



Mining Projects Group Limited
Quarterly Report for the 3 Months
Ended 30th June 2007

Highlights

- A detailed EM survey has been completed at the Talga Peak Project for which the Company is currently awaiting the results
- Atlas Iron Limited announces an initial 853 million tonne inferred magnetite resource at its 100% owned Pardoo Magnetite Iron Ore Project
- Mintails announces its initial Uranium Resource and then a doubling of that resource from 10.4 million pounds to 21 million pounds. Mintails also secures \$90 million placement with Global institutional investors to advance gold and uranium production
- Eleckra announces further drilling results at its Yamarna prospect confirming potential for further extensions at depth and along strike
- Private Placement to professional and sophisticated investors of up to 330 million new shares and one for one attaching option to raise up to \$2.31 million
- NTA at 30 June 2007 of \$18.86 million or 1.255 cents per share

Talga Peak Project

("MPJ" earning 51% with rights to go to 80%)

After completing an extensive drilling program the company commissioned a downhole EM surveying program. This program which was designed to locate and define significant base metal anomalies was completed subsequent to the end of the quarter and results are currently being analysed. The company expects to be in a position to release these findings shortly.

Corporate

Subsequent to the end of the quarter the company announced it had reached agreement with Melbourne Capital Limited, subject to shareholder approval, for a private placement to sophisticated investors of up to 330,000,000 new shares and a one for one attaching option at an issue price of 0.7 cents per share. If fully subscribed the placement will raise \$2.31 million before costs associated with the issue.

Over the last quarter MPJ has seen their current investments in other listed and unlisted mining companies begin to realise some of their potential value. Share price rises in all significant holdings has seen the Company's Net Tangible Assets rise significantly from the previous quarter. Whilst

+ See chapter 19 for defined terms.

this appreciation may continue this growth has provided an increasingly significant liquid asset which puts the Company in a position where it can now begin to assess more significant and advanced mining projects.

<u>Investment</u>	<u>Share Holding</u> <u>(approximately)</u>	<u>Price at 30 June 2007</u>	<u>Value at 30 June</u> <u>2007</u>
AGO	2,900,000	\$1.38	\$4,000,000
AGOO	1,644,000	\$1.12	\$1,800,000
MLI	5,420,000	\$0.81	\$4,400,000
EKM	4,650,000	\$0.60	\$2,800,000
CLD-TSX	5,700,000	\$0.178	\$1,000,000
(\$A equivalent)			
Other investments	27,500,000		\$4,100,000
Total Investments			\$18,100,000
Cash as at 30 June 2007			\$700,000
Net Tangible Assets			\$18,800,00
Shares on Issue			1,503,318,054
NTA per share			\$0.01255 or 1.255 cents

Atlas Iron Limited (ASX : AGO)

On July 23rd Atlas Iron Limited (“Atlas”) announced to the market an initial inferred magnetite resource of 853 million tonnes at their 100% Pardoo Magnetite Project located 75 kilometres east of Port Hedland, Pilbara, Western Australia. Results from the initial resource returned grades of 34.9wt% Davis Tube Recovery (DTR) giving a concentrate of 68.9% Fe for the deposit. This initial resource is a major step towards fully evaluating the potential of their Pardoo Magnetite Project. The drilling program consisted of 55 RC holes for approximately 9200 metres which provided cover over a strike length of 2050 metres with an average width of 710 metres to depth of between 100 metres to 285 metres. The resource is still open along strike and at depth.

Completed at the same time as the initial resource estimate for the Pardoo Magnetite Project was a Scoping study to initially understand the potential commercial feasibility of the resource. This study derived a mine life of greater than 25 years, life of mine strip ratios of 0.5:1 and a concentrate grade of 68.9% Fe. The study also suggested the proximity of the project to Port Hedland as a major advantage in the absence of rail haulage with the study anticipating the project using a buried pipeline to transport the concentrates through to Port Hedland.

The scoping study also included the MOU signed with Fortescue Metals Group Limited on June 11th delivering the potential provision of port handling and ship loading facilities capable of handling 10mt pa of magnetite concentrates before the new public berth at the port in Port Hedland is completed. This was seen as a major advantage towards project viability. Atlas intends to now move quickly towards pre-feasibility on this deposit. This will require further exploration drilling, additional metallurgical drilling and extensive engineering studies.

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On June 27th Atlas released an exploration update announcing new positive results for the Pardoo Direct Shipping Ore Project. On the Pardoo ground at the DSO project further drilling has identified further possibilities of new discoveries and extensions to existing DSO resources. Infill and extension drilling into four known prospects have returned high intercepts further extending known mineralisation and in some cases leaving the exploration model open in several directions. The commencement of the DSO operation has been delayed by 6 months to October 2008. The Environmental Protection Agency (EPA) informed Atlas that it will be completing a Public Environmental Review of its DSO project.

MPJ holds approximately 3.0m shares and 2.15m options in Atlas.

Mintails Limited (ASX : MLI)

On 17 May 2007 Mintails Limited (“Mintails”) announced initial results from its partially drilled and laboratory tested tailings slimes at its West Rand Project west of Johannesburg. A resource of approximately 10.4m lbs of uranium (U_3O_8) was reported within the Inferred category under the JORC Code. On 4th July 2007 Mintails announced that it had effectively doubled its previous JORC uranium resources as a consequence of additional drilling and testing work completed at the West Rand Project. The resource was increased from 10.4 million lbs of U_3O_8 to approximately 21 million lbs of which 3.5 million lbs was upgraded from a JORC Inferred to a JORC Indicated category.

On 26 April 2007 the company announced that it had reached agreement for the formation of a new Joint Venture company with DRD Gold and Mining and Reclamation Services (Pty) Ltd to explore, evaluate and potentially mine uranium and gold by open cast and underground mining methods in the West Rand. It is proposed that the joint venture will raise up to AUD 10 million and list on the Australian and the Johannesburg Stock Exchanges. Due diligence investigations are at an advanced stage and a listing is proposed for October this year. Historical gold production on the constituent leases exceeds 30 million ozs and 17,000 tonnes of U_3O_8 and the joint venture plans to extensively test these historical workings in order to delineate high priority targets for potential exploitation.

On 7 June 2007 Mintails and DRD Gold announced the formulation of a new 50/50 joint venture on the East Rand to evaluate and process significant gold bearing tailings materials located on the East Rand. These tailings are currently being drilled, sampled and tested for both gold and uranium and feasibility work is currently underway. The joint venture will be managed by Crown Gold Recoveries, a subsidiary of DRD Gold. DRD Gold are to contribute their Elsburg Tailings Complex comprising approximately 180 million tonnes of tailings materials and an additional 15 million tonnes which were acquired as part of the agreement from AngloGold Ashanti, whilst Mintails are to contribute one of the CIL circuits at its Brakpan Plant. The initial phase of the project envisages the refurbishment of one CIL circuit which will then have the capacity to treat 1.25 million tonnes of tailings per month. Feasibility studies are being undertaken which include drilling and evaluation and depending on the outcome could enable first production to commence within 12 months.

MPJ currently owns approximately 5,300,000 shares.

+ See chapter 19 for defined terms.

Cangold Limited (TSX-V:CLD)

On 23 July Cangold Limited (“Cangold”) announced it had signed an option agreement to acquire a 100% interest in the Los Venados property in northern Mexico. The Los Venados property is contiguous along strike from the Mutalos Gold Mine in the Sierra Madre gold belt of Sonora, Northern Mexico.

Los Venados lies within the emerging Mulatos gold mining district – a 15-20 kilometre long northwest trending belt of strong hydrothermal alteration and gold mineralisation in Tertiary volcanic rocks within the Sierra Mountains. Cangold are targeting a multimillion ounce high sulphide epithermal deposit amenable with open pit and heap leaching similar to the Mulatos Gold deposit which contains a global resource of 3.71 million ounces at a cut off grade of 0.5 g/t currently in operation by Alamos Gold Inc (TSX:AGI).

Cangold’s first phase of exploration is scheduled to begin in early August and will include mapping, rock chip sampling and possibly trenching of the three zones identified to date, with diamond drilling to follow. Cangold can acquire 100% interest in the project for by making staged cash payments of C\$250,000 and issuing 500,000 shares over 5 years. The acquisition is subject o a 2% NSR, half of which can be purchased back for C\$500,000.

MPJ currently own approximately 5.7 million shares

Eleckra Mines Limited (ASX : EKM)

On 27th June 2007 Eleckra Mines Limited (“Eleckra”) announced further drilling results at its Yamarna prospect. The results confirmed potential for further extensions at depth and along strike at a number of its targets as well as generating new targets.

The program was highlighted by further potential for strike and depth extensions at its Attila deposit. Encouraging results received included the 7 metres at 3.72 g/t from 111m and 8 metres at 2.63 g/t from 90m.

At Khan North 14 holes were drilled 994 metres below several RAB geochemical anomalies over a strike length of 4 km’s. Through this program a new mineralised zone which has been named ‘Renegade’ was discovered with results including 2 metres at 10.3 g/t from 19 metres and 3 metres at 3.87 g/t from 44 metres.

MPJ currently holds 4.65 million shares in Eleckra which represents approximately 8.0% of the company’s issued capital.

For And On Behalf Of The Board



Richard Revelins
Director

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The information in this report in relation to Atlas Iron was extracted from previous ASX announcements released by Atlas Iron Limited.

The information in this report in relation to Eleckra Mines Limited was extracted from previous ASX announcements released by Eleckra Mines Limited.

The information in this report in relation to Mintails Limited was extracted from previous ASX announcements released by Mintails Limited.

The information in this report in relation to Cangold Limited was extracted from previous TSX-V announcements released by Cangold Limited.

Rule 5.3

Appendix 5B – 4th 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

ABN:

84 006 189 331

Quarter Ended ('Current Quarter')

30th June 2007

Consolidated Statement of Cash Flows

	Current Quarter \$A'000	Year to Date (12 months) \$A'000
<u>Cash Flows Related to Operating Activities</u>		
1.1 Receipts from product sales and related debtors	-	67
1.2 Payments for: (a) exploration and evaluation	(126)	(1,089)
(b) development	-	-
(c) production	-	-
(d) administration	(247)	(740)
(e) contract services	(102)	(389)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	80
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	(459)	(2,071)
<u>Cash Flows Related to Investing Activities</u>		
1.8 Payment for purchases of:		
(a) prospects	-	(330)
(b) equity investments	(630)	(5,143)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	476	3,585
(c) other fixed assets	-	-
1.10 Loans to other entities	(121)	(121)
1.11 Loans repaid by other entities	-	34
1.12 Other (provide details if material)	-	-
Net Investing Cash Flows	(275)	(1,975)
1.13 Total Operating and Investing Cash Flows	(734)	(4,046)

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		Current Quarter \$A'000	Year to Date (12 months) \$A'000
1.13	Total Operating and Investing Cash Flows (Carried Forward)	(734)	(4,046)
<u>Cash Flows Related to Financing Activities</u>			
1.14	Proceeds from issues of shares, options, etc.	-	4,444
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net Financing Cash Flows		-	4,444
Net Increase / (Decrease) in Cash Held		(734)	398
1.20	Cash at beginning of quarter/year to date	1,472	340
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at End of Quarter	738	738

**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	96
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
-

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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	150
4.2 Development	-
Total:	150

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	738	1,472
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: Cash at End of Quarter (item 1.22)	738	1,472

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	Nil	Interests in mining tenements relinquished, reduced or lapsed		
6.2	Nil	Interests in mining tenements acquired or increased		

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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) <small>(see note 3)</small>	Amount Paid Up Per Security (cents) <small>(see note 3)</small>
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	1,503,318,054	1,503,318,054		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs	107,000	107,000	\$0.008	Fully Paid
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>	693,372,421	693,372,421	Exercise Price \$0.009	Expiry Date 31/07/2009
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ 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:

Director

Date: 31 July 2007

Print Name: **Richard Revelins**

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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