



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

Review of Operations

Mining Projects Group Limited (ASX : MPJ) (“MPJ” or “the Company”) has continued during this quarter to secure key assets by successfully completing the Joint Venture Agreement with EpiEnergy Pty Ltd (“EPI”) on the Fraser Range nickel project and has rationalised capital outlay through the renegotiation of the Delcarmen Sale Agreement. The Fraser Range Project acquisition in combination with the Roe hills project purchase further underpins the strategic positioning of MPJ as a Western Australian nickel and gold explorer. The Company also reduced its capital structure with the completion of a share buy-back.

The primary exploration focus for the period was at the Talc Lake Prospect on the southern edge of the Roe Hills project located 110km east of Kalgoorlie. A preliminary drilling programme was completed and is awaiting assay results. The progress has been very encouraging as the project milestones are achieved in preparation for a proposed comprehensive drilling program.

Further to Mr Dehong Yu was appointed to the board as a representative of the major shareholder and provides ongoing support for the Company’s future direction.

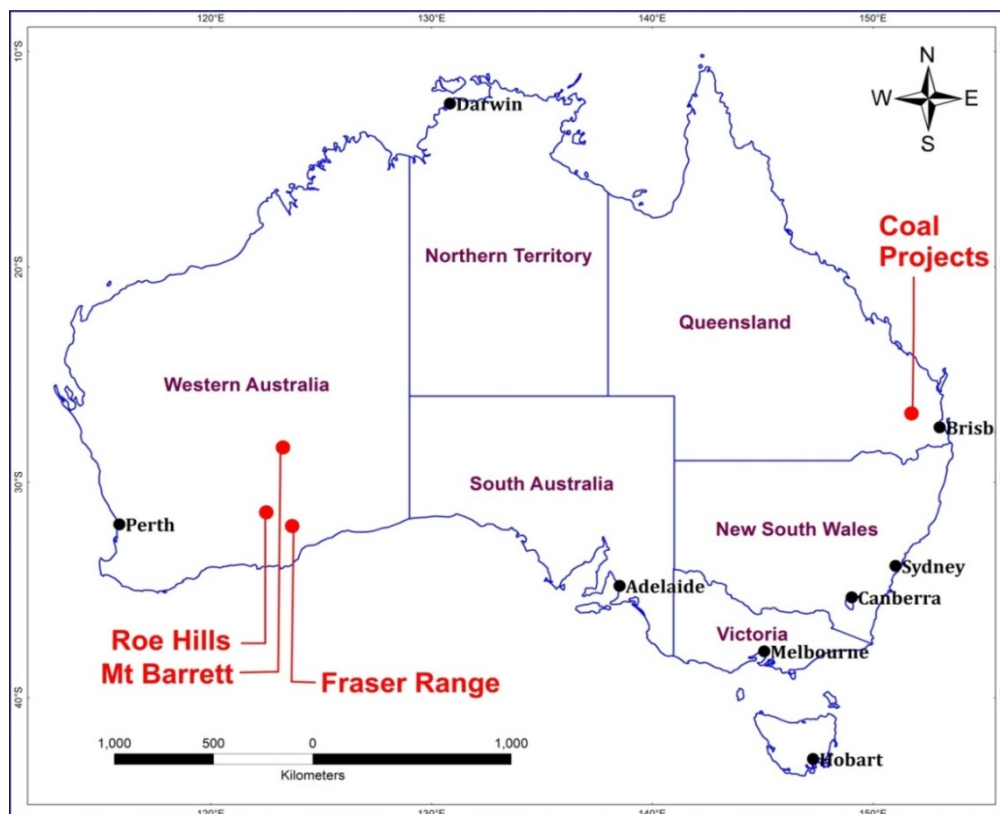


Figure 1. Project location map

+ See chapter 19 for defined terms.

Roe Hills Nickel Project - Western Australia (100%)

Talc Lake

Key exploration milestones completed during the quarter were at the Talc Lake Prospect on the southern edge of the Roe Hills project, within the E28/2117 tenement, located 110km east of Kalgoorlie (Figure 2):

1. **Core cutting and assaying of historical diamond holes** at Talc Lake Prospect completed
2. **Down hole electromagnetic conductor defined** at Talc Lake Prospect
3. **Diamond drill hole into the EM conductor** defines target

1. Core Cutting and Assaying of Historical Diamond Holes

During the quarter MPJ received all assays from recent core cutting of the 2011 Oroya diamond drill program within the Talc Lake Project area. The diamond program consisted of 5 diamond holes (ORTL5 to ORTL9) focussed around the historical WMC drill result of 0.5m @ 6.15% Ni, and one hole (ORTL4) targeting an electromagnetic anomaly to the south of the tenement (Figure 2).

Significant results were as follows:

- **ORTL5: 145m @ 0.2%Ni and 27.5%MgO from 62m**
- **ORTL6: 41m @ 0.21%Ni and 29.5%MgO from 62m**
- **ORTL6: 48m @ 0.19%Ni and 27.3%MgO from 141.5m**
- **ORTL7: 73m @ 0.26%Ni and 29%MgO from 155m, including 1m @ 1%Ni from 214m**
- **ORTL8: 90m @ 0.2%Ni and 27%MgO from 69m**
- **ORTL9: 101m @ 0.18%Ni and 27%MgO from 2m, including 2m @ 0.6%Ni from 80m**

+ See chapter 19 for defined terms.

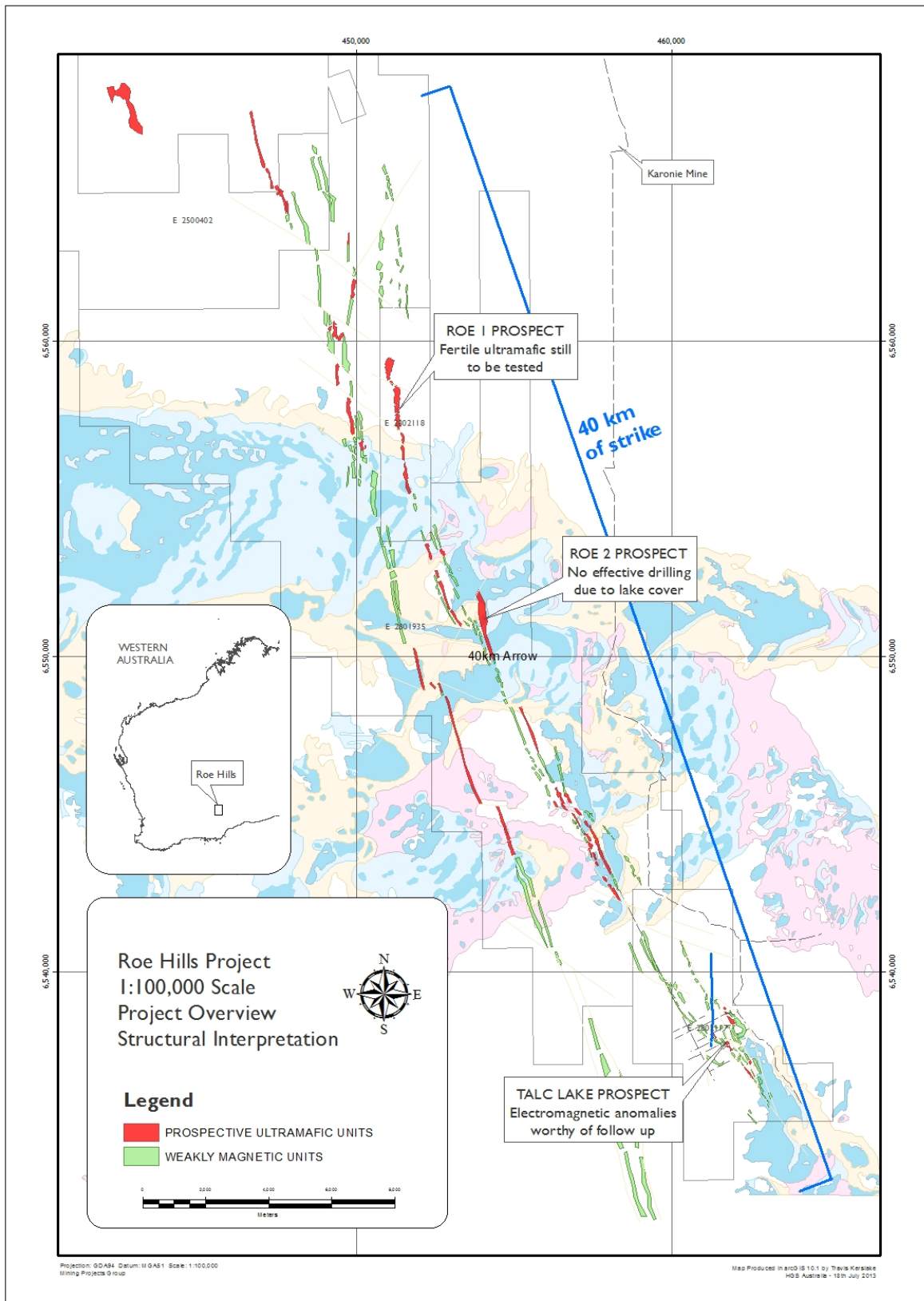


Figure 2: Roe Hills Project location map

+ See chapter 19 for defined terms.

The results indicated the **ultramafic komatiite unit is thick and fertile** with relatively consistent background nickel grades and MgO grades indicative of the upper and central cumulative units of a komatiite flow.

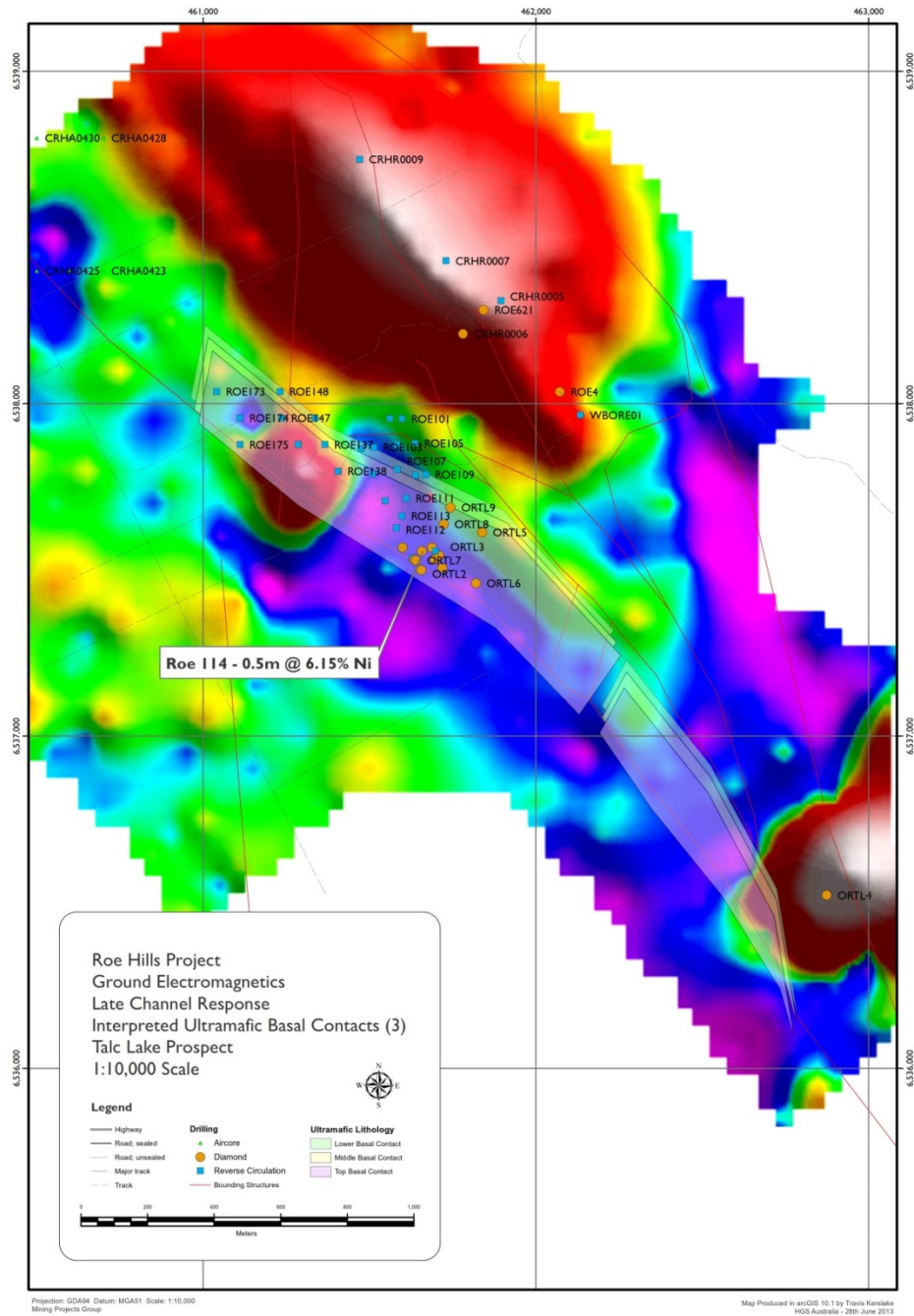


Figure 3: Talc Lake Prospect showing drilling, ultramafic outline and trend, and electromagnetic anomalies of interest. *The translucent overlay highlights the extensive ultramafic sequence with 3 defined flows down dipping to the south-east which remains substantially untested.*

+ See chapter 19 for defined terms.

2. Priority nickel target defined

MPJ contracted geophysical consultants, Newexco, to model the downhole electromagnetics (DHEM) conducted down ORTL9 diamond hole. Newexco confirmed the identification of a 800m x 200m conductor approximately 100m from the base of the drill hole. The interpretation suggested ORTL9 needed to be extended approximately 100 m further in depth in order to intersect the conductor.

3. Diamond drill hole into the EM conductor

MPJ completed the diamond drill hole to intersect the conductor by extending hole ORTL9 a further 100m. This hole is the first stage of a major drilling program planned by MPJ in identifying massive nickel sulphides at its Roe Hills project.

Drilling intersected talc-chlorite carbonate ultramafics from 317 to 346m, followed by a metamorphosed ultramafic /sediment to 355m before the EM target of 49m (downhole distance) was intersected identified as a fine grained sulphidic graphitic shale. Zones of massive sulphide existed within the shale unit. The basal contact followed identified as a mafic dolerite/basalt. A hand held XRF was used to provide a preliminary assessment of grade. Background values of approximately 0.25% nickel were identified within the ultramafics, but no nickel grades of significance was identified within the sediments and massive sulphides.

References to portable XRF results relate to analysis using a hand-held Olympus Innov-X Spectrum Analyser. Results from XRF analysis are stated as indicative only, and are preliminary to subsequent confirmation by laboratory assaying. The core is currently being cut and samples, and will be delivered to SGS in Perth for a geochemical analysis.

Once all results are received MPJ will assess and determine the next course of exploration.

Fraser Range Nickel Project – Western Australia (70%)

MPJ has renegotiated terms and acquired a 70% interest in the project subject to the terms of the Joint Venture Agreement. The exploration lease applications, EL28/2271, EL69/1594 and EL69/3082, cover approximately 566km² along the south-east margin of the Archean Yilgarn Craton within the Albany-Fraser Province (Figure 4).

+ See chapter 19 for defined terms.

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

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

The geological consultants have recommended commencing a soil sampling programme and electro-magnetic survey to define drill targets.

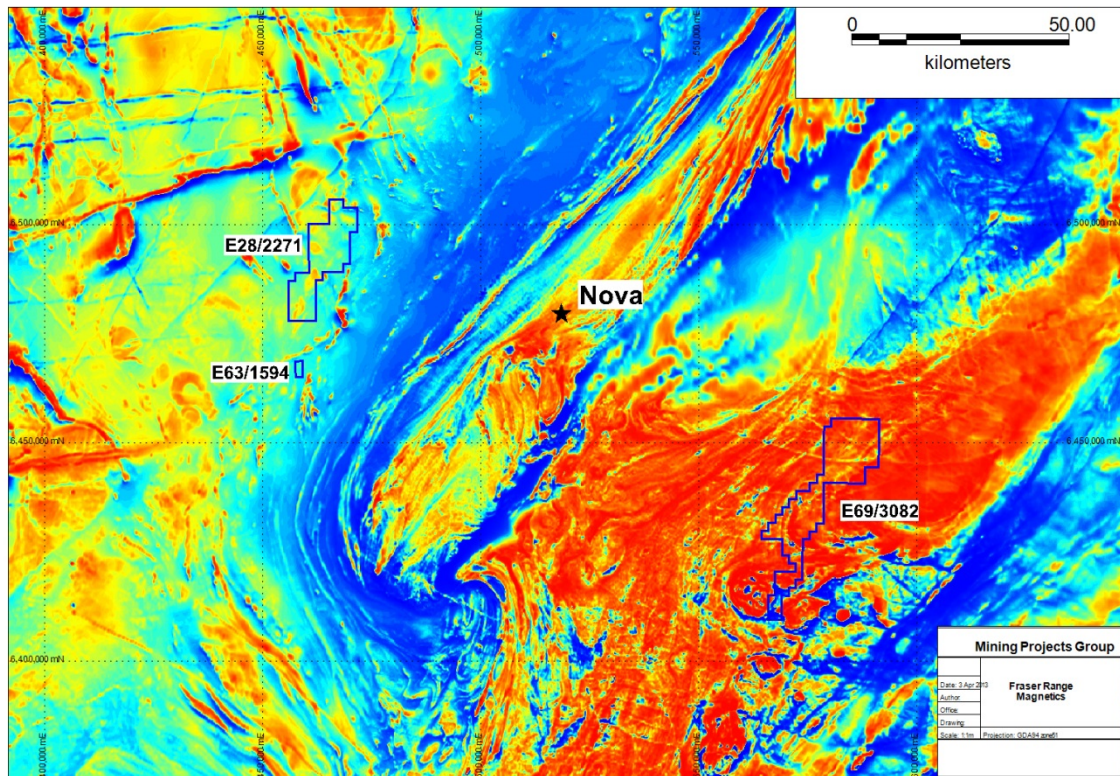


Figure 4: Fraser Range regional magnetics

+ See chapter 19 for defined terms.

Delcarmen Coal Project, Coal – Queensland (100%)

Delcarmen holds two prospective explorations for coal permits (“EPC”) north and east of Kingaroy, Queensland, which are located approximately 170kms west of Brisbane and cover a combined area of 1,030 km² (Figure 5). EPC2527 and EPC2528 are collectively referred to as the Delcarmen Coal Project (“Delcarmen”). EPC2528 remains in the process of being granted but the Company does not anticipate any impediments to its grant. Historical rail infrastructure exists within the Delcarmen tenements, several major deposits sit in close proximity and 85kms south within the Tarong Basin lies the major Meandu mine and the Tarong and Tarong North Power stations.

An independent geological report assessing the prospectivity of Delcarmen established an exploration target range of between 30 and 140 million tonnes of which up to 60 million tonnes has been identified as potentially semi soft coking coal.

The report identified the project area as demonstrating potential for coal deposits of potentially high energy thermal or a semi-soft coking coal product, located within the Triassic-age Esk and Gayndah Formations, and suggests previous exploration 35 years ago was neither extensive nor intensive enough to confirm the existence of economic coal and further exploration is warranted.

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

+ See chapter 19 for defined terms.

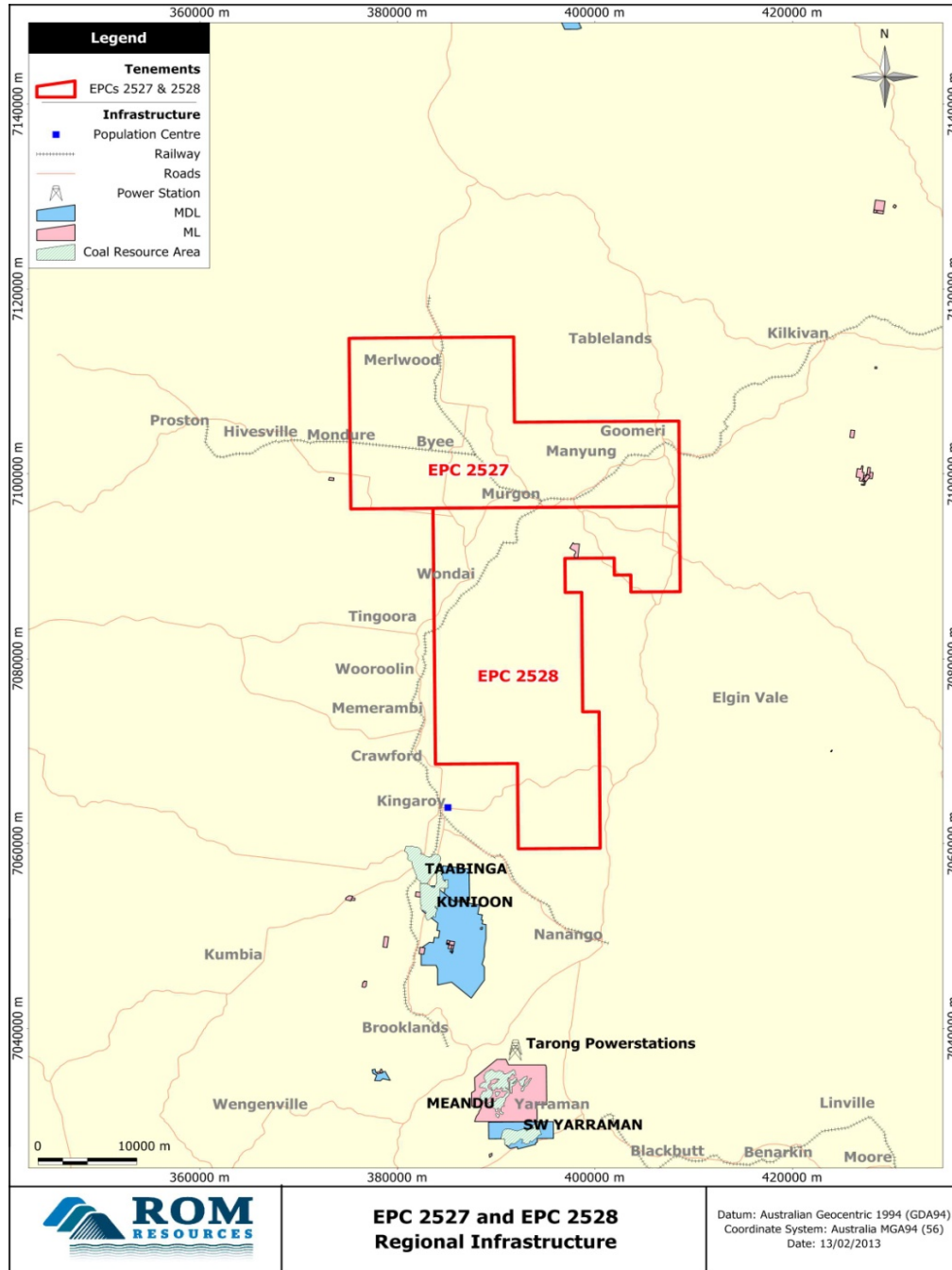


Figure 5: Delcarmen project location

+ See chapter 19 for defined terms.

Corporate

Delcarmen Sale Agreement Varied

MPJ and Delcarmen agreed to vary the consideration terms due to administrative delays in the processing of EPC 2528 which have remained outside the estimates and control of the Company. This has meant EPC 2528 has remained at an application stage pending approval by the Queensland Department of Mines and Energy. The Company does however expect EPC 2528 to be granted in the coming months.

Under the terms of the original Share Sale Agreement the Delcarmen vendors were to receive 12.5 million ordinary MPJ shares and \$200,000 in cash upon the grant of EPC 2528 occurring within 12 months of completion of the Company's acquisition of Delcarmen ("the EPC 2528 Consideration"). The parties have agreed to vary consideration terms on the following basis;

- On, or as soon as practical after, 6 August 2014 ("End Date") MPJ will (a) issue the Delcarmen vendors with 12.5 million ordinary MPJ shares; and (b) will (at MPJ's election) either pay the Delcarmen vendors \$200,000 in cash or issue the Delcarmen vendors with ordinary MPJ shares with a value equal to \$200,000 (calculated on the basis of a 30-day VWAP).
- The obligation to issue shares and/or pay cash is subject to, and conditional upon, the Company receiving confirmation (to its satisfaction) that EPC 2528 has been granted prior to the End Date.
- If the issue of MPJ shares to Delcarmen vendors would require shareholder approval, or require issue of a disclosure document, MPJ shall have a reasonable period of not more than 3 months from the End Date in which to obtain or issue same.
- If prior to End Date the Company announces a transaction involving the sale or disposal of EPC 2528 to an entity listed on the ASX (or any comparative recognised exchange), as a substitute to the payments referred to above, it may (at its election) satisfy the obligation to pay the EPC 2528 Consideration by procuring an issue of shares in the entity purchasing EPC 2528 which shares shall have a value equal to the aggregate of: (a) the value of 12.5 million MPJ shares; and (b) an additional \$200,000 of the purchasing entity's ordinary shares.

+ See chapter 19 for defined terms.

Fraser Range Agreement Completed

Mining Projects Group Limited (ASX:MPJ) (“the Company”) announces it has renegotiated and executed the joint venture agreement (“JV”) with Epi Energy Pty Ltd (“EPI”) to obtain a 70% interest in three granted exploration leases located in the Fraser Range, Western Australia (see figure 1). MPJ will receive a 70% interest in the project once ministerial consent has been received by EPI and transfer of the leases completed. The exploration leases E28/2271, E63/1594 and E69/3082, cover approximately 566km² in this highly prospective nickel-copper and gold province in Fraser Range, Western Australia.

Terms of JV

MPJ will obtain a 70% interest in all three granted EPI tenements on the following basis;

- An initial cash payment of \$50,000 is made to EPI on formation of the JV;
- The issue of 20 million MPJ fully paid shares and the issue of 15 million 1 cent options expiry date 30th December 2017 will be made also on the formation of the JV. EPI will enter into agreements imposing a voluntary 12 months escrow period on the shares;
- A deferred cash payment of \$200,000 payable prior to the 15th November 2013. MPJ has a 12 month period to pay the deferred cash payment but will incur an interest charge of 6% pa from 15th November 2013 until the amount is paid in full; and
- EPI will maintain a 30% free carry interest through to the stage of Bankable Feasibility Study and in the event of termination by either party, each will retain a 50% interest.

Completion of Share Buy Back with Oroya Mining Ltd

During the quarter, the Company received shareholder approval pursuant to section 257D of the Corporations Act to make a selective buy-back of 50,000,000 ordinary fully paid Mining Projects Group shares held by Oroya Mining Ltd (Oroya).

Under the terms of the buy back, each Oroya Share was bought back by the Company for a purchase price of \$0.001 (0.1 cents). The closing share price for the Company’s ordinary fully paid shares on the ASX on 18 July 2013 (being the date immediately prior to the date of the Notice of Meeting) was \$0.005 (0.5 cents).

+ See chapter 19 for defined terms.

The total consideration paid by the Company to Oroya in connection with the buy-back of the Oroya Shares was \$50,000 which was paid by the off-set against the \$50,000 loan made to Oroya under the Terms Sheet entered into between the parties on 14 May 2013.

Board Appointment

The Company is pleased to have appointed Mr Dehong Yu to the board as a representative of the major shareholder and welcomes the ongoing support for our future direction.

Mr Yu is a business development executive with over 20 years' experience in international trade relations. He is a Chinese national and has been a resident of Australia since the late 1980's. Mr Yu was formally recognized in 2008 by the Chinese community for his significant commercial achievements within Australia. He established his business operation in Australia within property development and expanded into mining exploration to utilise his extensive network of Chinese investors. Mr Yu brings to the MPJ board his experience in mining exploration investment and access to his network of investors for the benefit of all MPJ shareholders.

Mr Yu was attracted to the Company by the recent acquisition of 100% of MPJ's Western Australian assets, specifically the Roe Hills Project (Nickel) and the Mt Barrett Project (Gold) (see ASX announcement – 14th May 2013). He has indicated the attractiveness of MPJ for his Chinese investor's as the Company has a strong diversified portfolio of assets.

For And On Behalf Of The Board



Joshua Wellisch
Managing Director

COMPETENT PERSON STATEMENT:

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Andrew Hawker of Hawker Geological Services Pty Ltd. Mr Hawker is a member of the Australasian Institute of Mining and Metallurgy has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking. This qualifies Mr Hawker as a "Competent Person" as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hawker consents to the inclusion of information in this announcement in the form and context in which it appears.

+ See chapter 19 for defined terms.

Rule 5.3

Appendix 5B – 1st Quarter

Mining Exploration Entity Quarterly Report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of Entity:

Mining Projects Group Limited (ASX:MPJ)

ABN:

84 006 189 331

Quarter Ended ('Current Quarter')

30th September 2013

Consolidated Statement of Cash Flows

Cash Flows Related to Operating Activities		Current Quarter \$A'000	Year-to-Date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration and evaluation	(307)	(307)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(78)	(78)
	(e) contract services	(208)	(208)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(589)	(589)
Cash Flows Related to Investing Activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.9	Proceeds from sale of:		
	(a) business	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net Investing Cash Flows		-	-
1.13	Total Operating and Investing Cash Flows	(589)	(589)

+ See chapter 19 for defined terms.

		Current Quarter \$A'000	Year-to-Date (3 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(589)	(589)
Cash Flows Related to Financing Activities			
1.14	Proceeds from issues of shares, options, etc.	4	4
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19a	Other – Capital Raising Costs	(17)	(17)
1.19b	Other – Share Buy-back	-	-
Net Financing Cash Flows		(13)	(13)
Net Increase / (Decrease) in Cash Held		(602)	(602)
1.20	Cash at beginning of quarter/year to date	983	983
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at End of Quarter	381	381

Payments to Directors of the Entity and Associates of the Directors
Payments to Related Entities of the Entity and Associates of the Related Entities

		Current Quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	106
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Salaries, Directors' fees, corporate advisory & consulting fees at normal commercial rates	

Non-Cash Financing and Investing Activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	-
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	-

+ See chapter 19 for defined terms.

Financing Facilities Available

Add notes as necessary for an understanding of the position.

		Amount Available \$A'000	Amount Used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated Cash Outflows for Next Quarter

		\$A'000
4.1	Exploration and evaluation	100
4.2	Development	-
4.3	Production	-
4.4	Administration	100
4.5	Contract Services	120
Total:		320

The Company will rely on its existing cash resources and future capital raising (either debt and/or equity) to fund its current activities.

The Company will consider raising further funds from the placement of equity securities, including the utilisation of the equity available under Chapter 7 of ASX Listing Rules. The Company will also consider other fund raising alternatives such as debt instruments, if so required.

In light of the above factors, the Company believes that it will have sufficient cash to fund its activities. The Company expects to have negative cashflows from operations of approximately \$320,000 for the forthcoming quarter. The Company's Board and Management is focused on meeting its current objectives and confirm that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1;

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current Quarter \$A'000	Previous Quarter \$A'000
5.1	Cash on hand and at bank	381	983
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)		381	983

+ See chapter 19 for defined terms.

Changes in Interests in Mining Tenements

		Tenement Reference	Nature of Interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2	Interests in mining tenements acquired or increased	Fraser Range	70% acquired subject to the terms and conditions of the JV Agreement	-	Acquired

Issued and Quoted Securities at End of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total Number	Number Quoted	Issue Price Per Security (cents) (see note 3)	Amount Paid Up Per Security (cents) (see note 3)
7.1	Preference + Securities <i>(Description)</i>	-	-	-	-
7.2	Changes During Quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary Securities	570,166,840	570,166,840	-	-
7.4	Changes during quarter				
	(a) Increases through issues	20,000,000	20,000,000	\$0.005	\$0.005
	(b) Decreases through returns of capital, buy-backs	50,000,000	50,000,000	\$0.001	\$0.001
7.5	+Convertible debt securities <i>(Description)</i>	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(Description and Conversion Factor)</i>	41,299,175	41,299,175	Exercisable @ \$0.10	-
		105,282,868	105,282,868	Exercisable @ \$0.015	-
		204,300,000	204,300,000	Exercisable @ \$0.010	-
		76,463,686	-	Exercisable at \$0.01 to \$0.50	-
7.8	Issued during quarter	4,300,000	4,300,000	\$0.001	\$0.001
		75,000,000	75,000,000	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining Exploration Entity Quarterly Report

7.9	Consolidation during quarter	-	-	-	-
	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-

+ See chapter 19 for defined terms.

Compliance Statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign Here: 

Date: 30th October 2013

Managing Director

Print Name: **Joshua Wellisch**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities**
The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards**
ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.