

## DRILLING CONFIRMS MINERALISATION AT EL ROBLE

ASX ANNOUNCEMENT

12 NOVEMBER 2013

### Highlights

- Diamond drilling at Descubridora intersects massive and brecciated chalcopyrite (copper) and pyrite mineralisation.
- Strong copper zone within wide alteration zone (up to 25m) containing disseminated chalcopyrite and pyrite mineralisation.
- Visual mineralisation confirms continuity of Descubridora high grade copper vein to depth and along strike.

Mining Group Limited (ASX: MNE) is pleased to announce that two diamond drill holes have intersected significant copper sulphide mineralisation (chalcopyrite) at the El Roble Copper Project, Chile.

Mining Group has an exclusive option to acquire the El Roble Copper Project ("Project"), which is located in the IOCG Coastal Cordillera Belt of Chile, approximately 30km from the Chilean port of Caldera. The Project covers approximately 6,000 Ha and is currently being actively mined on a small scale by the current owner, with ore being trucked at grades in excess of 6% copper. Ore is treated at one of the two toll treatment plants located within 70km by road of the Project.

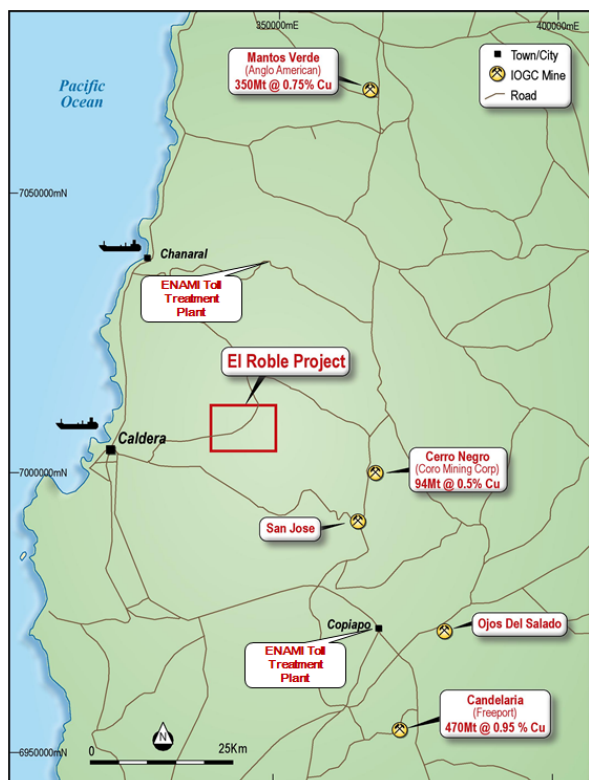


Figure 1- El Roble Project location map showing proximity to two toll treatment plants

Commenting on the drilling program, Mining Group Managing Director, Mr Zeffron Reeves, said: “Visually, the core from these two holes appears well mineralised and even more encouraging is that the wide, intense alteration zone around the potentially higher grade portion is carrying significant amounts of copper sulphide mineralisation.

“The holes drilled to date have targeted down dip and along strike of the currently operating Descubridora mine and the material we have seen so far confirms that copper mineralisation extends well into the sulphide zone below the current workings.

“We have some additional holes to complete at Descubridora, as well as testing of the vein system at Veta Guesa to the east. Our exploration team is also delineating further targets as they systematically work through the data we have collected to date across the Project. With a cumulative strike length of over 8km of exposed veins to explore, plus the potential for continuity under sand dunes, the Project’s potential to host high grade, economic copper mineralisation is really exciting and this initial drill core confirms this.

“This visual confirmation of copper mineralisation extending to depth gives us further confidence that the El Roble Project has the potential to become a transformational asset for Mining Group.” added Mr Reeves.



**Figure 2 – Drill rig setting up at the site of the first ever diamond drill hole drilled at El Roble targeting beneath current mine at Descubridora vein.**

## Descubridora Drilling

Of an initial 1,000m of budgeted diamond drilling at El Roble, initially on 2 targets: Descubridora and Veta Guesa, four holes have been completed at Descubridora for a total of 546.20m (Table 1).

HoleID	Northing	Easting	RL	Dip	Azimuth	Drilled Depth
RCPDH00001	7007955.10	343585.10	931.97	-60	130	101.00
RCPDH00002	7007955.10	343585.10	931.97	-75	130	160.00
RCPDH00003	7007894.09	343482.83	912.55	-60	145	104.20
RCPDH00004	7007920.00	343492.00	912.00	-75	140	181.00

**Table 1 – Collar location and hole depths for holes drilled at Descubridora.**

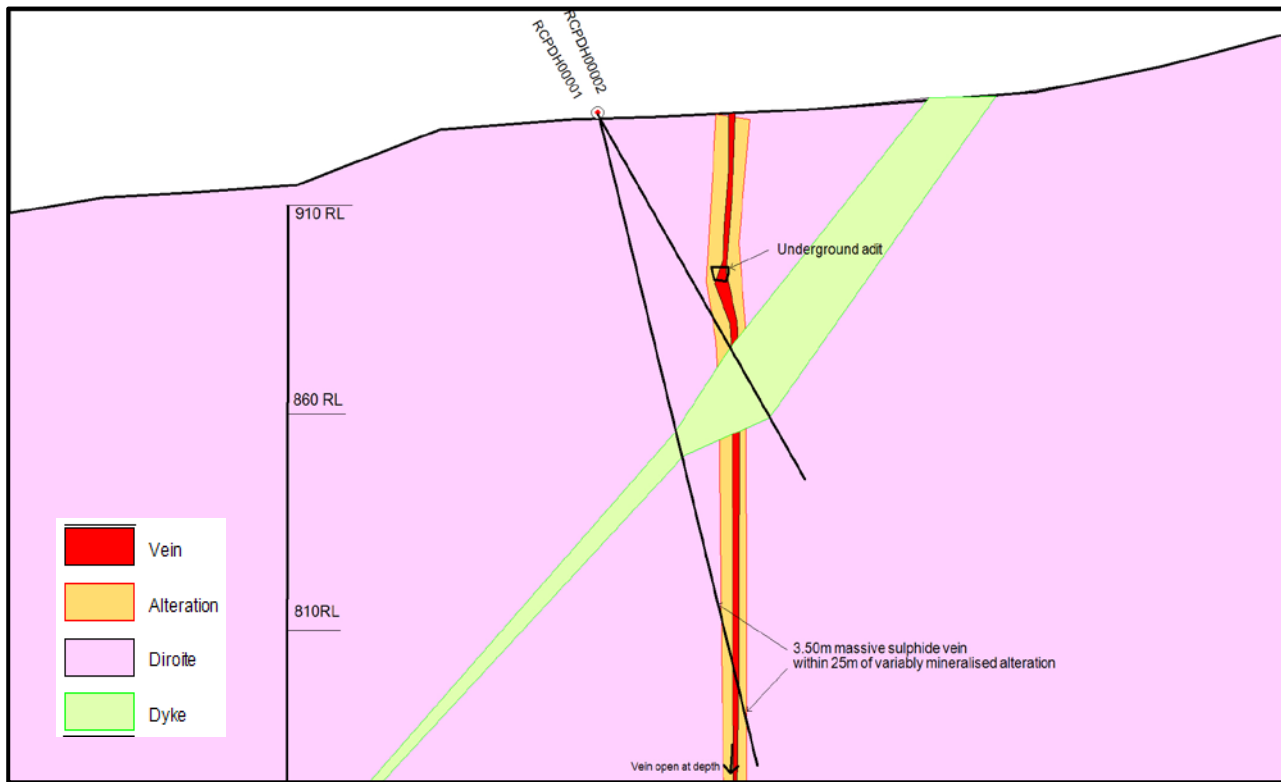


**Figure 3 – Drill hole location plan over Descubridora Mine. Yellow outline depicts location of underground areas and red line depicts interpreted surface expression of the Descubridora vein.**

Thick potassic alteration zones have been intersected in holes RCPDH00002 and RCPDH00004 and within these alteration zones significant thicknesses of chalcopyrite (copper bearing sulphide), pyrite, quartz and calcite veining have been encountered. The strong sulphide mineralisation is interpreted as the down dip extension of the currently mined high grade copper oxide vein at the Descubridora Mine.

A thin andesitic dyke has been encountered in all holes to date, occurring within an interpreted fault zone that has slightly offset the Descubridora vein, resulting in interception of the vein at depths slightly deeper than originally planned. This has also meant that hole RCPDH00003, drilled to 104.20m, has potentially stopped short of the target and will need to be re-entered. The andesitic dyke appears to have stoped out the Descubridora vein in hole RCPDH00001 (Figure 4).

Both holes RCPDH00002 and RCPDH00004 have intersected significant alteration zones and associated copper mineralisation. RCPDH00002 has intersected the vein approximately 100m beneath the current mine workings. RCPDH00004 has intersected the vein approximately 100m south west of the current mine workings.



**Figure 4 – Simplified geology section for holes RCPDH00001 and RCPDH00002, looking north.**

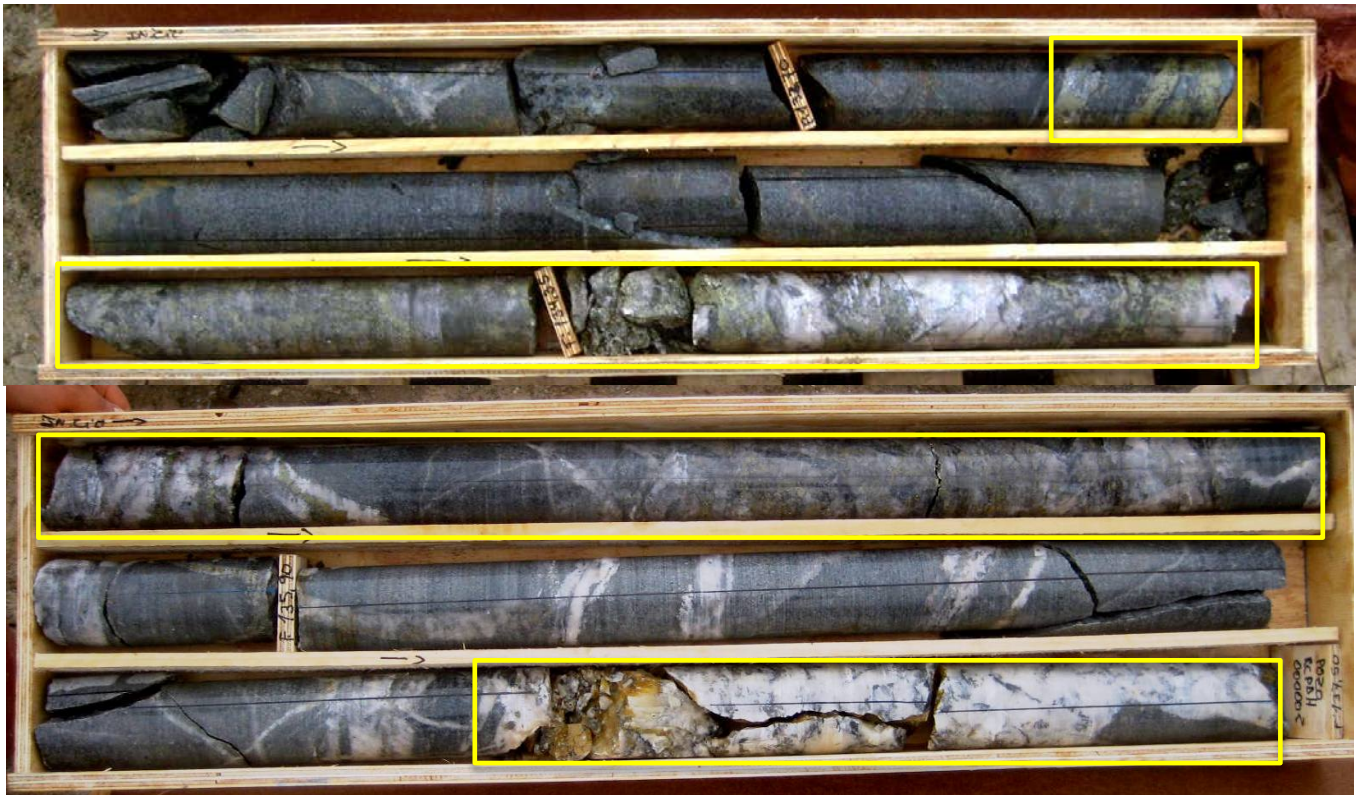
In **RCPDH00002** alteration consisting of chalcopyrite, pyrite potassium feldspar, silica, calcite and quartz occurs between 129.90m and 140.00m with a chalcopyrite, pyrite, quartz and calcite vein between 132.2m and 135.90m. Chalcopyrite and pyrite content within the main mineralised vein consists of up to 50% of the rock and varies from massive to brecciated textures, associated with quartz and calcite. (Figure 5).

In **RCPDH00004** alteration consisting of chalcopyrite, pyrite potassium feldspar, silica, calcite and quartz occurs between 145.50m and 169.00m with a chalcopyrite, pyrite, quartz and calcite vein between 145.50m and 148.50m. Chalcopyrite and pyrite content within the main mineralised vein consists of up to 50% of the rock and varies from massive to brecciated textures, associated with quartz and calcite.

Within the main alteration zone chalcopyrite and pyrite content is between 1% and 10% occurring as disseminations and veinlets associated with quartz and calcite and this zone has the potential to hold a broader, lower grade copper halo around the main vein.

All holes have been drilled with HQ diameter drilling equipment. Full details of technical specifications and QAQC procedures can be reviewed in Appendix 1.





**Figure 5 - Top – RCPDH00002 – 130.80- 137.50m, massive and brecciated chalcopyrite/pyrite plus quartz/calcite mineralisation outlined in yellow within strongly potassic feldspar altered diorite with up to 10% sulphide. Field of view approximately 1m.**

**Bottom- RCPDH00002 – 129.30m, chalcopyrite, quartz, calcite vein, Field of view approximately 15cm.**

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**About Mining Group Limited**

Mining Group Limited (ASX: MNE) is an ASX listed, Australian based exploration company established to explore, evaluate and acquire commercially significant resource projects in Australia and overseas.

Mining Group seeks to develop the Comval Copper Gold Project in the Philippines and establish near term production at its Chilean copper project El Roble. Further, it continues to evaluate the prospective Western Australian based Boorara and Teutonic Projects.

Mining Group has a strong Board and management team with considerable technical, commercial and corporate experience in the resources sector.

For more information visit the Mining Group website at [www.mininggroup.net.au](http://www.mininggroup.net.au)

The information in this report that relates to Exploration Results is based on information compiled by Mr Zeffron Reeves (B App Sc (Hons) (Applied Geology) MBA, MAIG), a member of the Australian Institute of Geoscientists and is an employee of the Company. Mr Reeves has sufficient experience that 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Reeves consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

**APPENDIX 2: JORC Table 1, Section 1 Sampling Techniques and Data**

Criteria	Explanation
Sampling techniques	<ul style="list-style-type: none"> <li>• Drill core samples are half core samples cut longitudinally down core axis</li> <li>• Minimum sample interval was 0.25m and maximum of 1.00m are collected from core, sampled to geological boundaries.</li> <li>• Samples sent to ALS Laboratories, Copiapo, Chile</li> <li>• Samples were pulverised to obtain a 30g charge for fire assay for gold</li> <li>• A 0.5g charge was digested by four acid near total digest and analyses using ICP-OES for multi-element analysis, including copper</li> <li>• Ore grade copper samples over 10,000ppm (10%) were re-assayed using AAS</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• Diamond Drilling method has been used recovering HQ diameter drill core</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>• Drill sample recovery is generally 100% and is recorded for every meter of core recovered.</li> <li>• Minor core loss was encountered but is not deemed material</li> </ul>
Logging	<ul style="list-style-type: none"> <li>• All drill holes are geologically logged by qualified geologists.</li> <li>• Geological data is recorded in the Company's geological database.</li> <li>• Logging is qualitative in nature and describes lithology, alteration, structure and mineralisation visually observed by the logging geologist.</li> <li>• Total length of each sample interval has been logged.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• The sample collection and preparation technique is deemed suitable and industry standard for drill core sampling.</li> <li>• Samples are coarse crushed to 70% passing 2mm and then split produce a 30g sample for gold assay and 0.5g sample for multi-element assay. Sub samples are then pulverised to 85% passing 75 microns prior to assay.</li> <li>• No duplicate samples have been carried out.</li> <li>• Sample size is deemed appropriate.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• Assay techniques are deemed suitable and accurate for the elements being tested.</li> <li>• Standard reference materials have been submitted in each sample run every 20 samples.</li> <li>• Blank reference materials are submitted in each sample run every 50 samples.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• All significant intersections have been calculated using weighted averaging to sample length.</li> <li>• All significant intersections have been checked by alternative company geological personnel.</li> <li>• No duplicate sampling or twinned holes have been completed</li> <li>• All data collected is done so in accordance with the Company's written data collection procedures and is kept within the Company's electronic database. Original sample logs and written data collection forms are also retained in the Company's data library.</li> <li>• No adjustment to data has been done.</li> </ul>
Locations of data points	<ul style="list-style-type: none"> <li>• All drill holes have been surveyed using a differential GPS instrument with appropriate control points used and referenced to ensure accuracy of survey information.</li> <li>• Co-ordinates have an error of +/-10cm.</li> <li>• Co-ordinates are recorded in WGS84 co-ordinate system</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• The current drill spacing is deemed appropriate for the current early stage of exploration</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Wherever possible drill holes have been planned to intersect mineralised structures perpendicular to the structure.</li> <li>• Drill Hole intercepts are downhole widths and do not indicate true widths of any mineralised structure.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• All sampling was conducted under the supervision of an independent geology consultant who conducted sample collection and the chain of custody from the drill to the sample preparation and logging facility is continually monitored by the consultant. Samples are shipped to the lab by qualified couriers or Company personnel under locked bags.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• No audit or review has been conducted due to the early stage exploration nature of the work.</li> </ul>

## JORC Table 7: Section 2 Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>• Mining Group does not own any of the properties sampled or mapped and sampling and mapping completed was done so as part of a due diligence process in order to assess the properties.</li> <li>• Mining Group has an exclusive option to acquire the properties under the contemplated transaction described in ASX Announcement dated 15<sup>th</sup> August 2013.</li> </ul>
Exploration by other parties	<ul style="list-style-type: none"> <li>• No information has been used in this report from exploration by other parties.</li> </ul>
Drill hole information	<ul style="list-style-type: none"> <li>• Details of hole locations, depth and intercept depths are contained within this announcement.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>• The El Roble Project consists of quartz and iron oxide veins, containing copper and gold mineralisation. The veins are hosted within intrusive dioritic and andesitic volcanic rocks of the Chilean Cretaceous Belt.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• Intercept widths are along channel widths, intercept calculated by length weighted average for all samples and no internal dilution was used, where length is the along channel length for each sample interval</li> <li>• Intercepts comprise of aggregated length weighted average for all samples taken in each channel. Length weighted averages have been calculated using the following formula assuming 3 samples were taken from the channel, where: A=sample interval, B=sample assay value <ol style="list-style-type: none"> <li>1) <math>A1 \times B1 = C1</math>, <math>A2 \times B2 = C2</math>, <math>A3 \times B3 = C3</math></li> <li>2) <math>A1 + A2 + B2 = \text{total interval}</math></li> <li>3) <math>(C1 + C2 + C3) / \text{total interval} = \text{length weighted grade average}</math></li> </ol> </li> <li>• No metal equivalent values have been used.</li> </ul>
Relationship between mineralization widths and intercept lengths	<ul style="list-style-type: none"> <li>• Drill holes were designed to be installed perpendicular to the interpreted strike of the mineralized structures unless stated.</li> <li>• Intercept widths are along downhole widths and are not true geological widths.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>• Pertinent maps, plans and sections are within this announcement</li> </ul>
Balanced Reporting	<ul style="list-style-type: none"> <li>• No assaying of the current drill program has yet been undertaken and this announcement contains information pertaining to visual mineralisation only.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>• No other data other than that presented has been used or relied upon.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>• Further exploration work including mapping, sampling and drilling is required, on areas throughout the property.</li> <li>• These areas will be identified in the future through further analysis and interpretation of results.</li> <li>• Diagrams cannot be provided until areas for future exploration have been identified, other than what is presented within this notice.</li> </ul>