



31<sup>st</sup> October 2014

## Quarterly activities report for the period ending 30 September 2014

### Highlights

- Initial assay results received from RHDD0001 confirms the Massive Nickel Sulphide intersection which contains 4.3m @ 0.53% Ni including 0.2m @ 2.66% Ni. The intersection is now more significant as it defines the core of the lava channel system and therefore the sulphides are derived from a local primary source.
- The aggregated data including logs, assays, and geophysics from the current exploration programme have clearly defined (in 3D) an ultramafic system conforming to the Company's anticipated geological model (Kambalda style komatiite flows). This has strong correlation to known deposits such as Maggi Hays, Cerberus, Prospero, Sinclair; and is a very important exploration milestone.
- MPJ has now successfully completed 6 diamond drill holes totalling 2090m. Down Hole Electro Magnetic (DHEM) surveys have been conducted on 5 holes as well as 1 historic hole by the end of October.
- Current drilling is progressing as expected at approximately 70m per day and the initial 15 hole, 5000m programme is planned to complete before the end of January 2015.
- The next 3 drill holes planned at Talc Lake along 6537300N will further define the down plunge extension of the defined lava channel core and continue pinpointing the accumulations of Massive Nickel Sulphides intersected to date. The first line of Drilling at the Roe 1 prospect will commence subsequently.

### Roe Hills Diamond Drilling Programme

During the quarter, Mining Projects Group Limited (ASX:MPJ) ("the Company") continued its successful exploration achieved to date at the flagship 100% owned Roe Hills Project. Laboratory assays confirm that the massive nickel sulphide intersected in RHDD0001, the first drill hole at Talc Lake; returned **4.3m @ 0.53% Ni from 211.1m including 0.2m @ 2.66% Ni from 215.2m**. (as previously reported in announcement on 15<sup>th</sup> September 2014 - *High Grade Nickel Intersected in First Drill Hole at Roe Hills Project*).

The initial high-grade 3cm intersection of massive nickel sulphide previously reported was sampled as a wider interval (20cm) for minimum laboratory sample size purposes. Back calculations of the assay results estimate that the massive sulphide zone assays approximately **17.7% Ni**, which is higher than the initial PXRF readings previously announced.

The intersection is now more significant than previously thought following the completion of the next two drill holes. The mineralisation is associated with the disseminated nickel sulphides situated above it which defines the core of the lava channel system and therefore the sulphides are from a local primary source (Figure 1). In addition a very important milestone has been achieved by clearly defining the three

dimensional plunge of the ultramafic system hosting the Massive Nickel Sulphides which conform to the anticipated Kambalda style komatiite nickel hosting geological model. Significantly a sulphidic carbonaceous shale band occurs below the host ultramafic unit (Figure 1) providing a source of sulphur for the formation of nickel sulphide as the lava channel thermally erodes down into the sulphidic shale horizon. As the lava channel eats into more of this sulphidic source, more nickel sulphide will begin to form and drop out of the ultramafic flow forming nickel sulphide accumulations downstream. The current line of drill holes which have just commenced along 6537300N are targeting this stratigraphic position for formation and deposition of larger accumulations of nickel sulphide within the lava channel.

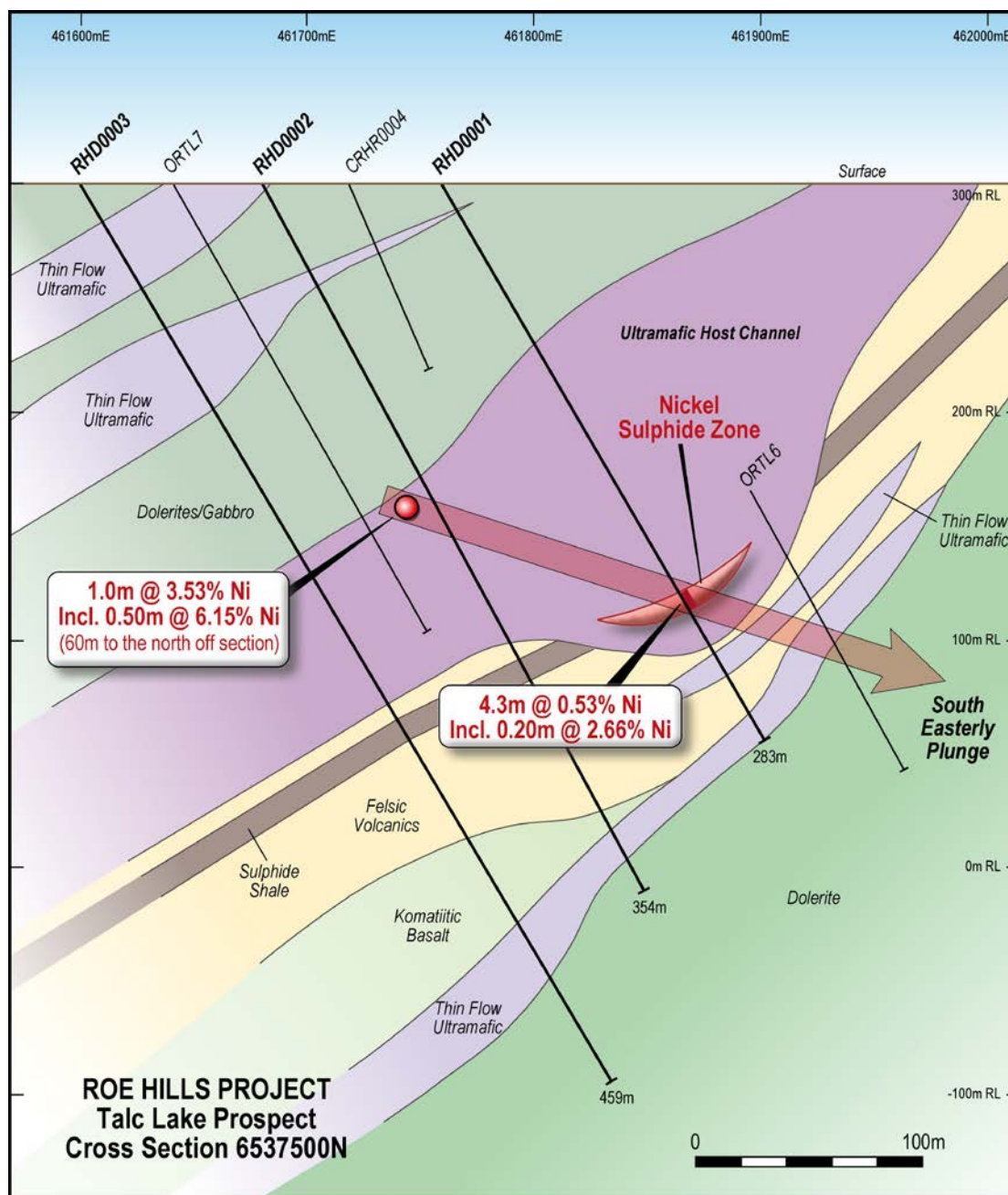


Figure 1: Talc Lake Cross-Section Showing Nickel Sulphide Intersection and Geological Interpretation. Including the sulphidic shale unit which is required to provide the sulphur source required to form nickel sulphides.

This intersection adds to the significant historical results from the Talc Lake Project (refer to Company's ASX announcement on 8<sup>th</sup> July 2014 - *New Nickel Sulphide Targets Identified for Drilling at Roe Hills*) which are now beginning to define the nickel hosting channel which MPJ is targeting (Figure 2);

- RHDD0001: **4.3m @ 0.53% Ni** from 211.1m (*including 0.2m @ 2.66% Ni from 215.2m*)
- ROE 114: **1.0m @ 3.53% Ni** from 155.0m (*including 0.5m @ 6.15% Ni from 155.5m*)
- ORTL-1: **1.9m @ 1.65% Ni** from 131.55m
- ORTL-1: **0.15m @ 1.33% Ni** from 222.75m
- ORTL-2: **0.3m @ 1.46% Ni** from 182.8m

To date 6 diamond drill holes have successfully been completed totalling 2090m (Table 1) with drilling progressing as expected at approximately 70m per day. The initial 15 hole, 5000m programme is on track and is planned to complete before the end of January 2015.

Table 1: Drill Hole Collar Co-ordinates.

Collar Coordinates: MGA94 GRID	EAST	NORTH	RL	DIP	AZIMUTH	EOH DEPTH
RHDD0001	461760	6537500	300	-61	092	283.42m
RHDD0002	461680	6537500	300	-60	090	354.12m
RHDD0003	461600	6537525	305	-60	090	459.20m
RHDD0004	461190	6537800	305	-60	090	256.40m
RHDD0005	461110	6537800	305	-60	090	337.30m
RHDD0006	461030	6537800	305	-60	090	400.00m
RHDD0007	462020	6537300	300	-60	090	In progress

Down Hole Electro Magnetic ("DHEM") surveys were conducted down holes RHDD0001 to RHDD0003. The interpretation was recently received from Newexco further supporting the definition of the lava channel system and it's conformity to the geological model, assisting in defining the south-easterly plunge of the channel system (Figure 2).

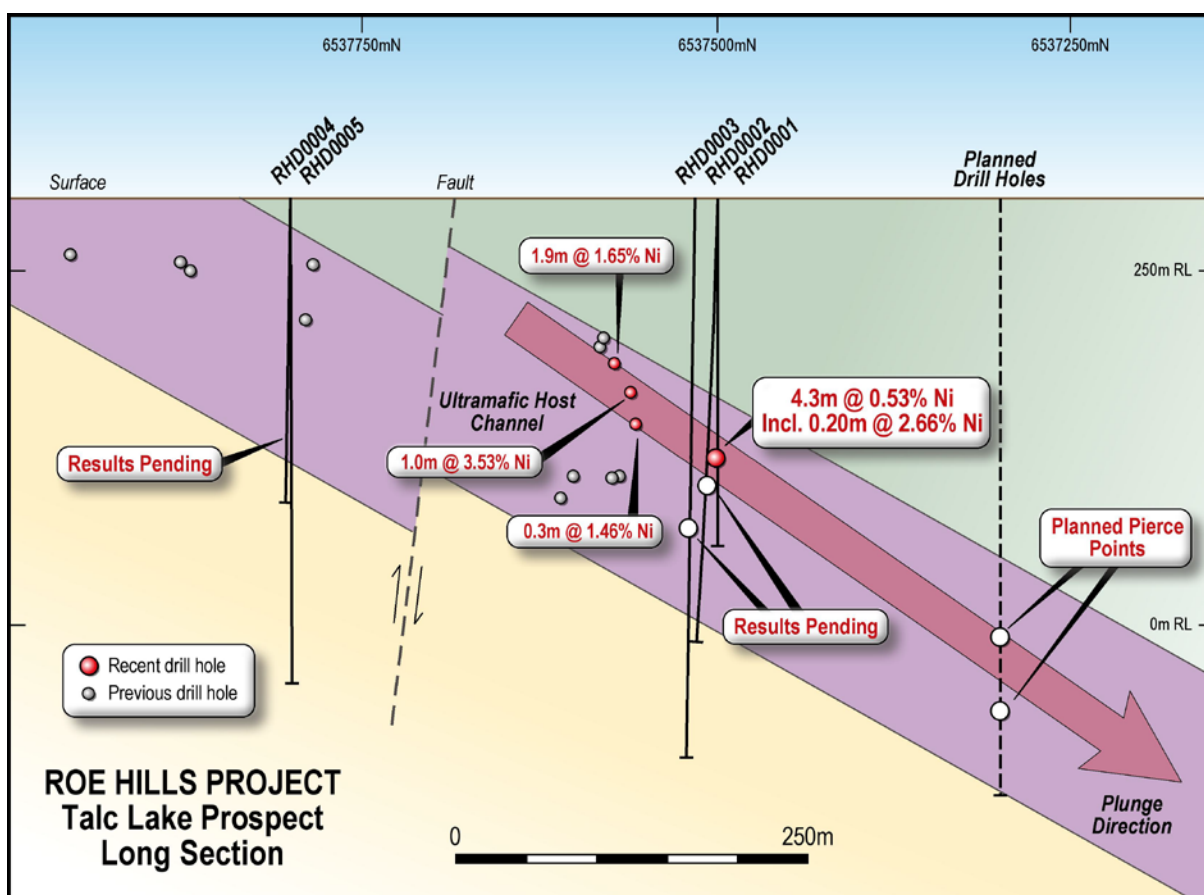


Figure 2: Long Section Showing Historic Intersections, Current Hole Intersections and Planned Drilling of The Plunging Lava Channel.

The remaining holes have undergone DHEM surveying and results/interpretation are pending. The drill rig also reopen historical drill hole ORTL6 which was conveniently located adjacent to RHDD0001 and in the centre of the interpreted lava system (Figure 1). This hole was identified in the database as not having been DHEM surveyed or geologically logged by the previous company. Geophysical interpretation by Newexco is currently being undertaken so that these DHEM surveys have been recently completed.

Samples have been submitted to the labs and assays results are pending for holes RHDD0002-RHDD0004, as well as RHDD0005 which is currently being logged and sampled. The results of these assays will help assist in further defining the komatiite channel position and vectoring towards potential nickel sulphide accumulations.

Mr Neil Hutchison said “The nickel intersections and the geology seen in the holes to date at Talc Lake have a very strong correlation to the discovery history of known deposits such as Prospero, Sinclair, Cerberus, Maggie Hays and Camelwood nickel deposits. These deposits were all discovered over a period of time by following the disseminated and narrow nickel sulphide leads within the core of the lava channel. Once the channel core is located DHEM and clever geological interpretation will assist in the discovery of the bigger, potentially economic nickel sulphide deposits.”

The next 3 drill holes planned at Talc Lake will further define the down plunge extension of the lava channel core through geological, geochemical and geophysical control which will assist in pinpointing the accumulations of Massive Nickel Sulphides.

## Roe Hills 3D Modelling

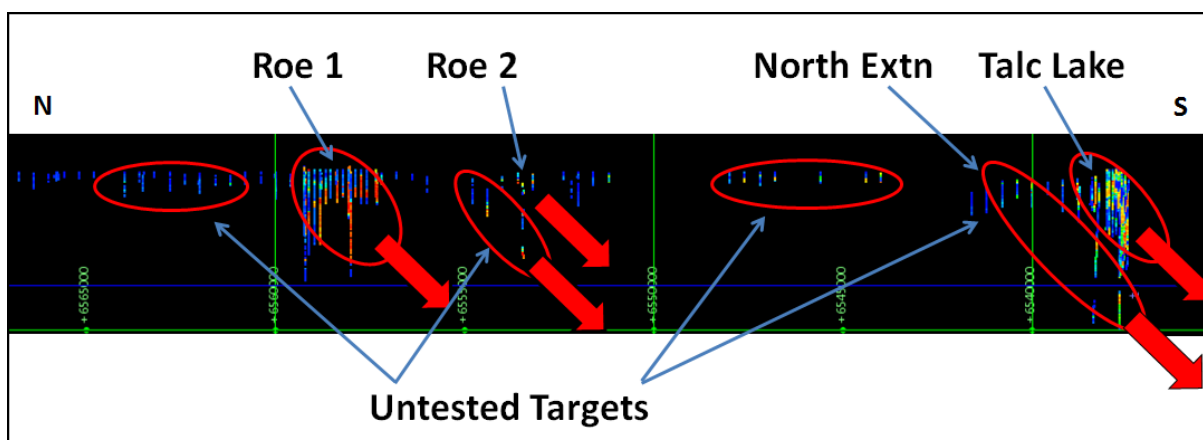


Figure 3: Longsection (with 10 times vertical exaggeration for ease of visualisation) showing key “vector” element distribution in the historic drilling. Strong southerly plunging trends have been recognised at existing prospects as well as the identification of new untested target areas.

The 3D modelling of the historic drilling geochemical data has successfully “mapped” the key components of the prospective geological units at Roe 1 (Figures 3 to 6) and Talc Lake (Figure 7) which correlates well with earlier geological logging and interpretations. This supports that the data is of good quality and suitable for this type of work, which is a credit to the earlier explorers that completed the drilling. What the 3D modelling has defined that was not apparent prior to using these geochemical and 3D modelling techniques is the plunge direction, fertility for sulphide deposition, and the definition of “blind” target zones as shown in Figures 5 & 6. Talc Lake prospect shows similar trends and the study clearly displays the three stacked ultramafic flows that were defined by the previous explorers. Talc Lake also displays the same southerly plunge as Roe 1 and has several open untested targets which are now drill ready (Figure 7).

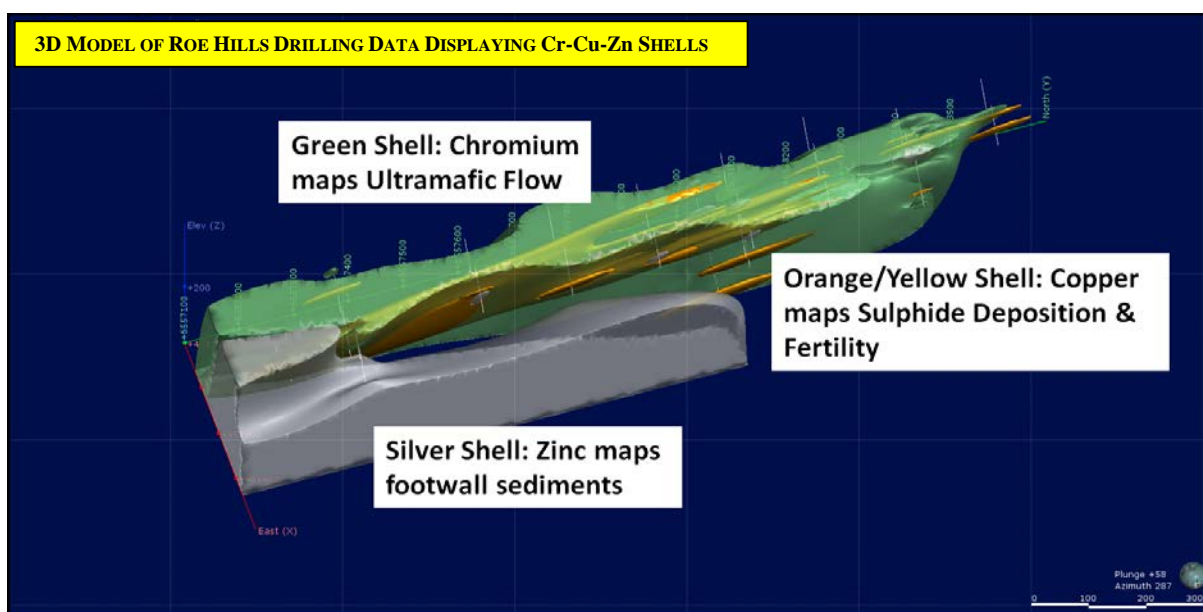


Figure 4: Perspective view of the Roe 1 prospect 3D Model showing the element shells used to “map” the rocks. The angled white lines are the historic drill holes used to build the geological and nickel mineralisation model.

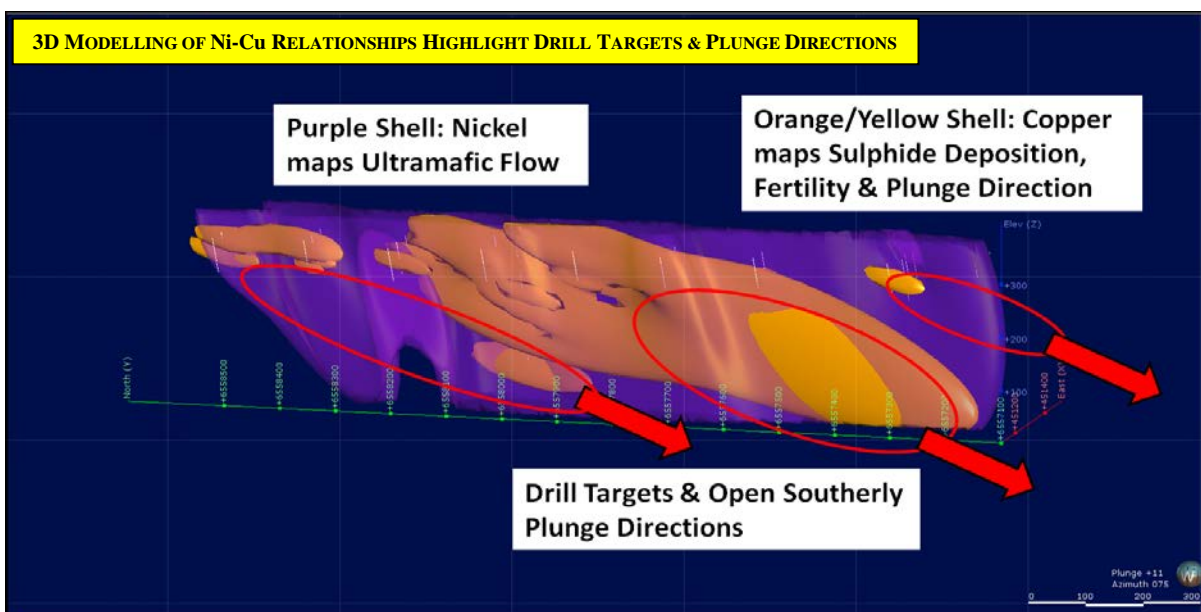


Figure 5: Long-sectional view of the Roe 1 prospect showing drill holes and 3D model of key “vector” elements; nickel and copper distribution in the drilling. Strong southerly plunging channels are defined providing highly prospective immediate drill targets.

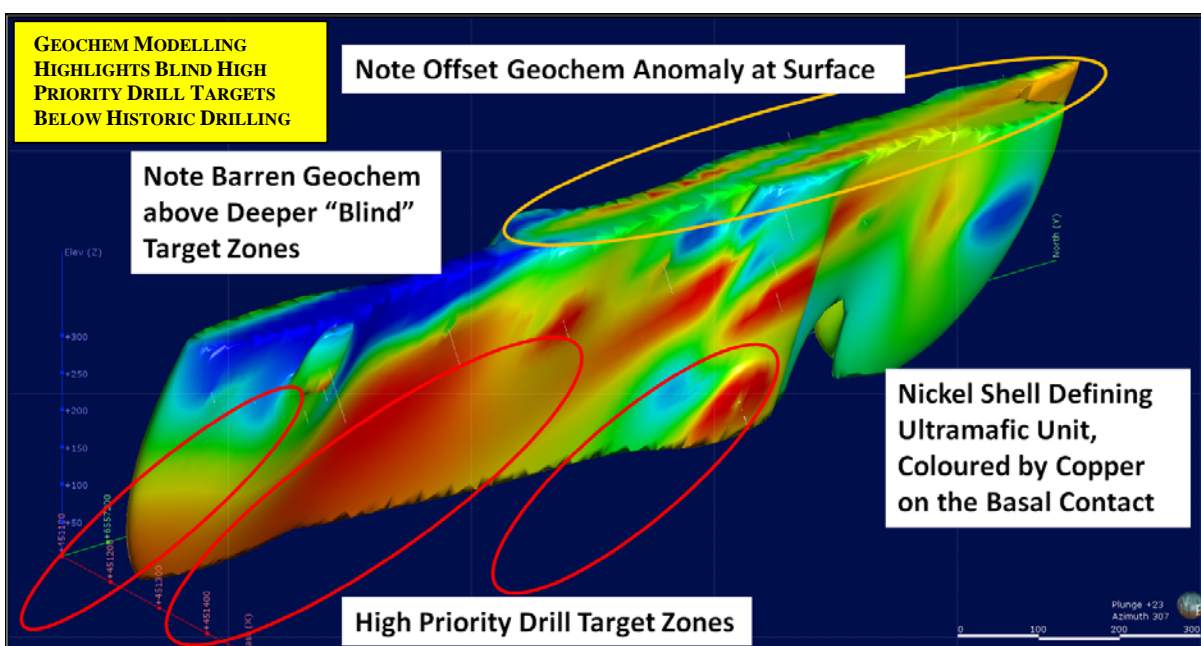


Figure 6: Roe 1 prospect 3D Model looking at the underside basal contact. High priority untested drill targets are clearly defined. Note the historic drilling focussed on the near surface geochemical anomaly and the new deeper targets are “blind” to the near surface geochemistry. This is a common feature in recent nickel discoveries and helps explain why these discoveries weren’t made by previous explorers.

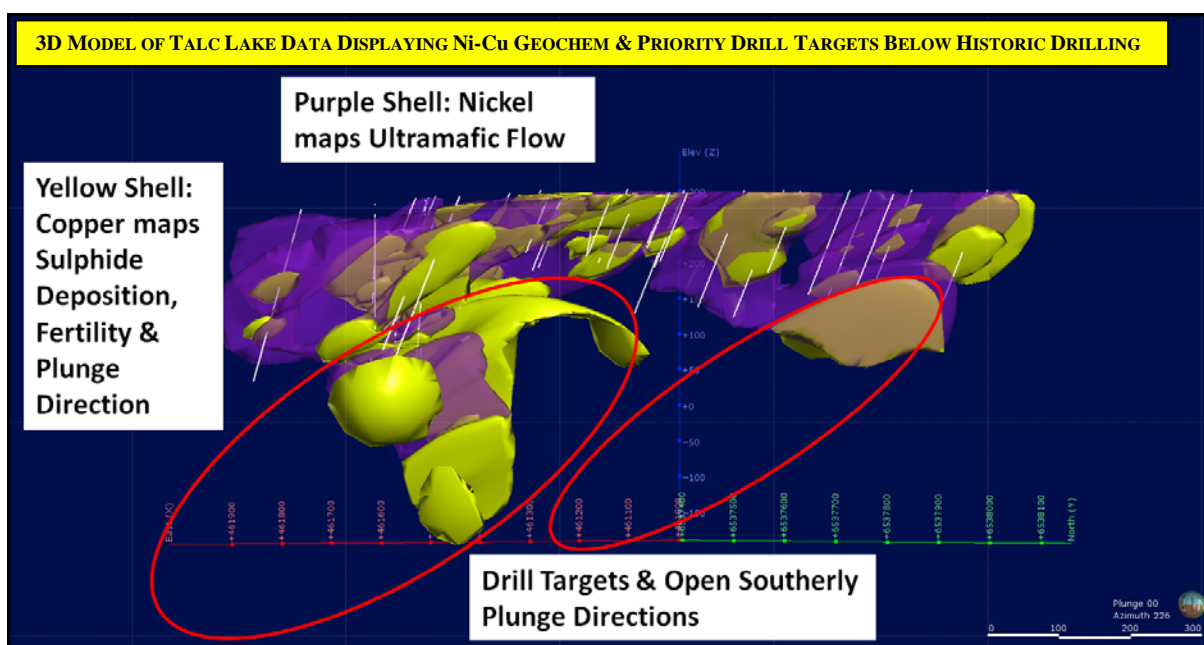


Figure 7: Talc Lake prospect 3D Model looking at the underside basal contact. High priority untested drill targets are clearly defined showing open southerly plunging targets below existing drilling.

### Roe Hills

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 (6) tenements** covering a **continuous strike of +40km of ultramafic rocks** and **392km<sup>2</sup>** of prospective greenstone terrain.

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 **0.5m at 6.15% from a downhole depth of 155m in drill hole ROE114** at the Talc Lake prospect (refer to Company's ASX announcement on 8<sup>th</sup> July 2014 - *New Nickel Sulphide Targets Identified for Drilling at Roe Hills*). These historic nickel sulphide intersections and the recent geochemical study (Figure 8) confirm the prospectivity and potential for the Roe Hills Project to contain significant nickel sulphide accumulations within the fertile ultramafic lava channels providing new drill ready targets (Figure 9).

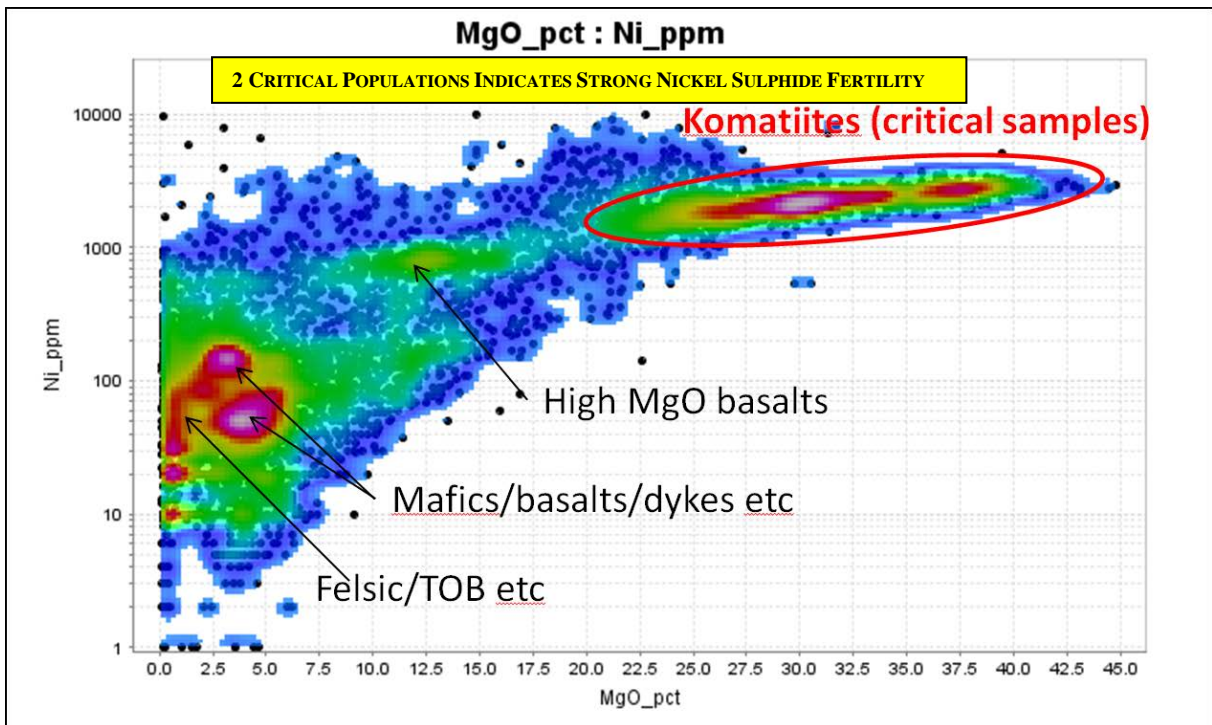


Figure 8: Roe Hills drilling data shows 2 critical populations supporting the fertility of the belt for the deposition of nickel sulphide mineralisation.



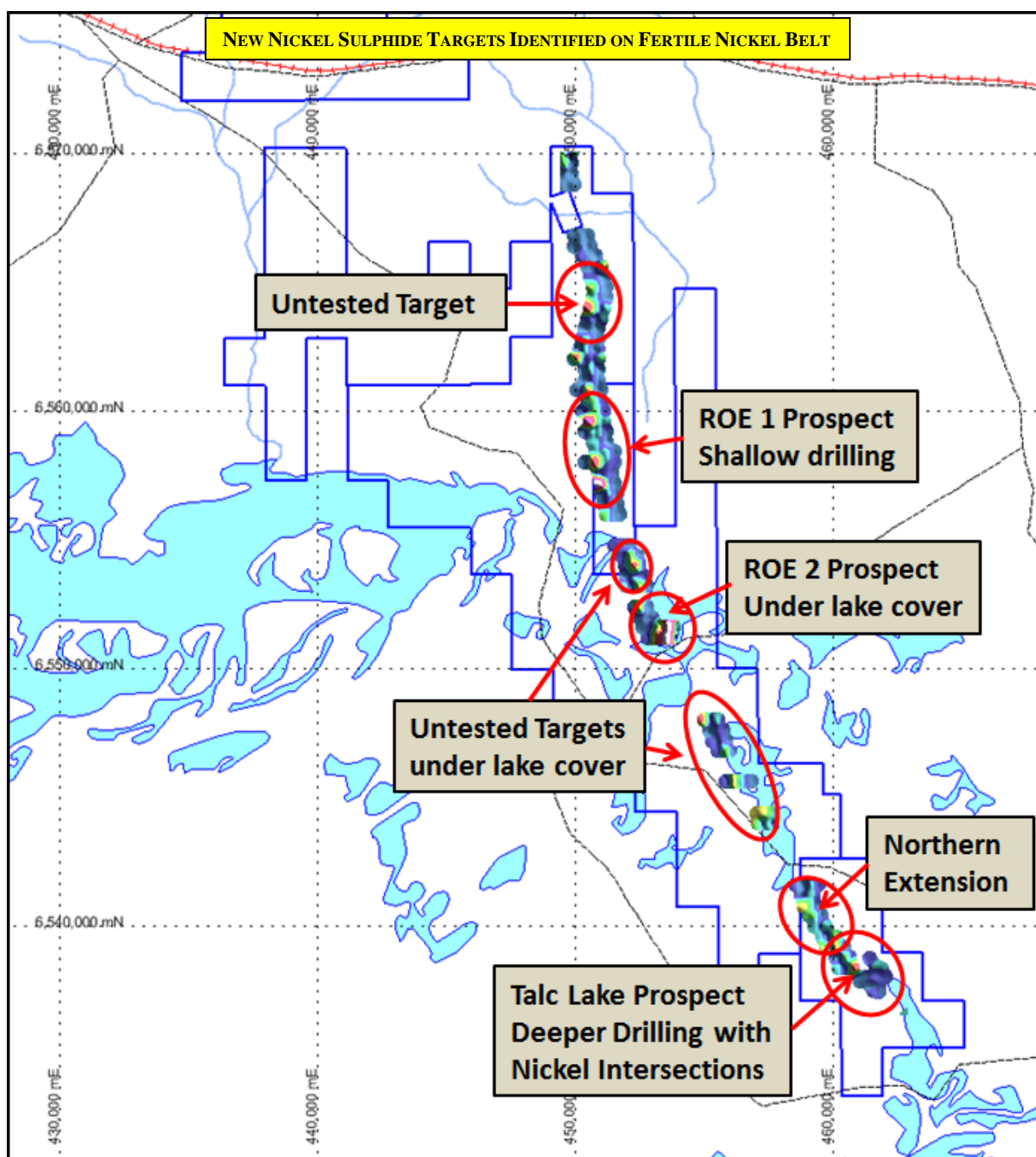


Figure 9: Earlier identified prospects Roe 1, Roe 2 & Talc Lake were confirmed as targets during the geochemical analysis as well as at least 4 other additional high priority targets. The Study also extended the strike length of the known prospects strike potential.

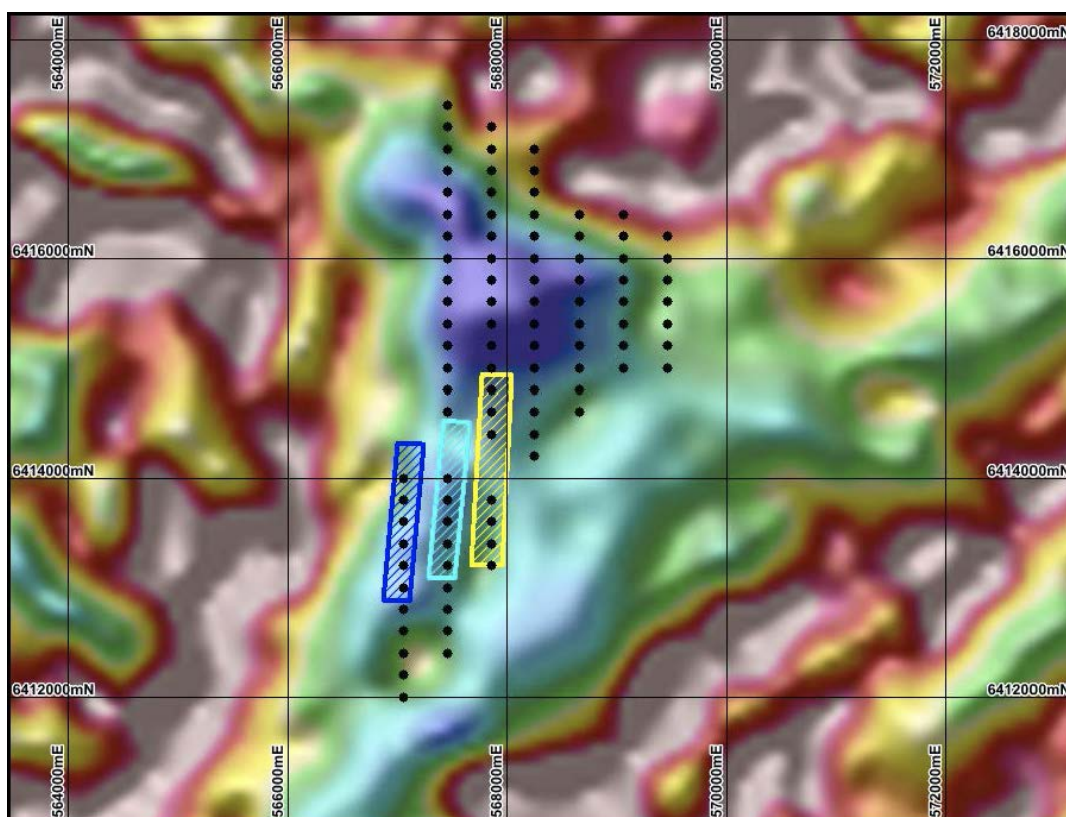
### **Fraser Range East Project**

The first stage Moving Loop Electromagnetic survey MLEM programme highlighted in Figures 8 and 9 was conducted during May 2014 at the Fraser Range East Project. A total of 94 stations were observed along 7 profiles (Figures 10 & 11) encompassing a total of 18.2 line kilometres.

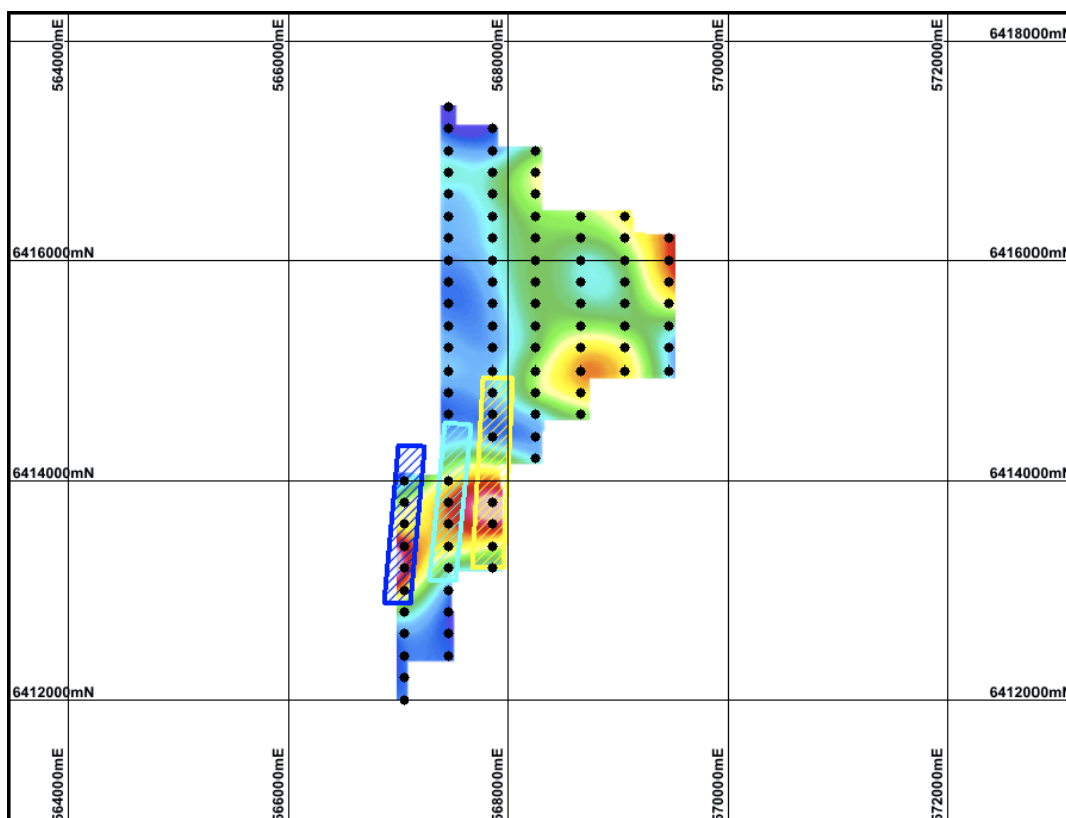
A broad anomaly has been recorded in the mid-time response of the three westernmost lines; Figures 10 and 11. The anomalous response was recorded over a strike-length of 800 m although it should be noted that the anomaly is open in both directions. The large wavelength of the anomaly suggests the source is laterally extensive.

Best modelling results were achieved using three plate models with low to moderate conductance to represent the source. A reasonable fit to observed data can also be achieved using a single plate. A single best modelled result gives a plate that has a shallow dip to the west and gentle plunge to the north. The three plates were used to account for variations within the unit along strike.

The plates are modelling at a depth of between 50-70m depth and the source of the anomaly is unclear as it may be related to conductive overburden or shallow bedrock responses. Newexco have noted that more geological information could improve and constrain the interpretation. Assay results and interpretation of the MMI soil samples over the area are in progress and will assist in the interpretation of the MLEM results.



**Figure 10: Fraser Range East, Balladonia MLEM stations, channel 20 (6.09 ms) raster image and Maxwell plate models overlaid on TMI RTP image.**



**Figure 11: Fraser Range East MLEM stations over MLEM channel 20 (6.09 ms) raster image overlaid by Maxwell plate models.**

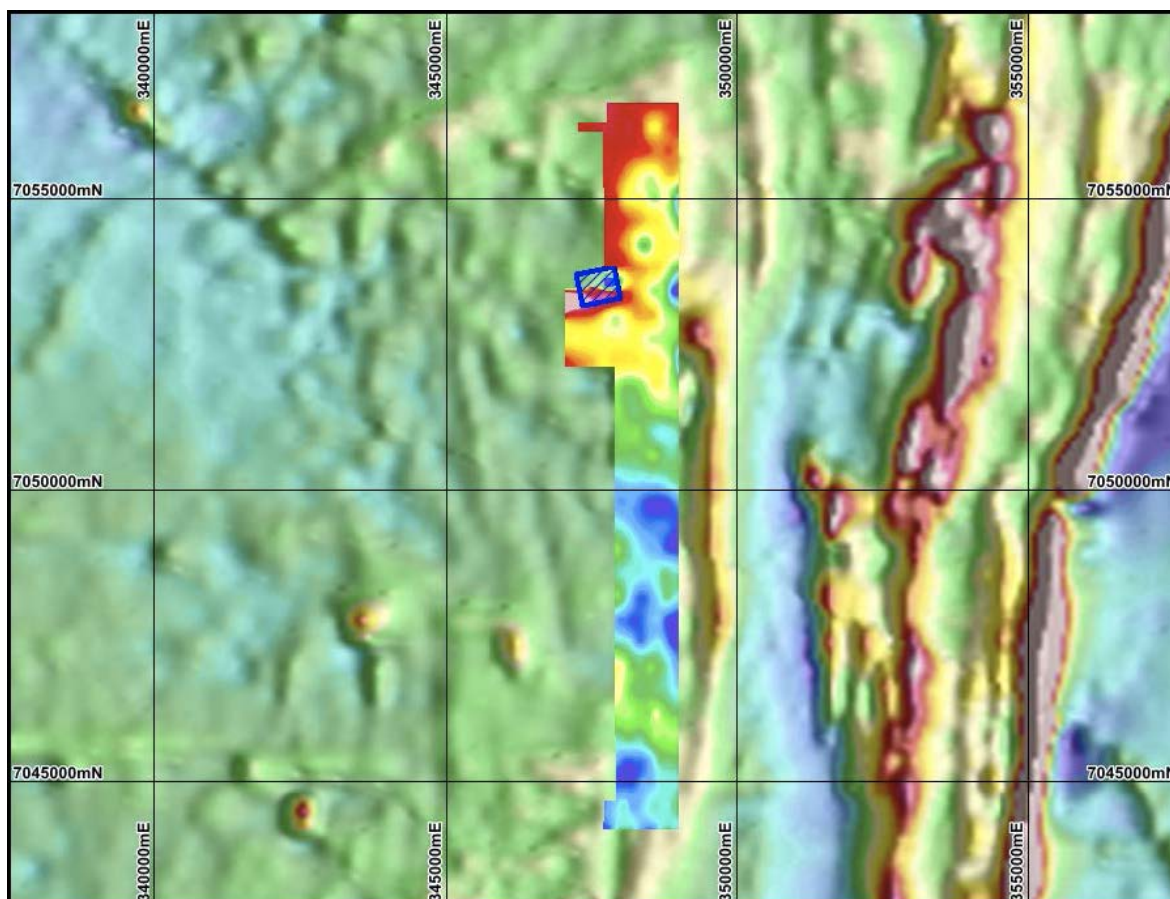
### **Dingo Range Project**

The first stage Moving Loop Electromagnetic survey MLEM and follow-up Fixed Loop Electromagnetic (FLEM) survey programme highlighted in Figures 12, 13 and 14 was carried out at the Dingo Range Project during June 2014. A total of 438 stations were observed along 34 profiles encompassing a total of 39.4 line kilometres. Due to time constraints the MMI soil sampling was not completed.

The MLEM data covers 12 kilometres of strike along variably magnetic source rocks which are presently interpreted to indicate the presence of volcanic, possibly mafic/ultramafic rock beneath pervasive cover. The MLEM indicates that the cover conditions increase in either thickness or conductivity to the northwest. Profiles presented in Figure 14 show the elevated response on the northern lines to the west consistent with an overburden response.

Central to the survey a number of weak anomalous responses have been identified. The FLEM survey on line 7053500 covers the strongest of these which confirmed the presence of locally strong conductive cover. Modelling accurately constrained the source to surface as represented by a blue plate in Figure 12.

Further weak anomalous responses were identified proximal to this source, which remain to be followed-up. However, further geological information is required to put these sources in context. The presence of conductive cover warrants a follow up drill programme to establish the depth of cover, bedrock geology and determine the effectiveness of the MLEM survey.



**Figure 12: Dingo Range MLEM channel 10 (1 ms) raster image overlaid on TMI RTP raster image including Maxwell model plate of conductive cover generated from the FLEM data.**

The work carried out by Newexco was the first stage of geophysical exploration completed on both the Fraser Range East and Dingo Range Projects. The Company is very encouraged with the quality of the work and the progressive results received. Further work has been recommended to develop both projects to continue to improve on the positive results.

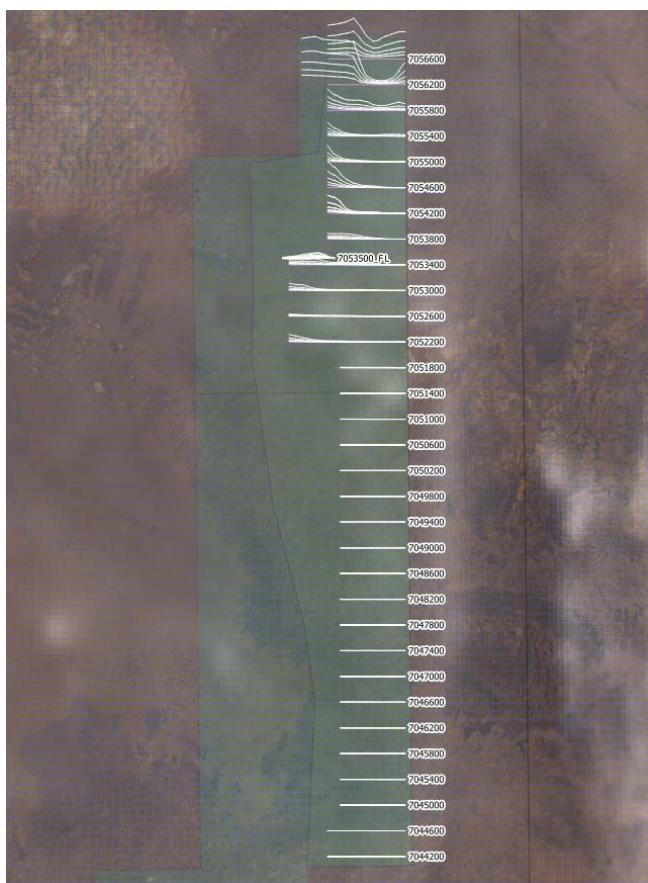


Figure 13: Dingo Range MLEM and FLEM profiles channels 20 to 24 (6 – 15 ms).

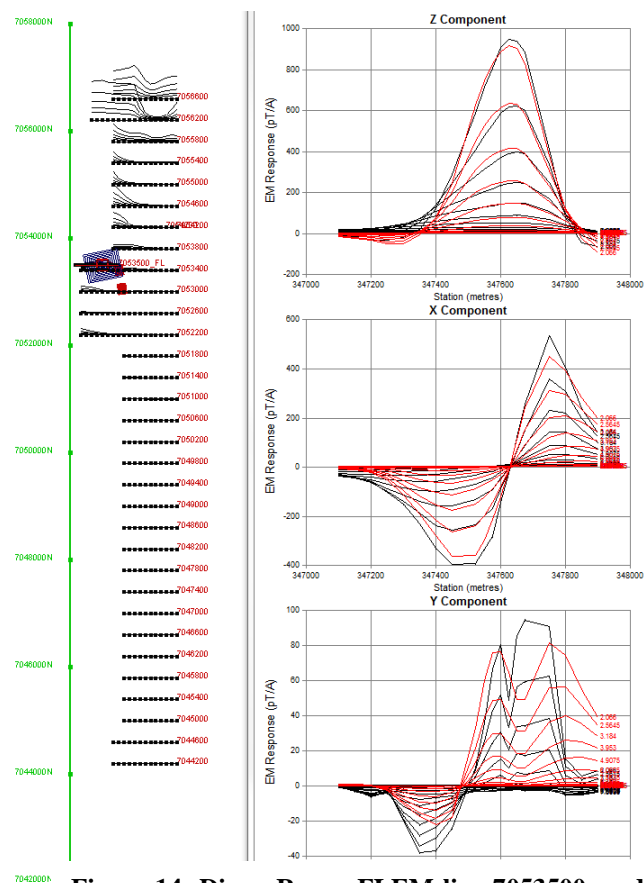


Figure 14: Dingo Range FLEM line 7053500 modelling of interpreted conductive cover (blue plate) which is extensive along the north-western margin of the MLEM survey. Black and red profiles represent field and modelled response respectively.

### Corporate Activities

In July, the Company successfully completed a placement of \$1,398,000 via the issue of 233 million ordinary fully paid MPJ shares with a one for one free attaching option (MPJO) to professional and sophisticated investors at an issue price of \$0.006 (0.6 cents) per share.

On 1 October 2014, the Company held a general meeting of shareholders whereby all resolutions were passed without amendment.

The Company will be holding its 2014 Annual General Meeting on 26 November 2014.

## Interests in Mining Tenements

Project/Tenements	Location	Held at the end of quarter	Acquired during the quarter	Disposed during the quarter
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	0%		100%
Delcarmen Project EPC2527 EPC2528	QLD, Australia	0%		100%
Golden Mountain Project MIN4683	Vic, Australia	100%		
Fraser Range Project E69/3082 E63/1594 E28/2271	W.A., Australia	100% 0% 0%		100% 100%
Balladonia Project E69/3211	W.A., Australia	100%		
Dingo Range E53/1731 E53/1732 E53/1733 P53/1624	W.A., Australia	100%		

**ENDS**

For further information please contact:

Mr Joshua Wellisch  
 Managing Director  
 Mining Projects Group Limited

For online Information visit: [www.miningprojectsgroup.com.au](http://www.miningprojectsgroup.com.au)

**COMPETENT PERSON STATEMENT:**

**Competent Person:** *The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Mr N Hutchison, who is a Non-Exec Director for Mining Projects Group and who is a Member of The Australian Institute of Geoscientists.*

*Mr Hutchison has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' (the JORC Code 2012). Mr Hutchison has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.*

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Rule 5.5

## Appendix 5B – 1<sup>st</sup> Quarter

### Mining Exploration Entity and Oil and Gas Exploration Entity Quarterly Report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

**Name of Entity:**

Mining Projects Group Limited (ASX:MPJ)

**ABN:**

84 006 189 331

**Quarter Ended ('Current Quarter')**

30<sup>th</sup> September 2014

#### 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	(301)	(301)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(83)	(83)
	(e) contract services	(214)	(214)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>		<b>(593)</b>	<b>(593)</b>
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)	-	-

+ See chapter 19 for defined terms.



<b>Net Investing Cash Flows</b>		-	-
<b>1.13</b>	<b>Total Operating and Investing Cash Flows</b>	<b>(593)</b>	<b>(593)</b>

		<b>Current Quarter \$A'000</b>	<b>Year-to-Date (3 months) \$A'000</b>
<b>1.13</b>	<b>Total Operating and Investing Cash Flows (Carried Forward)</b>	<b>(593)</b>	<b>(593)</b>
<b>Cash Flows Related to Financing Activities</b>			
1.14	Proceeds from issues of shares, options, etc.	1,398	1,398
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	(92)	(92)
1.19b	Other – Share Buy-back	-	-
<b>Net Financing Cash Flows</b>		<b>1,306</b>	<b>1,306</b>
<b>Net Increase / (Decrease) in Cash Held</b>		<b>713</b>	<b>713</b>
1.20	Cash at beginning of quarter/year to date	146	146
1.21	Exchange rate adjustments to item 1.20	-	-
<b>1.22</b>	<b>Cash at End of Quarter</b>	<b>859</b>	<b>859</b>

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

		<b>Current Quarter \$A'000</b>
1.23	Aggregate amount of payments to the parties included in item 1.2	124
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
	The Company has issued 22,120,646 ordinary MPJ shares to Newexco Services Pty Ltd in lieu of cash payment for geological consultancy services provided to the Company.
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	300
4.2	Development	-
4.3	Production	-
4.4	Administration	100
4.5	Contract Services	120
<b>Total:</b>		<b>520</b>

### 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	859	146
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: Cash at End of Quarter (item 1.22)</b>		<b>859</b>	<b>146</b>

### 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	E38/2053 E63/1594 E28/2271 EPC2527 EPC2528	Relinquished	100%    0%
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

### Issued and Quoted Securities at End of Current Quarter

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

		<b>Total Number</b>	<b>Number Quoted</b>	<b>Issue Price Per Security (cents) (see note 3)</b>	<b>Amount Paid Up Per Security (cents) (see note 3)</b>
7.1	<b>Preference +Securities</b> <i>(Description)</i>	-	-	-	-
7.2	Changes During Quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	<b>+Ordinary Securities</b>	1,252,954,149	1,252,954,149	-	-
7.4	Changes during quarter				
	(a) Increases through issues	22,120,646 233,000,000	22,120,646 233,000,000	\$0.003 \$0.006	\$0.003 \$0.006
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	<b>+Convertible debt securities</b> <i>(Description)</i>	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	<b>Options</b> <i>(Description and Conversion Factor)</i>	41,299,175 105,282,868 394,744,442 91,400,000	41,299,175 105,282,868 394,744,442 -	Exercisable @ \$0.10 Exercisable @ \$0.015 Exercisable @ \$0.010 Exercisable at \$0.01 to \$0.50	- - - -
7.8	Issued during quarter	-	-	-	-
7.9	Consolidation during quarter	-	-	-	-
	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-

+ See chapter 19 for defined terms.

## Compliance Statement

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

Sign Here:   
Managing Director

Date: Thursday 31 October 2014

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.