respectively spaced to the west and down dip of RHDD0001. It is targeting the modelled centre of the**

- **host komatiitic lava channel which is interpreted to be the source of the Nickel sulphide mineralisation and provide a DHEM platform. DHEM will be completed by the end of September.**

- **The core from RHDD0001 has been cut and submitted to the laboratory for assaying and confirmation of Nickel-Copper grades. Results are pending and should be available at the end of September.**

Mining Projects Group announced the intersection of significant **High Grade Nickel-Copper (Ni-Cu) Mineralisation** in the Company's first diamond drill hole at the Talc Lake Prospect within the 100% owned Roe Hills Project. (Refer to the Company's ASX Announcement *15 September 2014 – High-Grade Nickel intersected in first drill hole at Roe Hills project*).

Diamond drill hole RHDD0001 (Table 1 below) intersected a narrow 3cm wide pyrrhotite-pentlandite sulphide vein at a depth of 215.3m downhole, which returned nickel results grading between **10.0%-12.6% Ni** (average ~**11.0% Ni**) with a chalcopyrite halo grading up to **2.75% Cu** using a Portable XRF Analyser (PXRF) (Figure 1). The nature of this narrow high grade Ni sulphide vein which is surrounded by the high grade Cu sulphides is indicative of structurally remobilised sulphides from a **nearby primary nickel source**. The intersection occurs within a sequence of inter-fingering thin flow komatiitic ultramafic flows and sedimentary units which mark the edges of the lava channel system. The sulphide vein is hosted towards the top of a thin 20m thick orthocumulate komatiite lava flow which again supports the remobilised nature of the mineralisation.

During the geological history of these rocks they are exposed to extreme pressure and heat resulting in sulphide mineralisation being squeezed from their source location. Primary nickel sulphides are typically deposited towards the centre and base of the thicker komatiitic ultramafic lava channels or as thinner hanging-wall mineralisation at the base of the thin-flow fingers. The sulphides are subsequently remobilised and high-graded into nearby fractures developed in the rocks during the deformation process.

Collar Coordinates: MGA94 GRID	EAST	NORTH	RL	DIP	AZIMUTH	EOH DEPTH
RHDD0001	**461760**	**6537480**	**300**	**-61**	**092**	**283.4m**
RHDD0002	**461680**	**6537500**	**300**	**-60**	**090**	**354.2m**
RHDD0003	**461600**	**6537520**	**300**	**-60**	**090**	**~410m**

Table 1: Drill hole collar co-ordinates.

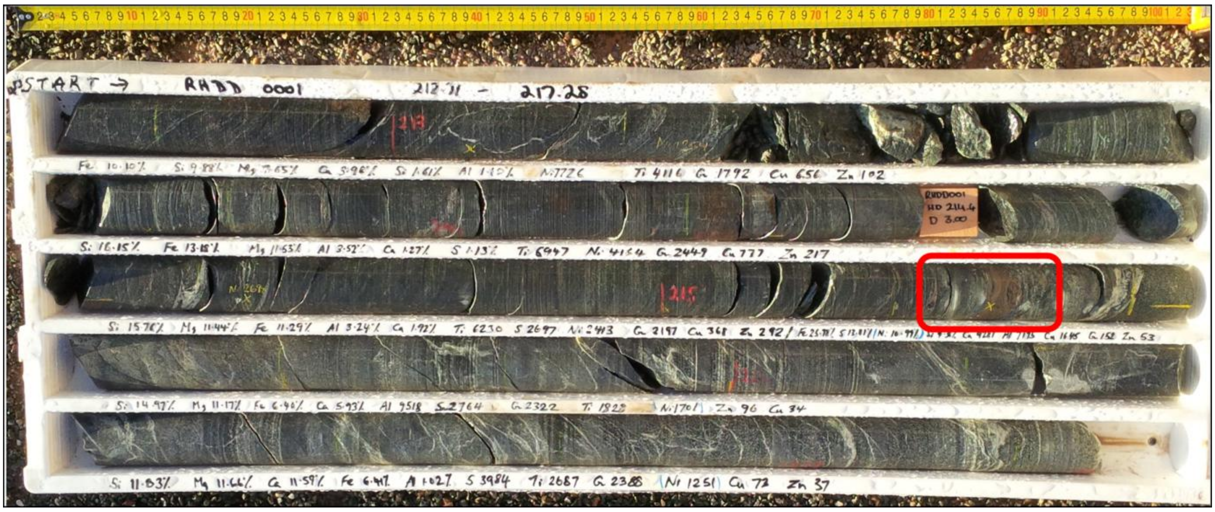


Figure 6: Drill core photograph showing the high grade Ni-Cu sulphides in the mineralised vein within ultramafic rocks. Note Ni grades from field PXRF analysis.

Figure 7: Drill core photograph showing the high grade Ni-Cu sulphides in the mineralised vein within ultramafic rocks. Note Ni grades from field PXRF analysis.

This intersection is a significant result for the Company as previously stated; **"where there is smoke there is fire"**. The remobilised sulphide at the edge of the lava channel must have come from nickel mineralisation located somewhere toward the centre of the channel. Its interpreted to be sourced from massive sulphide not disseminated nickel sulphides due to the high grade nature of the Ni-Cu sulphides in the vein. The next two diamond drill holes (RHDD0002 & RHDD003) are designed to stratigraphically define the centre of the komatiite lava channel and locate the source of the nickel sulphide mineralisation (Figure), providing a platform for DHEM which will identify nearby sulphide accumulations. **This high-grade Ni-Cu intersection has increased the Company's chance of discovering the source of this mineralisation and the historic intersections further to the north**.

The drill holes will provide excellent platforms for Down-Hole Electromagnets (DHEM) which the first round of survey's is anticipated to be completed by Newexco before the end of September. The DHEM is a highly successful survey method used to potentially locate and define the source of the mineralisation in conjunction with the already successful geochemical and geological modelling.

The NQ2 sized diamond drill core RHDD0001 has been cut and sampled whilst core from RHDD0002 & RHDD0003 is being logged and cut in the field upon completion. These will be sent to the laboratory for accurate multi-element analysis once processed. **Due to the narrow nature of the intersection a wider sample has been submitted to the laboratory which will result in a broader but diluted assay result from those quoted within this report**.

RHDD0001 is the first of a 15 hole, 5000m diamond drill programme at the Roe Hills Project (Figure 8 & 9).

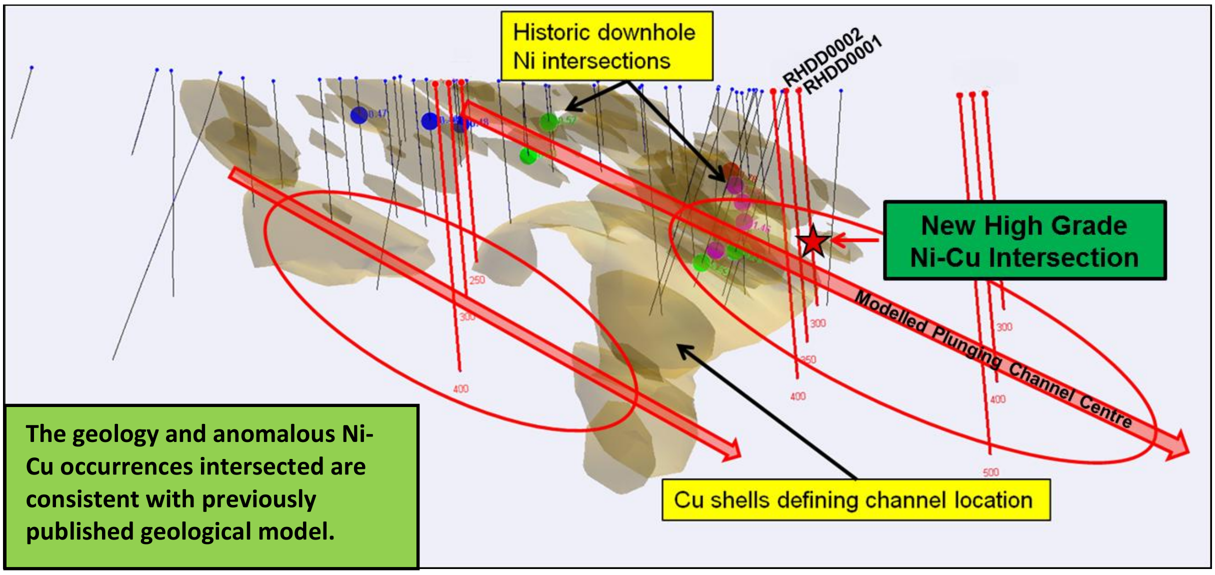


Figure 8: Oblique 3D longsection (looking north) showing historic drilling (black) and planned drilling (red). The high-grade Ni-Cu mineralisation intersected in RHDD0001 sits above and east of the south plunging modelled lava channel centre. RHDD0002 and subsequent hole RHDD0003 will be drilled progressively westward targeting and locating the channel centre where nickel sulphide mineralisation is typically deposited. DHEM will be used to target the thickest accumulation of mineralisation which is typical deposited in the channel centre.

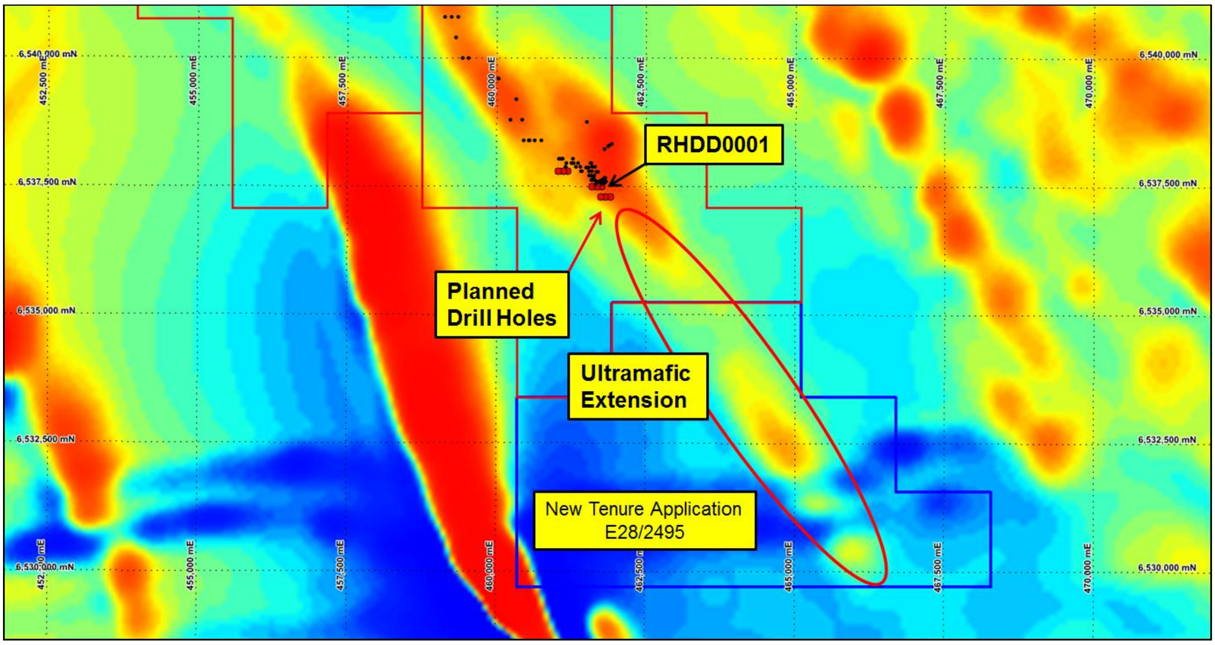


Figure 9: Plan view of historic drilling at Talc Lake (black dots) and planned drilling (red dots) on a regional aeromagnetic image. The location of drill hole RHDD0001 is shown. A new tenement application has recently been pegged covering the extension of the magnetic trend southeast of the Talc Lake Prospect.

Fraser Range East and West Projects – (100% Owned)

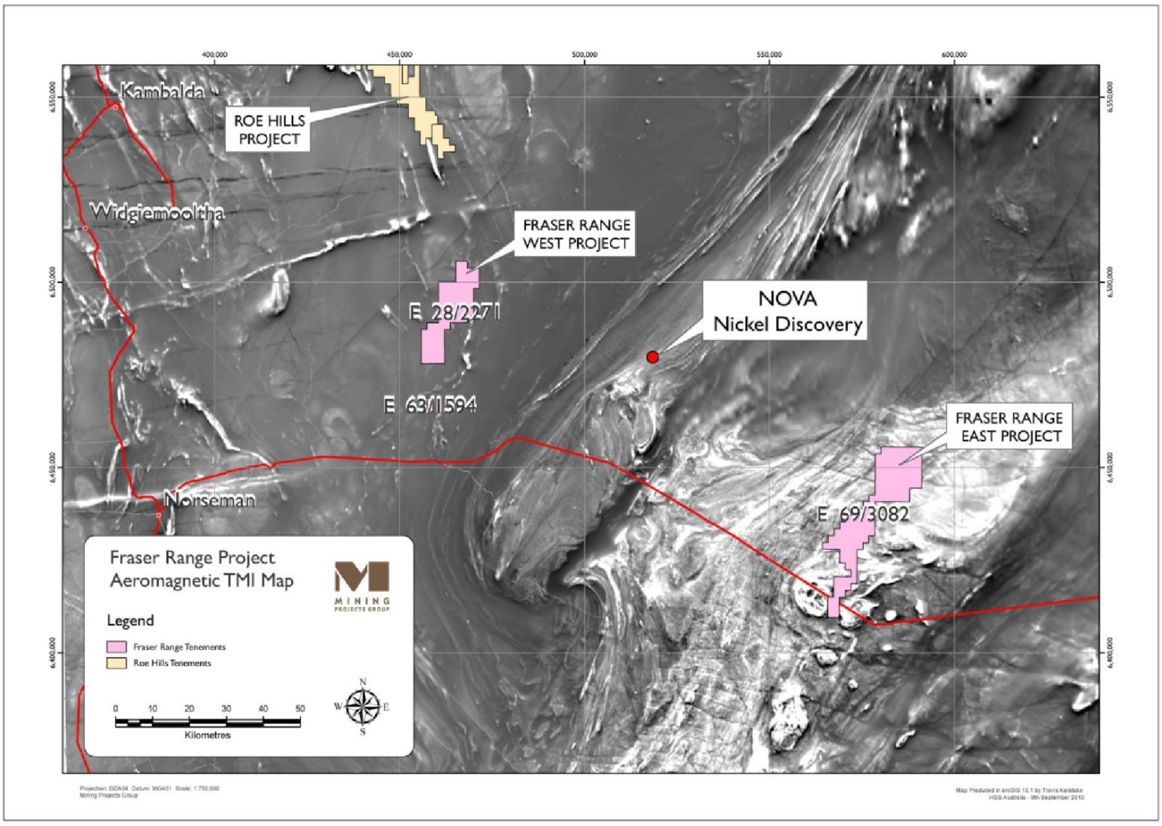


Figure 10: Fraser Range East and West geographical project map.

Fraser Range East Project and Balladonia Tenement

As part of the strategic consolidation of WA Nickel assets, the Company acquired the Balladonia Tenement (refer to the Company's ASX announcement "26 March 2014 – MPJ to expand WA Nickel portfolio and capital raise") adjoining MPJ's existing Fraser Range East Project expanding the total project exploration area to 601.4km². This project borders Fortescue Metals Group and Sirius Resource's tenements located to the south-east of the Nova-Bollinger Nickel deposit.

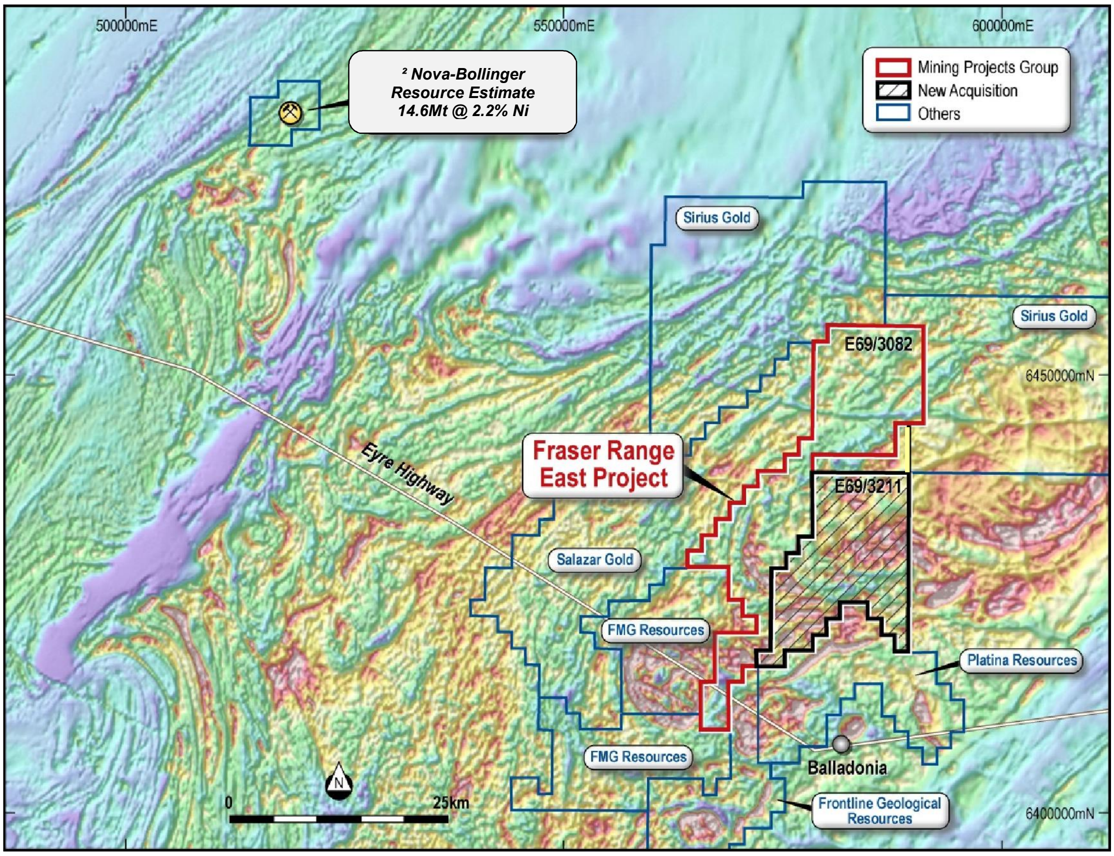


Figure 11: MPJ's Fraser Range East Project and Balladonia Tenement over airborne magnetics.

Dingo Range Tenements

The Dingo Range Tenements include four mineral tenures (refer to the Company's ASX announcement "26 March 2014 – MPJ to expand WA Nickel portfolio and capital raise" comprising a total area of 326.8km². The tenements border the Rox Resource's Mt Fisher Project and Cullen Resource's Mt Eureka Project on both the East and West sides.

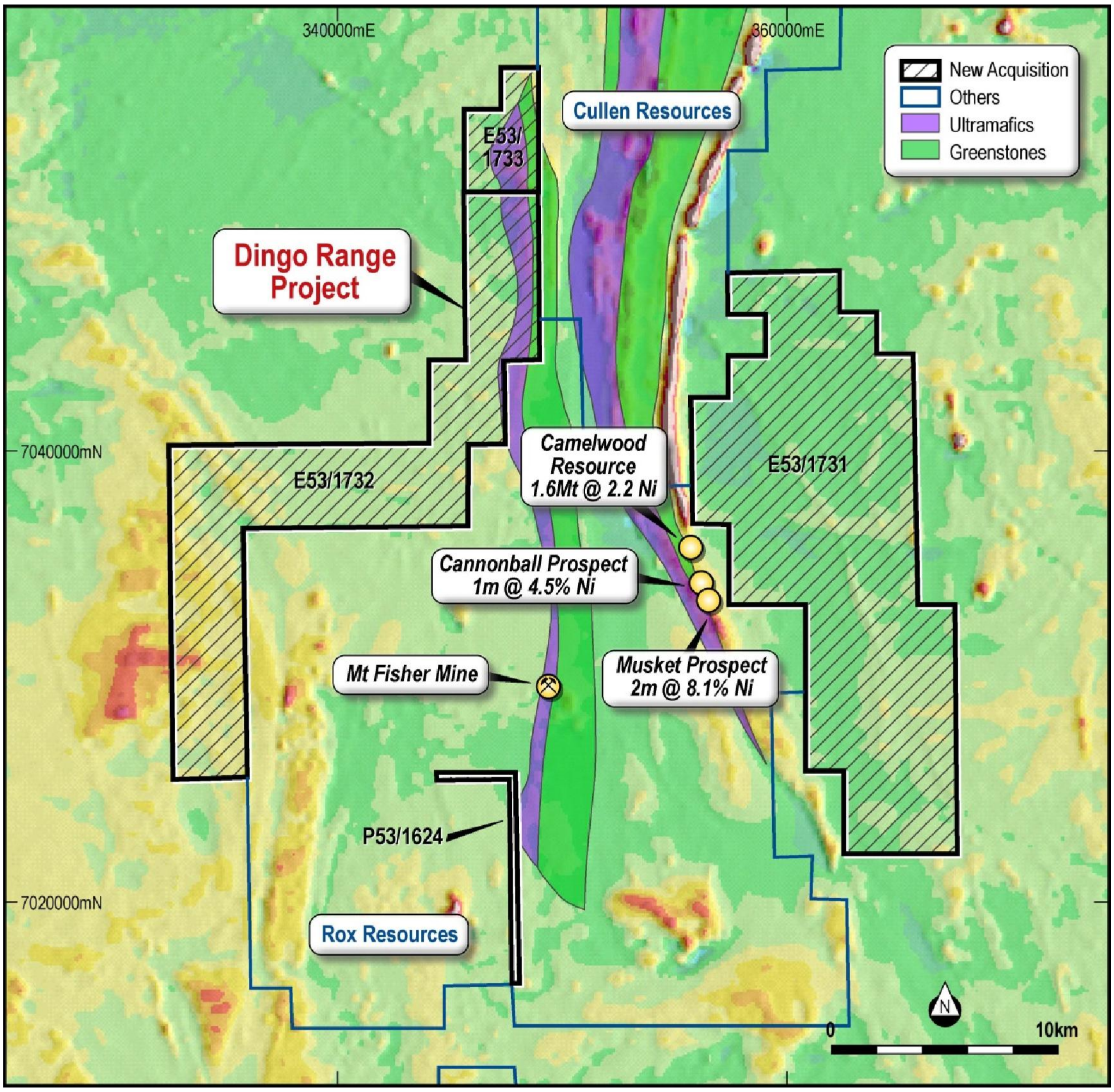


Figure 12. Dingo Range tenements showing geological trends.

Other Tenements

The Company has conducted no further exploration work on its other residual mineral tenements.

The board continues to pursue opportunities to realise value from non-core assets, with the intention of focusing all capital resources on the Western Australian Nickel assets.

The Company recently surrendered EPC2528, being a coal tenement held by Delcarmen Pty Ltd.

Corporate

Acquisition of WA Nickel assets

In March 2014, the Company announced that it had entered into a binding Terms Sheet for the acquisition of 100% of the Balladonia Tenement expanding MPJ's existing Fraser Range East Project located approximately 70km from the Nova-Bollinger Deposit and the Dingo Range Tenements bordering Rox Resources Limited Mt Fisher Project. Both the Balladonia and Dingo Range tenements are described further below. Furthermore, MPJ increased its interest in the existing Fraser Range East and West Projects to 100% under the proposed acquisition.

The Company satisfied all conditions precedent to the transaction, whereby MPJ acquired:

- all of the issued share capital of Next Commodities Pty Ltd [ACN 165 265 976] ("**Next Commodities**") which holds the exploration licence application identified as E69/3211 ("**Balladonia Tenement**");
- all of the issued share capital of Coal First Pty Ltd [ACN 149 227 154] ("**Coal First**") which holds the exploration licence application identified as E53/1731, the granted exploration licences identified as E53/1732 and E53/1733 and the granted prospecting licence identified as P53/1624 ("**Dingo Range Tenements**"); and
- the remaining 30% interest in the following Western Australian exploration licences E69/3082, E28/2271 and E63/1594 ("**Fraser Range Tenements**") held by EpiEnergy Pty Ltd [ACN 155 586 842] ("**EpiEnergy**"), being the tenements the subject of the existing Joint Venture Agreement with EpiEnergy (refer to the Company's prior ASX announcement on 10 September 2013).

The key terms of the acquisition included:

- The acquisition of Next Commodities for consideration satisfied through the issue of an aggregate of 100 million ordinary MPJ shares and 25 million MPJO options to the Next Commodities vendors (being the shareholders of Next Commodities). In addition, MPJ will grant the Next Commodities vendors a right to an aggregate 1.5% net smelter royalty in respect of any production achieved from the Balladonia Tenement.
- The acquisition of Coal First for consideration satisfied through the issue of an aggregate of 100 million ordinary MPJ shares and 25 million MPJO options to the Coal First vendors (being the shareholders of Coal First). In addition, MPJ will grant the Coal First vendors a right to an aggregate 1.5% net smelter royalty in respect of any production achieved from the Dingo Range Tenements.
- The acquisition of EpiEnergy's remaining 30% interest in the Fraser Range Tenements in consideration of the grant of a 1.5% net smelter royalty in respect of production received from the Fraser Range Tenements. In addition MPJ's obligation to pay $200,000, being the deferred consideration due under the existing EpiEnergy Joint Venture Agreement, will be deferred until 15 July 2015.

Capital Raising

In December 2013, the Company placed 80,000,000 new shares at $0.003 per share to raise $240,000. Each three shares placed came with two free attaching options (MPJO).

In April 2014, the Company placed 130,666,667 new shares at $0.003 per share to raise $392,000. Each three new shares came with two free attaching MPJO options.

In July 2014, the Company placed 233,000,000 new shares at $0.006 per share to raise $1,398,000. Each new shares came with one free attaching MPJO options. These options are subject to shareholder approval at the forthcoming general meeting to be held on 1 October 2014.

Appointment of Mr Neil Hutchison – Non Executive Director

In April, the Company appointed Mr Neil Hutchison as a Non-Executive Director. Mr Hutchison joined Poseidon Nickel in 2007 as the General Manager of Geology, and has delineated 80,000 tonnes of remnant nickel at the historic Mt Windarra and South Windarra Mines. During his tenure he made a significant green-fields nickel discovery only 12 months after joining Poseidon. The Cerberus Deposit was the first discovery within the Windarra Belt since 1971 and currently contains 68,000 tonnes of nickel and is growing.

As Non-Executive Director (Dec 2012-Feb 2014) of Pilbara Commodities he was instrumental in successfully building a portfolio of quality iron ore tenements in the Pilbara region of WA which is surrounded by major iron ore players.

Furthermore, Mr Hutchison has a proven track record as playing a key role in the discovery and delineation of ore deposits, as well as successfully bringing them through to mining as demonstrated through his involvement with the following projects:

- **Windarra Nickel Project & Cerberus Nickel Deposit, Laverton WA**
- **Cosmos Nickel Project: Prospero, Tapinos, AM1-AM5 & Anomaly 1, Leinster WA**
- **Bulchina Gold Mine, Sandstone WA**
- **Hawkeye-Trapper Gold Deposits, Marymia Dome WA**
- **Minotaur Gold Mine, Tanami NT**

Prior to his appointment at Poseidon Mr Hutchison was the Jubilee Mines geologist conducting regional exploration, target generation, resource drill out, project reviews and evaluations, as well as managing the nickel exploration group at the highly successful Cosmo Nickel Project.

Directors' Report

The Board of Directors of Mining Projects Group Limited and its subsidiaries ('the Consolidated Entity') present their report for the year ended 30 June 2014.

Directors

The names of the Directors in office at any time during, or since the end of the year are:

Mr Joshua Wellisch	**Managing Director**
First appointed to the Board	28 March 2013
Experience	Mr Wellisch is a corporate professional and company director whose career has included acquisition and management of mineral geological projects in the energy and minerals sector. Mr Wellisch has held several private and public board positions in various capacities over the past 8 years. He has a breadth of experience in capital raisings, corporate structuring and public company transactions predominantly in the mining and exploration sector.
Qualification	Bachelor of Science in Information Technology and Post Graduate Diploma in Project Management.
Interest in shares and options[1]	60,000,000 options over ordinary shares.
Directorships held in other listed entities	Oroya Mining Limited
Directorships in unlisted entities	Nil
Mr Angus Edgar	**Non-Executive Director**
First appointed to the Board	28 March 2013
Experience	Mr Edgar has over 25 years' experience in the finance and stockbroking industry. He has been directly involved with providing corporate advisory and fund raising services to private and Australian Securities Exchange listed companies via Melbourne Capital Limited, where he has been a director for 13 years.
Interest in shares and options[1]	47,000,000 ordinary shares and 44,500,000 options over ordinary shares.
Directorships held in other listed entities	Arunta Resources Limited Regal Resources Limited
Directorships in unlisted entities	Melbourne Capital Limited
Mr Dehong Yu	**Non-Executive Director**
First appointed to the Board	15 July 2013
Experience	Mr Yu is a business development executive with over 20 years' experience in international trade relations. He established his business operation in Australia within property development and expanded into mining exploration utilizing his extensive network of Chinese investors. He brings to the Board his experience in mining exploration investment and access to his network of investors.
Interest in shares and options[1]	110,000,000 ordinary shares and 55,000,000 options over ordinary shares.
Directorships held in other listed entities	Nil
Directorships in unlisted entities	Nil

[1] The relevant interests of each Director in shares and options as at the date of this report.

Mr Neil Hutchison	**Non-Executive Director**
First appointed to the Board	15 April 2014
Experience	Mr Hutchison is a geologist with over 15 years' experience in conducting regional exploration, target generation, resource drill out, project reviews and evaluations, as well as managing the nickel exploration group at the highly successful Cosmo Nickel Project.
Interest in shares and options[1]	5,000,000 ordinary shares and 15,000,000 options over ordinary shares.
Directorships held in other listed entities	Nil
Mr Bryan Frost	**Executive Chairman**
First appointed to the Board	1991
Resigned from the Board	Resignation received 16 September 2013 to take effect as of 30 September 2013
Directorships held in other listed entities	Nil

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Mr Adrien Wing, a CPA qualified and works with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary, held the position of Company Secretary from 2 October 2013. Mr Phillip Hains held the position of Company Secretary from 1 July 2013 to 2 October 2013.

Principal Activity

The principal activity of the Consolidated Entity during the financial year was resource exploration and investment.

There have been no significant changes in the nature of those principal activities during the financial year not disclosed elsewhere in the Annual Report.

Dividends

The Directors did not pay any dividends during the financial year. The Directors do not recommend the payment of a dividend in respect of the 2014 financial year.

Earnings per Share

Basic loss per share: 0.11 cents (2013: 1.57 cents)

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

Events Since the End of the Financial Year

The following significant announcements have been made subsequent to reporting date:

8 July 2014	-	The Company announced that several new high priority Nickel Sulphide Targets has identified at MPJ's flagship Roe Hills and 5000m drilling campaign planned with initial stage Programme of Works has been approved by the Western Australian Department of Mines and Petroleum.
23 July 2014	-	The Company announced that it has successfully completed a placement of $1,398,000 via the issue of 233 million ordinary fully paid MPJ shares with professional and sophisticated investors at an issue price of $0.006 per share.
3 September 2014	-	The Company announced that the drilling programme has commenced at its flagship Roe Hills Nickel Project. The Company may extend the planned programme to 10,000m (at a discount rate on all meters drilled if extended) with 25% of the cost to be satisfied by the issue of MPJ Shares upon completion.
10 September 2014	-	The Company is excited to announce the intersection of significant High Grade Nickel-Copper (Ni-Cu) Mineralisation in the Company's first diamond drill hole at the Talc Lake Prospect within the 100% owned Roe Hills Project.

Other than the matters listed above, no other matters or circumstances have arisen since the end of the reporting period 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.

Likely Developments and Expected Results of Operations

The likely developments in the Consolidated Entity's operations, to the extent that such matters can be commented upon, are covered in the Review of Operations contained elsewhere in this Annual Report. In the opinion of the Directors, disclosure of information regarding the expected results of those operations in financial years after the current financial year is not predictable at this stage. Accordingly, this information has not been included in this Report.

Review and Results of Operations

The Consolidated Entity's net loss after income tax for the financial year was $2,585,273 (2013: $5,263,314). The Review of Operations provides further details regarding the progress made by the Consolidated Entity since the prior financial year, which has contributed to its results for the year.

Environmental Regulations

The Consolidated Entity holds participating interests in a number of exploration licences. The various authorities granting such licences require the holder to comply with directions given to it under the terms of the grant of the licence.

The Board is not aware of any breaches of the Consolidated Entity's licence conditions.

Meetings of Directors

During the financial year, 11 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year were as follows:

	Directors' Meetings		Committee Meetings			
			Audit, Risk & Compliance		Remuneration	
	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend
Mr Bryan Frost[1]	3	3	1	1	-	-
Mr Joshua Wellisch	11	11	-	-	-	-
Mr Angus Edgar	11	11	2	2	-	-
Mr Dehong Yu[2]	10	10	-	-	-	-
Mr Neil Hutchison[3]	1	1	1	1	-	-

1 Resigned as a Director 30th September 2013
2 Appointed as a Director 15th July 2013
3 Appointed as a Director 15th April 2014

The Remuneration Committee has not formally met within the last 12 months, all Remuneration Committee matters are addressed by the Board during Directors' Meetings.

Indemnification and Insurance of Directors and other Officers

The company has not indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Options over Unissued Shares

At the date of this report, the unissued ordinary shares of Mining Projects Group Limited under option are as follows:

ASX Code	Number under option	Date of Expiry	Exercise Price
MPJOA	41,299,175	6 July 2014	$0.100
MPJOB	105,282,868	30 November 2014	$0.015
MPJO	394,744,442	30 June 2016	$0.010
MPJAI	400,000	5 October 2015	$0.100
MPJAI	500,000	5 October 2015	$0.250
MPJAI	500,000	5 October 2015	$0.500
MPJAO	20,000,000	21 August 2017	$0.010
MPJAO	20,000,000	21 August 2017	$0.020
MPJAO	20,000,000	21 August 2017	$0.025
MPJAQ	15,000,000	30 December 2017	$0.010
MPJAS	7,500,000	23 May 2017	$0.010
MPJAS	7,500,000	23 May 2017	$0.020

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Mining Projects Group Limited.

Shares Issued as a Result of the Exercise of Options

During the year ended 30 June 2014 there were no options exercised (2013: 49,994).

Proceedings on Behalf of the Consolidated Entity

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Consolidated Entity, or to intervene in any proceedings to which the Consolidated Entity is a party, for the purpose of taking responsibility on behalf of the Consolidated Entity for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Consolidated Entity with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-Audit Services

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

No fees for non-audit services were paid or payable to the external auditor of the Parent Entity during the year ended 30 June 2014 (2013: nil).

Auditor's Independence Declaration

The lead Auditor's Independence Declaration, as required under section 307C of the *Corporations Act 2001*, for the year ended 30 June 2014 has been received and can be found in the section titled 'Auditor's Independence Declaration' within this Annual Report.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Consolidated Entity support, and adhere to, good corporate governance practices. The Consolidated Entity's Corporate Governance Statement is contained within the section of this Annual Report entitled 'Corporate Governance Statement'.

Remuneration Report (Audited)

The information provided under Sections A to D includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures.

The information in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

This report details the nature and amount of remuneration for each Director and Key Management Personnel of the Consolidated Entity.

The Directors and Key Management Personnel of the Consolidated Entity during the year were:

Mr Joshua Wellisch	Managing Director	(Appointed 28th March 2013)
Mr Bryan Frost	Executive Chairman	(Resigned effective 30th September 2013)
Mr Angus Edgar	Non-Executive Director	(Appointed 28th March 2013)
Mr Dehong Yu	Non-Executive Director	(Appointed 15th July 2013)
Mr Neil Hutchison	Non-Executive Director	(Appointed 15th April 2014)
Mr Adrien Wing	Company Secretary	(Appointed 2nd October 2013)

Section A: Principles used to determine the nature and amount of Remuneration

Remuneration Governance

The remuneration of all Executive and Non-Executive Directors, Officers and Employees of the Consolidated Entity is determined by the Remuneration Committee, whose responsibilities are addressed by the Board as a whole.

The Consolidated Entity is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive and consistent with "Best Practice" including the interests of Shareholders. Remuneration packages are based on fixed and variable components, determined by the Executives' position, experience and performance, and may be satisfied via cash or equity.

Non-Executive Directors are remunerated out of the aggregate amount approved by Shareholders and at a level that is consistent with industry standards. Non-Executive Directors do not receive performance based bonuses and prior Shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

Voting at the Company's 29 November 2013 Annual General Meeting ("AGM")
The Company received 94.1% of "for" votes in relation to its remuneration report for the year ended 30 June 2013.

Remuneration Policy versus Consolidated Entity Financial Performance

Over the past 5 years the Consolidated Entity has continued to acquire and maintain many participating interests in mining projects and companies that Directors believe have the potential to provide ongoing benefits to Shareholders. This is represented by the Consolidated Entity's interests in public and private companies, and direct participation in mining projects and joint ventures.

Some of the Consolidated Entity's investments have been realised over the past years and have provided trading profits and cash in-flows to fund ongoing activities. A number of projects and joint ventures are not at a stage where production or positive cash flows have been established, which may affect the Consolidated Entity's current performance and shareholder wealth.

The Consolidated Entity's earnings in the past 5 years have remained negative which is due to the nature of the Consolidated Entity as an early stage mining Company. Shareholder wealth reflects this speculative and volatile market sector. No dividends have ever been declared by the Consolidated Entity.

The earnings of the consolidated entity for the five years to 30 June 2014:

Loss financial year ended 2014	($2,585,273)
Loss financial year ended 2013	($5,263,314)
Loss financial year ended 2012	($2,971,131)
Loss financial year ended 2011	($1,500,202)
Loss financial year ended 2010	($2,417,225)

Factors that are considered to affect total shareholder return are summarised below:

	2014	**2013**	**2012**	**2011**	**2010**
Share price at financial year end ($A)	0.005	0.004	0.009	0.023	0.002
Basic earnings per share (cents per share)	(0.11)	(1.57)	(2.90)	(2.07)	(4.01)

Directors have been compensated for work undertaken and the responsibilities assumed in being Directors of this Consolidated Entity based on industry practice, as opposed to the Consolidated Entity's performance which is difficult to ascertain given the nature of the activities undertaken, as described above.

Performance Based Remuneration

The purpose of a performance bonus is to reward individual performance in line with the Consolidated Entity's objectives. Consequently, performance based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the Consolidated Entity. This is regularly measured in respect of performance against key performance indicators (KPI's).

The Consolidated Entity uses a variety of KPI's to determine achievement, depending on the role of the executive being assessed, these include successful contract negotiations. No performance based remuneration was granted during the reporting period (2013: $ nil).

Section B: Details of Remuneration

Details of Remuneration for the year ended 30 June 2014

The remuneration for each Director and Key Management Personnel of the Consolidated Entity during the year was as follows:

FY 2013/14	Short-term employee benefits			Post-employment benefits	Share-based payments	Total
	Cash salary and fees $	Other $	Non-monetary benefits $	Superannuation Contribution $	Equity-settled $	$
Bryan Frost[2]	24,000	-	-	-	-	24,000
Joshua Wellisch	176,000	-	-	-	175,064 [1]	351,064
Angus Edgar	96,000	-	-	-	-	96,000
Dehong Yu	40,330	-	-	-	-	40,330
Neil Hutchison[3]	7,727	-	-	-	74,450 [1]	82,177
Adrien Wing	45,000	-	-	-	-	45,000
	389,057	**-**	**-**	**-**	**249,514**	**638,571**

1 Details of the equity issued to Directors can be found in "Section C: Share Based Compensation". Equity settled share based payments for Joshua Wellisch were 60,000,000 Options (49.8% of his total remuneration for the year is performance related). Equity settled share based payments for Neil Hutchison were 5,000,000 Shares and 60,000,000 Options (51.66% of his total remuneration for the year is performance related).

2 Resigned 30 September 2013

3 Appointed 15 April 2014

Details of Remuneration for the year ended 30 June 2013

The remuneration for each Director of the Consolidated Entity during the year ended 30 June 2013 was as follows:

FY 2012/13	Short-term employee benefits			Post-employment benefits	Share-based payments	
	Cash salary and fees $	Other $	Non-monetary benefits $	Superannuation Contribution $	Equity-settled $	Total $
Bryan Frost	155,249	-	-	-	63,902 [4]	219,151
Joshua Wellisch	64,000	-	-	-	-	64,000
Angus Edgar	24,000	-	-	-	-	24,000
Richard Revelins	30,912	-	-	2,752	27,387 [4]	61,051
Jim Babbage	30,000	9,712 [1]	-	-	-	39,712
Phillip Hains	-	280,000 [2]	-	-	155,157 [3]	435,157
	304,161	**289,712**	-	**2,752**	**246,446**	**843,071**

[1] Fees received by Babbage & Co. for taxation services rendered while Jim Babbage was a Director in the 2013 financial year.

[2] Fees received by The CFO Solution for accounting and administrative services rendered to Mining Projects Group Limited for the period, July 2013 to March 2013, while Phillip Hains was a Director.

[3] Fees received by The CFO Solution for termination of contract with Mining Projects Group Limited for the period Phillip Hains was a Director, received as a share based payment in the form of shares and options. Refer "Section C: Share Based Compensation" for further details of equity issued.

[4] Details of the equity issued to Directors can be found in "Section C: Share Based Compensation".

Performance Income as a Proportion of Total Remuneration

All executives are eligible to receive incentives by the recommendation of the Board. The performance payments are based on a set monetary value, set number of shares, or options, or as a portion of base salary. There is no fixed proportion between incentive and non-incentive remuneration.

Non-Executive Directors are not entitled to receive bonuses and/or incentives.

No performance incentives were paid during the reporting period (2013: $ nil).

Section C: Share Based Compensation

Details of Shares Issued

The number of shares in the Company held by key management personnel, including their personal related parties is as set out below:

	Balance at start of the year	Received as compensation **	Grant Date	Issue Price	Net change other *	Balance at the end of the year/ resignation date
2014						
Bryan Frost	69,050,465	-	-	-	-	69,050,465
Joshua Wellisch	-	-	-	-	-	-
Angus Edgar	47,000,000	-	-	-	-	47,000,000
Dehong Yu	-	-	-	-	110,000,000	110,000,000
Neil Hutchison[1]	-	5,000,000	27 May 2014	$.0064	-	5,000,000
Adrien Wing	-	-	-	-	19,406,112	19,406,112
	116,050,465	**5,000,000**			**129,406,112**	**250,456,577**

* The net change other column above includes those shares acquired and sold by Directors as well as shares issued during the year to Directors' for their participation in any placements/rights issues.
** The received as compensation column above includes shares that were issued in lieu of cash payment
[1] 5 million shares with a fair value of $32,000 using a 5 day volume weighted average share price at the approval date were issued to a director as approved by shareholders at the May 2014 General Meeting of the Company.

Details of Options Issued

The number of Options over ordinary shares in the Company held by key management personnel, including their personal related parties is as set out below:

	Balance at start of the year	Received as compensation **	Options Exercised No.	Options Lapsed No.	Net change other *	Balance at the end of the year/ resignation date
2014						
Bryan Frost[3]	43,403,331	-	-	-	-	43,403,331
Joshua Wellisch[1, 4]	-	60,000,000	-	-	-	60,000,000
Angus Edgar	44,500,000	-	-	-	-	44,500,000
Dehong Yu	-	-	-	-	55,000,000	55,000,000
Neil Hutchison[2, 5]	-	15,000,000	-	-	-	15,000,000
Adrien Wing	-	-	-	-	16,666,667	16,666,667
	87,903,331	**75,000,000**	**-**	**-**	**71,666,667**	**234,569,998**

* The net change other column above includes those options that have been acquired and disposed of by Directors as well as options issued during the year for Directors' participation in any placements/rights issues.
** The received as compensation column above includes options that were issued in lieu of cash payment.
[1] 60 million MPJAO options exercisable at 1 cent, 2 cents and 3 cents on or before 21 August 2017 were issued to director as approved by shareholders at the August 2013 General Meeting of the Company.
[2] 15 million MPJAS options exercisable at 1 cent and 2 cents on or before 23 May 2017 were issued to director as approved by shareholders at the May 2014 General Meeting of the Company.
[3] Director resigned on 30th September 2013.
[4] Options issued to Joshua Wellisch were fair valued at $175,064, refer below. This amount was expensed in the 30 June 2014 financial year.
[5] Options issued to Neil Hutchison were fair valued at $42,450, refer below. This amount was expensed in the 30 June 2014 financial year.

- 20,000,000 unlisted options exercisable at $0.01 on or before 21 August 2017 were issued to Joshua Wellisch. The options had a deemed value of $70,416 as calculated using the Black-Scholes valuation model when applying the following inputs:

Grant Date:	21 Aug 2013	Stock Price:	$0.006	Volatility:	95.00%	Dividend Yield:	0.00%
Exercise Price:	$0.01	Years to Expiry:	4.00	Risk-free Interest Rate:	2.83%	Option Fair Value:	$0.0035

- 20,000,000 unlisted options exercisable at $0.02 on or before 21 August 2017 were issued to Joshua Wellisch. The options had a deemed value of $54,870 as calculated using the Black-Scholes valuation model when applying the following inputs:

Grant Date:	21 Aug 2013	Stock Price:	$0.006	Volatility:	95.00%	Dividend Yield:	0.00%
Exercise Price:	$0.02	Years to Expiry:	4.00	Risk-free Interest Rate:	2.83%	Option Fair Value:	$0.0027

- 20,000,000 unlisted options exercisable at $0.025 on or before 21 August 2017 were issued to Joshua Wellisch. The options had a deemed value of $49,778 as calculated using the Black-Scholes valuation model when applying the following inputs:

Grant Date:	21 Aug 2013	Stock Price:	$0.006	Volatility:	95.00%	Dividend Yield:	0.00%
Exercise Price:	$0.025	Years to Expiry:	4.00	Risk-free Interest Rate:	2.83%	Option Fair Value:	$0.0025

- 7,500,000 unlisted options exercisable at $0.01 on or before 23 May 2017 were issued to Neil Hutchison. The options had a deemed value of $24,745 as calculated using the Black-Scholes valuation model when applying the following inputs:

Grant Date:	27 May 2014	Stock Price:	$0.0064	Volatility:	95.00%	Dividend Yield:	0.00%
Exercise Price:	$0.01	Years to Expiry:	3.02	Risk-free Interest Rate:	2.85%	Option Fair Value:	$0.0033

- 7,500,000 unlisted options exercisable at $0.02 on or before 23 May 2017 were issued to Neil Hutchison. The options had a deemed value of $17,705 as calculated using the Black-Scholes valuation model when applying the following inputs:

Grant Date:	27 May 2014	Stock Price:	$0.0064	Volatility:	95.00%	Dividend Yield:	0.00%
Exercise Price:	$0.02	Years to Expiry:	3.02	Risk-free Interest Rate:	2.85%	Option Fair Value:	$0.0024

Section D: Employment Contracts of Directors and Key Management Personnel

During the year ended 30 June 2014, there were no Employment Contracts of Directors and Key Management Personnel. No external remuneration consultants were engaged during the year.

Section E: Loans to Directors and Other Key Management Personnel

There were no loans made to Directors or other Key Management Personnel of the Company, including their personally related parties.

Section F: Other Transactions with Key Management Personnel

Peregrine Corporate Ltd, is a Company of which Bryan Frost is a director of. During the year this entity provided corporate advice and capital raising underwriting services to the value of $586 to Mining Projects Group Limited at standard commercial rates.

There were no further transactions with Key Management Personnel not disclosed above or in Note 20.

END OF REMUNERATION REPORT (AUDITED)

Signed in accordance with a resolution of the Board of Directors.

Joshua Wellisch
Managing Director

Dated: The 30th Day of September 2014.

A review of the Consolidated Entity's 'Corporate Governance Framework' is undertaken on a periodic basis to ensure that it is relevant and effective in light of the changing legal and regulatory requirements. The board of Directors' continue to adopt a set of Corporate Governance Practices and a Code of Conduct appropriate for the size, complexity and operations of the Company and its subsidiaries.

Unless otherwise stated, all Policies and Charters meet the ASX Corporate Governance Council's Best Corporate Governance principles and recommendations. The Consolidated Entity's Corporate Governance Statement is structured with reference to the Council's principals and recommendations which are as follows:

The Board's responsibilities are detailed in its Board Charter and cover the following broad categories:

Principle 1	Lay solid foundations for management and oversight
Principle 2	Structure the board to add value
Principle 3	Promote ethical and responsible decision making
Principle 4	Safeguard integrity in financial reporting
Principle 5	Make timely and balanced disclosure
Principle 6	Respect the rights of shareholders
Principle 7	Recognise and manage risk
Principle 8	Remunerate fairly and responsibly

Role of the Board and Management

The Board's role is to govern the Consolidated Entity rather than to manage it. In governing the Consolidated Entity, the Directors must act in the best interests of the Consolidated Entity as a whole. It is the role of senior management to manage the Consolidated Entity in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

Structure and Composition of the Board

The Board has been formed so that it has an effective mix of personnel who are committed to adequately discharging their responsibilities and duties, and being of value to the Consolidated Entity.

The names of the Directors, their independence, qualifications, experience and term of office are stated in the Directors' report within this Annual Report.

The Board believes that the interests of all Shareholders are best served by:

- Directors having the appropriate skills, experience and contacts within the Consolidated Entity's industry; and
- Some major Shareholders being represented on the Board.

At present there is not a majority of the Directors classified as being 'Independent'. The number of Independent Directors on the Board may increase as the Consolidated Entity develops and grows, and the Board believes that it can attract appropriate Independent Directors with the necessary industry experience.

However, where any Director has a material personal interest in a matter, and in accordance with the *Corporations Act 2001*, the Director will not be permitted to be present during discussion or to vote on the matter. The enforcement of this requirement aims to ensure that the interest of Shareholders, as a whole, is pursued and that their interest, or the Director's Independence, is not jeopardised.

The Consolidated Entity believes that at this stage in its development, the most appropriate person for the position of Chairman is an Executive Officer of the Consolidated Entity. The Executive Officer's overall expertise has been crucial to the Consolidated Entity's development and negates any perceived lack of independence.

Directors collectively, or individually, have the right to seek independent professional advice at the Consolidated Entity's expense, up to specified limits, to assist them to carry out their responsibilities. All advice obtained is made available to the Board.

The Company does not have a Nomination Committee because it is deemed to be more efficient to have the Board consider membership nomination matters.

Diversity Policy

The Company's objective is to have a workforce that is representative of the countries and communities in which it operates. Our workforce is employed based on the right person for the right job regardless of their gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability.

The Company is committed to increasing diversity amongst its employees, not just in relation to gender diversity, but at its mining operations in consultation with local community groups and BEE partners/advisors.

Executive and Board positions are filled by the best candidate available at the time, without discrimination. The Company is committed to increase gender diversity within these positions when appropriate appointments become available. The Company is also committed to identifying suitable persons within the organisation and, where appropriate opportunities exist, advance diversity and support the promotion of talented employees into management positions within the Company.

The Company has not set any gender specific diversity objectives as it believes that multicultural diversity is as equally as important within the organisation.

The following table demonstrates the Company's gender diversity as at 30 June 2014:

	Number of Males	Number of Females
Directors	4	-
Key Management Personnel	1	-
Other Company Employees / Consultants	-	1

Ethical and Responsible Decision-Making

As part of its commitment to recognising the legitimate interests of stakeholders, the Consolidated Entity has established a Code of Conduct to guide compliance with legal and other obligations to legitimate stakeholders.

The Consolidated Entity has a share trading policy that regulates the dealings by Directors, Officers and Employees, in shares, options and other securities issued by the Consolidated Entity. The policy has been formulated to ensure that Directors, Officers, Employees and Consultants who work on a regular basis with the Consolidated Entity are aware of the legal restrictions on trading in Consolidated Entity securities while in possession of unpublished price-sensitive information.

Integrity in Financial Reporting

In accordance with the Board's policy, the Chairman and CFO have made attestations recommended by the ASX Corporate Governance Council as to the Consolidated Entity's financial condition prior to the Board signing this Annual Report.

The Consolidated Entity has a duly constituted Audit, Risk and Compliance Committee, consisting of members of the board of the Company, with the Committee Chairman being a Non-Executive Director. Due to the current composition of the board, it is not possible to meet the recommendation to have a minimum of three Non-Executive Directors, with the majority being independent. The current members of the Committee as at the date of this report, and their qualifications are detailed in the Directors' Report.

The Audit, Risk and Compliance Committee hold a minimum of two meetings each year. Details of attendance of the members of the Committee are contained in the Directors' Report.

Timely and Balanced Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and co-ordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules, the Consolidated Entity immediately notifies the ASX of information concerning the Consolidated Entity:

1. That a reasonable person would, or may expect to have a material effect on the price or value of the Consolidated Entity's securities; and
2. That would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Consolidated Entity's securities.

Rights of Shareholders

The Consolidated Entity respects the rights of its Shareholders, and to facilitate the effective exercise of Shareholder's rights, the Consolidated Entity is committed to:

1. Communicating effectively with Shareholders through ongoing releases to the market via ASX information and the General Meetings of the Consolidated Entity;
2. Giving Shareholders ready access to balanced and understandable information about the Consolidated Entity and Corporate Proposals;
3. Making it easy for Shareholders to participate in General Meetings of the Consolidated Entity; and
4. Requesting the External Auditor to attend the Annual General Meeting and be available to answer Shareholder's questions about the conduct of the audit, and the preparation, and content of the Auditor's Report.

Shareholders are also able to ring the registered office of the Consolidated Entity to make enquiries of the Consolidated Entity or obtain updated announcements via the ASX website.

Recognised and Manage Risk

The Audit, Risk & Compliance Committee has established a policy for risk oversight and risk management within the Consolidated Entity. This is periodically reviewed and updated.

The Chairman and CFO have given a statement to the Board that the integrity of the financial statements is founded on a good sound system of Risk Management and Internal Compliance and Controls based on the Consolidated Entity risk management policies.

Encourage Enhanced Performance

A 'Performance Evaluation Policy' has been established to evaluate the performance of the Board, individual Directors and Executive Officers of the Consolidated Entity. The Board is responsible for conducting evaluations in line with these policy guidelines.

During the reporting period, the Board conducted performance evaluations on an informal basis which provided valuable feedback for future development.

Throughout the year, all Directors have access to all Consolidated Entity records and receive Financial and Operational updates on a regular basis.

All new Directors undergo an induction program.

Remunerate fairly and responsibly

The Consolidated Entity appointed a Remuneration Committee, whose responsibilities are addressed by the Board as a whole. The Committee is responsible for:

- Setting the remuneration and conditions of service for all Executive and Non-Executive Directors, Officers and Employees of the Consolidated Entity. The aggregate of Non-Executive remuneration being approved by Shareholders at General Meetings of the Consolidated Entity from time to time.
- Approving the design of Executive & Employee incentive plans (including equity-based plans and options) and proposed payments or awards under such plans.
- Reviewing performance hurdles associated with incentive plans.
- Consulting appropriately qualified Consultants for advice on remuneration and other conditions of service.
- Succession planning for Senior Executive Officers.
- Performance assessment of Senior Executives Officers.

The Consolidated Entity is committed to remunerating its Senior Executives in a manner that is market-competitive and consistent with the Corporate Governance Principles and Recommendations' whilst supporting the interests of Shareholders. Senior Executives may receive a remuneration package based on fixed and variable components, determined by their position and experience. The granting of shares/options to Directors is subject to approval by Shareholders.

Non-Executive Directors are paid their fees out of the maximum aggregate amount approved by Shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses and do not participate in Equity Schemes of the Consolidated Entity without prior Shareholder approval.

Current remuneration is disclosed in the Remuneration Report contained in the Directors' Report.

Legitimate Interests of Stakeholders

The Board acknowledges the legitimate interests of various stakeholders such as Employees, Clients, Customers, Government Authorities, Creditors and the Community as a whole. As a good Corporate Citizen, it encourages compliance and commitment to appropriate corporate practices that are fair and ethical via its 'Code of Conduct Policy'.

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DECLARATION OF INDEPENDENCE BY DAVID GARVEY TO THE DIRECTORS OF MINING PROJECTS GROUP LIMITED

As lead auditor of Mining Projects Group Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

David Garvey
Partner

BDO East Coast Partnership

Melbourne, 30 September 2014

Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2014

	Note	30 June 2014 $	30 June 2013 $
REVENUE			
Interest Revenue from external parties	2	7,238	17,745
Other	2	5,915	-
TOTAL REVENUE		**13,153**	**17,745**
Net movement in financial assets	3b	-	(596,680)
EXPENSES			
Tax and audit fees	3a	(51,653)	(61,454)
Depreciation		(2,238)	(13,353)
Tenement expenses		(12,889)	(73,382)
Directors' & consultants' fees	3a	(633,571)	(1,921,379)
Impairment of tenement assets		(1,641,236)	(1,693,264)
Travel & marketing		(96,450)	(42,620)
Professional fees	3a	(198,711)	(565,474)
Rent		(37,522)	(39,910)
Other expenses		(164,990)	(134,590)
Write off property, plant and equipment	13	(21,666)	-
Bad debts		(50,000)	-
Reversal of contingent consideration		312,500	-
Receipt of previously written off bad debt		-	61,688
Disposal of assets		-	(200,641)
Loss before income tax		**(2,585,273)**	**(5,263,314)**
Income tax expense	4	-	-
Loss for the year after income tax		**(2,585,273)**	**(5,263,314)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences		-	48,501
Reclassification of FX on disposal of subsidiaries		-	50,646
Gain on the revaluation of available-for-sale financial assets		19,766	-
Other comprehensive income for the year, net of tax		**19,766**	**99,147**
Total comprehensive (loss) for the year		**(2,565,507)**	**(5,164,167)**
Loss attributable to:			
Owners of Mining Projects Group Ltd		(2,594,679)	(5,253,680)
Non-controlling interests		9,406	(9,634)
		(2,585,273)	**(5,263,314)**
Total comprehensive income /(expense) attributable to:			
Owners of Mining Projects Group Ltd		(2,574,913)	(5,154,533)
Non-controlling interests		9,406	(9,634)
		(2,565,507)	**(5,164,167)**
Loss per share for the year attributable to the members of Mining Projects Group Limited:			
Basic (loss) per share (cents per share)	7	(0.11)	(1.57)
Diluted (loss) per share (cents per share)	7	(0.11)	(1.57)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2014

	Note	30 June 2014 $	30 June 2013 $
ASSETS			
Current assets			
Cash and cash equivalents	8	146,208	983,421
Trade and other receivables	9	48,403	139,979
Other financial assets	10	95,538	107,978
Other assets	11	13,513	5,042
Total Current Assets		**303,662**	**1,236,420**
Non-Current Assets			
Deposit funds	11	-	120,000
Property, plant and equipment	13	-	23,904
Exploration and evaluation costs	14	2,067,069	1,252,044
Total Non-Current Assets		**2,067,069**	**1,395,948**
TOTAL ASSETS		**2,370,731**	**2,632,368**
LIABILITES			
Current Liabilities			
Trade and other payables	15	446,646	485,861
Total Current Liabilities		**446,646**	**485,861**
TOTAL LIABILITES		**446,646**	**485,861**
NET ASSETS		**1,924,085**	**2,146,507**
EQUITY			
Contributed Equity	16	39,703,080	37,359,995
Reserves – available for sale financial assets		19,766	-
Accumulated losses		(37,797,680)	(35,203,001)
Parent interests		**1,925,166**	**2,156,994**
Non-controlling interests		(1,081)	(10,487)
TOTAL EQUITY		**1,924,085**	**2,146,507**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2014

Consolidated Entity	Issued Capital $	Available for Sale Reserve $	Accumulative losses $	Non-controlling interests $	Total $
Balance at 30 June 2012	**32,259,264**	**(99,147)**	**(29,949,321)**	**(9,497)**	**2,201,299**
Income / (loss) for the year after tax	-	-	(5,253,680)	(9,634)	(5,263,314)
Other comprehensive income	-	99,147	-	-	99,147
Total comprehensive income / (loss) for the year	**-**	**99,147**	**(5,253,680)**	**(9,634)**	**(5,164,167)**
Transactions with owners in their capacity as owners:					
Shares issued (net of costs)	3,950,690	-	-	-	3,950,690
Options exercised	969	-	-	-	969
Options Issued	1,149,072	-	-	-	1,149,072
Disposal of interest in subsidiaries	-	-	-	8,644	8,644
Balance at 30 June 2013	**37,359,995**	**-**	**(35,203,001)**	**(10,487)**	**2,146,507**
Income / (loss) for the year after tax	-	-	(2,594,679)	9,406	(2,585,273)
Other comprehensive income	-	19,766	-	-	19,766
Total comprehensive income / (loss) for the year	**-**	**19,766**	**(2,594,679)**	**9,406**	**(2,565,507)**
Transactions with owners in their capacity as owners:					
Shares issued (net of costs)	2,027,730	-	-	-	2,027,730
Shares buy back	(50,000)	-	-	-	(50,000)
Options exercised	-	-	-	-	-
Options Issued	365,355	-	-	-	365,355
Balance at 30 June 2014	**39,703,080**	**19,766**	**(37,797,680)**	**(1,081)**	**1,924,085**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	30 June 2014 $	30 June 2013 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(904,284)	(1,131,503)
Interest received		7,238	15,751
Interest and other costs of finance paid		-	(1,151)
Net cash flows used in operating activities	**19**	**(897,046)**	**(1,116,903)**
Cash flows from investing activities			
Payment for purchases of plant and equipment		-	(2,369)
Proceeds from sales of equity investments		-	320,941
Payment for purchases of equity investments		-	(154,857)
Loans repaid by other entities		-	317
Loans to unrelated entities		-	(179,465)
Net cash outflow on sale of subsidiary		-	(20,833)
Payment for tenement and exploration		(524,097)	(301,114)
Payment for the acquisition of subsidiary, net of cash relinquished		-	(199,928)
Net cash flows used in investing activities		**(524,097)**	**(537,308)**
Cash flows related to financing activities			
Proceeds from issues of securities		636,200	2,653,861
Capital raising costs		(52,270)	(224,702)
Net cash flows from financing activities		**583,930**	**2,429,159**
Net increase/(decrease) in cash and cash equivalents		**(837,213)**	**774,948**
Cash and cash equivalents at the beginning of the year		983,421	202,682
Effects of exchange rate changes on cash and cash equivalents		-	5,791
Cash and cash equivalents at the end of the financial year	**8**	**146,208**	**983,421**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTE 1: BASIS OF PREPARATION

Corporate Information

The financial report of Mining Projects Group Limited (the Consolidated Entity) for the year ended 30 June 2014 was authorised for issue in accordance with a resolution of the Directors on 30 September 2014.

Mining Projects Group Limited is a listed public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX:MPJ).

The financial report covers the Consolidated Entity of Mining Projects Group Limited and controlled entities. The separate financial statements of the parent entity, Mining Projects Group Limited, have not been presented within this financial report as permitted by amendments made to the Corporations Act 2001 effective as at 28 June 2010.

The principal activity of the Company is resource exploration and investments.

Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards, as appropriate for profit orientated entities.

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian dollars.

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and assumptions made by management in preparation of these financial statements are;

- Share based payment transactions
  The company measures the cost of the share-based payments at fair value at the grant date using the Black-Sholes formula after taking into account the terms and conditions upon which the instruments were granted (see note 16)

- Exploration and evaluation costs
  Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

Going concern

The Consolidated Entity incurred a net loss after income tax of $2,585,273 for the year ended 30 June 2014 and had net cash outflows from operating and investing activities of $1,421,143. At 30 June 2014, the Consolidated Entity had cash and cash equivalents of $146,208 and had negative working capital, being current assets less current liabilities, of $142,984.

Subsequent to balance date, the company raised additional capital of $1,398,000 to fund its activities. Based on planned and committed expenditure, the company will need to raise additional capital within the next 12 months to fund its activities. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the entity to continue as a going concern. The financial report has been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business at the amounts stated in the financial report, for the following reasons:

- The budgets and forecasts reviewed by the directors for a period of 12 months from the date of signing the financial report anticipate the business will hold cash and cash equivalents to fund its operations and exploration commitments. The ability of the Consolidated Entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity. In addition, the Company has the ability to raise cash funds from the disposal of its investment portfolio.

- Management of the Consolidated Entity will actively manage the current level of discretionary expenditures in line with the funds available to the Consolidated Entity.

- Expenditures on the current exploration program and working capital requirements will also be actively managed.

- Should additional funding be required the Consolidated Entity may attempt future equity capital raising initiatives, however it should be noted that while this source of funding has been used in the past, any future capital raising would be dependent on financial market conditions at the time that any additional equity funds are being sought.

Based on the above, the directors are satisfied adequate plans are in place and that the Consolidated Entity will have sufficient sources of funding to meet its obligations and anticipated expenditure through to 30 September 2015 (12 months from date of audit report). On this basis the financial report has been prepared on the going concern basis.

Should the Consolidated Entity be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Statement of Compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

New and amendments standards adopted by the Group

The following amending Standards have been adopted from 1 July 2013. Adoption of these Standards did not have any effect on the financial position or performance of the Consolidated Entity:

Ref	Title	Summary
AASB 10	*Consolidated Financial Statements*	The consolidated entity has applied AASB 10 from 1 July 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes.
AASB 13	*Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13*	The consolidated entity has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

Other than the amended accounting policies listed above, all other accounting policies adopted by the Consolidated Entity are consistent with the most recent Annual Report for the year ended 30 June 2013.

The following Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and therefore have not been adopted by the Consolidated Entity for the annual reporting period ended 30 June 2014:

Ref	Title	Summary
AASB 9	*Financial Instrument and its consequential amendments*	*AASB 9 Financial Instruments and its consequential amendments* This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.
AASB 2012-3	*Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*	The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2014 will not have a material impact on the consolidated entity.
AASB 2013-3	Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets	These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2014 may increase the disclosures by the consolidated entity.
AASB 2013-4	Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting	These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and amends AASB 139 'Financial Instruments: Recognition and Measurement' to permit continuation of hedge accounting in circumstances where a derivative (designated as hedging instrument) is novated from one counter party to a central counterparty as a consequence of laws or regulations. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.
AASB 2013-5	Amendments to Australian Accounting Standards - Investment Entities	These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and allow entities that meet the definition of an 'investment entity' to account for their investments at fair value through profit or loss. An investment entity is not required to consolidate investments in entities it controls, or apply AASB 3 'Business Combinations' when it obtains control of another entity, nor is it required to equity account or proportionately consolidate associates and joint ventures if it meets the criteria for exemption in the standard. The adoption of these amendments from 1 July 2014 will have no impact on the consolidated entity.

Ref	Title	Summary
	Annual Improvements to IFRSs 2010-2012 Cycle	These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.
	Annual Improvements to IFRSs 2011-2013 Cycle	These amendments are applicable to annual reporting periods beginning on or after 1 July 2014 and affects four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

Accounting Policies

The following is a summary of the material accounting policies adopted by the Consolidated Entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Principles of Consolidation

A controlled entity is any entity controlled by Mining Projects Group Limited. Control exists when the Company has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Mining Projects Group Limited to achieve the objectives of Mining Projects Group Limited.

A list of controlled entities is contained in Note 12 to the financial statements. All of the controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

Where controlled entities have entered or left the Consolidated Entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

b) Income Tax

The charge for current income tax expense is based on the profit or loss for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted as at the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited to the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The tax Consolidated Entity has entered a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution of the group's income tax. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the parent entity.

c) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis over their useful lives to the Consolidated Entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20% to 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

d) Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The costs of restoration obligations are provided for in full at the time of the activities which give rise to the need of restoration. Restoration costs include reclamation, site closure and monitoring of those activities, and are based on undiscounted prospective current cost estimates which satisfy anticipated legal requirements. Estimates of future costs are measured at least annually.

Where part of a joint venture is farmed out in consideration of the farminee undertaking to incur further expenditure on behalf of both the farminee and the entity in the joint venture area of interest, exploration expenditure incurred and carried forward prior to farmout continues to be carried forward without adjustment, unless the terms of the farmout are excessive based on the diluted interest retained. A decision is then made to reduce exploration expenditure to its recoverable amount.

e) Financial Assets

Recognition and initial measurement

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Entity commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit and loss, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or at cost. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties. Where available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised costs are calculated as:

i) the amount at which the financial asset or financial liability is measured at initial recognition;
ii) less principle repayments;
iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
iv) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payment or receipts (including fees, transaction costs, and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the statement of profit or loss and other comprehensive income.

The Consolidated Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management and the asset falls within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit and loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. They are measured and held at amortised cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets the whole category would be tainted and reclassified as available-for-sale. They are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

Available-for-sale financial assets

Available for sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither fixed maturity nor fixed or determinable payments. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

De-recognition

Regular purchases and sales of financial assets are recognised or derecognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the profit and loss as gains or losses from investment securities.

Fair value

Fair value is determined based on current bid prices for all quoted investments at reporting dates. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms-length transactions, reference to similar instruments, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the profit and loss.

f) Impairment of Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the profit and loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Consolidated Entity's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit and loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the profit and loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Consolidated Entity's presentation currency are translated as follows:

- assets and liabilities are translated at the year-end exchange rates prevailing at the reporting date;
- income and expenses are translated at the average exchange rate for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the foreign currency translation reserve via other comprehensive income. The cumulative amount of these differences are recycled in profit or loss in the period in which the operation is disposed.

h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

i) Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

j) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender is recognised as an expense on an accruals basis.

l) Share capital

Ordinary share capital is recognised as the fair value of the consideration received by the Consolidated Entity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

m) Earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares outstanding during the financial year. Where a net loss is made for the period, basic earnings per share and dilutive earnings per share are the same, because, the inclusion of options in the earnings per share calculation does not result in future dilution.

n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

o) Interests in Joint Ventures

Where the Consolidated Entity is a venturer and so has joint control in a jointly controlled operation, the Consolidated Entity recognises the assets that it controls and the liabilities that it incurs, along with the expenses that it incurs and the Consolidated Entity's share of the income that it earns from the sale of the goods or services by the joint venture.

Profits or losses on transactions establishing the joint venture partnership and transactions with the joint venture are eliminated to the extent of the group's ownership interest until such time as they are realised by the joint venture partnership on consumption or sale. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

p) Investment in subsidiaries

Investments in subsidiaries are carried at the lower of cost of acquisition or at their recoverable amount in the Consolidated Entity's financial statements.

q) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and assessing their performance.

r) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the result of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

NOTE 2: REVENUE

	30 June 2014 $	30 June 2013 $
Operating and other revenue		
Interest revenue from external parties	7,238	17,745
Other	5,915	-
Total revenue	**13,153**	**17,745**

NOTE 3: (LOSS) FOR THE YEAR

a) Expenditure

	30 June 2014 $	30 June 2013 $
Tax & Audit Fees		
Audit fees	51,653	52,825
Taxation fees	-	8,629
Tax & Audit Fees	**51,653**	**61,454**
Directors' & consultants' fees		
Directors	344,057	306,913
Consultants	40,000	36,952
Share based payments – equity settled[1]	249,514	1,577,514
Directors' & consultants' fees	**633,571**	**1,921,379**
Net movement in financial assets		
Sale Proceeds	-	(372,796)
Cost of shares sold	-	2,760,878
Brokerage	-	1,855
Foreign exchange	-	(1,682)
Changes in fair value	-	(1,791,575)
Net movement in financial assets	**-**	**596,680**
Professional fees		
Legal fees	52,454	125,218
Other	146,257	285,099
Share based payments – equity settled[1]	-	155,157
Professional fees	**198,711**	**565,474**

[1] Equity was issued to Directors and Consultants pursuant to the August 2013 and May 2014 General Meeting of the Company.

b) Significant revenue and expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

	30 June 2014 $	30 June 2013 $
Net decrease in financial assets held for trading	-	596,680
	-	**596,680**

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

NOTE 4: INCOME TAX EXPENSE

		30 June 2014 $	30 June 2013 $
a)	**The components of tax benefit comprise**		
	Current income tax benefit	437,385	772,801
	Deferred tax (expense)/income relating to the originating and reversal of temporary differences	285,736	277,780
	Tax losses not recognised	(723,121)	(1,050,581)
		-	-
b)	**The prima facie tax on profit from continuing activities before tax is reconciled to the income tax expense as follows:**		
	Prima facie tax benefit on loss from continuing activities before income tax at 30% (2013: 30%)		
	- Consolidated Entity	775,582	1,578,995
		775,582	**1,578,995**
	Add:		
	Tax effect of:		
	- Section 40/880 deduction	39,872	44,757
	Less:		
	Tax effect of:		
	- share based payments	(85,654)	(510,801)
	- entertainment	(6,679)	(1,417)
	- foreign exchange	-	(728)
	- other	-	(33)
	- disposal of subsidiaries	-	(60,192)
		723,121	**1,050,581**
	Tax effect of current period losses not recognised as deferred tax assets	(723,121)	(1,050,581)
	Income tax benefit/(expense) attributes	**-**	**-**
c)	**Unrecognised deferred tax balances**		
	Deferred tax liabilities		
	Deferred exploration & evaluation costs	2,067,069	1,252,044
	Other	13,512	29,970
		2,080,581	**1,282,014**
	Tax effect @ 30%	**624,174**	**384,604**
	Deferred tax assets		
	Investments	277,910	290,350
	Other	313,524	-
	Tax losses **	19,374,711	17,884,982
		19,966,145	**18,175,332**
	Tax effect @ 30%	**5,989,844**	**5,452,600**
	Net deferred tax asset not recognised	5,365,670	5,067,996

The benefit of tax losses and timing differences will only be achieved if:

(i) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and
(ii) the losses are transferred to an eligible entity in the Consolidated Entity; and
(iii) the Consolidated Entity continues to comply with the conditions for deductibility imposed by tax legislation; and
(iv) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit from the deductions for the losses.

** These carry forward tax losses are gross tax losses from prior financial years amounting to $18,274,736. These losses are subject to further review by the consolidated entities to determine if they satisfy the necessary legislative requirements under the income tax legislation for the carry-forward and recoupment of tax losses. Included in tax losses are transferred losses into the tax Consolidated Entity relating to the years from 2000 to 2002.

Additionally, a deferred tax asset has not been recognised in respect of these items because it is not probable that future profit will be available against which the Consolidated Entity can utilise the benefits.

d) Tax-Consolidation Group

Mining Projects Group Limited is the head entity in the tax Consolidated Entity.

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

a) Key Management Personnel Compensation

The aggregate compensation made to Directors of Mining Projects Group Ltd and other Key Management Personnel of the Consolidated Entity is set out below:

	30 June 2014 $	30 June 2013 $
Short-term employee benefits	389,057	304,161
Post -employment benefits	-	2,752
Share based payment - equity settled	249,514	246,446
Other[1 & 2]	-	289,712
	638,571	**843,071**

1 Fees received by Babbage & Co. for taxation services rendered to Mining Projects Group Limited while Jim Babbage was a Director.

2 Fees received by The CFO Solution for accounting and administrative services rendered to Mining Projects Group Limited for the period, July 2013 to September 2014, while Phillip Hains was a Director.

NOTE 6: AUDITORS' REMUNERATION

	30 June 2014 $	30 June 2013 $
Remuneration of the auditor of the parent entity for:		
- Audit and review fees	51,653	52,825
	51,653	**52,825**

NOTE 7: EARNINGS PER SHARE

	30 June 2014	30 June 2013
Basic (loss) per share (cents)	(0.11)	(1.57)
Diluted (loss) per share (cents)	(0.11)	(1.57)
a) Net (loss) used in the calculation of basic and diluted loss per share	($2,594,679)	($5,253,680)
b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	2,263,192,244	334,080,078

NOTE 8: CASH AND CASH EQUIVALENTS

	30 June 2014 $	30 June 2013 $
Cash at bank	136,208	963,421
Term deposits	10,000	20,000
	146,208	**983,421**

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	146,208	983,421
	146,208	**983,421**

NOTE 9: TRADE AND OTHER RECEIVABLES

	30 June 2014 $	30 June 2013 $
Current		
Trade and other receivables *	9,900	114,403
Good and services tax refund due	38,503	25,576
	48,403	**139,979**

* No receivables are past their due date or impaired.

NOTE 10: OTHER FINANCIAL ASSETS

	30 June 2014 $	30 June 2013 $
Current		
Financial assets (held for trading) at fair value through profit or loss	95,538	107,978
	95,538	**107,978**
Comprising of:		
Listed investments held at fair value		
- Shares held in listed corporations (current)	95,538	107,978
	95,538	**107,978**
Total financial assets	**95,538**	**107,978**

At each reporting date, the Consolidated Entity reviews the unlisted financial assets which are carried at cost to determine if there are indications of impairment. The Consolidated Entity considers factors such as recent arm length transactions resulting in capital raisings and commercial contracts to determine the estimated value of the investment.

NOTE 11: OTHER ASSETS

	30 June 2014 $	30 June 2013 $
Current		
Prepayments	13,513	5,042
	13,513	5,042
Non-Current		
Deposit*	-	120,000
	-	120,000

* In previous year the Consolidated Entity issued 15 million shares to acquire the right to an option of 70% interest in a Joint Venture with EpiEnergy Pty Ltd. The fair value of this transaction was deemed to be $120,000, based on the issue of 15 million shares at $0.008, being the market value of shares on the date of the transaction. This deposit has been fully impaired in the 2014 financial year.

NOTE 12: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*	
		30 June 2014	30 June 2013
Parent Entity			
Mining Projects Group Limited	Australia		
Subsidiaries of Mining Projects Group Limited			
Delcarmen Energy Pty Ltd	Australia	100.00	100.00
Xplor Pty Ltd	Australia	100.00	100.00
Enoch's Point Pty Ltd	Australia	96.86	96.86
Horizon Energy Pty Ltd	Australia	96.86	96.86
Golden Mount Pty Ltd	Australia	96.86	96.86
Westside Nickel Pty Ltd	Australia	100.00	-
Coal First Pty Ltd	Australia	100.00	-
Next Commodities Pty Ltd	Australia	100.00	-

* Percentage of voting power is in proportion to ownership

NOTE 13: PLANT AND EQUIPMENT

	30 June 2014 $	30 June 2013 $
Plant and equipment		
At cost	172,796	194,462
Accumulated depreciation	(172,796)	(170,558)
Total plant and equipment	**-**	**23,904**
Movements in carrying amounts		
Movements in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:		
Balance at the beginning of year	23,904	34,888
Additions	-	2,369
Depreciation expense	(2,238)	(13,353)
Write off	(21,666)	-
Carrying amount at the end of the year	**-**	**23,904**

NOTE 14: EXPLORATION AND EVALUATION ASSETS

	Note	30 June 2014 $	30 June 2013 $
Non-Current			
Exploration and tenement expenditure:			
*Talga Peak joint venture (80%)**			
Balance at the start of the year		-	20,072
Exploration expenditure capitalised		-	8,014
Capitalised exploration costs written down		-	(28,086)
		-	-
Mt Tarrengower project (98.86%)[1]			
Balance at the start of the year		-	194,236
Exploration expenditure capitalised		2,550	2,923
Capitalised exploration costs written down		(2,550)	(197,159)
		-	-
Golden Mountain project (98.86%)[1]			
Balance at the start of the year		-	203,427
Exploration expenditure capitalised		9,145	12,921
Capitalised exploration costs written down		(9,145)	(216,348)
		-	-
Etona Coal project(100%)[1]			
Balance at the start of the year		113,719	71,625
Exploration expenditure capitalised		3,140	42,094
Capitalised exploration costs written down		(116,859)	-
		-	**113,719**
Fraser Range project (100%)[1]			
Balance at the start of the year		-	-
Exploration expenditure capitalised		573,655	-
Capitalised exploration costs written down		(573,655)	-
		-	-
Delcarmen Coal project (100%)[1]			
Balance at the start of the year		772,782	-
Acquisition during period		-	725,145
Exploration expenditure capitalised		32,437	47,637
Capitalised exploration costs written down		(805,219)	-
		-	**772,782**
Roe Hills Nickel project (100%)			
Balance at the start of the year		250,592	-
Exploration expenditure capitalised		289,300	250,592
Capitalised exploration costs written down		-	-
		539,892	**250,592**
Mt Barrett project (100%)[1]			
Balance at the start of the year		114,951	-
Exploration expenditure capitalised		18,856	114,951
Capitalised exploration costs written down		(133,807)	-
		-	**114,951**

NOTE 14: EXPLORATION AND EVALUATION ASSETS

	Note	30 June 2014 $	30 June 2013 $
Dingo Range project (100%)			
Balance at the start of the year		-	-
Acquisition during period	16	690,000	-
Exploration expenditure capitalised		110,594	-
Capitalised exploration costs written down		-	-
		800,594	**-**
Balladonia project (100%)			
Balance at the start of the year		-	-
Acquisition during period	16	690,000	-
Exploration expenditure capitalised		36,583	-
Capitalised exploration costs written down		-	-
		726,583	**-**
Total capitalised exploration expenditure		**2,067,069**	**1,252,044**

1 Tenements were impaired due to they have been lapsed and surrendered on reporting date.

At reporting date the group owned:

	Percentage Owned (%)*	
	30 June 2014	**30 June 2013**
Talga Peak join venture[1]	80.00	80.00
Mt Tarrengower Project	98.86	98.86
Golden Mountain Project[2]	98.86	98.86
Etona Coal Project[3]	100.00	100.00
Delcarmen Coal Project	100.00	100.00
Roe Hills Nickel Project	100.00	100.00
Mt Barrett Gold Project	100.00	100.00
Dingo Range Project[4]	100.00	-
Balladonia Project[5]	100.00	-

1 This tenement was surrendered during the 2013 financial year, however, Mining Projects Group has applied to retain a royalty.
2 & 3 This tenement was surrendered during the 2014 financial year.
4 & 5 As per ASX announcement on 27 May 2014, these tenements were acquired from Coal First Pty Ltd and Next Commodities Pty Ltd respectively.

Ultimate recovery of exploration costs is dependent upon the Company maintaining appropriate funding through success in its exploration activities or by capital raising, or sale/farm-out of its exploration tenement interests to support continued exploration activities.

NOTE 15: TRADE AND OTHER PAYABLES

	30 June 2014 $	30 June 2013 $
Current		
Trade payables	218,556	49,186
Sundry payables and accrued expenses	228,090	436,675
	446,646	**485,861**

NOTE 16: CONTRIBUTED EQUITY

	Note	30 June 2014 $	30 June 2013 $
Ordinary shares fully paid	16(a)	38,082,394	36,104,664
Options over ordinary shares	16(b)	1,620,686	1,255,331
		39,703,080	**37,359,995**

		30 June 2014		30 June 2013	
	Note	**No.**	**$**	**No.**	**$**
16 a) Ordinary Shares					
At the beginning of reporting period		600,166,840	36,104,664	131,611,470	32,153,005
Shares issued during year					
- Issue of shares	i)	430,666,663	2,012,000	305,289,176	2,652,892
- Issue of shares to consultants	ii)	12,000,000	36,000	153,216,200	1,464,500
- Exercise of Options	iii)	-	-	49,994	969
- Issue of shares to directors	iv)	5,000,000	32,000	10,000,000	70,000
- Share buyback	v)	(50,000,000)	(50,000)	-	-
Transaction costs relating to share issues		-	(52,270)	-	(236,702)
At reporting date		**997,833,503**	**38,082,394**	**600,166,840**	**36,104,664**

NOTE 16: CONTRIBUTED EQUITY

Note	30-Jun-14	Details	Number	Issue Price $	Total $
i)	12 Sep 2013	Issue of securities to obtain a 70% interest in Fraser Range tenements	20,000,000	0.0050	100,000
i)	22 Jan 2014	Share placement	80,000,000	0.0030	240,000
i)	27 May 2014	Share placement	130,666,663	0.0030	392,000
i)	27 May 2014	Issue of securities to acquire the Dingo Range tenements	100,000,000	0.0064	640,000
i)	27 May 2014	Issue of securities to acquire the Balladonia tenement	100,000,000	0.0064	640,000
					2,012,000
ii)	27 May 2014	Issue of securities to Proactive Investors – in lieu of payment	2,000,000	0.0030	6,000
ii)	27 May 2014	Issue of securities to Stocks Digital – in lieu of payment	10,000,000	0.0030	30,000
					36,000
iv)	27 May 2014	Issue of securities to Neil Hutchison – for remuneration and incentive purposes	5,000,000	0.0064	32,000
					32,000
v)	21 Aug 2013	Oroya share buy back	(50,000,000)	0.0010	(50,000)
					(50,000)
		Total	**397,666,663**		**2,030,000**

NOTE 16: CONTRIBUTED EQUITY

Note	30-Jun-13	Details	Number	Issue Price $	Total $
i)	7 Aug 2012	Non-Renounceable Rights Issue	105,289,176	0.010	1,052,892
i)	26 Mar 2013	Capital Raising	200,000,000	0.008	1,600,000
					2,652,892
ii)	13 Aug 2012	Non-Renounceable Rights Issue - Payment to Aloisia Lechthaler	1,358,100	-	6,000
ii)	13 Aug 2012	Non-Renounceable Rights Issue - Payment to Syracuse Capital	1,358,100	-	6,000
ii)	13 Aug 2012	Non-Renounceable Rights Issue - Payment to Bridun	3,000,000	-	30,000
ii)	9 Nov 2012	Interest in Fraser Range Tenements	15,000,000	0.008	120,000
ii)	4 Feb 2013	Issue of securities to vendors of Delcarmen Energy	12,500,000	-	112,500
ii)	5 Mar 2013	Issue of securities to consultants - Tim Chapman, in lieu of payment	6,000,000	0.007	42,000
ii)	5 Mar 2013	Issue of securities to consultants - Brian Dunkley, in lieu of payment	4,000,000	0.007	28,000
ii)	5 Mar 2013	Issue of securities to The CFO Solution - in lieu of payment at termination	10,000,000	0.007	70,000
ii)	26 Mar 2013	Issue of securities to Oroya (JV)	50,000,000	0.008	400,000
ii)	26 Mar 2013	Issue of securities to Melbourne Capital	25,000,000	0.013	325,000
ii)	26 Mar 2013	Issue of securities to CPS Securities	25,000,000	0.013	325,000
					1,464,500
iii)	9 Nov 2012	Exercise of Options	6,308	0.015	95
iii)	5 Mar 2013	Exercise of options	43,686	0.020	874
					969
iv)	5 Mar 2013	Issue of securities to Directors - Bryan Frost in lieu of directors fees	7,000,000	0.007	49,000
iv)	5 Mar 2013	Issue of securities to Directors - Richard Revelins in lieu of directors fees	3,000,000	0.007	21,000
					70,000
		Total	**468,555,370**		**4,188,361**

NOTE 16: CONTRIBUTED EQUITY

	Note	30 June 2014 No.	30 June 2014 $	30 June 2013 No.	30 June 2013 $
16 b) Options					
At the beginning of reporting period		378,045,729	1,255,331	102,335,763	106,259
Options movements during year					
- Issue of options	i)	209,744,442	147,841	205,332,862	-
- Exercise of options	ii)	-	-	(49,994)	-
- Issue of options to consultants	iii)	-	-	125,000,000	1,127,783
- Expiration of options	iv)	(63,686)	-	(59,572,902)	-
- Issue of options to directors	v)	75,000,000	217,514	5,000,000	21,289
- Cancellation of options	vi)	(30,000,000)	-	-	-
At reporting date		**632,726,485**	**1,620,686**	**378,045,729**	**1,255,331**

Note	**30-Jun-14**	**Details**	**Class**	**Number**	**Issue Price $**	**Total $**
i)	21 Aug 2013	Issue of options as per Resolution 2 approved by shareholders at the General Meeting held on 20 Aug 2013	MPJOC	4,300,000	0.001	4,200
i)	21 Sep 2013	Issue of options to obtain a 70% interest in Fraser Range tenements	unlisted	15,000,000	-	43,641
i)	27 May 2014	Capital raising – free attaching options	MPJO	140,444,442	-	-
i)	27 May 2014	Issue of options to acquire the Dingo Range tenements	MPJO	25,000,000	-	50,000
i)	27 May 2014	Issue of options to acquire the Balladonia tenement	MPJO	25,000,000	-	50,000
						147,841
iv)	28 Feb 2014	Expiration of options	unlisted	(63,686)	-	-
						-
v)	21 Aug 2013	Issue of options to directors – Joshua Wellisch	unlisted	60,000,000	-	175,064
v)	27 May 2014	Issue of options to directors – Neil Hutchison	unlisted	15,000,000	-	42,450
						217,514
vi)	21 Aug 2013	Cancellation of Oroya options	unlisted	(30,000,000)	-	-
						-
		Total		**254,680,756**		**365,355**

NOTE 16: CONTRIBUTED EQUITY

Note	30-Jun-13	Details	Class	Number	Issue Price $	Total $
i)	7 Aug 2012	Non-Renounceable Rights Issue - free attaching	MPJOB	105,289,176	-	-
i)	5 Mar 2013	Issue of options upon exercise of Options	unlisted	43,686	-	-
i)	26 Mar 2013	Capital Raising - free attaching options	unlisted	100,000,000	-	-
						-
ii)	9 Nov 2012	Exercise of Options	MPJOB	(6,308)	-	-
ii)	5 Mar 2013	Exercise of Options	MPJO	(43,686)	-	-
						-
iii)	5 Mar 2013	Issue of options to consultants - Tim Chapman, in lieu of payment	unlisted	3,000,000	-	12,773
iii)	5 Mar 2013	Issue of options to consultants - Brian Dunkley, in lieu of payment	unlisted	2,000,000	-	8,516
iii)	5 Mar 2013	Issue of options to The CFO Solution -in lieu of payment at termination	unlisted	20,000,000	-	85,157
iii)	26 Mar 2013	Issue of options to Oroya (JV)	unlisted	30,000,000	-	306,401
iii)	26 Mar 2013	Issue of options to Melbourne Capital	unlisted	35,000,000	-	357,468
iii)	26 Mar 2013	Issue of options to CPS Securities	unlisted	35,000,000	-	357,468
						1,127,783
iv)	28 Feb 2013	Expiration of Options	MPJO	(59,572,902)	-	-
						-
v)	5 Mar 2013	Issue of options to directors - Bryan Frost in lieu of directors fees	unlisted	3,500,000	-	14,902
v)	5 Mar 2013	Issue of options to directors - Richard Revelins in lieu of directors fees	unlisted	1,500,000	-	6,387
						21,289
		Total		**275,709,966**		**1,149,072**

NOTE 16: CONTRIBUTED EQUITY

During the period the Company issued 90,000,000 unlisted options as part of a share based payment which was valued with a Black-Scholes calculation, using the following criteria:

Recipient	Directors	Directors	Tenement Acquisition
Quantity	60,000,000	15,000,000	15,000,000
Entitlement date	21/08/2013	27/05/2014	21/09/2013
Expiry date	21/08/2017	23/05/2017	30/12/2017
Share price	$0.006	$0.0064	$0.005
Exercise price	$0.01, $0.02 & $0.0025	$0.01 & $0.02	$0.01
Implied volatility	95%	95%	95%
Option life (years)	4.00	3.02	4.30
Expected dividends	-	-	-
Risk free rate	2.83	2.85	3.36

None of the options issued above had any vesting or escrow conditions. The implied volatility of 95% is based on the medians of relevant companies observed and is considered to be indicative of future volatility.

The share options outstanding at the end of the year had a weighted average exercise price of $0.02, and a weighted average remaining contractual life of 1.77 years.

In previous financial year, the Company has issued 130,000,000 unlisted options as part of a share based payment which was valued with a Black-Scholes calculation, using the following criteria:

Recipient	Directors & Consultant	Tenement Acquisition	Consultants
Quantity	30,000,000	30,000,000	70,000,000
Entitlement date	01/03/2013	01/03/2013	01/03/2013
Expiry date	30/06/2016	30/06/2016	30/06/2016
Share price	$0.007	$0.014	$0.014
Exercise price	$0.01	$0.01	$0.01
Implied volatility	95%	95%	95%
Option life (years)	3.32	3.32	3.32
Expected dividends	-	-	-
Risk free rate	3.21	3.21	3.21

None of the options issued above had any vesting or escrow conditions. The implied volatility of 95% is based on the medians of relevant companies observed and is considered to be indicative of future volatility.

The share options outstanding at the end of the year had a weighted average exercise price of $0.02, and a weighted average remaining contractual life of 2.29 years.

NOTE 17: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Mabo Decision

The decision of the High Court of Australia in June 1992 in Mabo and Others v The State of Queensland (no. 2) (1992) 175 CLR 1 recognised traditional native title rights of Aboriginal Australians to land in certain circumstances. As a consequence of the Mabo decision the Federal Parliament enacted the Native Title Act 1993. The Mabo decision and subsequent native title claims have resulted in uncertainties concerning the security of title to interests in land, including exploration and mining tenements on an Australia-wide basis.

The Company and controlled entities hold tenements in Western Australia and Queensland. Some of these tenements may be subject to native title claims. Because of the uncertainties described above, the granting of exploration rights and ultimately mining from those tenements will depend on the outcome of the Native Title Claims and/or current negotiations by the Company.

The full impact of the consequences of the Mabo decision cannot be determined, but may in the future include:

- Tenements being made subject to conditions relating to native title
- Delays in the granting of new tenements or for renewals or extensions of existing tenements
- Claims for recognition of native title or for compensation by persons claiming native title

Other than as disclosed above the Consolidated Entity is not involved in any legal or arbitration proceedings nor, so far as the Directors are aware, of such proceedings pending or threatened against the Consolidated Entity.

NOTE 18: OPERATING SEGMENTS

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.

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 in 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. Share based payments have been included in this segment.

The company owns interests in exploration assets and financial assets that are based in Australia.

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

NOTE 18: OPERATING SEGMENTS

30 June 2014	Exploration & Mining $	Investments $	Segments Total $	Corporate $	Total $
Revenue					
Interest revenue	-	-	-	7,238	7,238
Other unallocated revenue	-	-	-	5,915	5,915
Total Revenue	**-**	**-**	**-**	**13,153**	**13,153**
Expenses					
Depreciation	-	-	-	(2,238)	(2,238)
Other Expenses	(1,654,124)	-	(1,654,124)	(938,317)	(2,592,441)
Profit/(loss) attributed to minority interest	-	-	-	9,406	9,406
Net Result	**(1,654,124)**	**-**	**(1,654,124)**	**(931,149)**	**(2,585,273)**
Assets					
Segment assets	2,067,069	95,538	2,162,607	208,124	2,370,731
Total Assets	**2,067,069**	**95,538**	**2,162,607**	**208,124**	**2,370,731**
Liabilities					
Segment liabilities	424,497	-	424,497	22,149	446,646
Total Liabilities	**424,497**	**-**	**424,497**	**22,149**	**446,646**

30 June 2013	Exploration & Mining $	Investments $	Segment Totals $	Corporate $	Total $
Revenue					
Interest revenue	-	-	-	17,745	17,745
Other unallocated revenue	-	-	-	-	-
Total Revenue	**-**	**-**	**-**	**17,745**	**17,745**
Expenses					
Depreciation	-	-	-	(13,353)	(13,353)
Other Expenses	(1,152,741)	(466,179)	(1,618,920)	(3,639,152)	(5,258,072)
Profit/(loss) attributed to minority interest	-	-	-	(9,634)	(9,634)
Net Result	**(1,152,741)**	**(466,179)**	**(1,618,920)**	**(3,644,394)**	**(5,263,314)**
Assets					
Segment assets	1,252,044	227,978	1,480,022	1,152,346	2,632,368
Total Assets	**1,252,044**	**227,978**	**1,480,022**	**1,152,346**	**2,632,368**
Liabilities					
Segment liabilities	328	-	328	485,533	485,861
Total Liabilities	**328**	**-**	**328**	**485,533**	**485,861**

NOTE 19: CASH FLOW INFORMATION

	30 June 2014 $	30 June 2013 $
Reconciliation of Cash Flow from Operations with Result after Income Tax:		
(Loss) for the Period	**(2,585,273)**	**(5,263,314)**
Add back depreciation expense	2,238	13,353
Add back write-off unrecoverable debts	50,000	-
Add back impairment of property, plant and equipment	21,666	-
Add back impairment of mining tenements	1,641,236	-
Add back equity settled expense	285,514	1,732,671
Add back loss/(gain) on revaluation of assets	-	(1,791,575)
Add back provision for diminution	32,206	-
Add back non capitalised exploration	(5,915)	1,693,264
Add back reversal of contingent consideration	(312,500)	-
Add back loss on sales of equity investments	-	2,389,937
Add back disposal of subsidiary	-	200,641
(Increases) in Accounts Receivable	(8,424)	(10,967)
(Increases)/Decreases in Other Current Assets	(8,471)	13,645
(Decreases) in Accounts Payable	(9,323)	(89,495)
Increases/(Decreases) in Other Current Liabilities	-	(5,063)
Cash flow from operations	**(897,046)**	**(1,116,903)**

Non-Cash Investing Activities (refer to Note 16) during the year ended 30 June 2014:		
Fraser Range 70% interest acquired - shares issue	100,000	
Fraser Range 70% interest acquired - options issue	43,641	
Dingo Range project acquisition shares issue	640,000	
Dingo Range project acquisition options issue	50,000	
Balladonia project acquisition shares issue	640,000	
Balladonia project acquisition options issue	50,000	
Non-Cash Investing Activities	1,523,641	

NOTE 20: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The Directors of the Company during the financial year were:

- Bryan Frost (Resigned: effective 30th September 2013)
- Joshua Wellisch (Appointed: 28th March 2013)
- Angus Edgar (Appointed: 28th March 2013)
- Dehong Yu (Appointed: 15th July 2013)
- Neil Hutchison (Appointed: 15th April 2014)

	30 June 2014 $	30 June 2013 $
Services performed		
Peregrine Corporate Ltd, is a Company of which Bryan Frost and Richard Revelins are also directors of. During the year this entity provided corporate advice and capital raising underwriting services to Mining Projects Group Limited at standard commercial rates.		
Value of services performed whilst Directors of MPJ - cash settled	586	69,000
Value of services performed whilst Directors of MPJ - equity settled	-	12,000
	586	**81,000**
Babbage & Co. Pty Ltd, is a Company owned and operated by James Babbage which provides taxation services to Mining Projects Group Limited at standard commercial rates.		
Value of services performed whilst a Director of MPJ – cash settled	-	9,712
	-	**9,712**
The CFO Solution Pty Ltd, is a Company owned and operated by Phillip Hains which provides accounting and administration services to Mining Projects Group Limited and its subsidiaries at standard commercial rates.		
Value of services performed whilst a Director of MPJ – cash settled	-	280,000
Value of services performed whilst a Director of MPJ - equity settled	-	155,157
	-	**435,157**
Shared Office Services, is a Company owned and operated by Phillip Hains which provides back office support services to Mining Projects Group Limited and its subsidiaries at standard commercial rates.		
Value of services performed whilst a Director of MPJ	-	25,194
	-	**25,194**
Total	**586**	**551,063**

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) Financial Instruments

The Consolidated Entity's financial instruments consist of cash and cash equivalents, trade and other receivables, other financial assets, and trade and other payables.

	30 June 2014 $	30 June 2013 $
Cash and cash equivalents	146,208	983,421
Trade and other receivables	48,403	139,979
Other financial assets held for trading	95,538	107,978
Trade and other payables	(446,646)	(485,861)

The Consolidated Entity does not have any derivative instruments at 30 June 2014 (30 June 2013: Nil).

b) Risk Management Policy

The Board is responsible for overseeing the establishment and implementation of the risk management system, and reviews and assesses the effectiveness of the Consolidated Entity's implementation of that system on a regular basis.

The Board seeks to ensure that the exposure of the Consolidated Entity to undue risk which is likely to impact its financial performance, continued growth and survival is minimised in a cost effective manner.

c) Significant Accounting Policy

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and other financial assets are represented at their fair values determined in accordance with the accounting policies disclosed in Note 1.

d) Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may issue new shares or reduce its capital, subject to the provisions of the Company's constitution.

The capital structure of the Company consists of equity attributed to equity holders of the Company, comprising issued capital and accumulated losses.

e) Financial Risk Management

<u>Interest Rate Risk</u>

The Company is exposed to interest rate risks via the cash and cash equivalents that it holds. Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The objective of managing interest rate risk is to minimise the Company's exposure to fluctuations in interest rates that might impact its interest revenue and cash flow.

Cash at bank balances of $146,208 (2013: $983,421) are subject to interest rate risk, being held in accounts with floating interest rates. There is no other exposure to interest rate risk.

The Consolidated Entity has conducted a sensitivity analysis of the Consolidated Entity's exposure to interest rate risk. The analysis shows that if the Consolidated Entity's interest rate was to fluctuate as disclosed below and all other variables had remained constant, then the interest rate sensitivity impact on the Consolidated Entity's loss after tax and equity would be as follows:

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

	30 June 2014 $	30 June 2013 $
1% (2013: +1.00%)	1,462	9,834
-1% (2013: -1.00%)	(1,462)	(9,834)

Foreign Currency Risk

The Company is exposed to foreign currency risk via the equity investments in foreign entities that it holds. Foreign currency risk is the risk that the value of the financial investment will fluctuate due to changes in the foreign exchange rates. The Company does not have a policy to hedge overseas payments or receivables as they are infrequent.

The following financial assets and liabilities are subject to foreign currency risk:

	30 June 2014 $	30 June 2013 $
Cash and cash equivalents (AUD/CAD)	-	391
Financial Assets held for trading (AUD/CAD)	37,250	17,484

The Consolidated Entity has significantly reduced its investments outside of Australia, which previously exposed it to transactional currency movements. The Consolidated Entity is currently only exposed to fluctuations in Canadian dollars, meaning there is very minimal impact on the entity.

Credit Risk

The Consolidated Entity is exposed to credit risk via its cash and cash equivalents and trade and other receivables. Credit risk is the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Company. To reduce risk exposure for the Company's cash and cash equivalents, it places them with high credit quality financial institutions.

The Company has analysed its trade and other receivables below. All trade and other receivables disclosed below have not been impaired.

Receivables past due and impaired are $nil (2013: $nil). All other receivables past due are not considered impaired. Management believe that these receivables are recoverable and are satisfied that payment will be received in full. The ageing of the group's trade receivables at reporting date:

	0-30 days	30-60 days	60-90 days	90+ days	Total
2014					
Trade and other receivables					
- Trade receivables	-	-	-	9,900	9,900
- Good and services tax refund due	38,503	-	-	-	38,503
	38,503	**-**	**-**	**9,900**	**48,403**

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

	0-30 days	30-60 days	60-90 days	90+ days	Total
2013					
Trade and other receivables					
- Trade receivables	14,403	-	-	-	14,403
- Good and services tax refund due	25,515	-	-	61	25,576
- Amounts receivable from unrelated entities	100,000	-	-	-	100,000
	139,918	**-**	**-**	**61**	**139,979**

Liquidity Risk

The Company is exposed to liquidity risk via its trade and other payables. Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet the commitments associated with its financial instruments. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring the Company's undiscounted cash flow forecasts to ensure the Company is able to meet its debts as and when they fall due.

Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the activity. The Board considers when reviewing its undiscounted cash flows forecasts whether the Company needs to raise additional funding from the equity markets. The Company has analysed its trade and other payables below:

	0-30 days	30-60 days	60-90 days	90+ days	Total
2014					
Trade and other payables					
- Trade and other payables (AUD)	179,332	18,848	-	20,376	218,556
- Accrued expenses	228,090	-	-	-	228,090
	407,422	**18,848**	**-**	**20,376**	**446,646**
2013					
Trade and other payables					
- Trade and other payables (AUD)	48,471	715	-	-	49,186
- Accrued expenses	436,675	-	-	-	436,675
	485,146	**715**	**-**	**-**	**485,861**

f) Net Fair Value

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For unlisted investments where there is no organised financial market, assets are carried at lower of cost or recoverable amount based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment. Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date is as follows:

	30 June 2014		30 June 2013	
	Carrying Amount $	Net Fair Value $	Carrying Amount $	Net Fair Value $
Consolidated Entity				
Financial Assets				
Cash and cash equivalents	146,208	146,208	983,421	983,421
Trade and other receivables	48,403	48,403	139,979	139,979
Other financial assets held for trading	95,538	95,538	107,978	107,978
Other financial assets available for sale	-	-	-	-
	290,149	**290,149**	**1,231,378**	**1,231,378**
Financial liabilities				
Trade and other payables	446,646	446,646	485,861	485,861
	446,646	**446,646**	**485,861**	**485,861**

g) Market Risk

Market risk is the risk that the value of an investment will decrease due to movements in market factors.

The Board do not follow a formally documented risk management policy. The analysis shows that if the Company's market price was to fluctuate as disclosed below and all other variables had remained constant, then the market price sensitivity impact on the Company's loss after tax and equity would be as follows:

	30 June 2014 $	30 June 2013 $
Increase/(Decrease) in financial assets held for trading:		
5.00% (2013: 5%)	4,777	5,399
-5.00% (2013: -5%)	(4,777)	(5,399)
Increase/(Decrease) in financial assets held for sale		
5.00% (2013: 5%)	-	-
-5.00% (2013: -5%)	-	-

Listed Investments

Net fair value of current listed investments is determined by reference to their quoted market bid price at balance date. Market values of all listed investments are disclosed in Note 10.

h) Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements.

The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for asset or liability values that are not based on observable market data (unobservable inputs) (Level 3). Level 3 is applied to available for sale financial assets that are considered to be impaired.

	2014			
	Level 1 $	Level 2 $	Level 3 $	Total $
<u>Financial Assets</u>				
<u>Financial assets at fair value through the profit or loss:</u>				
- listed investments (held for trading)	95,538	-	-	95,538
	95,538	**-**	**-**	**95,538**
<u>Available for sale financial assets carried at cost less accumulated impairment</u>				
- listed investments	-	-	-	-
	-	**-**	**-**	**-**
	95,538	**-**	**-**	**95,538**

	2013			
	Level 1 $	Level 2 $	Level 3 $	Total $
<u>Financial Assets</u>				
<u>Financial assets at fair value through the profit or loss:</u>				
- listed investments (held for trading)	107,978	-	-	107,978
	107,978	**-**	**-**	**107,978**
<u>Available for sale financial assets carried at cost less accumulated impairment</u>				
- listed investments	-	-	-	-
	-	**-**	**-**	**-**
	107,978	**-**	**-**	**107,978**

NOTE 22: PARENT COMPANY INFORMATION

The following information has been extracted from the financial reports and records of the Parent Entity, Mining Projects Group Ltd, and has been prepared in accordance with the accounting standards.

	Parent Entity	
	30 June 2014	**30 June 2013**
	$	**$**
STATEMENT OF FINANCIAL POSITION		
Assets		
Current Assets	280,100	1,212,297
Non-Current Assets	2,091,438	1,388,786
Total Assets	**2,371,538**	**2,601,083**
Liabilities		
Current Liabilities	446,372	485,533
Total Liabilities	**446,372**	**485,533**
Net Assets	**1,925,166**	**2,115,550**
Equity		
Issued capital	39,703,080	37,359,995
Reserves	19,766	-
Accumulated losses	(37,797,680)	(35,244,445)
Total Equity	**1,925,166**	**2,115,550**
STATEMENT OF PROIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Total Loss	**(2,553,235)**	**(5,169,114)**

NOTE 23: EVENTS OCCURRING AFTER THE REPORTING DATE

8 July 2014 - The Company announced that several new high priority Nickel Sulphide Targets has identified at MPJ's flagship Roe Hills and 5000m drilling campaign planned with initial stage Programme of Works has been approved by the Western Australian Department of Mines and Petroleum.

23 July 2014 - The Company announced that it has successfully completed a placement of $1,398,000 via the issue of 233 million ordinary fully paid MPJ shares with professional and sophisticated investors at an issue price of $0.006 per share.

3 September 2014 - The Company announced that the drilling programme has commenced at its flagship Roe Hills Nickel Project. The Company may extend the planned programme to 10,000m (at a discount rate on all meters drilled if extended) with 25% of the cost to be satisfied by the issue of MPJ Shares upon completion.

10 September 2014 - The Company is excited to announce the intersection of significant High Grade Nickel-Copper (Ni-Cu) Mineralisation in the Company's first diamond drill hole at the Talc Lake Prospect within the 100% owned Roe Hills Project.

NOTE 24: BUSINESS COMBINATION

Delcarmen Energy Pty Ltd

On 5 July 2012, the Company announced the completion of the acquisition of 100% of the issued capital of Delcarmen Energy Pty Ltd, effectively acquiring Exploration Permits for Coal (EPC 2527 & EPC 2528) north and east of Kingaroy, Queensland.

On the 30 January 2013 the Company announced the Exploration Permits for Coal EPC 2527 had been granted. At the date of this report EPC 2528 is still in the process of been granted.

The Company is assessing expanding its footprint within the Esk Basin in which the Delcarmen project area lies.

	AUD $
Consideration paid or to be paid to vendors:	
- Cash Consideration	
· Non-refundable deposit (PAID prior to 30 June 2012)	20,000
· Initial payment to vendors of Delcarmen (PAID prior to 30 June 2012)	80,000
· Payment to vendors upon issue of formal granting of tenement EPC 2527	200,000
· Payment to vendors upon issue of formal granting of tenement EPC 2528 (TO BE PAID) or issue of shares to the same value	200,000
- Share Consideration	
· Issue of 12.5 million fully paid ordinary MPJ shares, with a deemed value of $0.01 per share, to the vendors of Delcarmen upon issue of formal granting of tenement EPC 2527	112,500
· 12.5 million fully paid ordinary MPJ shares to be issued to the vendors of Delcarmen upon formal granting of tenement EPC 2528 , with a deemed value of $0.01 per share	112,500
	725,000
Total consideration	**725,000**

	Initial value	Adjustment	Final fair value
Assets			
Cash and cash equivalents	72	-	72
Receivables	60	-	60
Exploration, evaluation and development	128,526	725,145*	853,670
Total Assets	**128,658**	**725,145**	**853,802**
Liabilities			
Loan	128,803	-	128,803
Total Liabilities	**128,803**	**-**	**128,803**
Fair value of identifiable net assets	**(145)**	**725,145**	**725,000**

* The fair value adjustment to exploration, evaluation and development costs on consolidation of $725,145 is attributed to the initial consideration paid to acquire Delcarmen Energy Pty Ltd. The Directors do not believe that this should be impaired due to the transaction recently occurring, and expanding the project.

NOTE 25: COMPANY DETAILS

The registered office and principle place of business of the Company is:

Level 2, 43 Ventnor Avenue, West Perth, Western Australia, Australia 6005.

Directors' Declaration

The Directors' of the Company declare that;

1. In the Directors' opinion the financial statements and the notes and the remuneration disclosures that are contained within the Remuneration report within the Directors' report are in accordance with the Corporations Act 2001 , including:

   a. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2014 and of its performance, for the financial year ended on that date; and

   b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001 and other mandatory professional reporting requirements.

2. the financial report also complies with International Financial Reporting Standards issued by the International Accounting Standards Board as disclosed in note 1; and

3. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the chief executive officer and chief financial officer for the financial year ended 30 June 2014.

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

Joshua Wellisch
Managing Director
Mining Projects Group Limited

Melbourne
Dated: 30th Day of September 2014

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Melbourne VIC 3000
GPO Box 5099 Melbourne VIC 3001
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Mining Projects Group Limited

Report on the Financial Report

We have audited the accompanying financial report of Mining Projects Group Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Mining Projects Group Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Mining Projects Group Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 'Going Concern' in the financial report, which indicates that the ability of the company to continue as a going concern is dependent upon the future successful raising of necessary funding through equity. This condition, along with other matters as set out in Note 1 'Going Concern', indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 23 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Mining Projects Group Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership

David Garvey
Partner

Melbourne, 30 September 2014

Shareholder Information

As at 8th September 2014:

Number of Holders of Equity Securities

Ordinary Shares

1,252,954,149 fully paid ordinary shares are held by 3,522 individual shareholders.
All ordinary shares carry one vote per share.

Options

MPJO – 394,744,442 options exercisable at $0.01 on or before 30 Jun 2016, are held by 130 individual shareholders;

MPJOB - 105,282,868 options exercisable at $0.015 on or before 30 Nov 2014, are held by 274 individual shareholders;

MPJAI - 1,400,000 options exercisable at various prices on or before 5 October 2015, are held by 3 individual shareholders;

MPJAO - 60,000,000 options exercisable at various prices on or before 21 Aug 2017, are held by 3 individual shareholders;

MPJAQ – 15,000,000 options exercisable at $0.01 on or before 30 Dec 2017, are held by 3 individual shareholders; and

MPJAS – 15,000,000 options exercisable at $0.01 on or before 23 May 2017, are by 2 individual shareholders.

Options do not carry a right to vote.
Voting rights will be attached to the unissued shares when the options have been exercised.

Distribution of Holders in Each Class of Equity Securities

Shareholders (MPJ)

	No. of Shareholders
1 – 1,000	1,126
1,001 – 5,000	850
5,001 – 10,000	332
10,001 – 100,000	645
100,001 –	569
Total number of shareholders	**3,522**
Unmarketable Parcels	2,750

Option holders (MPJO)

	No. of Option holders
1 – 1,000	-
1,001 – 5,000	-
5,001 – 10,000	-
10,001 – 100,000	32
100,001 –	98
Total number of option holders	**130**

Option holders (MPJOB)

	No. of Option holders
1 – 1,000	46
1,001 – 5,000	68
5,001 – 10,000	37
10,001 – 100,000	81
100,001 –	42
Total number of option holders	**274**

Twenty Largest Holders of Quoted Securities

Fully paid ordinary shares

Shareholders		Number	%
1	REDCLIFFE COAL ROJECT PL	110,000,000	8.78%
2	BLACKWALL INV PL	48,475,000	3.87%
3	FOREIGN DIMENSIONS PL *	43,700,000	3.49%
4	MELBOURNE CAP LTD	34,000,000	2.71%
5	QUEENSLAND MM PL *	33,677,569	2.69%
6	PATICOA NOM PL	33,019,869	2.64%
7	BERETTA NICKEL PL *	32,000,000	2.55%
8	RED MARLIN PL	29,273,810	2.34%
9	BBD CUSTS PL	23,750,000	1.90%
10	PERSHING AUST NOM PL	20,610,000	1.64%
11	TWW ASSETS PL	19,750,000	1.58%
12	JBO ASSETS PL	19,750,000	1.58%
13	PATICOA NOM PL	18,212,374	1.45%
14	SHORT NOM PL	15,666,666	1.25%
15	COMSEC NOM PL *	15,643,386	1.25%
16	MUNGALA INV PL *	13,000,000	1.04%
17	NEWEXCO SVCS PL	12,000,000	0.96%
18	ACTIONETTE PL	11,835,527	0.94%
19	VICECONTE PASQUALE + M R	11,104,999	0.89%
20	S3 CONSORTIUM PL	10,000,000	0.80%
	TOTAL	**555,469,200**	**44.34%**

* Denotes Merged Holdings

Option holders (MPJO)

	Option holders	Number	%
1	REDCLIFFE COAL PROJECT PL	55,000,000	13.93%
2	MELBOURNE CAP LTD	39,500,000	10.01%
3	FOREIGN DIMENSIONS PL *	23,833,333	6.04%
4	CFO SOLUTION TEAM PL *	20,000,000	5.07%
5	TRUST CO AUST LTD	16,666,667	4.22%
6	BLACKWALL INV PL	12,500,000	3.17%
7	SCOTT RAYMOND A + AC	12,000,000	3.04%
8	RODGERS JOHN ANDREW	11,111,111	2.81%
9	SHORT NOM PL	10,444,444	2.65%
10	BILLNTED PL	10,000,000	2.53%
11	PATICOA NOM PL	6,948,235	1.76%
12	MIKADO CORP PL	6,250,000	1.58%
13	RED MARLIN PL	5,937,500	1.50%
14	BBD CUSTS PL	5,937,500	1.50%
15	SPARTAN NOM PL	5,555,555	1.41%
16	NORTHERN STAR NOM PL	5,207,323	1.32%
17	LIU BIN	5,105,992	1.29%
18	MUNGALA INV PL *	5,000,000	1.27%
19	SPARTAN NOM PL	4,888,889	1.24%
20	FIFEHEAD MILL PL	4,444,445	1.13%
	TOTAL	**266,330,994**	**67.47%**

* Denotes Merged Holdings

Option holders (MPJOB)

Option holders		Number	%
1	QUEENSLAND M M PL *	22,162,697	21.05%
2	PEREGRINE CORP LTD	10,116,704	9.61%
3	DARONTACK PL	8,581,349	8.15%
4	CHIFLEY PORTFOLIOS PL	8,581,349	8.15%
5	CMC MARKETS STOCKBROKING	7,395,075	7.02%
6	BARGOLD HLDGS PL *	5,000,000	4.75%
7	ESTELVILLE NOM PL	4,290,675	4.08%
8	TALEX INV PL	4,290,675	4.08%
9	FGL CAP LTD	4,290,675	4.08%
10	MICHEL ANTHONY LEIGH	4,000,000	3.80%
11	PALERMO ADAM	2,250,000	2.14%
12	REGIONAL MGNT PL	2,000,000	1.90%
13	SILAS KATHRYN	2,000,000	1.90%
14	GILLAND STEPHEN IAN	2,000,000	1.90%
15	ADAM SUFIAN	1,938,800	1.84%
16	SAFRATA MICHAL	1,624,000	1.54%
17	BEACH LAURENCE PERCY	1,566,000	1.49%
18	BRIEN ALAN + MELINDA	1,000,000	0.95%
19	COMSEC NOM PL *	885,560	0.84%
20	CFO SOLUTION TEAM PL *	838,096	0.80%
		94,811,655	**90.07%**

* Denotes Merged Holdings

Unquoted Equity Securities Holdings Greater than 20%

Nil

Substantial Shareholders

The substantial Shareholders who have notified the Consolidated Entity in accordance with Section 671B of the Corporations Act are:

Redcliffe Coal Project Pty Ltd	110,000,000 ordinary fully paid shares – 8.78%
Blackwall Inv Pty Ltd	48,475,000 ordinary fully paid shares – 3.87%
Foreign Dimensions Ltd	43,700,000 ordinary fully paid shares – 3.49%

Shareholder Enquiries

Shareholders with enquiries about their shareholdings should contact the Share Registry:

Security Transfer Registrars
770 Canning Highway
Applecross, Western Australia 6153
Telephone: +61 (0)8 9315 2333 Facsimile: +61 (0)8 9315 2233
Email: registrar@securitytransfer.com.au

Change of Address, Change of Name, Consolidation of Shareholdings

Shareholders should contact the Share Registry to obtain details of the procedure required for any of these changes.

Removal from the Annual Report Mailing List

Shareholders who wish to receive a hard copy of the Annual Financial Report should advise the Share Registry or the Company in writing. Alternatively, an electronic copy of the Annual Financial Report is available from www.asx.com.au or www.miningprojectsgroup.com.au. All shareholders will continue to receive all other shareholder information.

Tax File Numbers

It is important that Australian resident shareholders, including children, have their tax file number or exemption details noted by the Share Registry.

CHESS (Clearing House Electronic Sub-register System)

Shareholders wishing to move to uncertificated holdings under the Australian Securities Exchange (ASX) CHESS system should contact their stockbroker.

Uncertificated Share Register

Shareholding statements are issued at the end of each month that there is a transaction that alters the balance of your holding.

Interests in Mining Tenements as at 30 June 2014

Project/Tenements	Location	Held	Events Subsequent to Balance Date
Roe Hills Project E25/402 E28/1933 E28/1935 E28/2117 E28/2118	W.A., Australia	100%	
Mt Barrett Project E38/2053	W.A., Australia	100%	
Delcarmen Project EPC2527 EPC2528	QLD, Australia	100%	On 26 September 2014, the Company surrendered EPC2528.
Golden Mountain Project MIN4683	Vic, Australia	100%	
Fraser Range Project E28/2271 E63/1594 E69/3082	W.A., Australia	100%	
Balladonia Project E69/3211	W.A., Australia	100%	
Dingo Range E53/1731 E53/1732 E53/1733 P53/1624	W.A., Australia	100%	

Corporate Directory

COMPANY
Mining Projects Group Limited
ABN 84 006 189 331

DIRECTORS

Mr Joshua Wellisch	Managing Director
Mr Angus Edgar	Independent Non-Executive Director
Mr Dehong Yu	Independent Non-Executive Director
Mr Neil Hutchison	Independent Non-Executive Director

COMPANY SECRETARY
Mr Adrien Wing

COMPANY WEBSITE
www.miningprojectsgroup.com.au

REGISTERED OFFICE
Level 2, 43 Ventnor Avenue
West Perth, Western Australia
Australia 6005

Phone: +61 (0)8 6144 4492
Facsimile: +61 (0)3 9614 0550

SOLICITORS
Quinert Rodda & Associates
Level 19, 500 Collins Street
Melbourne, Victoria
Australia 3000

SHARE REGISTRY
Security Transfer Registrars
770 Canning Highway
Applecross, Western Australia
Australia 6153

Telephone: +61 (0)8 9315 2333
Facsimile: +61 (0)8 9315 2233

Email: registrar@securitytransfer.com.au

AUDITORS
BDO East Coast Partnership
Level 14, 140 William Street
Melbourne, Victoria
Australia 3000

SECURITIES QUOTED
Australian Securities Exchange (ASX)

ASX Code:	MPJ	Ordinary Fully Paid Shares
	MPJO	Listed options exercisable at $0.01 per option on, or before 30 June 2016
	MPJOB	Listed options exercisable at $0.015 per option on, or before, 30 Nov 2014

BANKERS
National Australia Bank
Melbourne, Victoria
Australia 3000