

COMPANY ANNOUNCEMENT

26 March 2014

MPJ TO EXPAND W.A. NICKEL PORTFOLIO AND RAISE CAPITAL

- **Proposed acquisition of 100% of the Balladonia Tenements comprising 246km² expanding MPJ's existing Fraser Range East Project which borders Fortescue Metals Group and Sirius Resource's tenements located south-east of the Nova-Bollinger Deposit**
- **Proposed acquisition to increase the interest of MPJ's existing Fraser Range East and West Projects to 100%**
- **Proposed acquisition of 100% of the Dingo Range Tenements comprising 326.8km² bordering Rox Resources Mt Fisher Project**
- **Newexco to establish equity position in MPJ by providing geophysical and geological services in return for MPJ shares**
- **Proposed capital raising of \$390k to institutional and sophisticated investors**

Overview

Mining Projects Group Limited (ASX:MPJ) ("**MPJ**" or "**the Company**") is pleased to announce that it has entered into a binding Terms Sheet for the proposed acquisition of 100% of the Balladonia Tenement expanding MPJ's existing Fraser Range East Project located approximately 70km from the Nova-Bollinger Deposit and the Dingo Range Tenements bordering Rox Resources Limited Mt Fisher Project. Both the Balladonia and Dingo Range tenements are described further below. Furthermore, MPJ will increase the interest in its existing Fraser Range East and West Projects to 100% under the proposed acquisition.

The transaction is conditional upon the successful completion of a capital raising, due diligence and the engagement of Newexco Services Pty Ltd ("**Newexco**") to conduct geophysical and geological services in return for MPJ shares. The acquisitions, the issue of shares to Newexco and the capital raising are also subject to shareholder and all required regulatory approvals.

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 "High Grade Massive Sulphide Intersections".

² Sourced from Sirius Resources ASX announcement on 14th February 2014 "Sirius to Acquire Creasy's 30% of Nova-Bollinger Project to Take Ownership to 100%"

Managing Director Joshua Wellisch commented: *“The proposed acquisitions are a significant expansion to our existing nickel and gold portfolio of projects in Western Australia. The engagement of Newexco and its agreement to accept equity in return for services is extremely encouraging given their extensive involvement with several major nickel discoveries in the region. We are also pleased by the indicative support received from new strategic institutional investors to the proposed capital raising and will seek to secure formal commitments to the capital raising in the coming weeks. In addition we are continuing the progression of discussions with ‘IMMG’ on the Roe Hills Project as previously announced and look forward to providing updates on all projects in due course.”*

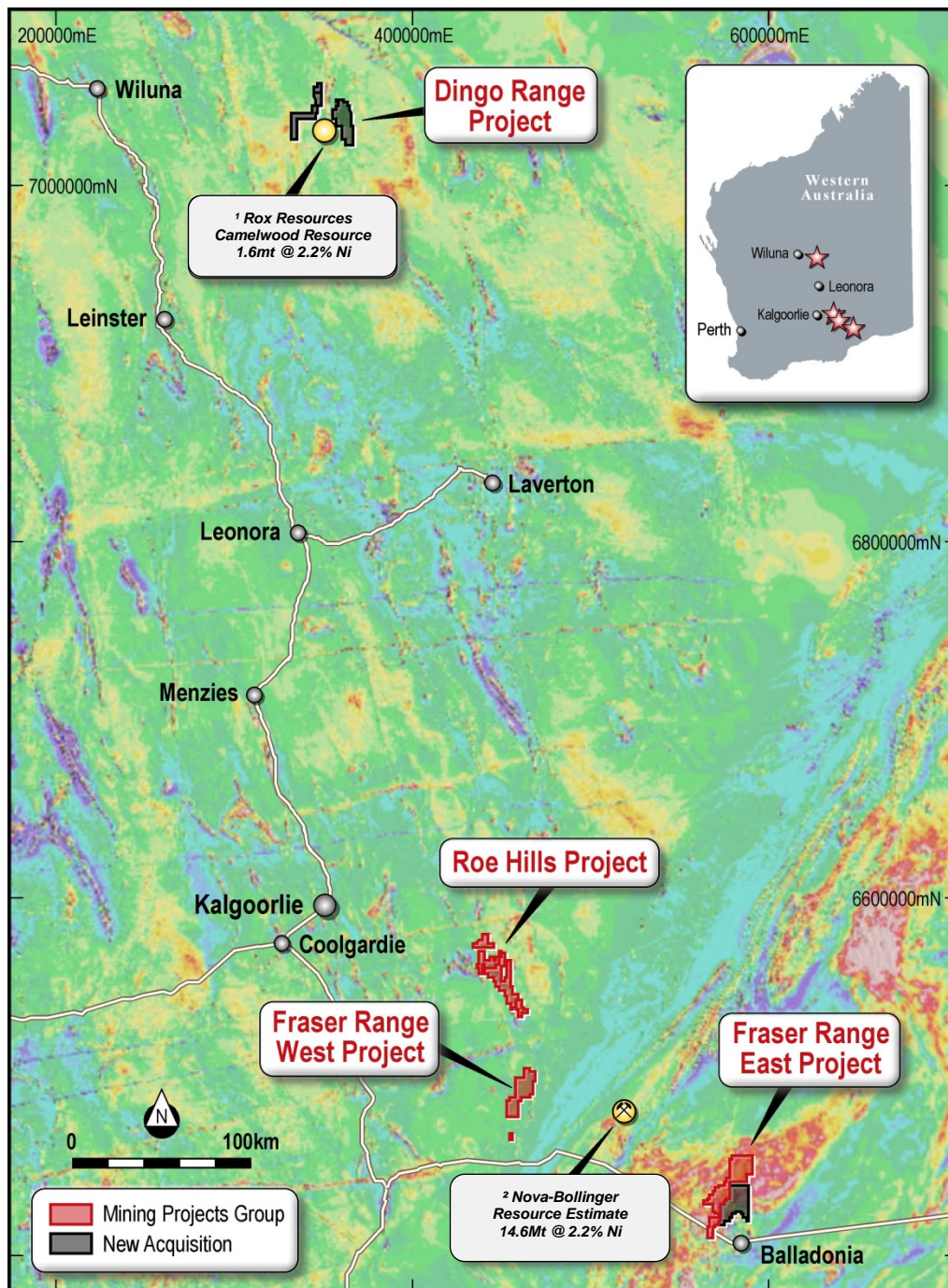


Figure 1. MPJ's W.A. Nickel Projects including proposed acquisition tenements

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 “High Grade Massive Sulphide Intersections”.

² Sourced from Sirius Resources ASX announcement on 14th February 2014 “Sirius to Acquire Creasy’s 30% of Nova-Bollinger Project to Take Ownership to 100%”

Fraser Range East Project and Balladonia Tenement

The proposed acquisition of the Balladonia Tenement (defined in section headed “Summary of Proposed Acquisition” below) adjoining MPJ’s existing Fraser Range East Project would expand MPJ’s total exploration area to 601.4km². This project borders Fortescue Metals Group and Sirius Resource’s tenements located to the south-east of the Nova-Bollinger Nickel deposit.

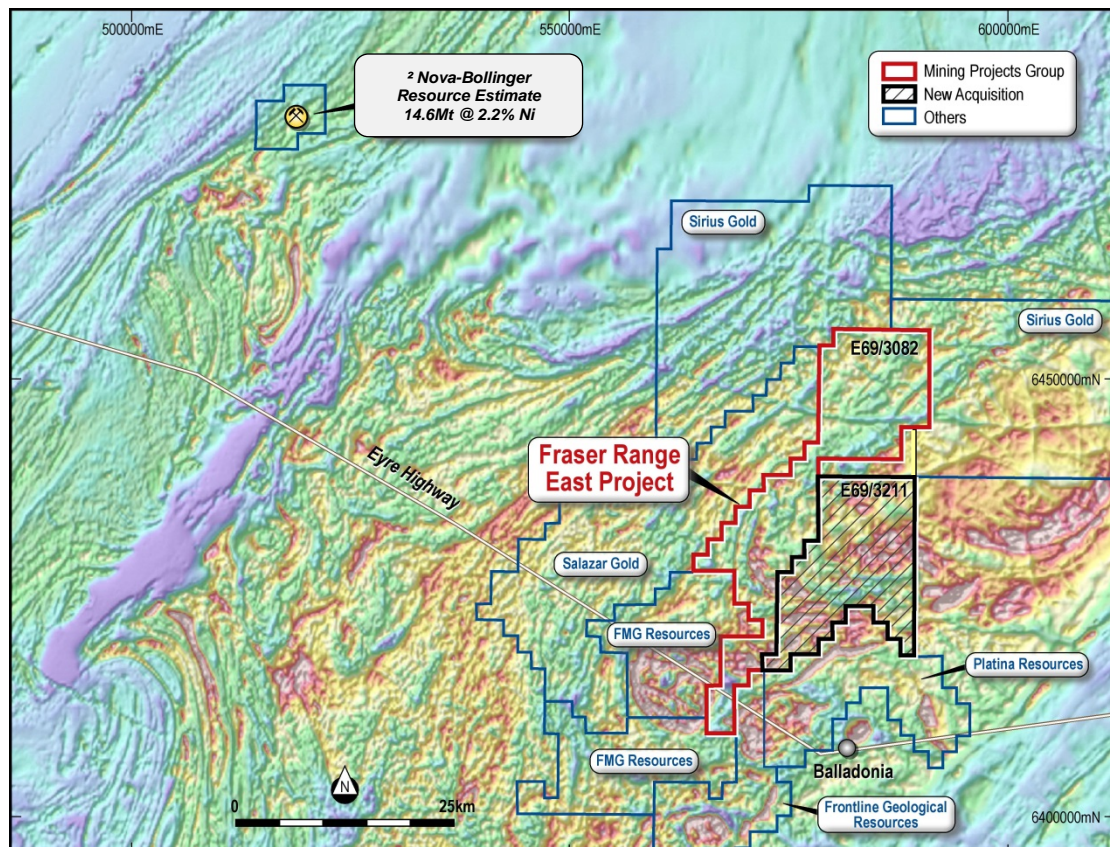


Figure 2. MPJ’s Fraser Range East Project and Balladonia Tenement over airborne magnetics

Dingo Range Tenements

The Dingo Range Tenements include four mineral tenures (defined in section headed “Summary of Proposed Acquisition” below) comprising a total area of 326.8km². The tenements border the Rox Resource’s Mt Fisher Project and Cullen Resource’s Mt Eureka Project on both the east and West sides.

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 “High Grade Massive Sulphide Intersections”.

² Sourced from Sirius Resources ASX announcement on 14th February 2014 “Sirius to Acquire Creasy’s 30% of Nova-Bollinger Project to Take Ownership to 100%”

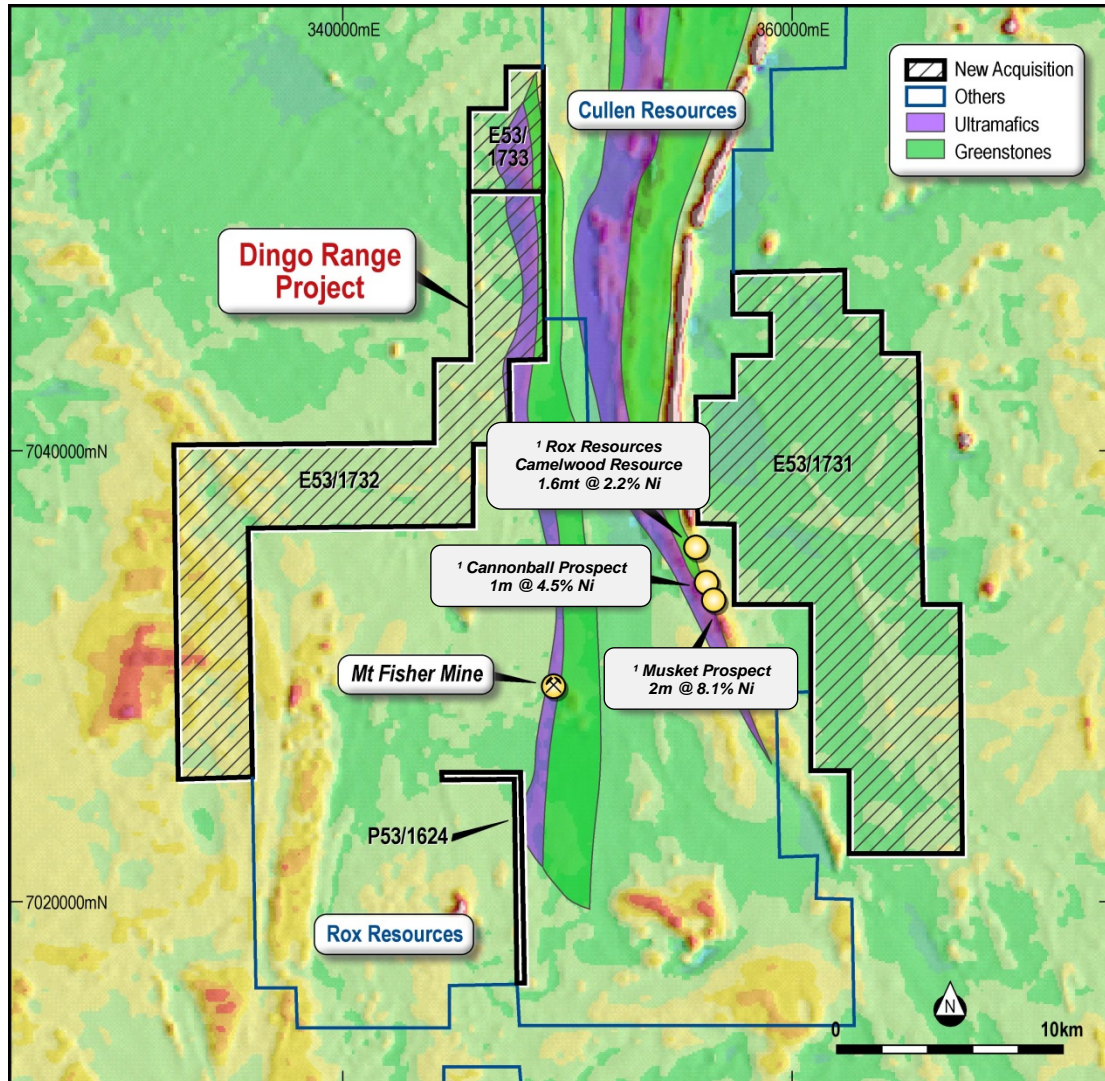


Figure 3. Dingo Range tenements showing geological trends

Summary of Proposed Acquisitions

Under the Terms Sheet, subject to the satisfaction of the conditions set out below, it is proposed that MPJ will acquire:

- all of the issued share capital of Next Commodities Pty Ltd [ACN 165 265 976] (“**Next Commodities**”) which holds the exploration licence application identified as E69/3211 (“**Balladonia Tenement**”);
- all of the issued share capital of Coal First Pty Ltd [ACN 149 227 154] (“**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

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 “High Grade Massive Sulphide Intersections”.

² Sourced from Sirius Resources ASX announcement on 14th February 2014 “Sirius to Acquire Creasy’s 30% of Nova-Bollinger Project to Take Ownership to 100%”

- the remaining 30% interest in the following Western Australian exploration licences E69/3082, E28/2271 and E63/1594 (“**Fraser Range Tenements**”) held by EpiEnergy Pty Ltd [ACN 155 586 842] (“**EpiEnergy**”), being the tenements the subject of the existing Joint Venture Agreement with EpiEnergy (refer to the Company’s prior ASX announcement on 10 September 2013).

Key Terms of Proposed Acquisitions

The Terms Sheet provides for:

- 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 shareholders of Next Commodities). In addition, MPJ will grant the Next Commodities vendors a right to an aggregate 1.5% net smelter royalty in respect of any production achieved from the Balladonia Tenement.
- 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 shareholders of Coal First). In addition, MPJ will grant 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 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 acquisitions referred to above are subject to, and conditional upon, each of the following:

- MPJ conducting and completing (to its satisfaction) a due diligence investigation into Next Commodities, the Balladonia Tenement, Coal First and the Dingo Range Tenements within 30 days of the execution of the Terms Sheet.
- 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.

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 “High Grade Massive Sulphide Intersections”.

² Sourced from Sirius Resources ASX announcement on 14th February 2014 “Sirius to Acquire Creasy’s 30% of Nova-Bollinger Project to Take Ownership to 100%”

- MPJ completing a capital raising of not less than \$390,000 (before costs). The capital raising is proposed at an issue price of \$0.003 per ordinary MPJ share and be conducted on the basis that accepting investors will receive 2 free attaching MPJO options for every 3 ordinary shares subscribed.
- MPJ entering into an arrangement (on terms acceptable to MPJ) with Newexco (or another similar geological consultant) for the provision of geophysical and geological consulting services in respect 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.

With the exception of due diligence (which is to be completed within 30 days of the execution of the Terms Sheet) each of the above conditions is to be satisfied within 60 days of the execution of the Terms Sheet (unless extended by agreement) failing which any party may terminate the Terms Sheet. Subject to the satisfaction of the conditions, MPJ may (at its discretion) complete any of the acquisitions independently otherwise the acquisitions are to complete simultaneously with each other.

Newexco

Newexco is an independent specialist geophysical and geological consulting firm based in Perth. The Company is headed up by Bill Amann and Adrian Black who have had extensive involvement with several significant West Australian nickel discoveries highlighted in recent years below:

- Nova – Nickel Sulphide Deposit (2012)
- Spotted Quoll – Nickel Deposit (2007)
- Flying Fox – Nickel Deposit (2003)

Newexco have agreed to take an equity position in MPJ by providing geophysical and geological services in return for MPJ shares. A maximum of 29,166,667 MPJ shares will be issued at the same issue price as the proposed capital raising for the services.

The Company looks forward to making further announcements regarding the progress of the proposed acquisitions, and in particular the progress towards satisfaction of the various conditions to the acquisitions (including its due diligence investigations) in due course.

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 “High Grade Massive Sulphide Intersections”.

² Sourced from Sirius Resources ASX announcement on 14th February 2014 “Sirius to Acquire Creasy’s 30% of Nova-Bollinger Project to Take Ownership to 100%”

For And On Behalf Of The Board



Joshua Wellisch
Managing Director
Mining Projects Group Limited

For further Information visit: www.miningprojectsgroup.com.au

COMPETENT PERSON STATEMENT:

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Andrew Hawker of Hawker Geological Services Pty Ltd. Mr Hawker is a member of the Australasian Institute of Mining and Metallurgy 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. This qualifies Mr Hawker as a "Competent Person" as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hawker consents to the inclusion of information in this announcement in the form and context in which it appears.

¹ Sourced from Rox Resources ASX announcement on 6th March 2014 "High Grade Massive Sulphide Intersections".

² Sourced from Sirius Resources ASX announcement on 14th February 2014 "Sirius to Acquire Creasy's 30% of Nova-Bollinger Project to Take Ownership to 100%"