



COMPANY ANNOUNCEMENT

Acquisition Update and Confirmation of ASX Waiver

17 April 2012

Mining Projects Group Limited (“MPJ” or “the Company”) announces that, following interactions with ASX concerning the proposed issue of performance shares as part of the consideration for the Delcarmen acquisition, it has reached an agreement with Delcarmen Energy Limited (“Delcarmen”) and its shareholders and directors to amend the structure of the proposed acquisition.

On 26 March 2012 MPJ entered into a Share Sale Agreement with Delcarmen and its shareholders and directors to purchase 100% of the issued capital of Delcarmen. Under this agreement part of the consideration payable by MPJ included the issue on completion of the acquisition of 25 million performance shares, with 12.5 million of the performance shares to convert into ordinary shares on the grant of exploration permit for coal (“EPC”) 2527 and the remaining 12.5 million performance shares to convert into ordinary shares on the grant of EPC 2528 (provided, in each case, that the relevant EPC was granted within 12 months of the issue of the performance shares).

MPJ and Delcarmen and the Delcarmen vendors and directors have now agreed to vary the nature of the payment arrangements such that the vendors of Delcarmen will receive 25 million ordinary fully paid shares, the issue of which will be deferred pending the grant of the EPCs (“the Deferred Consideration Shares”). The issue of 12.5 million of the Deferred Consideration Shares will be deferred until the grant of EPC 2527 and the issue of the remaining 12.5 million Deferred Consideration Shares will be deferred until the grant of EPC 2528. A sum of \$200,000 in cash remains payable to the shareholders of Delcarmen on each of EPC 2527 and EPC 2528 becoming granted.

The maximum aggregate number of ordinary shares which may ultimately be issued as consideration to the vendors of Delcarmen upon the grant of EPC 2527 and EPC 2528 remains unchanged as a result of the variation.

The variation to the payment arrangements has been made to accommodate the ASX which considered that the issue of performance shares was not appropriate where the sole performance hurdle was the grant of the respective EPCs. To enable the variation, the Company has sought and received a waiver from ASX from ASX Listing Rule 7.3.2 which would otherwise require the Deferred Consideration Shares to be

issued by the Company within three months of shareholder approval. The conditions on which ASX have granted this waiver are;

1. Up to 12.5 million of the Deferred Consideration Shares are issued within 3 weeks of the grant of EPC 2527 and, in any event, no later than 12 months following the date of the shareholders' meeting at which approval for the issued of the Deferred Consideration Shares is sought.
2. Up to 12.5 million of the Deferred Consideration Shares are issued within 3 weeks of the grant of EPC 2528 and, in any event, no later than 12 months following the date of the shareholders' meeting at which approval for the issued of the Deferred Consideration Shares is sought.
3. The milestones relating to the issue of the Deferred Consideration Shares (which require the grant of the respective EPCs) are not varied.
4. For the periods in which the Deferred Consideration Shares may be issued, the Company's annual reports set out in reasonable detail the Deferred Consideration Shares which have been, or remain to be, issued and the details of the conditions which are to be satisfied prior to their issue.

A notice of meeting will be sent out to shareholders in the coming days advising them of the time and place of the shareholders meeting at which the Company will seek approval of a number of resolutions associated with the proposed acquisition of Delcarmen.

For And On Behalf Of The Board



Bryan Frost
Chairman
Mining Projects Group Limited