



# NOTICE OF GENERAL MEETING

Including Explanatory Memorandum and Proxy Forms

To be held on:

Friday, 16 May 2014

To be held at:

11.00 am (Melbourne time)

Location:

Level 14, No 31 Queen Street, Melbourne, VIC 3000

This is an important document. It should be read in its entirety.  
If you are in doubts as to the course you should follow, please consult your financial or professional adviser.

**MINING PROJECTS GROUP LIMITED**  
**ACN 006 189 331**

**NOTICE OF GENERAL MEETING**

Notice is given that the General Meeting of Mining Projects Group Limited ("the **Company**" or "**MPJ**") will be held at Level 14, 31 Queen Street, Melbourne, Victoria 3000 on Friday 16 May 2014 at 11.00 am (Melbourne time).

Further details in respect of each of the resolutions proposed in this Notice of General Meeting are set out in the Explanatory Memorandum accompanying this Notice of General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of General Meeting.

**BUSINESS**

**RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF 80,000,000 SHARES – EXEMPT INVESTORS**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"THAT for the purposes of ASX Listing Rule 7.4, shareholders ratify the prior issue of 80,000,000 fully paid ordinary shares in the capital of the Company to clients of CPS Capital Group Limited [ACN 008 055 636][AFSL 294848] who are investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act 2001 that are not related parties of the Company on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting."*

**Voting Exclusion Statement:**

*The Company will disregard any votes cast on this Resolution 1 by:*

- *persons who participated in the issue; or*
- *any associates of those persons.*

*However, the Company need not disregard a vote on Resolution 1 if:*

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

**RESOLUTION 2 – APPROVAL FOR ISSUE OF OPTIONS TO EXEMPT INVESTORS**

To consider and, if thought fit, to pass the following as an ordinary resolution:

*"THAT for the purpose of ASX Listing Rule 7.1, shareholders approve the issue of up to 53,333,333 free attaching options [MPJO] to clients of CPS Capital Group Limited [ACN 008 055 636][AFSL 294848] that are investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act 2001 that are not related parties of the Company as described in the Explanatory Memorandum which accompanied and formed part of this Notice of General Meeting."*

**Voting Exclusion Statement:**

*The Company will disregard any votes cast on Resolution 2 by:*

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or
- any associate of those persons.

However, the Company need not disregard a vote on Resolution 2 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **RESOLUTION 3 – APPROVAL FOR ISSUE OF SHARES AND OPTIONS TO COAL FIRST VENDORS**

To consider and, if thought fit, to pass the following as an ordinary resolution:

*“THAT for the purpose of ASX Listing Rule 7.1, and for all other purposes, shareholders approve the issue of up to 100,000,000 ordinary fully paid shares and up to 25,000,000 options [MPJO] to acquire ordinary fully paid shares (each option having an exercise price of \$0.01 and expiry date of 30 June 2016) to the vendors of Coal First Pty Ltd as described in the Explanatory Memorandum which accompanied and formed part of this Notice of General Meeting.”*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 3 by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or
- any associate of those persons.

However, the Company need not disregard a vote on Resolution 3 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **RESOLUTION 4 – APPROVAL FOR ISSUE OF SHARES AND OPTIONS TO NEXT COMMODITIES VENDORS**

To consider and, if thought fit, to pass the following as an ordinary resolution:

*“THAT for the purpose of ASX Listing Rule 7.1, and for all other purposes, shareholders approve the issue of up to 100,000,000 ordinary fully paid shares and up to 25,000,000 options [MPJO] to acquire ordinary fully paid shares (each option having an exercise price of \$0.01 and expiry date of 30 June 2016) to the vendors of Next Commodities Pty Ltd as described in the Explanatory Memorandum which accompanied and formed part of this Notice of General Meeting.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 4 by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or
- any associate of those persons.

However, the Company need not disregard a vote on Resolution 4 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**RESOLUTION 5 – APPROVAL FOR ISSUE OF PLACEMENT SHARES AND OPTIONS**

To consider and, if thought fit, to pass the following as an ordinary resolution:

*"THAT for the purpose of ASX Listing Rule 7.1 shareholders approve the issue of:*

- *up to 130,000,000 ordinary fully paid shares at an issue price of \$0.003 per share to raise up to \$390,000 (before costs); and*
- *up to 86,666,666 free-attaching options [MPJO] to acquire ordinary fully paid shares (each option having an exercise price of \$0.01 and expiry date of 30 June 2016);*

*to investors who are exempt from the disclosure requirements of Chapter 6D of the Corporations Act 2001 that are not related parties of the Company as described in the Explanatory Memorandum which accompanied and formed part of this Notice of General Meeting."*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 5 by:

- a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or
- any associate of those persons.

However, the Company need not disregard a vote on Resolution 5 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**RESOLUTION 6 – APPROVAL FOR ISSUE OF SHARES TO NEWEXCO**

To consider and, if thought fit, to pass the following as an ordinary resolution:

*"THAT for the purposes of Listing Rule 7.1 shareholders approve the issue of up to 29,166,667 ordinary fully paid shares at an issue price of \$0.003 per share to Newexco Services Pty Ltd [ACN 088 316 901] (or its nominee/s) in lieu of cash payment for geological consultancy services provided to the Company as described in the Explanatory Memorandum which accompanied and formed part of this Notice of General Meeting."*

**Voting Exclusion Statement:**

*The Company will disregard any votes cast on Resolution 6 by:*

- *a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or*
- *any associate of those persons.*

*However, the Company need not disregard a vote on Resolution 6 if:*

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

**RESOLUTION 7 – APPROVAL FOR ISSUE OF SHARES AND OPTIONS TO DIRECTOR – MR NEIL HUTCHISON**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"THAT for the purposes of ASX Listing Rule 10.11 and for all other purposes shareholders approve the issue of:*

- *5,000,000 ordinary fully paid shares;*
- *7,500,000 options to acquire ordinary fully paid shares (each option having an exercise price of \$0.01 and expiry date which is 3 years from the date of issue); and*
- *7,500,000 options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date which is 3 years from the date of issue); and*

*to Mr Neil Hutchison, a Director of the Company (or his nominee/s) as described in the Explanatory Memorandum which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:**

*The Company will disregard any votes cast on Resolution 7 by:*

- *Neil Hutchison or any or his associates;*
- *as a proxy by a member of the Company's key management personnel (including the Directors) or any of those persons' closely related parties (such as close family members and any controlled companies of those persons) (collectively referred to as a "Restricted Voter").*

*However, the Company need not disregard a vote on Resolution 7 if:*

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*

- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, pursuant to an express authorisation on the proxy form.*

### **Voting Note Resolution 7**

If you appoint the person chairing the meeting (the Chair) by marking the box on, and submitting, the Proxy Form you authorise the Chair to exercise the proxy even though Resolution 7 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 7. If you have appointed the Chair as your proxy he can only cast your votes in Resolution 7 if you expressly authorise him to do so by marking the box on the proxy form or directing the Chair how to vote by marking either 'for', 'against' or 'abstain' for Resolution 7.

Dated: 15 April 2014

By the order of the Board

A handwritten signature in black ink, appearing to read 'Ad. Wing', with a horizontal line underneath.

Mr Adrien Wing  
Company Secretary

The accompanying Explanatory Memorandum and the Proxy and Voting Instructions form part of this Notice of General Meeting.

## PROXY AND VOTING INSTRUCTIONS

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### Proxy Instructions

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the registered office of the Company or sent by facsimile transmission to the Company's registered office on (03) 9614 0550 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice of General Meeting.

### Corporate Representatives

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

### Voting Entitlement

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 11.00am on 14 May 2014 (Melbourne Time) are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

### How the Chair Will Vote Undirected Proxies

The Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions subject to the restrictions set out below.

### Proxies that are undirected on Resolution 7

If you appoint the Chair of the meeting as your proxy and you are not a Restricted Voter by marking the box on, and submitting, the proxy form you authorise the Chair to exercise the proxy even though Resolution 7 is connected directly or indirectly with the remuneration of a member of the Company's key management personnel, and you will be taken to have directed the Chair to vote in accordance with his stated intention to vote in favour of Resolution 7.

Directors of the Company (other than the Chair, per the above) any other of the Company's key management personnel and any of their closely related parties will not be able to vote undirected proxies held by them on Resolution 7. Key management personnel of the Company comprise the Directors of the Company and those other persons actually having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Their closely related parties are defined in the Corporations Act and include specified family members, dependents and companies they control.

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**MINING PROJECTS GROUP LIMITED**

**ACN 006 189 331**

**("the Company")**

**GENERAL MEETING**

**EXPLANATORY MEMORANDUM**

**PURPOSE OF INFORMATION**

This Explanatory Memorandum ("**this Memorandum**") accompanies and forms part of the Company's Notice of General Meeting to be held at Level 14, 31 Queen Street, Melbourne, Victoria, 3000 on 16 May 2014 at 11.00 am. The Notice of General Meeting incorporates, and should be read together with, this Memorandum.

**BUSINESS**

**RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF 80,000,000 SHARES – EXEMPT INVESTORS**

Resolution 1 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 80,000,000 fully paid ordinary shares to clients of CPS Capital Group Limited [ACN 008 055 636] [AFSL 294848] who are exempt investors that are not related parties of the Company. Every three shares subscribed for carries with them two free-attaching options. Each share is being issued for total consideration of \$0.003 the free attaching options are being issued for nil consideration.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The total number of shares issued was 80,000,000 fully paid ordinary shares in the Company.
- The price at which the shares were issued was 0.3 cents (\$0.003).
- The shares have the same terms and rights as, and will rank equally with, the Company's existing listed fully paid ordinary shares.
- The shares were issued to clients of CPS Capital Group Limited who are exempt investors that are not related parties of the Company.
- Funds raised by the issue of shares will be used by the Company to fund the Company's working capital requirement.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.



## RESOLUTION 2 – APPROVAL FOR ISSUE OF OPTIONS – EXEMPT INVESTORS

Resolution 2 seeks shareholder approval for the issue of up to 53,333,333 free attaching options [MPJO] to clients of CPS Capital Group Limited [ACN 008 055 636] [AFSL 294848] who are exempt investors and are not related parties of the Company. The options form part of the placement announced to ASX by the Company on 20 December 2013 and are to be issued to subscribers of the placement on a free-attaching basis of two options for three shares subscribed for. Each option will be issued for nil consideration (free attaching to the prescribed shares).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of options which will be issued under the approval sought through this Resolution is 53,333,333.
- The options will be issued and allotted no later than three (3) months after the date of the General Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investments Commission).
- The options are free-attaching and are to be issued for nil consideration. The options will be exercisable at a price of 1 cent (\$0.01) and will expire on 30 June 2016.
- The options will be issued to clients of CPS Capital Group Limited [ACN 008 055 636] [AFSL 294848] who are exempt investors and are not related parties of the Company.
- The options will be issued on the terms set out in Annexure A to this Memorandum. Shares issued as a result of exercise of the options will rank equally in all respects with the Company's existing ordinary shares.
- A voting exclusion statement is contained in the Notice of General Meeting.
- Funds raised by the issue of the shares will be used by the Company to fund the Company's working capital requirement.

## BACKGROUND TO RESOLUTIONS 3-6

On 26 March 2014, the Company entered into a binding Terms Sheet (**Terms Sheet**) with Next Commodities Pty Ltd [ACN 165 265 976] (**Next Commodities**), Coal First Pty Ltd [ACN 149 227 154] (**Coal First**), EpiEnergy Pty Ltd [ACN 155 586 842] (**EpiEnergy**) and the shareholders of Next Commodities and Coal First. Under the Terms Sheet, subject to the satisfaction of certain conditions, it is proposed that the Company would acquire:

- all of the issued share capital of Next Commodities which holds the exploration licence application identified as E69/3211 (**Balladonia Tenement**);
- all of the issued share capital of 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 exploration licences E69/3082, E28/2271 and E63/1594 (**Fraser Range Tenements**) which are held by EpiEnergy (being the tenements which are the subject of the Company's existing joint venture with EpiEnergy announced to ASX on 10 September 2013).

The Terms Sheet provides for:

- 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 shares and options which are the subject of the approval sought through Resolution 3 of the Notice of General Meeting to which this Memorandum relates). In addition, MPJ grants 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 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 shares and options which are the subject of the approval sought through Resolution 4 the Notice of General Meeting to which this Memorandum relates). In addition, MPJ grants the Next Commodities vendors a right to receive an aggregate 1.5% net smelter royalty in respect of any production achieved from the Balladonia Tenement.
- 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.

The Terms Sheet provides that acquisitions referred to above is conditional upon:

- MPJ conducting and completing (to its satisfaction) a due diligence investigation into Next Commodities, the Balladonia Tenement, Coal First and the Dingo Range Tenements.
- MPJ (and, where required, each other party to the Terms Sheet) obtaining all necessary regulatory, shareholder and other third-party or governmental approvals and consents required for the implementation of the proposed acquisitions.
- MPJ completing a capital raising of not less than \$390,000 (before costs). Resolution 5 of the Notice of General Meeting to which this Memorandum relates seeks shareholder approval for the issue of shares and options to facilitate satisfaction of this condition.
- MPJ entering into an arrangement (on terms acceptable to MPJ) with Newexco Services Pty Ltd [ACN 088 316 901] (**Newexco**) for the provision of geological consulting services in respect of some or all of the Balladonia Tenement, Dingo Range Tenements and Fraser Range Tenements which provides for payment, either wholly or in part, through the issue of equity in MPJ.

The Company has reached an agreement with Newexco pursuant to which it is proposed that Newexco provide geological consulting services in respect of the Balladonia Tenement, the Fraser Range Tenements and the Dingo Range Tenements. The consulting services are proposed to include the conduct and interpretation of moving loop electromagnetic surveys with soil sampling. The total costs of the services is anticipated to approximate \$150,000, of which \$87,500 is to be satisfied through the issue of MPJ shares (refer to Resolution 6).

Further details regarding the Balladonia Tenements, the Dingo Range Tenements and the Fraser Range Tenements are contained in the Company's ASX announcement of 26 March 2014.

## PROPOSED CAPITAL STRUCTURE

### Ordinary Shares

Existing Shares [MPJ]	650,166,840 (64.10%)
Coal First vendors (Resolution 3)	100,000,000 (9.85%)
Next Commodities vendors (Resolution 4)	100,000,000 (9.85%)
Capital Raising (Resolution 5)	130,000,000 (12.82%)
Newexco (Resolution 6)	29,166,667 (2.88%)
Neil Hutchison (or his nominee) (Resolution 7)	5,000,000 (0.5%)
<b>Total:</b>	<b>1,014,333,507 (100%)</b>

The above table assumes:

- that all resolutions set out in the Notice of General Meeting to which this Memorandum relates are approved and the shares the subject of those resolutions are issued;
- that no options are exercised between the date of the Notice of General Meeting and completion of the issues set out in the table; and
- full issue of all shares proposed to be issued to Newexco, noting that shares will be issued in lieu of services in the manner and at the times described on page 9 and above.

### MPJO Options

Existing Options [MPJO]	204,300,000 (51.8%)
Placement Options (Resolution 2)	53,333,333 (13.5%)
Coal First vendors (Resolution 3)	25,000,000 (6.4%)
Next Commodities vendors (Resolution 4)	25,000,000 (6.4%)
Capital Raising (Resolution 5)	86,666,666 (21.9%)
<b>Total:</b>	<b>394,299,999 (100%)</b>

The above table assumes that all resolutions set out in the Notice of General Meeting to which this Memorandum relates are approved and the options the subject of those approvals are issued. The table also assumes that no existing options are exercised between the date of the Notice of General Meeting and completion of the issues set out in the table. In addition to the MPJO options set out in the table, the Company also has other listed options (MPJOA and MPJOB) and unlisted options on issue.

## RESOLUTION 3: APPROVAL OF ISSUE OF SHARES AND OPTIONS TO COAL FIRST

Resolution 3 is proposed to obtain shareholder approval for the issue of up to 100,000,000 fully paid ordinary shares and up to 25,000,000 options to acquire ordinary MPJ shares [MPJO] to the shareholders of Coal First (or their nominees) identified in the table set out below in the proportions set out in the table below:

<b>Coal First Vendor Entity</b>	<b>Shares</b>	<b>Options</b>
Vassago Pty Ltd [ACN 128 802 166]	2,500,000	626,000
JBO Assets Pty Ltd [ACN 129 705 193]	23,750,000	5,937,000
TWW Assets Pty Ltd [ACN 129 705 237]	23,750,000	5,937,000
Beretta Nickel Pty Ltd [ACN 168 616 162]	50,000,000	12,500,000
<b>Total:</b>	100,000,000	25,000,000

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The maximum number of securities to be issued will be 100,000,000 fully paid ordinary shares and 25,000,000 options to acquire ordinary shares [MPJO].
- (b) The shares will be issued upon completion of the acquisition of Coal First from the Coal First vendors named in the table above and, in any event, no later than three (3) months after the date of the General Meeting to which this Memorandum relates.
- (c) The securities will be issued in consideration of the acquisition of all of the issued share capital of Coal First. The deemed issue price of the ordinary shares will be 0.3 cents (\$0.003) per share. The options are issued as free-attaching options on the basis of 1 option for every 4 shares issued to the Coal First vendors.
- (d) The securities will be issued and allotted to the Coal First vendors named in the table above (or their nominees) in the proportions set out in the table.
- (e) The ordinary shares issued to the Coal First vendors will rank equally with the Company's existing listed fully paid ordinary shares. The Company will apply to ASX for admission of the ordinary shares issued for quotation on ASX. The options issued to the Coal First vendors will have the same terms as the Company's existing listed MPJO options. Each option is exercisable at 1 cent (\$0.01) on, or before, 30 June 2016 and will, upon exercise, entitle the holder to one ordinary fully paid MPJ share. Full terms of the options are set out in Annexure A of this Memorandum. Shares issued as a result of exercise of the options will rank equally in all respects with the Company's existing ordinary shares.
- (f) No funds will be raised through the issue of the securities the subject of Resolution 3.
- (g) A voting exclusion statement applies to Resolution 3 on the terms set out in the Notice of General Meeting.

#### **RESOLUTION 4: APPROVAL FOR ISSUE OF SHARES AND OPTIONS TO NEXT COMMODITIES**

Resolution 4 is proposed to obtain shareholder approval for the issue of up to 100,000,000 fully paid ordinary shares and up to 25,000,000 options to acquire ordinary MPJ shares [MPJO] to

the shareholders of Next Commodities (or their nominees) identified in the table set out below in the proportions set out in the table below:

<b>Coal First Vendor Entity</b>	<b>Shares</b>	<b>Options</b>
Vassago Pty Ltd [ACN 128 802 166]	2,500,000	625,000
BDD Custodians Pty Ltd [ACN 154 804 912]	23,750,000	5,937,500
Red Marlin Pty Ltd [ACN 154 804 949]	23,750,000	5,937,500
Blackwell Investments Pty Ltd [ACN 168 610 151]	50,000,000	12,500,000
<b>Total:</b>	100,000,000	25,000,000

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The maximum number of securities to be issued will be 100,000,000 fully paid ordinary shares and 25,000,000 options to acquire ordinary shares [MPJO].
- (b) The shares will be issued upon completion of the acquisition of Next Commodities from the Next Commodities vendors named in the table above and, in any event, no later than three (3) months after the date of the General Meeting to which this Memorandum relates.
- (c) The securities will be issued in consideration of the acquisition of all of the issued share capital of Next Commodities. The deemed issue price of the ordinary shares will be 0.3 cents (\$0.003) per share. The options are issued as free-attaching options on the basis of 1 option for every 4 shares issued to the Next Commodities vendors.
- (d) The securities will be issued and allotted to the Next Commodities vendors named in the table above (or their nominees) in the proportions set out in the table.
- (e) The ordinary shares issued to the Next Commodities vendors will rank equally with the Company's existing listed fully paid ordinary shares. The Company will apply to ASX for admission of the ordinary shares issued for quotation on ASX. The options issued to the Next Commodities vendors will have the same terms as the Company's existing listed MPJO options. Each option is exercisable at 1 cent (\$0.01) on, or before, 30 June 2016 and will, upon exercise, entitle the holder to one ordinary fully paid MPJ share. Full terms of the options are set out in Annexure A of this Memorandum. Shares issued as a result of exercise of the options will rank equally in all respects with the Company's existing ordinary shares.
- (f) No funds will be raised through the issue of the securities the subject of Resolution 4.
- (g) A voting exclusion statement applies to Resolution 4 on the terms set out in the Notice of General Meeting.

## **RESOLUTION 5: APPROVAL FOR ISSUE OF PLACEMENT SHARES AND OPTIONS**

Resolution 5 is proposed to obtain shareholder approval for a placement involving the issue of up to 130,000,000 fully paid ordinary shares and up to 86,666,666 free-attaching options to acquire ordinary MPJ shares [MPJO] to investors, who are not related parties of the Company, that are exempt from the disclosure requirements of Chapter 6D the Corporations Act 2001. The placement will raise up to \$390,000 (before costs).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The maximum number of securities to be issued will be 130,000,000 fully paid ordinary shares and 86,666,666 free-attaching options to acquire ordinary shares [MPJO]. The options will be issued to accepting investors on the basis of 2 options for every 3 ordinary shares subscribed.
- (b) The shares will be issued no later than three (3) months after the date of the General Meeting to which this Memorandum relates.
- (c) The shares will be issued at 0.3 cents (\$0.003) per share. The free-attaching options will be issued for nil consideration.
- (d) The securities will be issued and allotted to investors identified and invited to subscribe by the Company. The investors will not be related parties of the Company and will be exempt from the disclosure requirements of Chapter 6D of the Corporations Act 2001.
- (e) The ordinary shares issued under the approval sought through Resolution 6 will rank equally with the Company's existing listed fully paid ordinary shares. The Company will apply to ASX for admission of the ordinary shares issued for quotation on ASX. The options issued under the approval sought through Resolution 5 will have the same terms as the Company's existing listed MPJO options. Each option is exercisable at 1 cent (\$0.01) on, or before, 30 June 2016 and will, upon exercise, entitle the holder to one fully paid ordinary MPJ share. Full terms of the options are set out in Annexure A of this Memorandum.
- (f) Up to \$390,000 (before costs) will be raised through the issue of securities the subject of Resolution 5. Funds raised will be applied to the working capital requirements of the Company including the cash-component of Newexco's consultancy fees for the geological consulting services to be provided on the terms described on page 9 of this Memorandum.
- (g) A voting exclusion statement applies to Resolution 5 on the terms set out in the Notice of General Meeting.

## **RESOLUTION 6: APPROVAL FOR ISSUE OF SHARES TO NEWEXCO**

Resolution 6 is proposed to obtain shareholder approval for the issue of up to 29,166,667 ordinary fully paid shares to Newexco, in lieu of cash, in part-payment for geological consulting services to be provided in respect of some or all of the Balladonia Tenements, the Dingo Range Tenements and the Fraser Range Tenements. Further details of the arrangements with Newexco are set out on page 9 and 10 of this Memorandum.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.3:

- (a) The maximum number of securities to be issued will be 29,166,667 fully paid ordinary shares.
- (b) The shares will be issued progressively, on terms agreed with Newexco, as (and when) consultancy services are provided. It is anticipated that the shares will be allotted on a monthly basis, in lieu of cash, in part-payment for services provided. In any case, the approval sought through Resolution 6 will lapse (3) months after the date of the General Meeting to which this Memorandum relates and no shares will be issued under the approval sought through Resolution 6 after this date.
- (c) The shares will be issued at 0.3 cents (\$0.003) per share (i.e. a total deemed value of \$87,500).
- (d) The securities will be issued and allotted to Newexco (or its nominee/s).
- (e) The ordinary shares issued under the approval sought through Resolution 6 will rank equally with the Company's existing listed fully paid ordinary shares. The Company will apply to ASX for admission of the ordinary shares issued for quotation on ASX.
- (f) No funds will be raised through the issue of shares the subject of Resolution 6. The shares will be issued in lieu of cash for geological consulting services which are to be provided by Newexco to the Company.
- (g) A voting exclusion statement applies to Resolution 6 on the terms set out in the Notice of General Meeting.

#### **RESOLUTION 7 – APPROVAL FOR ISSUE OF SHARES AND OPTIONS TO DIRECTOR – MR NEIL HUTCHISON**

Resolution 7 is proposed to seek shareholder approval for the issue of 5,000,000 ordinary fully paid shares and 15,00,000 options to acquire ordinary MPJ shares to Mr Neil Hutchison a Director (non-executive) of the Company appointed to fill a casual vacancy on 15 April 2014. The shares and options are proposed to be issued in connection with Mr Hutchison's appointment as part of his remuneration package which will otherwise comprise an annual salary of \$40,000 per annum. It has been agreed between Mr Hutchison and the Company that the securities pursuant to this resolution 7 will be voluntarily escrowed for a period of 12 months from the date of issue.

Mr Hutchison does not currently have a relevant interest in any of the Company's ordinary shares.

ASX Listing Rule 10.11 requires a company to obtain shareholder approval by ordinary resolution prior to the issue of equity securities (i.e. shares or options) to a related party of the company. For the purposes of Listing Rule 10.11, a related party includes a Director of the Company.

ASX Listing Rule 7.2 states that approval pursuant to ASX Listing Rule 7.1 is not required if approval is being obtained pursuant to ASX Listing Rule 10.11. Accordingly, as shareholder approval is being sought under ASX Listing Rule 10.11, a further approval is not required under ASX Listing Rule 7.1.

ASX Listing Rule 10.13 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 10.11 must include the following information:

- (a) Mr Neil Hutchison (or his nominee/s) will receive the options the subject of Resolution 7.
- (b) The maximum number of securities to be issued will be 5,000,000 ordinary fully paid shares and 15,000,000 options, having the terms set out in paragraph (e) below.
- (c) The Company will issue shares and options the subject of Resolution 7 within one (1) month of the date of General Meeting to which this Memorandum relates.
- (d) Mr Hutchison is a Director of the Company and therefore a related party for the purposes of ASX Listing Rule 10.11.
- (e) The ordinary shares issued under the approval sought through Resolution 7 will rank equally with the Company's existing listed fully paid ordinary shares at a deemed issue price of \$0.003 as part of Mr Hutchison's remuneration. The Company will apply to ASX for admission of the ordinary shares issued for quotation on ASX.

7,500,000 of the options issued under the approval sought through Resolution 7 will be exercisable at 1 cent (\$0.01) on, or before, the date which is 3 years after the date of their issue and will, upon exercise, entitle the holder to one fully paid ordinary MPJ share. Full terms of the options are set out in Annexure B of this Memorandum.

The remaining 7,500,000 options issued under the approval sought through Resolution 7 will be exercisable at 2 cents (\$0.02) on, or before, the date which is 3 years after the date of their issue and will, upon exercise, entitle the holder to one fully paid ordinary MPJ share. Full terms of the options are set out in Annexure C of this Memorandum.

- (f) No funds will be raised through the issue of the options.
- (g) A voting exclusion statement applies to Resolution 7 on the terms set out in the Notice of General Meeting.

Under Chapter 2E of the Corporations Act, a public company cannot give a 'financial benefit' to a 'related party' unless one of the exceptions to the section applies or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Section 211 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given to the related party as an officer of the Company as remuneration and to give the remuneration would be reasonable given:

- the circumstances of the company; and
- the related party's circumstances (including the responsibilities involved in the office or employment).



The Company considers the proposed issue of shares and options the subject of Resolution 7 is reasonable remuneration and, as such, falls within the exception set out in section 211 of the Corporations Act. In reaching this view, the Company has considered the position and responsibilities of Mr Hutchison, the need to attract suitably experienced and qualified officers to the Company, the Company's reliance on a limited number of executive personnel, the need for the Company to effectively incentivise Mr Hutchison, the desirability of preserving cash resources within the Company.

**NOTE:**

Unless otherwise specified, all monetary amounts are expressed in Australian dollars.

**ANNEXURE A**  
**OPTION TERMS [MPJO]**  
**(RESOLUTIONS 2, 3, 4 and 5)**

- (a) Each option will entitle the holder to acquire one ordinary fully paid shares in the capital of the Company.
- (b) Each option will have an exercise price of 1 cent (\$0.01) each.
- (c) The options will expire on 30 June 2016 ("**the Expiry Date**"). The options can be exercised by completing the option exercise form and delivering it together with the payment for the number of shares in respect of which the options are exercised to the registered office of the Company. Any option that has not been exercised prior to the Expiry Date automatically lapses. Holders shall not be entitled to exercise their options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- (d) The exercise price is payable in full on exercise.
- (e) Subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company and unless otherwise specified at the time of issue, options are freely transferable. All shares issued upon exercise of options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of options, subject to any restriction obligations imposed by ASX.
- (f) The options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant options.
- (g) There are no participation rights or entitlements inherent in the options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the options. Subject to any waiver granted by ASX, the Company will send notices to option holders at least five business days prior to the record date applying to offers of securities made to shareholders during the currency of the options.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of options or the exercise price of the options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.

**ANNEXURE B**  
**OPTION TERMS (RESOLUTION 7)**

- Each Option gives the holder (**Optionholder**) the right to subscribe for one ordinary fully paid share (**Share**). To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with these terms and conditions.
- Each option will be exercisable at \$0.01 (1 cent).
- The Options will expire at 5:00pm (AEST) on the date which is 3 years from the date of their issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- Optionholders may exercise their Options by lodging with the Company, before the Expiry Date:
  - a written notice of exercise of Options specifying the number of Options being exercised; and
  - a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised(**Exercise Notice**).
- An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- The Options are freely transferable (subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company),
- All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- The Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX within 10 Business Days after the allotment of those Shares.
- If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.

**ANNEXURE C**  
**OPTION TERMS (RESOLUTION 7)**

- Each Option gives the holder (**Optionholder**) the right to subscribe for one ordinary fully paid share (**Share**). To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with these terms and conditions.
- Each option will be exercisable at \$0.02 (2 cents).
- The Options will expire at 5:00pm (AEST) on the date which is 3 years from the date of their issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- Optionholders may exercise their Options by lodging with the Company, before the Expiry Date:
  - a written notice of exercise of Options specifying the number of Options being exercised; and
  - a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised(**Exercise Notice**).
- An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- The Options are freely transferable (subject to the Corporations Act, the ASX Listing Rules, and the Constitution of the Company),
- All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- The Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX within 10 Business Days after the allotment of those Shares.
- If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.

**MINING PROJECTS GROUP LIMITED**  
**ACN 006 189 331**  
**("the Company")**

**PROXY FORM**

Full name of securityholder(s):.....

Address:.....

I/We being a member/s of Mining Projects Group Limited ("Company") and entitled to attend and vote at the meeting of the Company to be held at 11.00 am (Melbourne time) on 16 May 2014 appoint:

the Chair of the meeting. OR   
 (mark box) (mark box)

.....  
 (Full name of proxy or the office of the proxy)

or if the person or body corporate named above fails to attend the meeting, or if no person/body corporate is named, the Chair of the meeting as my/our proxy to attend that meeting and vote on my/our behalf at that meeting and any adjournment or postponement of that meeting in accordance with the following directions (or if no directions have been given, as the proxy sees fit). If two proxies are appointed, the proportion of voting rights this proxy represents is .....%.

This proxy is authorised to exercise ..... votes/ ..... % of my/our total voting rights.

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy, please place a mark in the box

By marking this box you acknowledge that the Chair may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.<sup>1</sup> The Chair intends voting undirected proxies in favour of the resolutions in which he is permitted to vote. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolution 7 and your votes will not be counted in calculating the required majority if a poll is called on that resolution.

<sup>1</sup> **Note: If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business. The Chair of the meeting, Directors and other Key Management Personnel of the Company and their Closely Related Parties (see the Notice of General Meeting) will not cast any votes in respect of Resolution 7. The Chair may only cast votes that arise from any undirected proxy that the Chair holds in respect of Resolution 7 if the box above is marked.**

**VOTING DIRECTIONS FOR YOUR PROXY**

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting.

I/We direct my/our proxy to vote as indicated below:

		FOR	AGAINST	ABSTAIN
Resolution 1	RATIFICATION OF PRIOR ISSUE OF 80,000,000 SHARES – EXEMPT INVESTORS			
Resolution 2	APPROVAL FOR ISSUE OF OPTIONS – EXEMPT INVESTORS			
Resolution 3	APPROVAL OF ISSUE OF SHARES AND OPTIONS TO COAL FIRST VENDORS			
Resolution 4	APPROVAL OF ISSUE OF SHARES AND OPTIONS TO NEXT COMMODITIES VENDORS			
Resolution 5	APPROVAL OF ISSUE OF PLACEMENT SHARES AND OPTIONS			

Resolution 6	APPROVAL OF ISSUE OF SHARES TO NEWEXCO			
Resolution 7	APPROVAL FOR ISSUE OF SHARES AND OPTIONS TO DIRECTOR – MR NEIL HUTCHISON			

<p>If a person:</p> <p>_____</p> <p>(Signature)</p> <p>_____</p> <p>Name (print)</p> <p>Date: ____/____/____</p>	<p>If a company:</p> <p>EXECUTED by: _____</p> <p style="text-align: right;">Name of company (print)</p> <p>in accordance with the Corporations Act</p> <p>_____</p> <p>(Signature) _____</p> <p style="text-align: right;">(Signature)</p> <p>Date: ____/____/____</p>
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This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:

- Level 14, 31 Queen Street, Melbourne, Victoria, 3000; or
- by facsimile on (03) 9614 0550 by 11.00 am (Melbourne time) on 14 May 2014, being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.