



## Appendix 4D Interim Financial Report

for the half year ended  
31 December 2007

(previous corresponding period: half year ended 31 December 2006)

To be read in conjunction with the 30 June 2007 Annual Report.  
In compliance with Listing Rule 4.2A

# DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Mining Projects Group Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2007.

## Directors

The following persons were directors of Mining Projects Group Limited during the whole of the half-year and up to the date of this report:

Bryan Frost	Executive Chairman
Richard Revelins	Executive Director
James Babbage	Non-Executive Director

## Review of Operations

During the period under review the company completed a detailed ground and downhole electromagnetic survey, geological mapping and rockchip and soil sampling along the Cord Valley on the Company's Talga Peak project. This program identified sixteen EM anomalies along this 15km long corridor extending from the project's primary VMS Cord prospect of which 5 of these "bedrock responses (are) of the type expected for conductive VMS deposits (and)... warrant drill testing". Field inspections indicate most of these potential bedrock conductors recommended for drill testing appear to be broadly coincident with geochemical anomalous gossanous chert horizons extending west from the Cord prospect.

Mining Project Group ("MPJ" or "the Company") holds investments in a number of listed and unlisted mining companies such as Atlas Iron, Mintails, Eleckra Mines, and other prospective companies which have performed well over the period and represent substantial value in the company's investment portfolio. As at 31 December 2007 the combined value of these investments totalled approximately \$17m with a further \$4.91m held in the form of cash and cash equivalents.

### Talga Peak Project

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

MPJ's exploration focus for the first 6 months of this financial year has been at the Talga Peak base metals and gold project ("Talga Peak"), Pilbara, Western Australia. The project has led to two significant prospects being identified, the primary Cord Prospect which is prospective for base metals and the Duesenberg Prospect which is prospective for gold.

### **Cord – VMS prospect and Cord Valley VMS corridor**

The Cord prospect consists of a series of interpreted "Volcanogenic Massive Sulphide" (VMS) related gossans located towards the top of the Warrawoona Group in the Pilbara. During the first 6 months of the financial year the Company has focussed on completing ground and downhole geophysical electromagnetic (EM) surveys, geological mapping and rockchip and soil sampling along the Cord Valley over the identified 15km strike length of the mineralised horizon at Talga Peak.

The aim of the ground EM survey was to locate bedrock conductors associated with VMS style mineralisation within the extensive gossanous and geochemically anomalous zone. The survey identified 16 EM conductors of which 5 were considered as being "moderately strong mid time anomalies that are considered to be bedrock responses of the type expected for conductive VMS deposits" and "as such warrant drill testing." Previous drilling has tested only 1 of these 5 EM conductors which is located at the Cord prospect associated with previously identified mineralisation. The drilled conductor at Cord was generally much weaker than the remaining un-tested EM conductors defined by this survey.

The downhole EM geophysical survey was completed at the Cord prospect which was designed to locate bedrock conductors associated with VMS style mineralization. Results indicated there is a conductive source located below the limits of the previous RC drilling program. The identification of downhole EM conductor(s) beneath current drilling and apparent lack of EM conductor(s) identified with mineralisation intersected to date, indicate that the best mineralisation at Cord has not been intersected as the sulphide content clearly increases with depth.

EM surveys have now tested the 15km strike length of mineralised horizon extending west from the Cord prospect along the Cord Valley to the western tenement boundary and all EM targets have been ground inspected with the completion of mapping, rock chip and selective first pass soil sampling activities.

Ground inspections and geochemistry at Cord suggest mineralisation extends a further 2km west from the outcropping Cord gossan and that this strike extension should also be drill tested. Further west along the Cord Valley a number of EM conductors were detected and many of these are located in close proximity to the mapped geochemical anomalous gossanous chert horizons. This includes conductors at the Viagra prospect, the Packard prospect, the Excalibur prospect and a strong conductor to south of survey area with geological mapping and sampling confirming the view that all these conductors warrant drill testing.

Assay results from the 101 rockchip samples collected during the reporting period returned results showing significantly anomalous geochemical values >0.1g/t gold, >0.1% arsenic, >0.1% copper together with elevated levels of antimony, tin and bismuth. Samples collected from the Packard prospect in particular reported some extremely encouraging results and these combined with the EM conductor (TP12) located nearby suggests that this target clearly warrants drill testing. These anomalous rock chip samples included 12.9g/t Au (TRK444), 14.3% Cu (TRK447), 0.4% As (TRK437,470) and 726ppm Sb (TRK449) associated with a strongly gossanous, ferruginous and veined chert horizon at the Packard prospect which at this stage remains not drill tested (full results of the rock chip sampling program can be found in the Company's previously released December 2007 Quarterly Activity report).

Work during the next quarter will focus on planning and preparing a RC drill program to drill test higher grade mineralisation at the Cord prospect and all of the recommended potential bedrock conductors at Viagra, Packard, Excalibur and to the south along the Cord Valley.

#### **Upcoming Stream and Soil Surveys**

In conjunction with the preparation of an extensive RC drilling program to test the newly defined EM anomalies at the Cord prospect, stream and soil surveys are also being formalised for the eastern and southern portions of the project area over the coming 6 months. These activities are focusing on parts of the project area where very minimal or no exploration has been conducted.

#### **Planned Stream Survey**

The planned stream sediment program will test the southern portion of the project area, 5km south of Duesenberg. This will include the greenstones for gold and base metal mineralisation, granite contacts and a south west – north east (SW-NE) trending regional structure. This structure which transects the south east portion of the project area contains the adjacent Spinifex Ridge Mo- Cu deposit to the north east along strike. This apparently deep crustal structure remains an exploration target for buried intrusive bodies and brittle stock work type mineralisation.

The geology over the planned stream area consists of an east-west trending greenstone sequence consisting predominantly of basalts and ultramafic unit(s) and several small granitic intrusives extending up to 5km south of the Duesenberg prospect before terminating on a large granite complex. A Geological Survey of Western Australia mapped ultramafic unit extends through the south western of the project area. This ultramafic unit contains several known gold prospects such as Macphee's Reward and Little Las Vegas to the west.

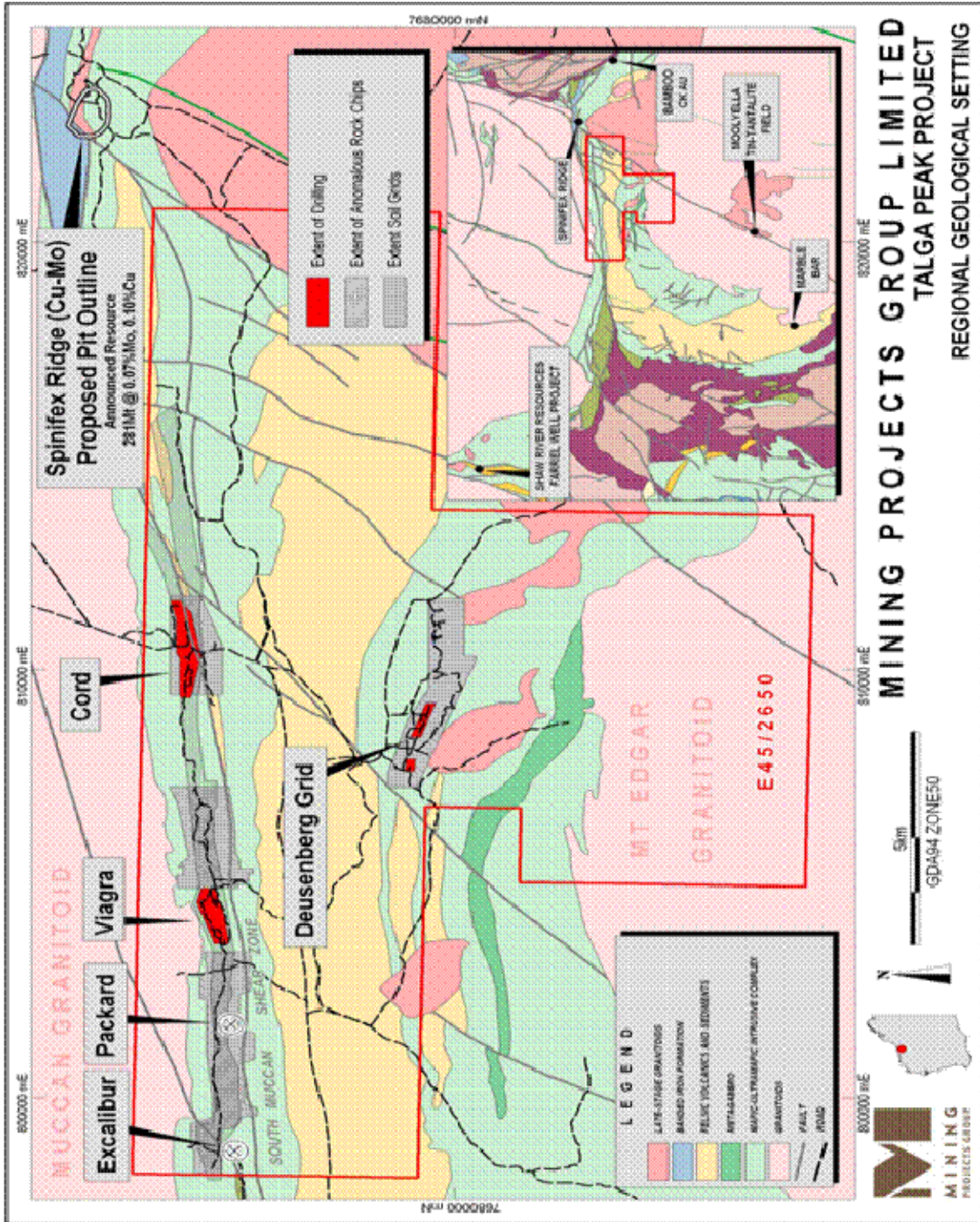
#### **Planned Soil Survey**

In January 2007 a multi-element, orientation stream sediment survey tested an area of approximately 20 square kilometres in the eastern portion of the project area and identified anomalous geochemistry possibly indicating several styles of mineralisation including the eastern extensions to the Cord VMS horizon, Ni-Cr-(Au) ultramafic associated mineralisation and the adjacent Spinifex Ridge world class Mo-Cu deposit.

The area tested in the east of the project area observed three distinct geochemical zones:

1. between the northern tenement boundary and 7685000N which contains a broad anomalous zone of Au, Ag, Cu, Sb, Pb and As indicating the potential for the VMS horizon to extend east from the Cord prospect.
2. immediately south and extending a further 1.2km to the south, geochemistry indicates a second zone of Ni, Cr +/- Au anomalism associated with ultramafic rocks and have the potential for PGE mineralisation.
3. the eastern extents of the area tested reported the third albeit low tenor and subtle anomalous Mo-Cu-Sb-As geochemistry possibly representing the geochemical signature of the adjacent world class Spinifex Ridge Mo-Cu deposit which appears to lie on a large SW-NE trending regional structure which transects the SE portion of the project. This apparently deep crustal structure remains an exploration target for buried intrusive bodies and brittle stock work type mineralisation.

The planned soil survey will involve a 3000 - 4000 sample program designed to test these three anomalous zones in conjunction with mapping and prospecting activities. These programs will commence in mid April (wet season dependent) in conjunction with the stream sediment survey, with results to begin filtering through by late June.



## **New Projects**

During the period the Company undertook investigations and due diligence work on a number of potential new resource projects located in Asia, Africa and South America to add to the MPJ portfolio. However to date the Company has not reached a decision to proceed with the acquisition of any project it has investigated and the evaluation process is continuing.

### **Atlas Iron Limited (ASX : AGO)**

Atlas Iron Limited ("Atlas") had another very productive 6 months achieving several further important milestones in the Company's ambition to become a DSO iron ore producer by October 2008. On 22nd October 2007, Atlas announced further discoveries of DSO mineralisation from the Company's first drilling program at its Abydos project located 100km south of Port Hedland. Significant results included;

- 52 metres at 62.2% Fe, 2.8% SiO<sub>2</sub>, 0.7% Al<sub>2</sub>O<sub>3</sub>, 0.11% P from 38 metres
- 24 metres at 58.8% Fe, 2.7% SiO<sub>2</sub>, 2.7% Al<sub>2</sub>O<sub>3</sub>, 0.09% P from surface; and
- 14 metres at 57.8% Fe, 5.2% SiO<sub>2</sub>, 2.3% Al<sub>2</sub>O<sub>3</sub>, 0.1% P from surface.

On 12th November 2007 AGO announced a resource increase of 36% at the Pardoo DSO Project. The increase from 10.5 to 14.3mt further substantiates this project which is expected to begin production in October 2008, initially providing 1mtpa before increasing up to 3mtpa once the construction of the public berth has been completed.

On 17th December 2007, AGO announced the release of the Public Environmental Review (PER) for the Company's Pardoo Direct Shipping Iron Ore Project. The PER produced in consultation with key State and Federal Government organisations, addresses potential environmental impacts of the Pardoo Mining Proposals and details proposed environmental management procedures throughout operations at the site. The key highlights of this review are that the project environmental approvals are on track, that AGO is in a position to deliver its first tonne of ore in October 2008 and that AGO is committed to the responsible development of the Pardoo project.

MPJ held approximately 2.432m shares and 0.25m options in Atlas at the reporting date.

### **Mintails Limited (ASX : MLI)**

The first 6 months of the financial year for MLI has been very successful in terms of the company achieving several significant milestones in the Company's development. On 26 November 2007 MLI announced the expansion of the East Rand Joint Venture with DRDGOLD Limited from 195 million tonnes of tailings materials to 1.7 billion tonnes of tailings. This expansion endorses a strategy to pursue a consolidation of all available and unexploited surface uranium and gold assets located on the East and Central Rand. The term sheet executed for the expansion provides for;

- a total refurbishment of all infrastructure located on the Brakpan (ERGO) plant to increase the capacity from one CIL gold recovery circuit to a significantly larger plant capable of processing tailings for recovery of gold, uranium and sulphuric acid, and;
- substantial increase of tailings materials from 195 million tonnes to 1.7 billion tonnes.

The rationale behind the expanded JV is it will create a large scale production facility with a mine life substantially longer than 20 years. The JV will also allow for the creation of a gold, uranium and sulphuric acid integrated circuit providing synergies that will create operational savings. This circuit will be established with proven technologies that have been tested over 27 years.

On 17th December 2007 MLI announced the first gold resource determined on the East Rand under the expanded JV. MLI established a JORC measured gold resource of 1.6 million oz's from the Elsburg complex which equates to approximately 10% of the 1.7 billion tonnes of tailings resource. Uranium and sulphur testing is currently being undertaken.

On the 21st January MLI announced three significant additions to the senior executive team at MLI.

Rob Croll, Group Executive Corporate, has moved to a full time permanent basis with the Company. Mr Croll was previously Business Development Manager of AngloGold Ashanti Limited and has co-ordinated and overseen numerous acquisition and disposal transactions. In his new position Mr Croll will focus on the development and management of Mintails corporate capabilities.

Bernard Swanepoel joined the board as a non-executive director, but will also sit on the Group Executive and focus on strategic growth initiatives, options available to increase group value and the optimization of the Company's current asset portfolio. Mr. Swanepoel has tremendous experience and an unparalleled track record within the mining industry in South Africa. For 12 years, he was Chief Executive of Harmony Gold Mining Company Limited, where under his leadership, Harmony grew from a 680,000 oz per year producer in 1995 to a 2.3m oz per year producer in 2007.

Also Basie Maree has joined the Mintails Executive Team, in the capacity of Group Executive Operations. Mr Maree was formerly Head of Metallurgy – Africa for AngloGold Ashanti. Under this position Mr Maree was responsible for managing AngloGold Ashanti's project management and technical advisory divisions for their African Operations. In his position as Group Executive Operations, Mr Maree will be able to contribute his technical and operational expertise to optimize the potential of Mintails large resource base and ensure that production milestones are achieved as the company moves into its next phase of development, mine commissioning and production.

MPJ held approximately 5,420,000 shares in MLI at the reporting date.

#### **Eleckra Mines Limited (ASX : EKM)**

On 10th October 2007 EKM announced to the ASX that it was to commence an aircore drilling program at its Thatcher Soak Uranium prospect. The objective of the program was to provide an initial test of the potential for economic calcareous uranium mineralisation within the sections of the Thatchers Soak channel held by EKM. On 23rd January 2008 the results of this program were released to the market and returned elevated uranium values over an extensive area. EKM drilled 450 aircore holes for 4,792m testing approximately 18km<sup>2</sup> of the Thatcher Soak channel. Confirmatory geochemical assays for samples from the mineralised intervals are expected in March-April 2008, however downhole gamma logging results indicate widespread uranium mineralisation with over 40% of all drill holes having equivalent uranium values above 100ppm at a thickness of 0.2m. The mineralised zone is an area approximately 7km<sup>2</sup> and within 6m of surface and interpreted to occur as sub-horizontal sheets. New deeper zones have been discovered from 6-14m also. Some of the best intercepts from the program include:

- 2.00m at 808ppm eU3O8
- 2.16m at 758ppm eU3O8
- 1.74m at 649ppm eU3O8
- 2.16m at 596ppm eU3O8

These gamma results provide uranium equivalent grades and should be considered preliminary, however the assay results are expected late March early April 2008.

MPJ held 4,650,000 million shares in EKM at the reporting date.

#### **Auditors' Independence Declaration**

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors.



Richard Revelins  
Director

Melbourne  
Dated 14 March 2008

*The information in this report in relation to the Talga Peak Project was compiled by Geoff Blackburn. Geoff Blackburn has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results. In respect of the results reported there has been insufficient work to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource. Geoff Blackburn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*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 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.*





Chartered Accountants  
& Business Advisers

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF MINING PROJECTS GROUP LIMITED**

As lead auditor for the review of Mining Projects Group Limited for the half-year ended 31 December 2007, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mining Projects Group Limited and the entities it controlled during the half-year.

**M L Port**  
**Partner**  
**PKF**  
**Chartered Accountants**

14 March 2008  
Melbourne

Tel: +61 3 9603 1700 | Fax: +61 3 9602 3870 | [www.pkf.com.au](http://www.pkf.com.au)  
PKF | ABN 83 236 985 726  
Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia  
GPO Box 5099 | Melbourne | Victoria 3001

Liability limited by a scheme approved under Professional Standards Legislation.

PKF is a national association of independent chartered accounting and consulting firms, each trading as PKF. PKF Australia Ltd is also a member of PKF International, an association of legally independent chartered accounting and consulting firms.

# Appendix 4D for the Half Year Ended 31 December 2007

## Results for announcement to the market

Current Reporting Period - Half year Ended 31 December 2007  
Previous Reporting Period - Half year Ended 31 December 2006

Revenues	up	106.52%	to	\$1,536,382
Profit after tax attributable to members	up	645.97%	to	\$1,707,379
Net profit for the period attributable to members	up	645.97%	to	\$1,707,379

Dividends (distribution)	Amount per Security	Franked Amount per Security
Final dividend	n/a	n/a
Previous corresponding period	n/a	n/a
<b>Net Tangible Asset per Security (cents per security)</b>		
As at 31 December 2007	1.21	
As at 31 December 2006	0.81	
<b>Profit per share attributable to the ordinary equity holders of the company:</b>		
(Basic and Diluted)		
As at 31 December 2007	0.10	
As at 31 December 2006	0.02	
Record date for determining entitlements to the dividend, (in the case of a trust, distribution)	n/a	
Explanation of the above information:		
Refer to the Directors' Report - Review of Operations.		



# CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2007

	Notes	Consolidated Entity	
		31 December 2007 \$	31 December 2006 \$
Revenue	3	1,536,382	743,932
Depreciation		(7,792)	(6,530)
Tenement expenses		(9,657)	(10,738)
Directors' & consultants' fees		(227,498)	(218,498)
Travel & Marketing		(57,217)	(5,717)
Administration		(51,616)	(53,564)
Professional fees		(315,051)	(116,135)
Other expenses		(139,270)	(103,871)
		<hr/>	<hr/>
<b>PROFIT BEFORE INCOME TAX</b>		<b>728,281</b>	<b>228,879</b>
INCOME TAX (EXPENSE)/BENEFIT		<u>979,098</u>	<u>-</u>
<b>PROFIT FROM CONTINUING OPERATIONS</b>		<b>1,707,379</b>	<b>228,879</b>
		<hr/>	<hr/>
<b>PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY</b>		<b>1,707,379</b>	<b>228,879</b>
		<hr/> <hr/>	<hr/> <hr/>
		<b>Cents</b>	<b>Cents</b>
<b>Profit per share from continuing operations attributable to the ordinary equity holders of the company:</b>			
Basic earnings per share		<b>0.10</b>	0.02
Diluted earnings per share		<b>0.10</b>	0.02

The accompanying notes form part of these financial statements.

# CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007

	Note	Consolidated Entity	
		31 December 2007	30 June 2007
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		4,911,247	746,409
Trade and other receivables		33,898	942,856
Other financial assets		16,990,271	17,551,335
Other		13,319	2,770
<b>TOTAL CURRENT ASSETS</b>		<b>21,948,735</b>	<b>19,243,370</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		32,180	27,833
Exploration and evaluation costs		1,905,800	1,751,960
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,937,980</b>	<b>1,779,793</b>
<b>TOTAL ASSETS</b>		<b>23,886,715</b>	<b>21,023,163</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		259,228	253,506
<b>TOTAL CURRENT LIABILITIES</b>		<b>259,228</b>	<b>253,506</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		1,379,439	2,358,537
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,379,439</b>	<b>2,358,537</b>
<b>TOTAL LIABILITIES</b>		<b>1,638,667</b>	<b>2,612,043</b>
<b>NET ASSETS</b>		<b>22,248,048</b>	<b>18,411,120</b>
<b>EQUITY</b>			
Issued capital	6	27,594,461	25,464,912
Accumulated Losses		(5,346,413)	(7,053,792)
<b>TOTAL EQUITY</b>		<b>22,248,048</b>	<b>18,411,120</b>

The accompanying notes form part of these financial statements.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2007

## Consolidated Entity

	Issued Capital \$	Accumulated Losses \$	Total \$
Balance at 30 June 2006	21,052,327	(13,516,337)	7,535,990
Capital raising	4,759,112	-	4,759,112
Capital raising costs	(347,911)	-	(347,911)
Options exercised net of costs	528	-	528
Options issued	-	-	-
Cost of share based payments	-	-	-
Net Profit for the period	-	228,879	228,879
<b>Balance at 31 December 2006</b>	<b>25,464,056</b>	<b>(13,287,458)</b>	<b>12,176,598</b>
Capital raising	-	-	-
Capital raising costs	-	-	-
Options exercised net of costs	-	-	-
Options issued	-	-	-
Cost of share based payments	856	-	856
Net Profit for the period	-	6,233,666	6,233,666
<b>Balance at 30 June 2007</b>	<b>25,464,912</b>	<b>(7,053,792)</b>	<b>18,411,120</b>
Capital raising	2,309,984	-	2,309,984
Capital raising costs	(182,468)	-	(182,468)
Options exercised net of costs	2,033	-	2,033
Options issued	-	-	-
Cost of share based payments	-	-	-
Net Profit for the period	-	1,707,379	1,707,379
<b>Balance at 31 December 2007</b>	<b>27,594,461</b>	<b>(5,346,413)</b>	<b>22,248,048</b>

The accompanying notes form part of these financial statements.

# CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2007

	Consolidated Entity	
	31 December 2007	31 December 2006
	\$	\$
<b>CASH FLOWS RELATED TO OPERATING ACTIVITIES</b>		
Receipts from customers	-	4,500
Payments to suppliers and employees	(466,652)	(533,184)
Interest received	96,977	51,626
	(369,675)	(477,058)
<b>NET OPERATING CASH FLOWS</b>		
<b>CASH FLOWS RELATED TO INVESTING ACTIVITIES</b>		
Payment for purchases of plant and equipment	(12,139)	(489)
Proceeds from sales of equity investments	10,604,063	1,995,281
Payment for purchases of equity investments	(8,153,620)	(3,722,589)
Loans repaid by other entities	120,500	30,000
Payment for exploration and evaluation of tenements	(153,840)	(959,278)
	2,404,964	(2,657,075)
<b>NET INVESTING CASH FLOWS</b>		
<b>CASH FLOWS RELATED TO FINANCING ACTIVITIES</b>		
Proceeds from issues of securities	2,309,984	4,759,640
Capital raising costs	(180,435)	(347,911)
	2,129,549	4,411,729
<b>NET FINANCING CASH FLOWS</b>		
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	4,164,838	1,277,596
Cash and cash equivalents at the beginning of the half year	746,409	384,081
	4,911,247	1,661,677
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE HALF YEAR</b>		
	4,911,247	1,661,677

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## Note 1. Basis of Preparation

The general purpose financial report for the interim half year reporting period ended 31 December 2007 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2007 and any public announcements made by Mining Projects Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with the most recent Annual Financial Report for the year ended 30 June 2007.

## Note 2. Dividends

The company resolved not to declare any dividends in the period ended 31 December 2007.

## Note 3. Revenue

	31 December 2007	31 December 2006
	\$	\$
Operating Activities		
- Interest Revenue - other persons/corporations	96,977	51,626
- Net movement in fair value of financial assets held for trading	1,439,405	687,806
- Other	-	4,500
Total Operating Revenue	<u>1,536,382</u>	<u>743,932</u>

## Note 4. Segment Information

Primary reporting format - business segments

	Exploration & Mining		Investment		Total	
	2007	2006	2007	2006	2007	2006
	\$	\$	\$	\$	\$	\$
<u>Revenue</u>						
External Sales	-	-	1,536,382	743,932	1,536,382	743,932
Unallocated Revenue	-	-	-	-	-	-
Total Revenue	<u>-</u>	<u>-</u>	<u>1,536,382</u>	<u>743,932</u>	<u>1,536,382</u>	<u>743,932</u>
<u>Result</u>						
Segment Result	(9,657)	(10,738)	1,536,382	743,932	1,526,725	733,194
Unallocated Expenses	-	-	-	-	(798,444)	(504,315)
Income Tax (Expense)/Benefit	-	-	-	-	979,098	-
Net Result	<u>(9,657)</u>	<u>(10,738)</u>	<u>1,536,382</u>	<u>743,932</u>	<u>1,707,379</u>	<u>228,879</u>

## Note 5. Contingent Liabilities and Assets

There has been no change in contingent liabilities and assets since the last annual reporting date.

**Note 6. Issued Capital**

	31 December 2007		30 June 2007	
	No.	\$	No.	\$
<u>Issued and Paid Up Capital</u>				
Fully Paid Ordinary Shares	1,833,543,942	27,594,461	1,503,318,054	25,464,912
Options over Fully Paid Ordinary	1,023,146,533	-	693,372,421	-
Total Issued Capital		27,594,461		25,464,912

**Note 7. Events Subsequent to Reporting Date**

No matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the economic entity, the result of those operations or the state of affairs of the economic entity in subsequent financial years.

# DIRECTORS' DECLARATION

The directors' of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 14:

(a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and

(b) give a true and fair view of the economic entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Richard Revelins  
Director

Dated 14 March 2008





**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF MINING PROJECTS GROUP LIMITED**

Chartered Accountants  
& Business Advisers

We have reviewed the accompanying half-year financial report of Mining Projects Group Limited, which comprises the condensed balance sheet as at 31 December 2007, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising Mining Projects Group Limited and the entities it controlled at 31 December 2007 or from time to time during the half-year ended on that date.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of Mining Projects Group Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Mining Projects Group Limited's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Mining Projects Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mining Projects Group Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

PKF  
Chartered Accountants

14 March 2008  
Melbourne

M L Port  
Partner

Tel: +61 3 9603 1700 | Fax: +61 3 9602 3870 | www.pkf.com.au  
PKF | ABN 83 236 985 726  
Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia  
GPO Box 5099 | Melbourne | Victoria 3001

Liability limited by a scheme approved under Professional Standards Legislation.

PKF is a national association of independent chartered accounting and consulting firms, each trading as PKF. PKF Australia Ltd is also a member of PKF International, an association of legally independent chartered accounting and consulting firms.