

COMPANY ANNOUNCEMENT

6 August 2013

Delcarmen Sale Agreement Varied

Highlights

- **MPJ and the vendors of the Delcarmen Energy Pty Ltd have varied consideration terms for EPC 2528 deferring payment for 12 months**
- **Variation agreement also provides MPJ an election on payment options for the \$200,000 cash component which can now be paid in cash, MPJ shares or if the project is sold to another ASX listed company shares to an equivalent value**
- **MPJ has engaged Mark Biggs from ROM Resources Pty Ltd to complete a regional evaluation of the Esk Basin in which the Delcarmen Coal Project lies**
- **It is MPJ's intention to assess available options to expand its footprint within the Esk Basin**
- **Delcarmen has an exploration target range of 30 to 140 million tonnes of which up to 60 million tonnes has been identified as potentially semi soft coking coal**

Mining Projects Group Limited (ASX : MPJ) ("MPJ" or "the Company") has entered into a variation agreement with the vendors of Delcarmen Energy Pty Ltd ("Delcarmen") for the consideration payable with regard to the outstanding Exploration Permit for Coal (EPC) application 2528, delaying payment obligations for a further 12 months.

MPJ and Delcarmen agreed to vary the consideration terms due to administrative delays in the processing of EPC 2528 which have remained outside the estimates and control of the Company. This has meant EPC 2528 has remained at an application stage pending approval by the Queensland Department of Mines and Energy. The Company does however expect EPC 2528 to be granted in the coming months.

Under the terms of the original Share Sale Agreement the Delcarmen vendors were to receive 12.5 million ordinary MPJ shares and \$200,000 in cash upon the grant of EPC 2528 occurring within 12 months of completion of the Company's acquisition of Delcarmen ("the EPC 2528 Consideration"). The parties have agreed to vary consideration terms on the following basis;

- On, or as soon as practical after, 6 August 2014 ("End Date") MPJ will (a) issue the Delcarmen vendors with 12.5 million ordinary MPJ shares; and (b) will (at MPJ's election)

either pay the Delcarmen vendors \$200,000 in cash or issue the Delcarmen vendors with ordinary MPJ shares with a value equal to \$200,000 (calculated on the basis of a 30-day VWAP).

- The obligation to issue shares and/or pay cash is subject to, and conditional upon, the Company receiving confirmation (to its satisfaction) that EPC 2528 has been granted prior to the End Date.
- If the issue of MPJ shares to Delcarmen vendors would require shareholder approval, or require issue of a disclosure document, MPJ shall have a reasonable period of not more than 3 months from the End Date in which to obtain or issue same.
- If prior to End Date the Company announces a transaction involving the sale or disposal of EPC 2528 to an entity listed on the ASX (or any comparative recognised exchange), as a substitute to the payments referred to above, it may (at its election) satisfy the obligation to pay the EPC 2528 Consideration by procuring an issue of shares in the entity purchasing EPC 2528 which shares shall have a value equal to the aggregate of: (a) the value of 12.5 million MPJ shares; and (b) an additional \$200,000 of the purchasing entity's ordinary shares.

As announced on 30 January 2013, EPC 2527, the other permit application acquired as part of the acquisition of Delcarmen has been granted and the consideration paid.

Joshua Wellisch, MD of MPJ commented, "The board is pleased with the outcome of this renegotiation as it has deferred the Company's financial obligation for a further 12 months. MPJ now has the option to settle the \$200,000 cash component via the issue of securities or cash. This further secures the Company's capital reserves. This is a pleasing outcome given the challenges in capital markets currently being experienced by junior explorers."

In addition MPJ has engaged Mark Biggs, of ROM Resources Pty Ltd, to undertake a regional review of the Esk Basin in which the Delcarmen project area lies. The Company is assessing expanding its footprint within the basin given interest shown from potential strategic partners. Historically the Esk Basin has been overlooked by the market in favour of the much larger coal basins which provides this opportunity. MPJ intends to explore the possibility of the Esk Basin holding a number of 50 to 100 million tonne of semi-soft coking coal deposits.

For And On Behalf Of The Board



Joshua Wellisch
Managing Director
Mining Projects Group Limited

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

DELCARMEN COAL PROJECT, QUEENSLAND:

Delcarmen holds two prospective EPCs north and east of Kingaroy, Queensland, which are located approximately 170kms west of Brisbane and cover a combined area of 1,030 km². Historical rail infrastructure exists within the Delcarmen tenements, several major deposits sit in close proximity and 85kms south within the Tarong basin lies the major Meandu mine and the Tarong and Tarong north power stations. An independent geological report assessing the prospectivity of Delcarmen established an exploration target range of between 30 and 140 million tonnes of which up to 60 million tonnes has been identified as potentially semi soft coking coal.

COMPETENT PERSON STATEMENT:

The information in this report that relates to Exploration Results is based on information compiled by Mr Mark Biggs of ROM Resources Pty Ltd who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Mark Biggs 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, Mineral Resource and Ore Reserves'. Mr Mark Biggs consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.