MINING
PROJECTS GROUP

ANNUAL REPORT 2015

Our strategy has been to maintain a counter-cyclical approach and continue full exploration efforts with a view to returning ultimate value to shareholders.


REVIEW OF OPERATIONS

LETTER TO SHAREHOLDERS

Dear Shareholder,

On behalf of the Board of Directors, I am pleased to present you with the 2015 Annual Report.

The last year has seen considerable progress in our company's development; with exponential progression of projects and the further strengthening of our world-class technical team.

Our exploration efforts have primarily been focused at our flagship Roe Hills Project located close to the world class nickel mining and processing centre of Kambalda in the Eastern Goldfields Province of Western Australia. During this period we have conducted a significant amount of exploration activity utilising state of the art technologies employed by the combined expertise of our leading technical team. The calibre of our team has ensured a methodical and scientific approach to our exploration activities that has contributed to the high-quality and exciting results achieved to date. The collective belief from all stakeholders contributing to the exploration efforts at Roe Hills is underpinned by their willingness to participate alongside shareholders through equity for services.

Our strategy has been to maintain a counter-cyclical approach and continue full exploration efforts with a view to returning ultimate value to shareholders by making a discovery in line with the next upward commodity price cycle. This Corporate mission has been widely supported by strategic investors demonstrating the value in maintaining a long term view in line with our goals. The Board is focused on ensuring we implement a clear and efficient deployment of capital over the next period and will take full advantage of the cost reduction in services.

On behalf of the board I extend our gratitude to the small yet highly effective team for their untiring efforts throughout the year. We recognise the support from all shareholders and continue to work towards rewarding all with a major discovery in the near future.

Joshua Wellisch
Managing Director

REVIEW OF OPERATIONS

COMPANY OVERVIEW

Mining Projects Group Ltd is an Australian based nickel exploration company listed on the ASX **(ASX Code: MPJ)** and focused on delivering shareholder returns via high grade high value discoveries. MPJ's current exploration portfolio comprises **3 core projects that are all 100% owned** and strategically located in Western Australia's premier Nickel districts (Figure 1) including:

- Kambalda
- Fraser Range
- Mt Fisher / Mt Eureka

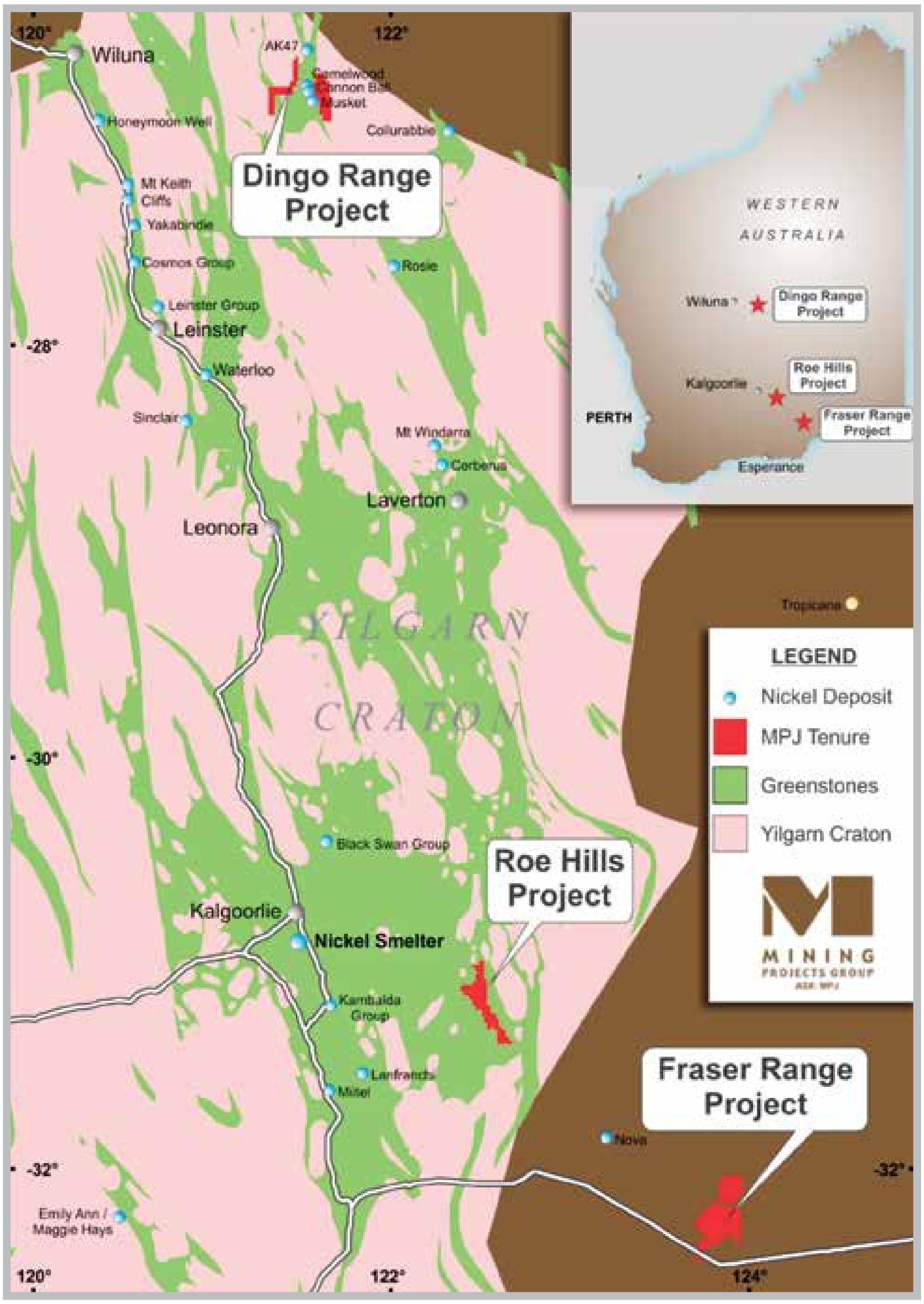

Figure 1: Project Locations

REVIEW OF OPERATIONS

During the year the Company has continued to evaluate and advance its flagship Roe Hills Project near the world class Kambalda province in W.A. The exploration program continues to deliver results that support the potential for a near term major discovery. The project is strategically located approximately 70km due east of Kambalda in close proximity to established infrastructure including nickel concentrators & smelters.

MPJ has been well recognised for its industry leading technical team that has continued to strengthen throughout the year, which now includes:

- **Mr Neil Hutchison (Technical Director) – Poseidon Nickel, Jubilee Mines**
- **Mr Steve Vallance (Technical Manager) – WMC, ACM, Jubilee Mines, Xstrata, LionOre, Kagara**
- **Ms Sarah Dowling (Komatiite Specialist) – CSIRO, ACM, MPI**
- **Dr Nigel Brand (Geochemical Specialist) – WMC, Anglo American**
- **Newexco Services**
  (Geophysical and Geological Consultants)
  - **Mr Adrian Black**
  - **Mr Bill Amman**

The team has greater than +100 years combined experience in NiS exploration & mining, and has played pivotal roles in discovery, delineation & development of nickel sulphide resources exceeding 500kt of nickel, with an in ground value greater than $10 Billion.

The team has maintained a methodical and scientific approach that has and will continue to ensure capital efficiency whilst providing maximum exposure to exploration upside.

MPJ maintains a long term strategy and continues to drive its exploration efforts with a counter cyclical approach to development. We remain focused on building shareholder value by delivering consistent exploration activities during a cost effective period. Our aim is to deliver new major discoveries in the near term to maximize shareholder value in the next inevitable upswing in the commodity price cycle.

SAFETY

MPJ's is proud to report that no significant incidents or lost time injuries were experienced during the reporting period.

Our goal is to ensure that all aspects of the Company's business reflect industry best practices whilst meeting statutory requirements and compliances.

MPJ is committed to developing a culture whereby all stakeholders embrace the highest level of Health, Safety and Environmental awareness as an integral part of every operation.

To this end Industrial Safe Pty Ltd were engaged during the year to provide specialist expertise and to assist in establishing MPJ's Health and Safety Management Systems.

REVIEW OF OPERATIONS

OPERATIONS REPORT

MPJ's current exploration portfolio comprises 3 core projects that are all 100% owned and strategically located in Western Australia's premier Nickel districts including Kambalda, Fraser Range and Dingo Range.

During the year the majority of the Company's exploration expenditure was directed towards the ongoing evaluation and advancement of its flagship project, the highly prospective Roe Hills Project.

EXPLORATION HIGHLIGHTS

Roe Hills Project (W.A. Kambalda, 100% Owned)

Summary

- Multi-disciplinary Exploration Campaign at the Company's 100% Owned Roe Hills Project (W. A. Kambalda Style Nickel Sulphide Project)
- 5 Ultramafic flows identified along the 40km strike expanding the target basal contact area to ~200km
- New Hooton, Point Perchance prospects identified.

Drilling

- 22m diamond holes for ~7,800m completed over 3 campaigns.
- New nickel sulphide mineralisation identified in the multiple holes including;

  Talc Lake$_{17}$
  - RHDD0001: 4.3m @ 0.53% Ni from 211.1m (Includes 0.2m @ 2.66% Ni)
  - RHDD0002: 1.0m @ 0.69% Ni from 227.64m
  - RHDD0008: 1.3m @ 0.65% Ni from 242.7m

  ROE1$_{16}$
  - RHDD0009: 3.0m @ 0.46% Ni from 75.5m
  - RHDD0012: 4.24m @ 0.4% Ni from 340.1m (Incl. 1.3m @ 0.6% Ni)

  ROE2$_{1}$
  - RHDD0022: 11m @ 0.45% Ni, from 113m

  Hooton$_{4}$
  - RHDD0015: 2.7 metres grading 0.38% Ni; from 77.3m
    30.0 metres grading 0.24% Ni; from 85m
    8.0 metres grading 0.24% Ni; from 152m
    6.5 metres grading 0.25% Ni; from 186m
    0.4 metres grading 0.34% Ni; from 200.3m
    0.4 metres grading 0.77% Ni; from 211.4 m

Geophysics

- 143 Line km's (1,520 stations, 99 lines) of High Powered Moving Loop EM (MLEM) completed at Talc Lake, Hooton, Point Perchance Prospects.
- 7.7 line km's (231 stations, 10 lines) of High Powered Fixed Loop EM (FLEM).
- Newexco highlighted 18 conductors of which 7 classed are category 1 and designated for immediate follow-up FLEM was recommended to further constrain the targets and an extension of the MLEM to the west of Talc Lake where 2 additional conductors were detected on the periphery.
- Fixed Loop EM (FLEM) & Down Hole EM (DHEM) surveys are ongoing.

REVIEW OF OPERATIONS

Geological Mapping and Petrological Evaluation

- Consultant Nickel Specialist Sarah Dowling completed the initial stage of detailed field mapping across the Talc Lake and Hooton prospects to further refine targeting and identified an extensive previously unexplored high MgO ultramafic sequence situated along the western flank of the known Roe Hills belt.
- Detailed mapping completed at Talc Lake, Point Perchance, Sulphide Lake, Roe2.
- Numerous under-explored high priority target areas identified for immediate follow-up.
- Extensive sequences of unexplored high MgO ultramafics confirmed beneath cover along eastern and western flanks of known main sequence.
- Ms Dowling to commence petrological evaluation of selected core samples from key prospects to support selection of priority drill targets.

Fraser Range Project (Fraser Range, W.A. 100% Owned)

- MLEM Survey Completed.
- Compilation of all available data sets in progress.

Dingo Range Project (Mt Fisher / Mt Eureka, W.A. 100% Owned)

- MLEM Survey Completed
- Compilation of all available data sets in progress

REVIEW OF OPERATIONS

PROJECT SUMMARY

ROE HILLS PROJECT

The Roe Hills Project is located approximately 120 km east-southeast of Kalgoorlie and 70 km's due east of WA's premier nickel sulphide mining and processing centre of Kambalda in the Eastern Goldfields of Western Australia (Figure 2.).

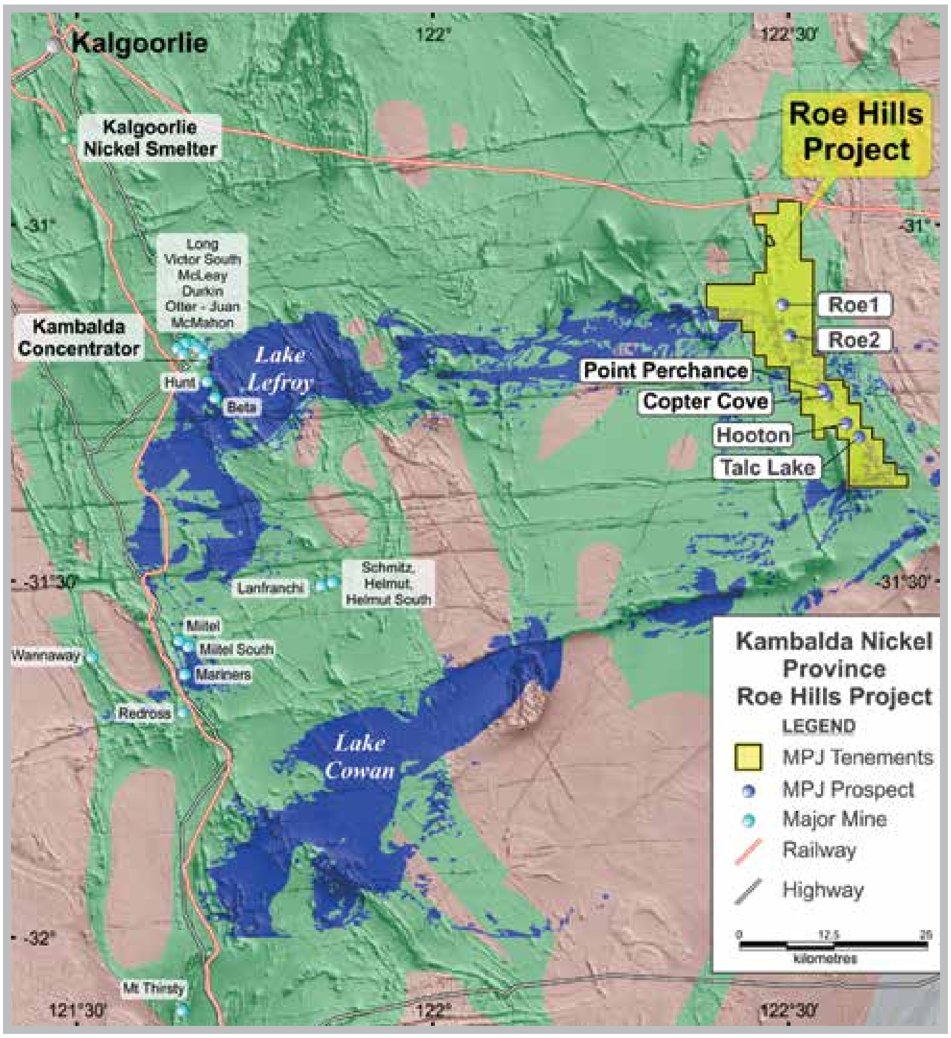

Figure 2: Roe Hills Project Location and Infrastructure

MPJ is exploring the Roe Hills Project area for Kambalda Style – Komatiite/Ultramafic Hosted primary and structurally re-mobilised high grade massive nickel sulphide mineralisation.

The Project **comprises 3 Granted Exploration Licenses & 2 Pending Exploration Licenses for 324km² and secures a 40km strike length of highly prospective terrain comprising at least 5 separate ultramafic belts.** Structural repetition of the sequence via folding and faulting is interpreted to have significantly increased the amount of prospective ultramafic contact available to explore.

Low to medium grade disseminated and higher grade matrix and narrow **massive nickel sulphides have been identified in previous work at the Talc Lake, Roe1 and Roe2 Prospects confirming the fertility of the sequence.**

REVIEW OF OPERATIONS

Historical exploration was sporadic, predominantly gold focused, and directed towards relatively limited areas of outcrop, ie Talc Lake, Roe1. The remainder of the target sequences occur beneath a veneer of residual and transported cover of variable thickness and remain under-explored. **Below a vertical depth of 150m, the entire project is essentially unexplored.**

Hole ID	Section (N)	EOH	Dip	Azi	From	Intersection	Comments
ROE102	6537720	120	-60	90	68	2m @ 0.38% Ni	H/wall mineralisation
ROE103	6537720	90	-60	90	60	2m @ 0.49% Ni	Contact mineralisation
ROE106	6537640	120	-60	90	108	2m @ 0.53% Ni & 0.09% Cu	Contact mineralisation
ROE107	6537640	90	-75	90	58	2m @ 0.32% Ni	Contact mineralisation
ROE108	6537640	120	-60	90	50	2m @ 0.52% Ni & 0.08% Cu	Contact mineralisation
ROE109	6537640	90	-60	90	64	4m @ 0.36% Ni	Contact mineralisation
ROE113	6537480	90	-60	90	74	4m @ 0.38% Ni & 0.17% Cu	Contact mineralisation
ROE136	6537720	204	-60	90	122	2m @ 0.31% Ni	Contact mineralisation
ROE137	6537720	188	-60	90	58	2m @ 0.46% Ni	H/wall mineralisation
ROE146	6537800	132	-60	90	52	4m @ 0.42% Ni	Contact mineralisation
ROE114	6537400	285	-60	90	155	0.5m @ 6.15% Ni & 0.38% Cu	H/wall mineralisation

Table 1: Historical intercepts for Talc Lake

Hole ID	Section (N)	EOH	Dip	Azi	From	Intersection	Comments
ROE119	6557900	160	-60	90	118	2m @ 0.51% Ni	H/wall mineralisation
ROE135	6559100	100	-60	90	60	16m @ 0.30% Ni	H/wall mineralisation
ROE143	6558820	180	-60	90	74	2m @ 0.4% Ni	H/wall mineralisation
ROE145	6558660	174	-60	90	124	2m @ 0.47% Ni	H/wall mineralisation

Table 2: Historical intercepts for ROE1

Hole ID	Section (N)	EOH	Dip	Azi	From	Intersection	Comments
ROE2	6553320	283	-60	90	241.4m	8.6m @ 0.45% Ni	Contact mineralisation

Table 3: Historical intercepts for ROE2

REVIEW OF OPERATIONS

During the period MPJ completed an extensive multi-disciplinary exploration campaign comprising historical data evaluation, detailed geological field mapping, high powered surface and downhole electrical geophysical surveys and RC percussion/diamond drilling.

This work has been designed to test for extensions/repetitions of known mineralisation and to unlock the potential of the broader Roe Hills Project.

Key elements of the Company's exploration activities at Roe Hills during the financial year included:

- Diamond drilling at Talc Lake to test for extensions to known mineralisation
- Diamond drilling at ROE1 to test for depth extensions to regolith geochemical anomalism
- Commencement of first pass drill evaluation of coincident nickel/copper/PGE anomalism over the newly identified Hooton Prospect immediately north of Talc Lake
- Diamond drilling to test for depth extensions to surface gossans, historical nickel intercepts and MLEM conductors at Point Perchance
- Diamond drilling to test for strike/depth extensions to historical intercept at ROE2
- Continued regional high powered MLEM geophysical surveys over the Talc lake, Hooton, Point Perchance, ROE1 and ROE2 Prospects
- Completion of detailed field mapping at the Talc Lake, Hooton and Point Perchance Prospects
- Ongoing evaluation of the historical geological/geochemical/geophysical/drilling database

DRILLING

During the period 22 RCP/diamond drill holes were completed for a total combined metreage of ~7,800m (Figure 3).

Talc Lake Prospect[16]

- 9 diamond holes for 3,309m (RHDD0001 – 8; RHDD0013)
    - RHDD0001: 4.3m @ 0.53% Ni from 211.1m (Includes 0.2m @ 2.66% Ni)
    - RHDD0002: 1.0m @ 0.69% Ni from 227.64m
    - RHDD0008: 1.3m @ 0.65% Ni from 242.7m

ROE1 Prospect[17]

- 4 diamond holes for 1,512m (RHDD0009 – 12)
    - RHDD0009: 3.0m @ 0.46% Ni from 75.5m
    - RHDD0012: 15.3m @ 0.30% Ni from 340.1m (Incl. 1.3m @ 0.60% Ni)

ROE2 Prospect[1]

- 1 diamond hole for 424m (RHDD0022)
    - RHDD0022: 11m @ 0.45% Ni from 113m

Hooton Prospect[4]

- 6 diamond holes for 1,779m (RHDD0014 – 19)
- Diamond hole RHDD0015 intersected a thick sequence of ultramafic rocks hosting patchy cloud\disseminated and blebby Nickel Sulphides over a drilled interval of approximately 130 metres (70-200m downhole depth), this confirms the development of a significant mineralised system at the Hooton Prospect.
    - RHDD0015: 2.7 metres grading 0.38% Ni; from 77.3m
      30.0 metres grading 0.24% Ni; from 85m
      8.0 metres grading 0.24% Ni; from 152m
      6.5 metres grading 0.25% Ni; from 186m
      0.4 metres grading 0.34% Ni; from 200.3m
      0.4 metres grading 0.77% Ni; from 211.4 m

REVIEW OF OPERATIONS

Point Perchance Prospect

- 2 diamond holes for 758m (RHDD0020 – 21)
- Diamond drill hole RHDD0021 intersected trace amounts of disseminated sulphides within high MgO ultramafic at a basal contact about 200m down – plunge to the south of a surface gossan originally mapped by WMC and a historical intercept of 0.30m at 0.46% Ni, 1200ppm Cu PP1 Newmont.

A summary of the drilling completed at the Roe Hills Project during the financial year is presented below:

Hole ID	MGA_N	MGA_E	Dip	Az	EOH
RHDD0001	6537500	461760	-60.84	92.03	283.4
RHDD0002	6537500	461680	-60.3	89.13	354.12
RHDD0003	6537515	461600	-59.17	88.95	459.2
RHDD0004	6537800	461190	-60.86	84.98	257.42
RHDD0005	6537800	461110	-61.25	92.24	337.3
RHDD0006	6537800	461030	-62.12	92.63	414
RHDD0007	6537300	462020	-59.36	93.44	392.5
RHDD0008	6537300	461860	-59.24	88.27	390.6
RHDD0009	6557600	451200	-60	91	278
RHDD0010	6557600	451040	-60	91	437.5
RHDD0011	6557400	451040	-60	91	404.8
RHDD0012	6557800	451040	-59.95	94.73	392.3
RHDD0013	6537960	461040	-60	90	421.1
RHDD0014	6539600	459800	-60	90	349.3
RHDD0015	6539200	460180	-60	90	355
RHDD0016	6540400	459210	-60	90	208
RHDD0017	6540400	459140	-60	90	307
RHDD0018	6540000	459440	-60	90	286
RHDD0019	6540801	459129	-60	90	274
RHDD0020	6542631	457903	-60	65	323
RHDD0021	6543548	457266	-60	65	453.8
RHDD0022	452530	6553202	-60	90	424
TOTAL					**7,802.34**

Table 4: RC/Diamond Drilling for the Roe Hills Project

REVIEW OF OPERATIONS

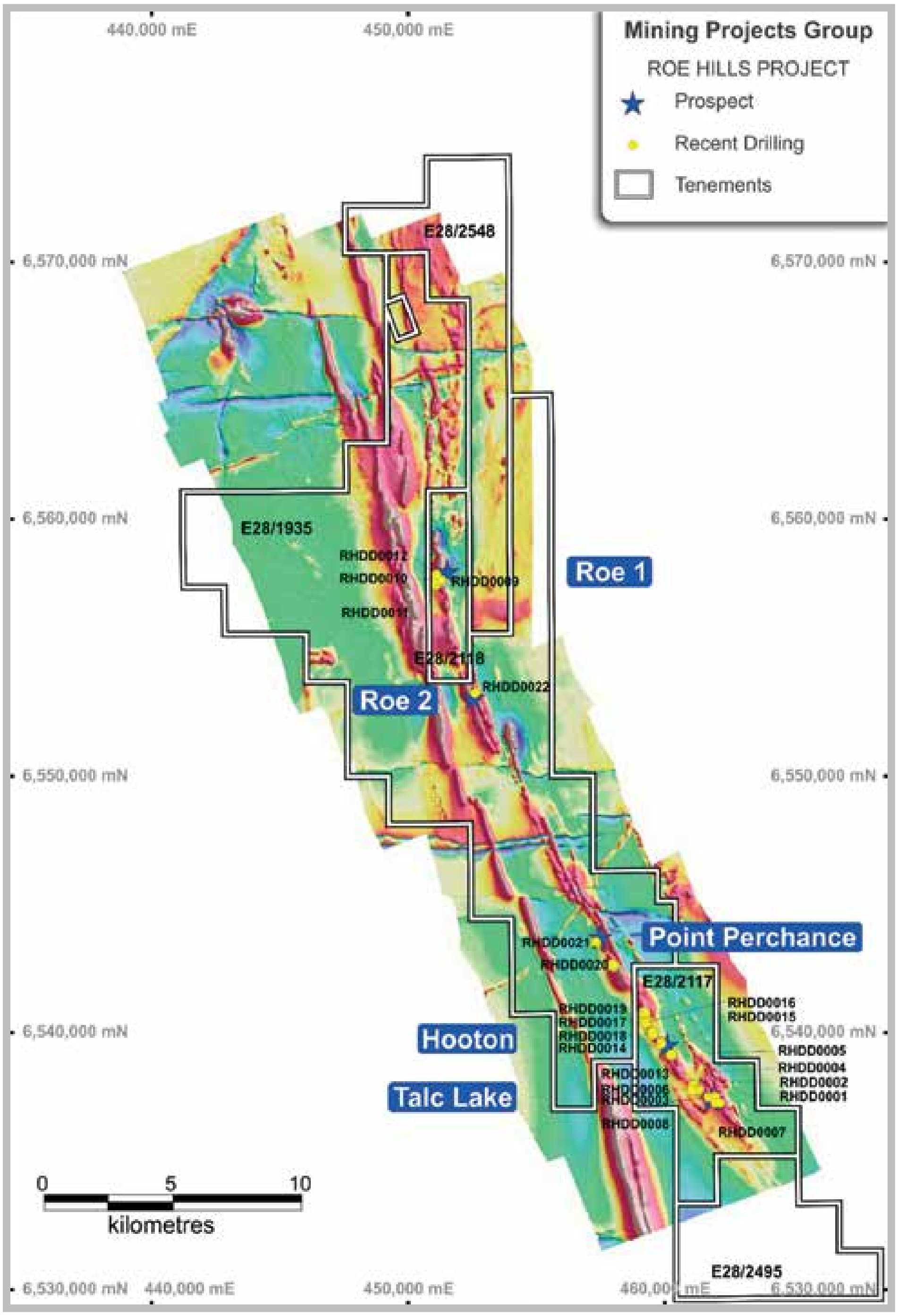

Figure 3: Location of Recent Drilling at Roe Hills

REVIEW OF OPERATIONS

GEOPHYSICS

The Company's geophysical programs continued to be managed by Newexco and comprised ongoing regional surface MLEM geophysical surveying **designed to test the central corridor at the Talc Lake, Hooton, Point Perchance, ROE1 and ROE2 Prospects; follow up FLEM surveying and DHEM surveying of all recently completed drill holes.** By the end of the period MLEM totalled 1,520 stations on 99 lines for a total survey of 143,700m (143.7 line km). Follow up Fixed Loop EM (FLEM) surveys totalled 231 stations for 7.7 line km. DHEM surveys were completed on 20 holes.

The MLEM survey successfully identified **18 high priority conductors situated within geologically favourable positions, 7 of which are defined as Category 1** and are currently being assessed for immediate follow up. Some of these will require Fixed Loop EM (FLEM) surveys to better define the targets prior to commencing drill testing (Figures 4, 5 and 6).

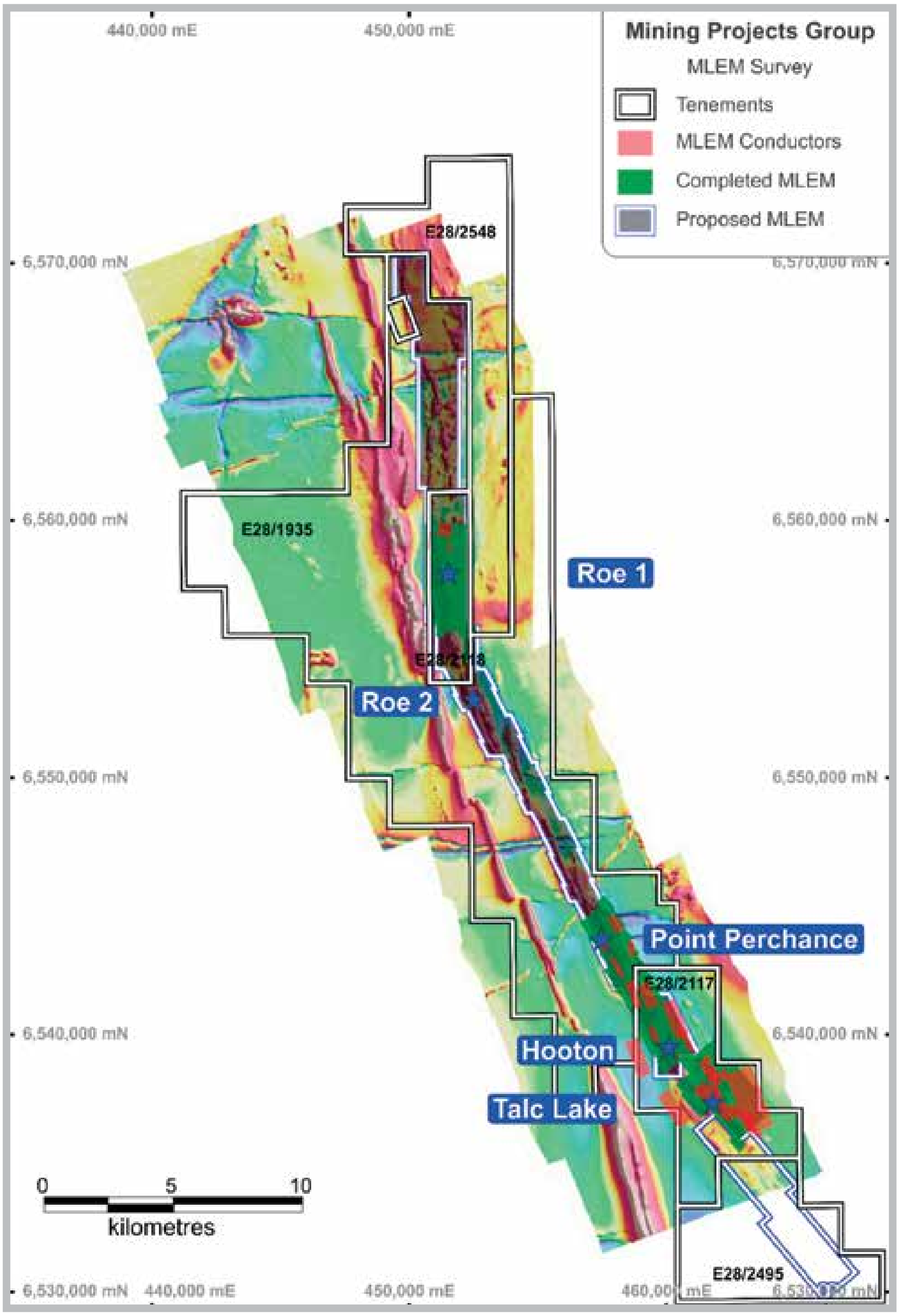

Figure 4: Roe Hills Proposed and Completed MLEM Survey with Priority Conductors

REVIEW OF OPERATIONS

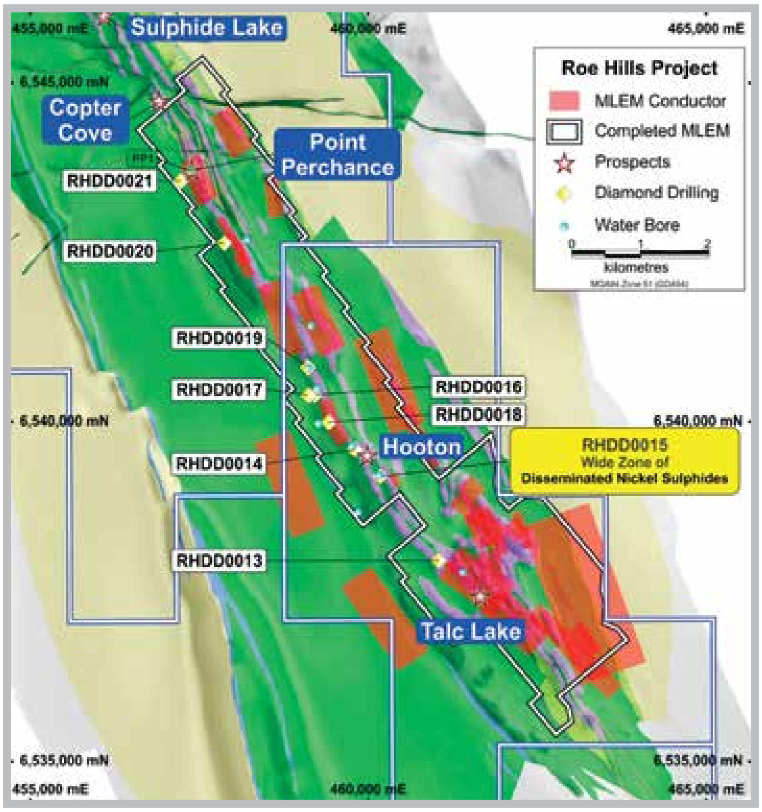

Figure 5: Talc Lake, Hooton, & Point Perchance MLEM Survey and Priority Conductors.

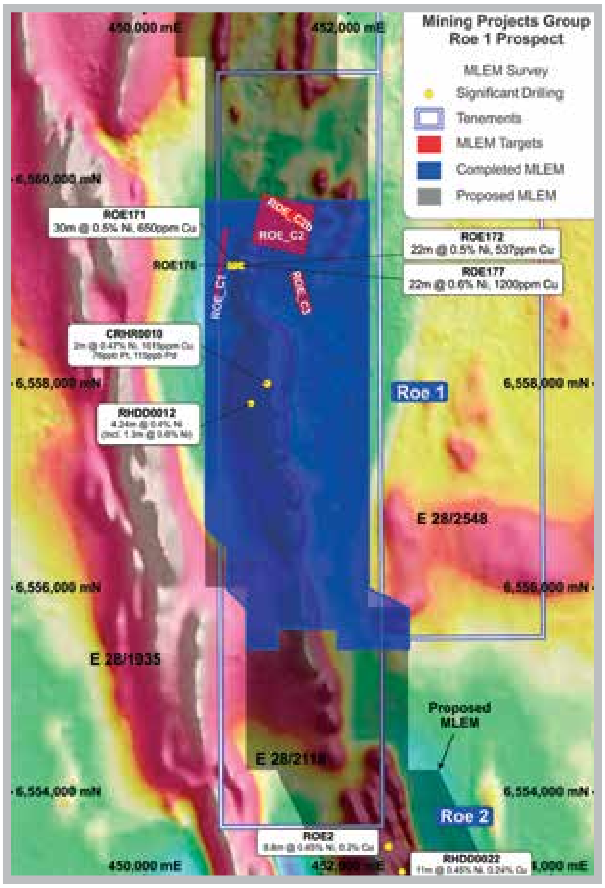

Figure 6: ROE1 MLEM Survey and Priority Conductors

REVIEW OF OPERATIONS

GEOLOGICAL FIELD MAPPING AND PETROLOGICAL EVALUATION

Consultant Geologist and Nickel Sulphide Specialist Sarah Dowling (Triodia Research) completed the initial phase of detailed mapping across the Talc Lake, Hooton and Point Perchance Prospects.

The mapping augments historical work undertaken by previous explorers including Newmont (late 1960's) and Western Mining Corporation (early 1990's) allowing an interpretation of the geology in relation to accepted modern geological models.

Importantly it will enable the development of an understanding of the setting and controls on the known mineralisation at Talc Lake and ultimately the implementation of more effective exploration methodologies across the broader Roe Hills Project.

Significantly, the presence of extensive sequences of high MgO ultramafic rocks was unequivocally confirmed along the western flanks of the main sequence at Talc Lake and in association with BIF units within a regionally continuous parallel belt some 2-5km's further to the west. These units are concealed beneath at least 25m of residual/transported soil and have not been drilled by previous explorers. The discovery substantially increases the prospectivity of the Project and future assessment is planned.

A review of all available drill cores including petrological evaluation has commenced in order to characterise the ultramafic stratigraphy and sulphide mineralogy and to confirm the younging directions of each ultramafic flow unit within what may be fold repeated sequences.

Of particular significance has been the identification of specific textures in the ultramafic rocks traversed by several historical holes at Talc Lake which are known to occur proximal to depositional sites for massive nickel sulphides at other known nickel sulphide deposits, eg Silver Swan (Photo 1).

Detailed mapping will continue throughout the Project tenure to elevate the geological understanding of all prospects and assist the ongoing exploration effort.

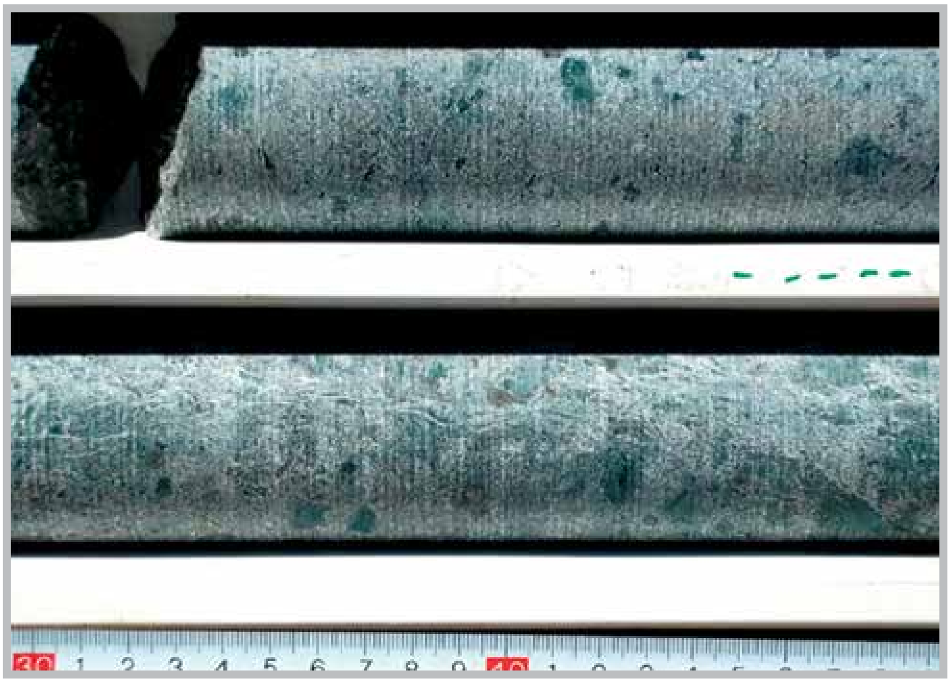

Photo 1: Core photography, TL09, depth 18-19m, Disseminated sulphide blebs in carbonated-talc ultramafics.

REVIEW OF OPERATIONS

KEY PROSPECTS

TALC LAKE PROSPECT

The Talc Lake area consists of thick sequences of talc – carbonate (magnesite) altered ultramafics after high MgO protoliths interpreted to represent channel facies ultramafics. Thickening of the sequence may have resulted from folding and faulting whilst apparent structural complexity may be attributed in-part to de-magnetisation associated with talc-carbonate alteration events. Other rock types include pyroxenites, basalts and sedimentary units. The footwall to the ultramafic sequence varies from basaltic to a felsic volcanosediment whose absence in-part may be explained by the process of thermomechanical erosion by the overlying ultramafics. The sequence is intruded by numerous dolerite dykes.

The potential of the prospect to host significant nickel sulphide mineralisation has been confirmed by the identification of surface gossans and both disseminated and narrow massive nickel sulphides in numerous historical holes.

Significantly, the majority of the intercepts achieved to date occur in hangingwall and/or flanking positions whilst the interpreted primary basal contact positions remain essentially untested.

Recently completed detailed MLEM geophysical surveys have identified numerous conductors considered worthy of follow-up drill testing. These represent high priority targets which will be further assessed and refined prior to re-commencing drilling. Figures 7 and 8 present a schematic cross-sections and Figure 9 represents a vertical longitudinal projection.

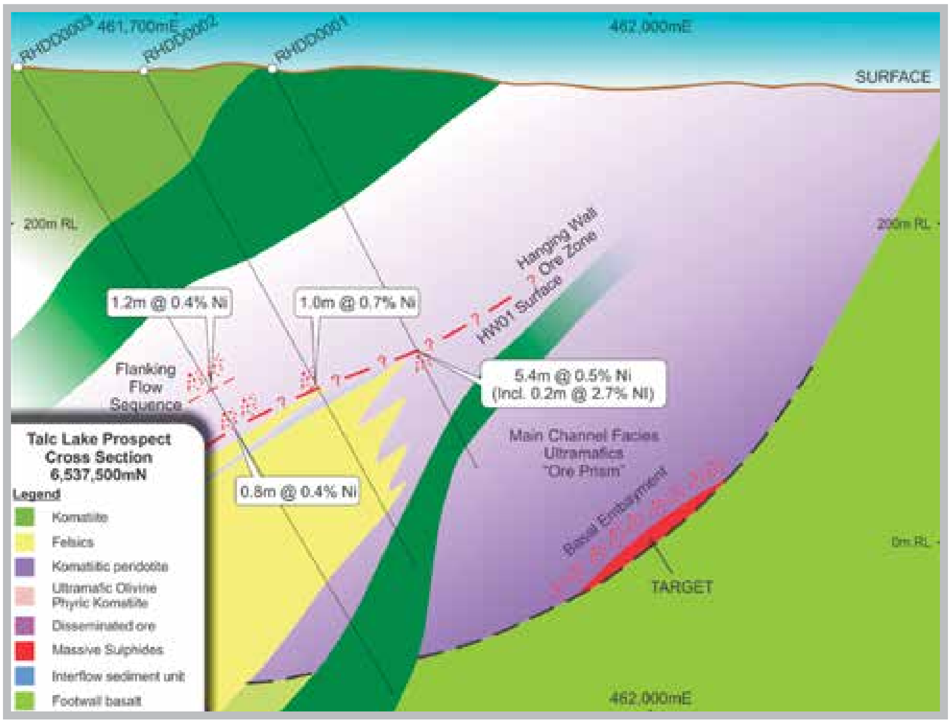

Figure 7: Talc Lake Schematic Cross Section on 6,537,500mN

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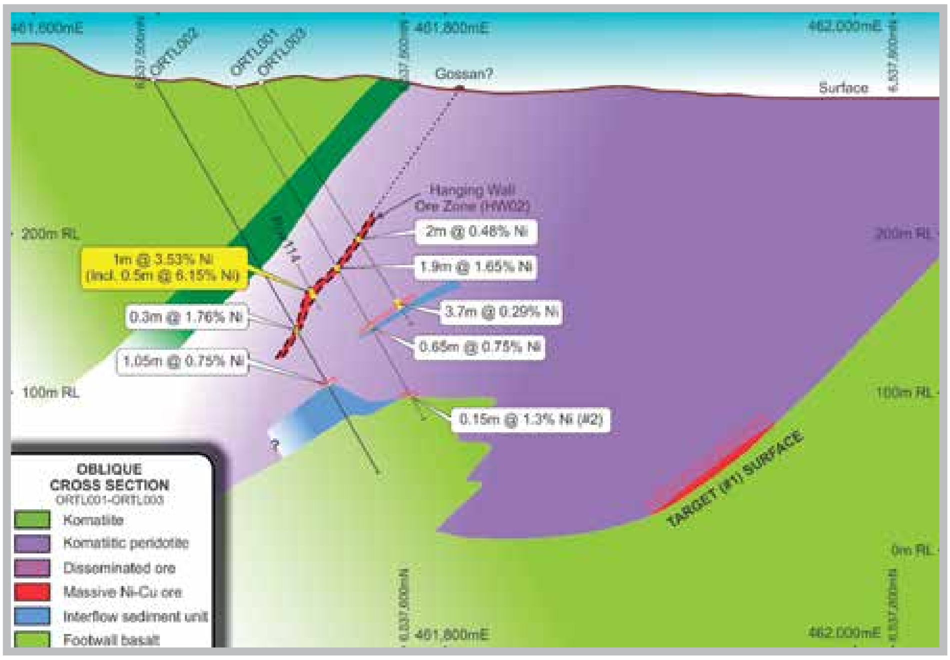

Figure 8: Schematic Oblique Cross Section with historical Holes ORTL001 – ORTL003 & ROE114.

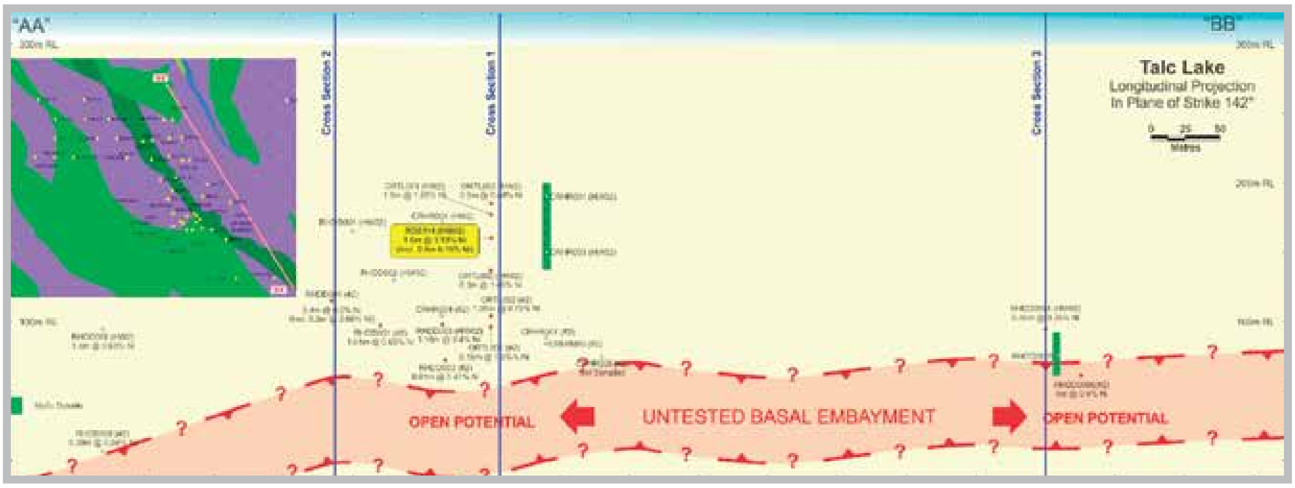

Figure 9: Talc Lake Schematic Vertical Longitudinal Projection.

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ROE1 PROSPECT

ROE1 Prospect (Figures 1-4 and Figure 6) is characterised by low lying ridges and hills of outcropping mafic and ultramafic rocks, locally derived colluvium and a variably developed veneer of transported overburden. The area comprises serpentinised and silicified ultramafic rocks, pyroxenites, basalts and minor sedimentary units. The ultramafics are predominantly high MgO mesocumulate to adcumulate textured dunites and represent the thickest accumulations of ultramafic rock types currently recognised within the Project area. The sequence is intruded by numerous dolerite and quartz feldspar porphyry dykes. Granite intrusives occur at the northern margin of the main prospect area and may highlight a potential target zone for remobilised mineralisation.

ROE1 was first identified by WMC in the mid 1990's, as a coherent geochemical anomaly over a strike length of 500 metres, up to 40 metres wide with peak values occurring centrally within the ultramafic sequence. Nickel anomalism is also associated with copper oxide (malachite) mineralisation at surface and within the oxidised near-surface rocks. Wide spaced drilling by previous explorers targeted the peak of the internal anomaly without effectively testing basal ultramafic contacts.

It is now considered that the geochemical Ni-Cu anomaly represents a hydromorphic dispersion halo developed along the Base of Oxidation/Top of Fresh Rock (BOX/TOFR) interface and potentially sourced from an as yet undiscovered accumulation of nickel sulphides located at depth below and down-plunge from the current level of drill testing (Figure 10: Schematic Cross–Section).

Work completed at ROE1 during the reporting period includes:

- Detailed assessment of the historical geochemical database by Dr Nigel Brand,
- Diamond drill testing of depth/plunge extensions to regolith geochemical anomalism (RHDD0009-12)
- Detailed high powered MLEM geophysical surveys
- DHEM surveys of all recently completed drill holes (RHDD0009-12)

Diamond drilling at Roe1 successfully identified a broad zone of near basal contact related disseminated nickel sulphide mineralisation in hole RHDD0012 as follows:

- **RHDD0012: 4.24m @ 0.4% Ni from 340.1m (Incl. 1.3m @ 0.6% Ni)**[12]

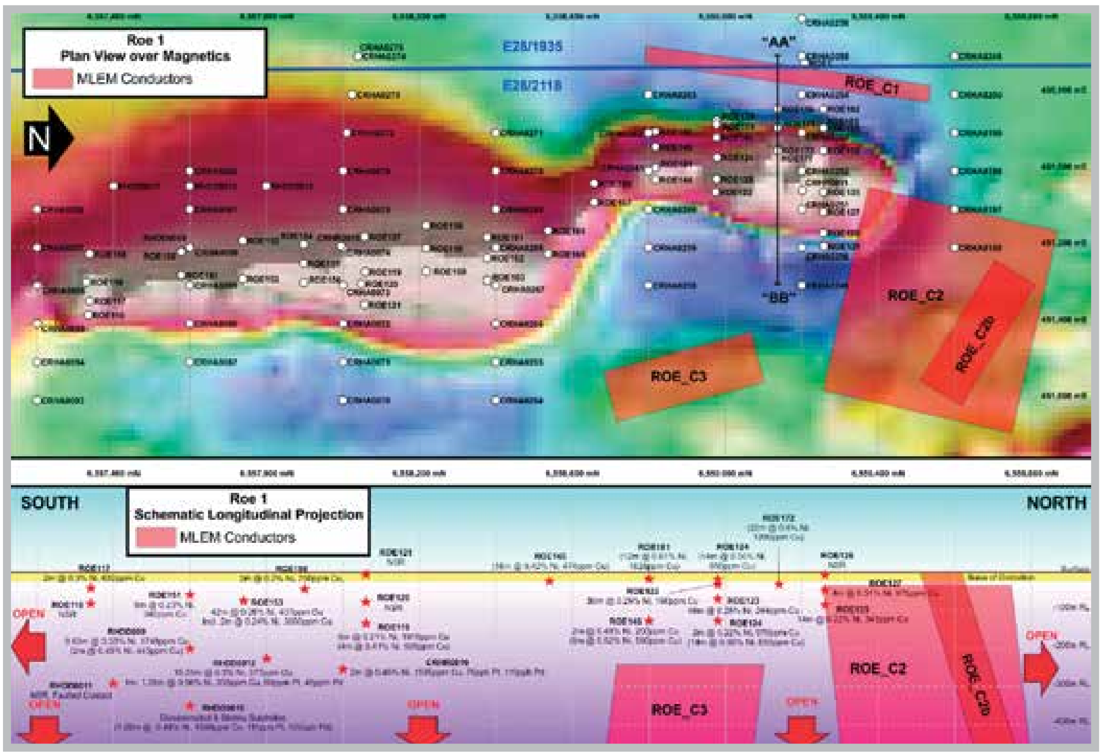

Figure 10: Plan and Schematic Longitudinal Projection of ROE1.

REVIEW OF OPERATIONS

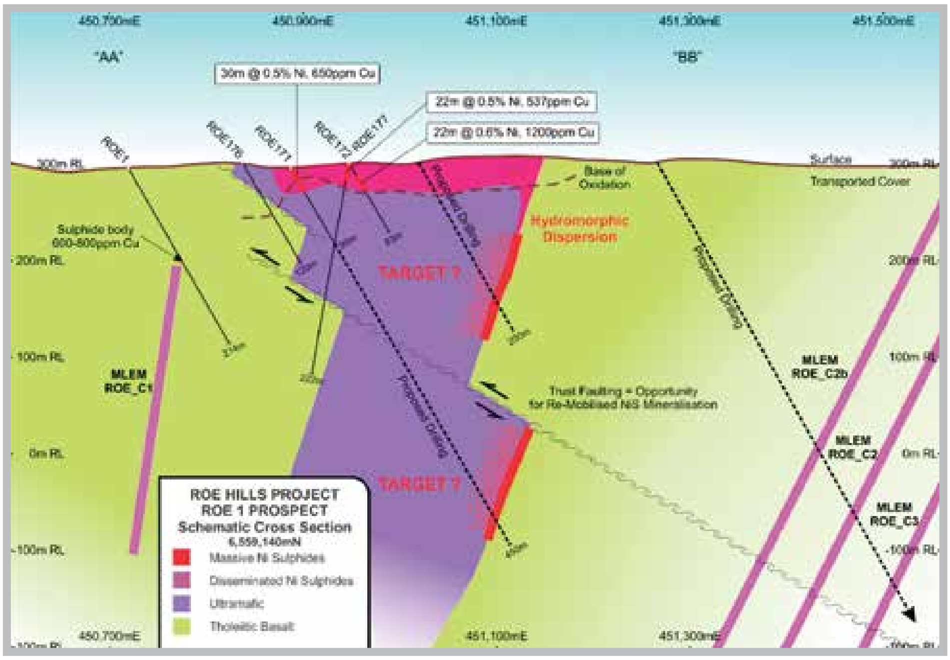

Figure 11: ROE1 Schematic Cross Section on 6,559,140mN

MLEM SURVEY

Recently completed MLEM survey at Roe1 (Figure 6) has successfully identified 4 strong conductors (Table 5) situated in geological favourable positions (Figures 10 and 11).

Plate_Name	Conductivity-Thickness (S)	Tau (ms)
ROE_C1	2770.41	100
ROE_C2	478.23	18
ROE_C2b	1229.63	42
ROE_C3	1000.00	18

Table 5: ROE1 MLEM Priority Conductors[2]

- **ROE_C1:** possibly been tested up dip by historical drill hole ROE1 (WMC). This hole intersected mafic hosted semi-massive sulphides in the interpreted hanging wall of the main ultramafic complex which returned 600-800ppm copper. Further work is required to understand its geological context as it appears to be structurally related rather than stratigraphically hosted.
- **ROE_C2, ROE_C2b & ROE_C3:** untested and sit favourably within the Company's geological model (Figure 10 and Figure 11).

Newexco reported the following regarding the Roe 1 MLEM results:

"These conductive results are considered Category 1 anomalies and are consistent with a bedrock sulphide source. ROE_C1 is highly likely to have been tested up-dip by historic drilling, however ROE_C2 and ROE_C3 are untested Category 1 anomalies".

A recent geological and structural review of the area has identified the presence of a series of previously unrecognised shallow east dipping thrust faults which have off-set the main ultramafic sequence towards the east (Figure 11).

This setting is similar to that of a number of other Western Australian Nickel Sulphide occurrences including WSA's Flying Fox/Lounge Lizard Deposits and highlights the potential for Roe 1 to host both primary basal contact related and structurally re-mobilised massive Nickel Sulphides.

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ROE2 PROSPECT

The ROE2 prospect is located 5km to the south of ROE1 and was first identified by WMC in the mid 90's. The prospect is defined by historical drill hole ROE2 which intersected basal contact hosted disseminated nickel sulphides as follows:

- **ROE2: 8.6m @ 0.45% Ni, 0.2% Cu[1]**

The targeted ultramafic stratigraphy in this area is completely obscured by transported lake sediments of variable thickness.

During the year MPJ has completed a single diamond drill hole RHDD0022 for a total metreage of 424m, (Figures 12 & 13).

The hole was designed to test for strike/plunge extensions 250m to the south of historical diamond drill hole ROE2 which returned 8.6m at 0.45% nickel, 2000ppm copper from 241.4m depth on what is now interpreted to be a "sediment free outer flank" contact position. It was also positioned to test a prominent embayment identified in detailed aeromagnetic imagery (Figure 13).

RHDD0022 traversed a sequence comprising of at least 5 separate ultramafic units separated by basalts with doleritic, felsic porphyry and pegmatite intrusives (Figure 14).

Whilst trace amounts of disseminated sulphides were observed in most ultramafics, fine grained heavily disseminated nickeliferous sulphides were encountered over approximately 23 metres in the uppermost ultramafic between about 104.4m and 127.4m down hole depth.

Final assays returned the following:

- **RHDD0022: 11m @ 0.45% Ni, 0.24% Cu, from 113m depth[1]**

This result is highly encouraging and represents a significant stage in the Company's ongoing exploration efforts at ROE2 (Figures 12 & 14).

Newexco are continuing with regional MLEM & DHEM geophysical surveys.

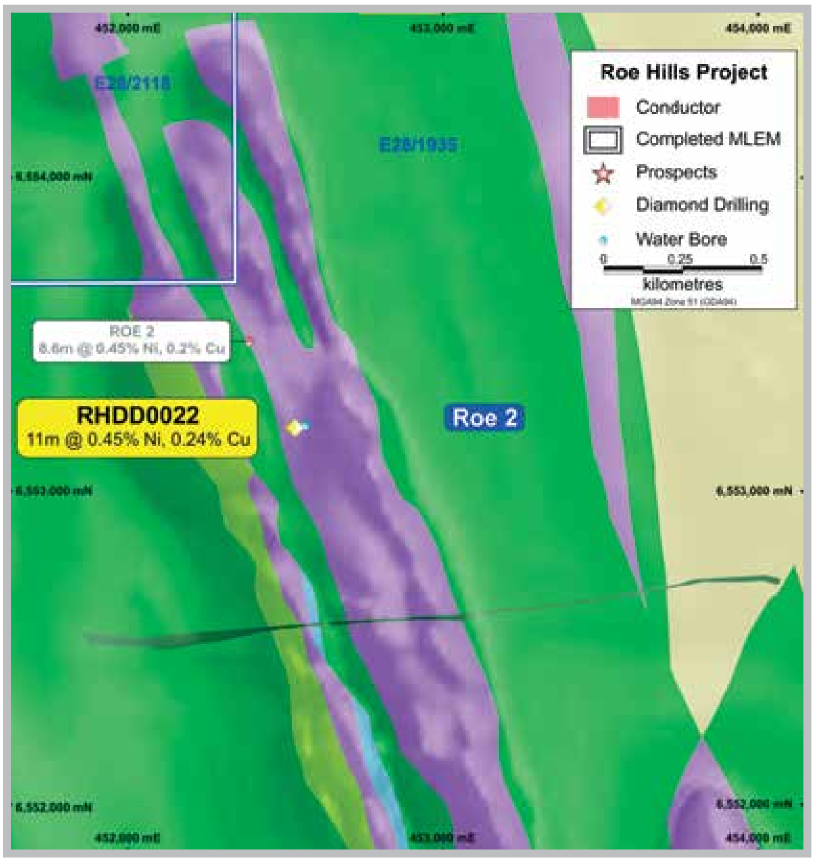

Figure 12: Drilling at ROE2

REVIEW OF OPERATIONS

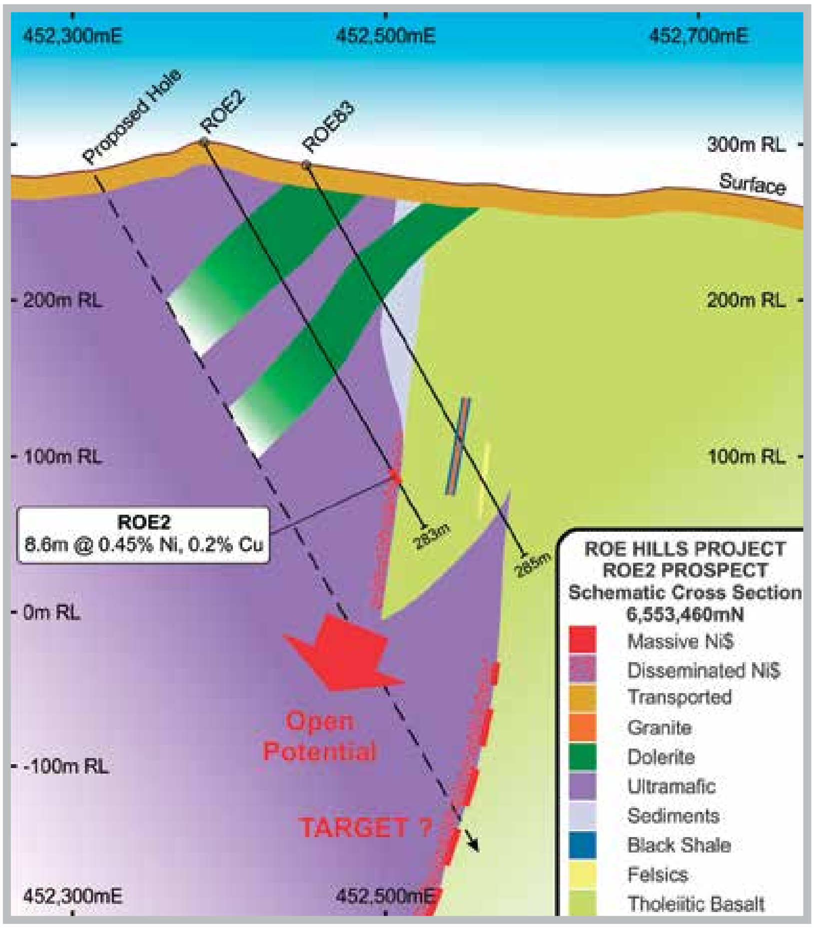

Figure 13: ROE2 Schematic Cross Section 6,553,460mN

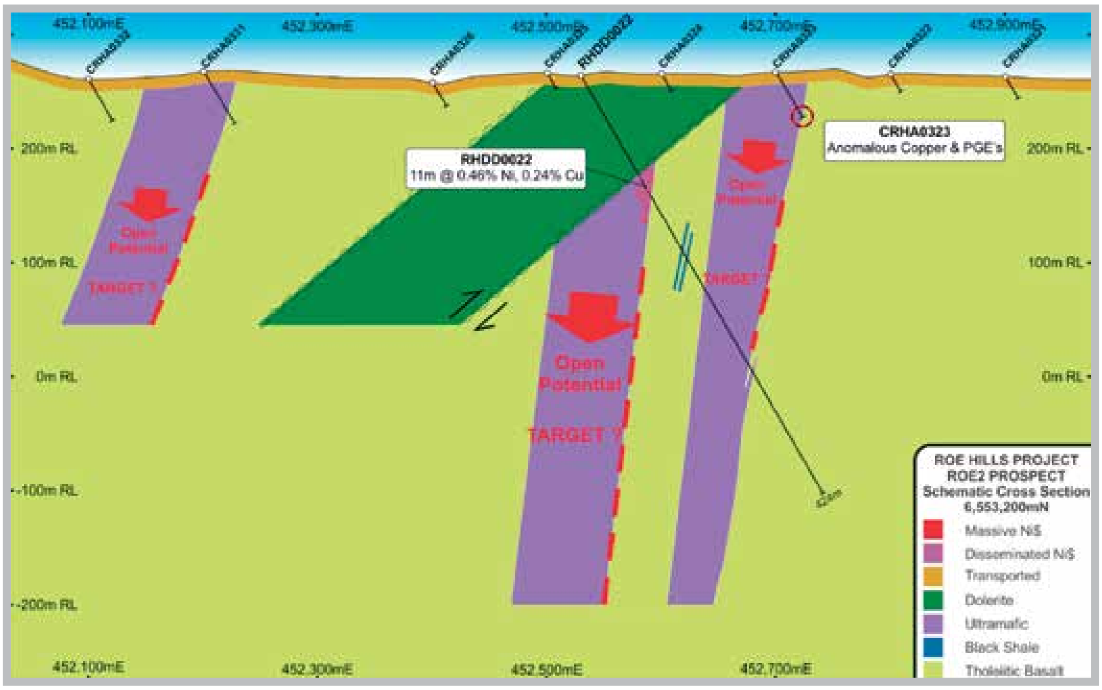

Figure 14: ROE2 Schematic Cross Section 6,553,200mN

REVIEW OF OPERATIONS

HOOTON PROSPECT

Centred some 5km's north along strike from Talc Lake the Hooton Prospect is defined by a historical drill hole (JodoEx, hole ID unknown, approx. location 459,900mE, 6,539,500mN MGA), which reported an oxide zone intercept of 3m @ 1.7% Nickel and 0.28% Copper from 28m depth.

During the year seven holes (RHDD0013-RHDD0019 inclusive) were completed at the Hooton Prospect for 2,200.4m (Figure 3 and 5).

Holes RHDD0013-14 and RHDD0016-19 were drilled to provide wide spaced testing of shallow RAB/aircore Ni, Cu, PGE geochemical anomalism associated with the "Western Ultramafic Belt" (Western Belt) at the Hooton Prospect and to establish DHEM geophysical platforms to guide further drill targeting. All holes reported trace amounts of weakly disseminated nickel sulphides providing confirmation of the fertility of the sequence.

Hole RHDD0015 was drilled to test historical near surface aircore Ni, Cu, PGE geochemical anomalism associated with a discrete magnetic high within what is now described as the "Central Ultramafic Belt" (Central Belt) at the Hooton Prospect. The Central Belt can be traced in aeromagnetic imagery beneath transported cover over a strike length of at least 5 kilometres at Hooton with hole RHDD0015 being the first effective test of the sequence.

RHDD0015 intersected a thick sequence of high MgO ultramafic rocks hosting patchy cloud\disseminated and blebby Nickel Sulphides over a drilled interval of approximately 130 metres (70-200m downhole depth) (Figure 15).

Spot handheld XRF results provided initial confirmation of the presence of nickeliferous sulphides with values ranging from 0.5% nickel to 3.2% nickel (Photos 2 and 3).

Final assays reflect the patchy distribution of the mineralisation and include the following intercepts:

- 2.7 metres grading 0.38% Ni; 303ppm Cu from 77.3m to 80.0m down-hole[4]
- 30.0 metres grading 0.24% Ni; 209ppm Cu from 85 to 115 metres down-hole[4]
- 8.0 metres grading 0.24% Ni; 178ppm Cu from 152 to 160 metres down-hole[4]
- 6.5 metres grading 0.25% Ni; 342ppm Cu from 186 to 192.5 metres down-hole[4]
- 0.4 metres grading 0.34% Ni; 975ppm Cu from 200.3 to 200.7 metres down-hole, and[4]
- 0.4 metres grading 0.77% Ni; 1700ppm Cu from 211.4 metres to 211.8 metres down-hole[4]

The mineralisation intersected in hole RHDD0015 is interpreted to represent cloud sulphides developed proximal to a main lava channel feature situated at depth below the hole (down-dip/plunge).

Cloud sulphide zones such as that intersected in RHDD0015 are typically found in close association with accumulations of higher grade massive nickel sulphides as evidenced by the majority of the known Nickel Sulphide Deposits in WA, eg Kambalda, Forrestania, Black Swan, Cosmos, Leinster.

REVIEW OF OPERATIONS

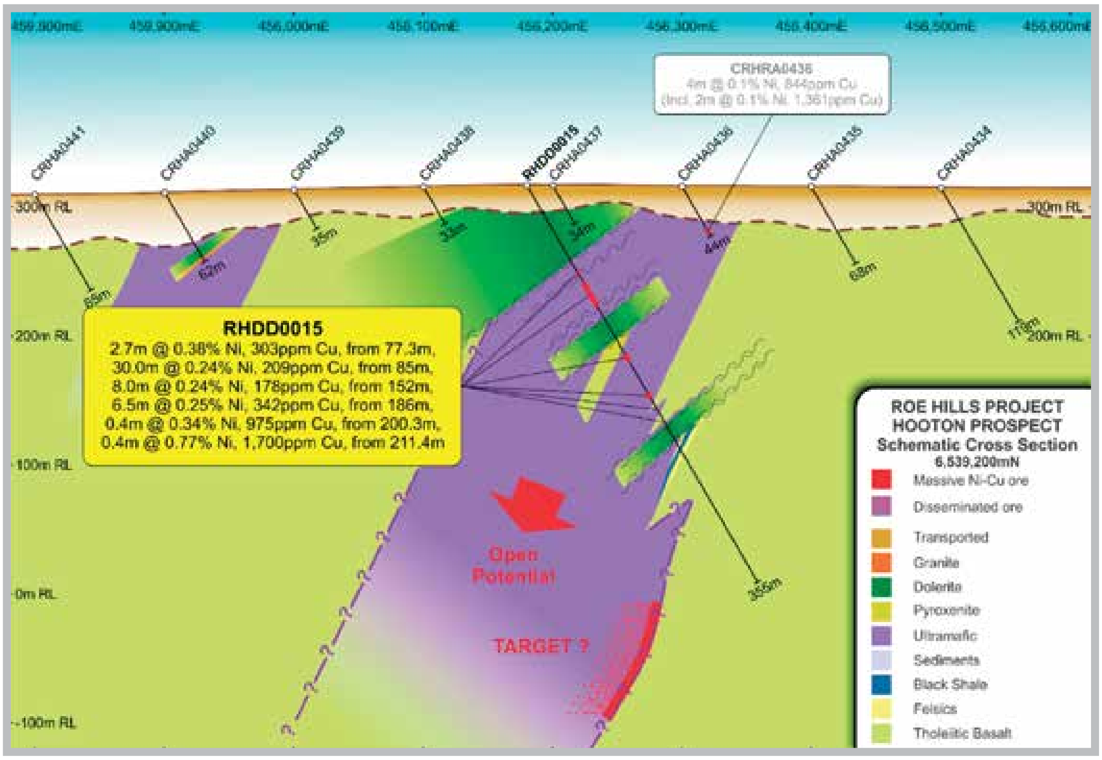

Figure 15: Hooton Schematic Cross-Section 6539,200mN.

Photo's 2 and 3: Disseminated and Blebby Nickel Sulphides hole RHDD0015

REVIEW OF OPERATIONS

POINT PERCHANCE

The Point Perchance prospect is located 5km along strike to the north of Hooton and is defined by historical drill hole PP1 (Figure 5). This hole returned a basal contact hosted disseminated nickel sulphide intercept as follows:

- **PP1: 1.83m at 0.4% Ni, 638ppm Cu from 56.7m depth**

During the year 2 diamond drill holes (RHDD0020 and RHDD0021) were completed at Point Perchance for a total combined metreage of 758.8 metres (Figures 2, 3, and 5).

- **RHDD0020** was designed to test MLEM conductor RHC13, sulphidic shales were encountered stratigraphically beneath a weakly mineralised ultramafic sequence at the approximate modelled target depth.
- **RHDD0021** was designed to test for depth extensions to disseminated mineralisation identified at a basal ultramafic contact in historical diamond drill hole PP1. Disseminated sulphides were identified over some 10m from approximately 172m depth in close proximity to a basal ultramafic contact whilst sulphidic shales were encountered at the approximate modelled target position of the MLEM conductor (Figure 16).

DHEM is ongoing to determine if the targeted conductors have been identified and whether additional conductors related to nearby mineralisation may be present.

Numerous additional historical RAB/aircore holes in the area report supporting regolith Ni pathfinder geochemical anomalism at shallow depths spatially coincident with high priority MLEM conductors.

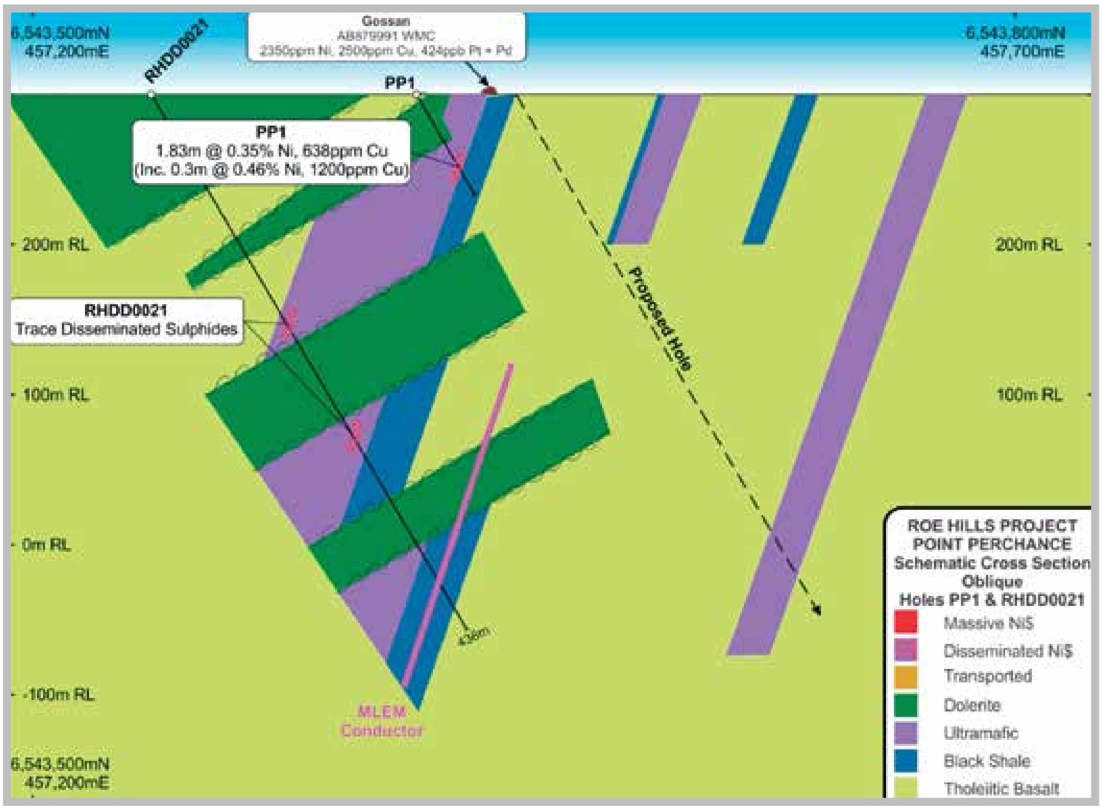

Figure 16: Point Perchance Schematic Oblique Cross Section, Holes PP1 & RHDD0021

REVIEW OF OPERATIONS

FRASER RANGE EAST PROJECT

MPJ's Fraser Range East Project comprises 2 exploration licenses totalling 601.4km². The project geology potentially represents strike extensions to the sequences which host the Nova/Bollinger Nickel/copper deposits located approximately 70km to the North West. The area remains largely unexplored utilising modern techniques (Figure 17).

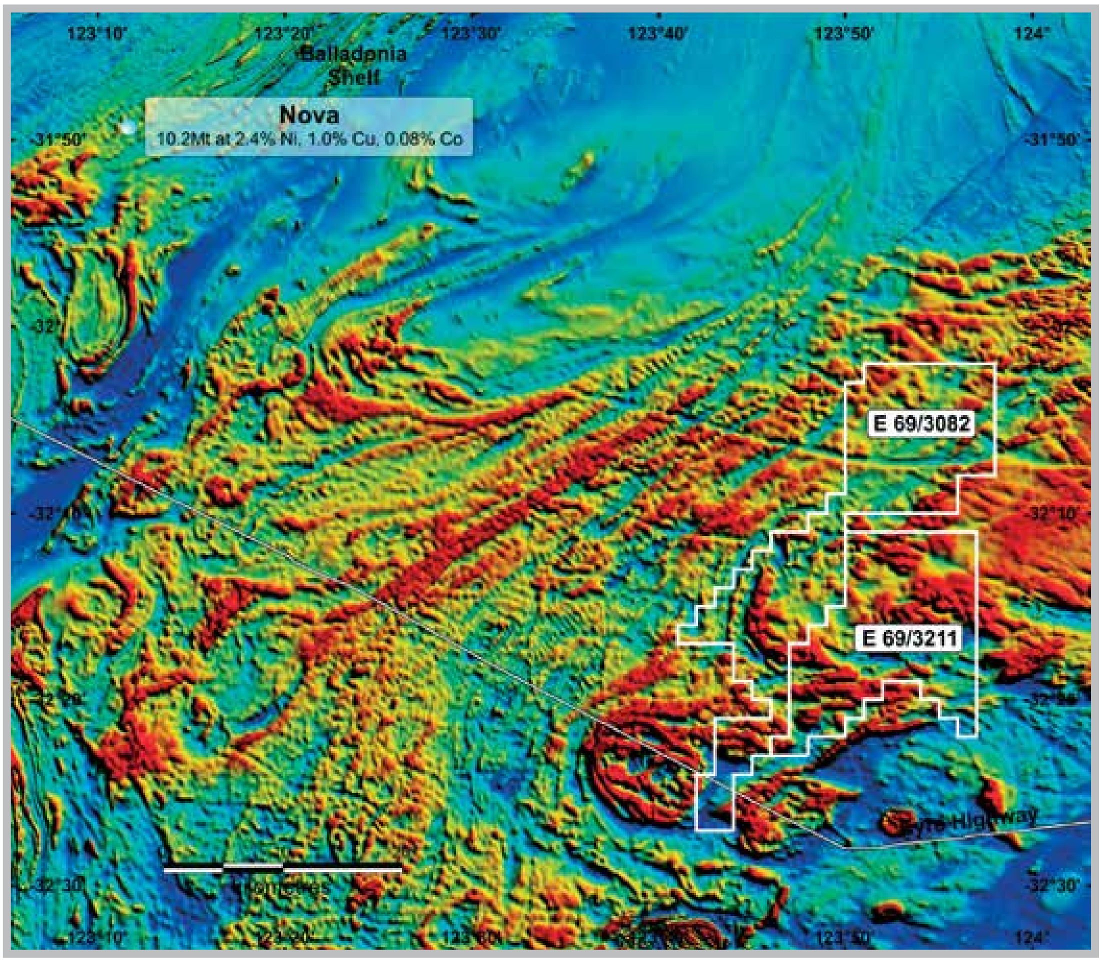

Figure 17: Fraser Range Project over Regional.

During the year an initial exploration programme of Moving Loop Electromagnetic survey MLEM programme highlighted in Figures 18 was undertaken during May 2014 at the Fraser Range Project. A total of 94 stations were observed along 7 profiles (Figure 18 and 19) encompassing a total of 18.2 line kilometres.

A broad anomaly has been recorded in the mid-time response of the three westernmost lines (Figure 18 and 19). The anomalous response was recorded over a strike-length of 800 m although it should be noted that the anomaly is open in both directions. The large wavelength of the anomaly suggests the source is laterally extensive.

Best modelling results were achieved using three plate models with low to moderate conductance to represent the source. A reasonable fit to observed data can also be achieved using a single plate. A single best modelled result gives a plate that has a shallow dip to the west and gentle plunge to the north. The three plates were used to account for variations within the unit along strike.

The plates are modelling at a depth of between 50-70m depth and the source of the anomaly is unclear as it may be related to conductive overburden or shallow bedrock responses. Newexco have noted that more geological information could improve and constrain the interpretation.

REVIEW OF OPERATIONS

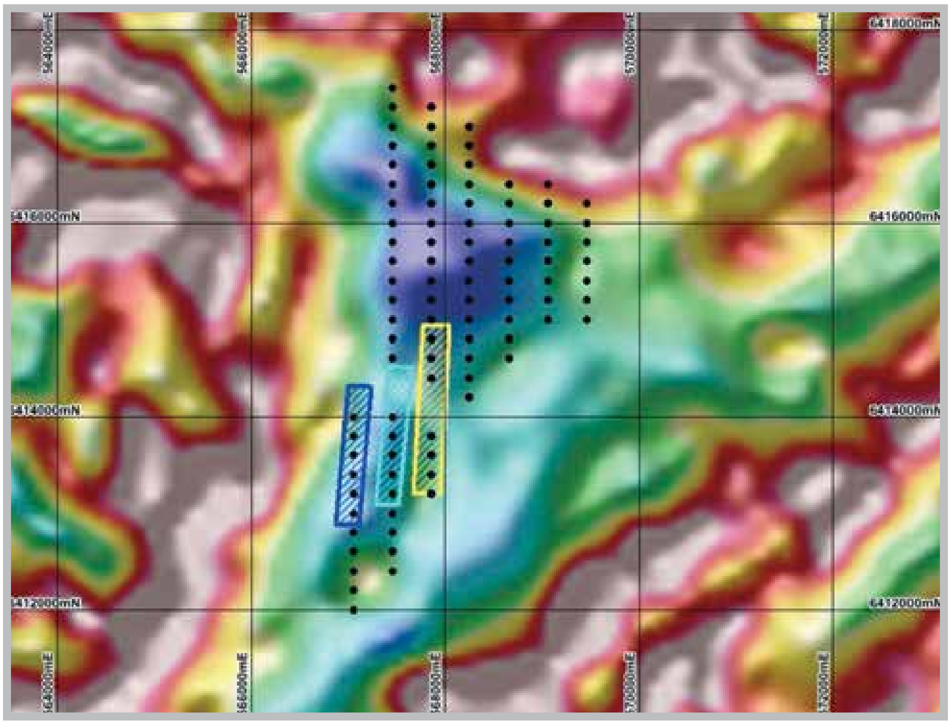

Figure 18: Fraser Range, MLEM Stations, Channel 20 (6.09 ms) and Modelled Maxwell Plate on a Total Magnetic Intensity Reduced To the Pole Image.

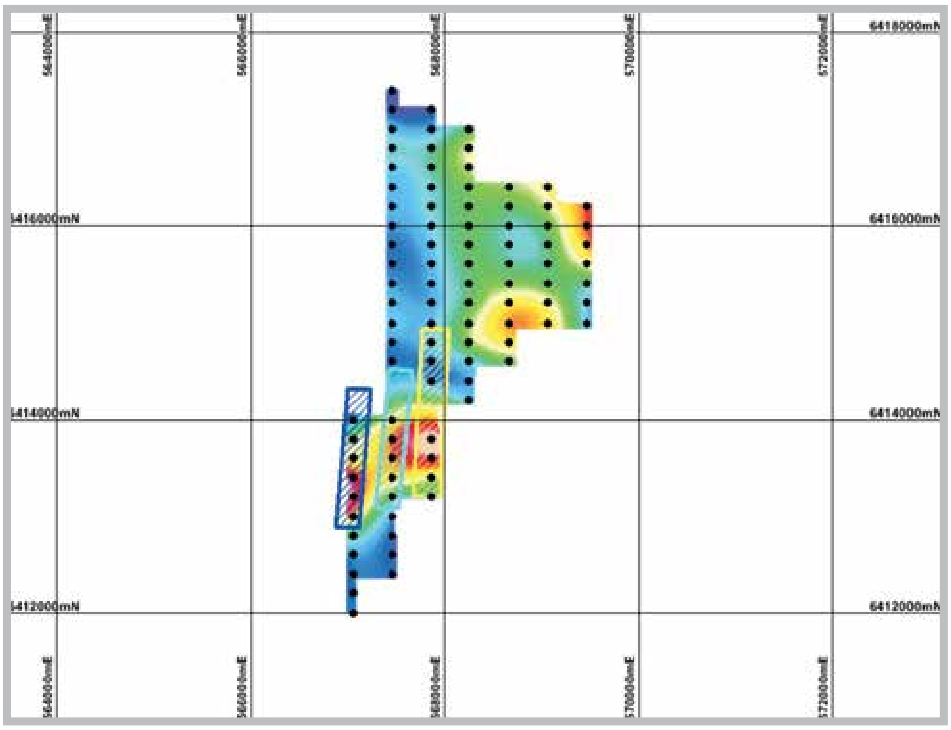

Figure 19: Fraser Range MLEM stations over MLEM channel 20 (6.09 ms) Image & Modelled Maxwell plates.

REVIEW OF OPERATIONS

DINGO RANGE TENEMENTS

The Dingo Range Tenements include four mineral tenures comprising a total area of 326.8km². The tenements border the Rox Resource's Mt Fisher Project that includes the Camelwood & Musket Nickel Deposits with a combined resource of **3.6Mt @ 2% Ni for 72,100 nickel tonnes** (ASX:RXL, 4th September 2014, *"Rox Increases Nickel Sulphide Resources Over 100%"*), (Figure 20 and 21).

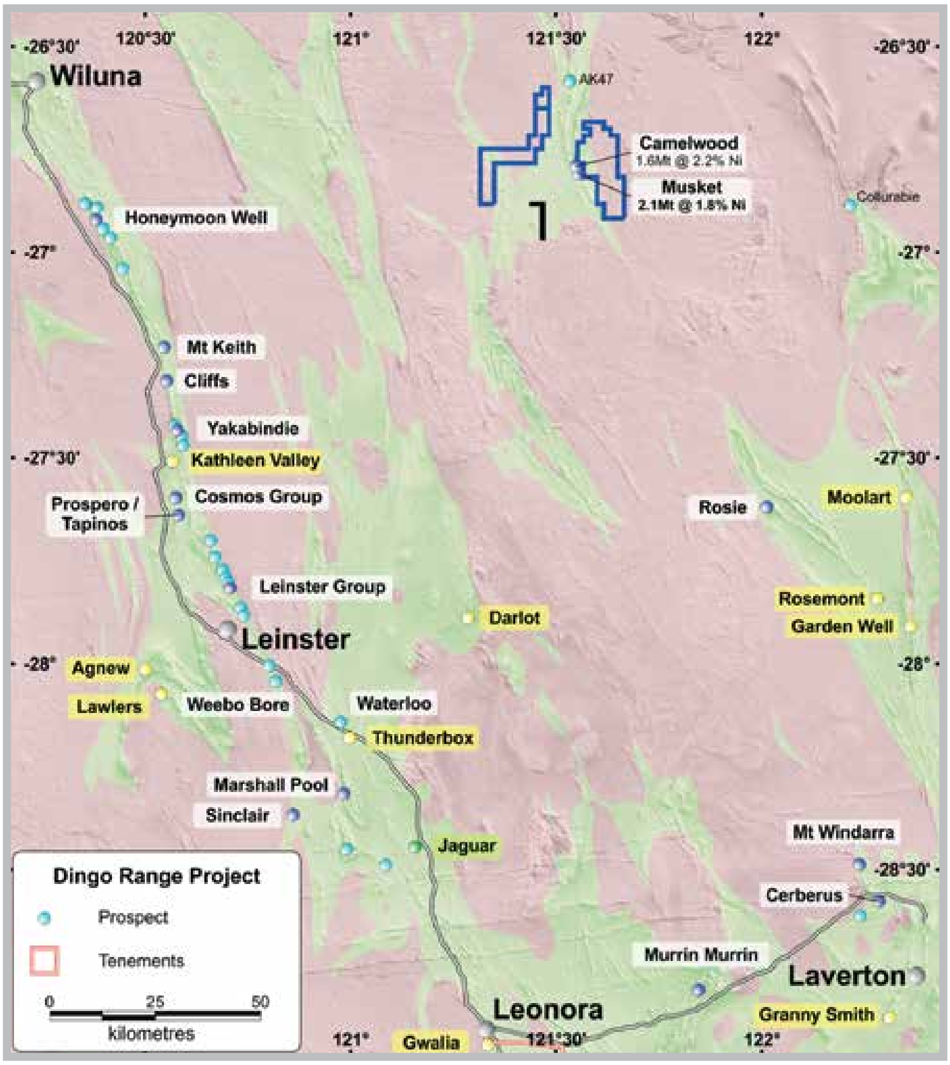

Figure 20: Regional Location of the Dingo Range Project

REVIEW OF OPERATIONS

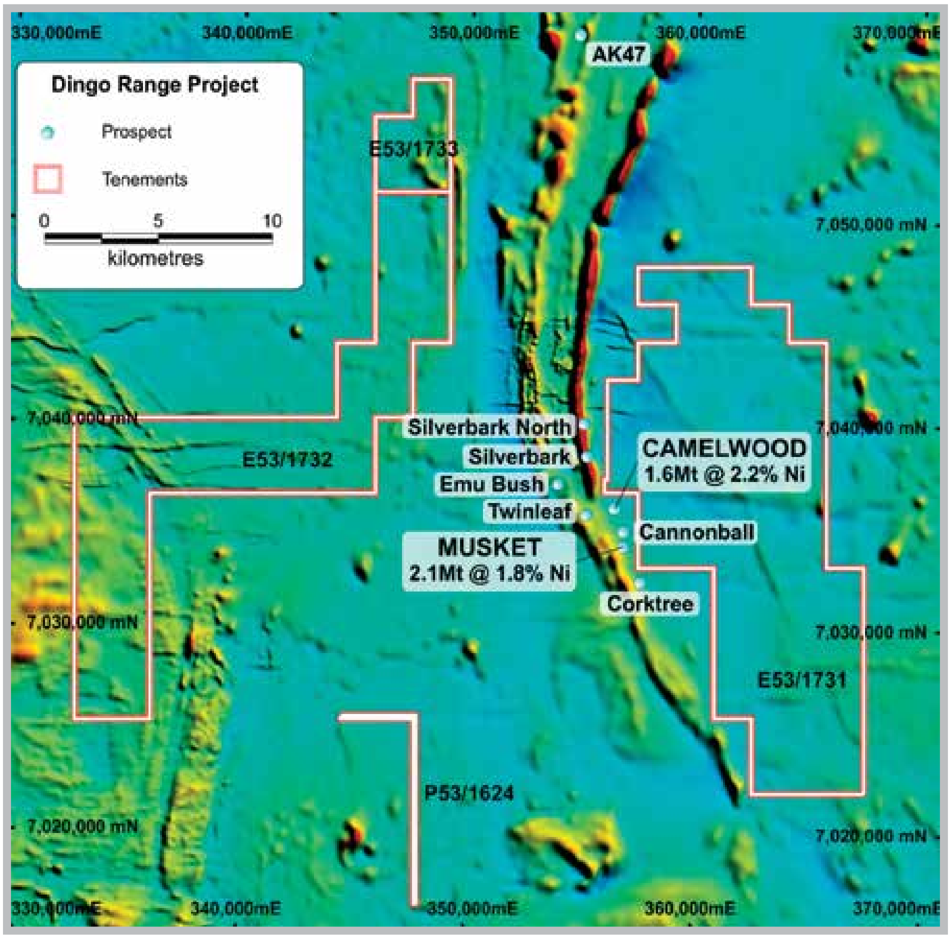

Figure 21. Dingo Range Tenements Over Regional Magnetics

The first stage Moving Loop Electromagnetic survey MLEM and follow-up Fixed Loop Electromagnetic (FLEM) survey programme highlighted in Figure 22 was carried out at the Dingo Range Project during June 2014. A total of 438 stations were observed along 34 profiles encompassing a total of 39.4 line kilometres. Due to time constraints the MMI soil sampling was not completed.

The MLEM data covers 12 kilometres of strike along variably magnetic source rocks which are presently interpreted to indicate the presence of volcanic, possibly mafic/ultramafic rock beneath pervasive cover. The MLEM indicates that the cover conditions increase in either thickness or conductivity to the northwest.

Central to the survey a number of weak anomalous responses have been identified. The FLEM survey on line 7053500mN covers the strongest of these which confirmed the presence of locally strong conductive cover. Modelling accurately constrained the source to surface as represented by a blue plate in Figure 22.

Further weak anomalous responses were identified proximal to this source, which remain to be followed-up. However, further geological information is required to put these sources in context. The presence of conductive cover warrants a follow up drill programme to establish the depth of cover, bedrock geology and determine the effectiveness of the MLEM survey.

REVIEW OF OPERATIONS

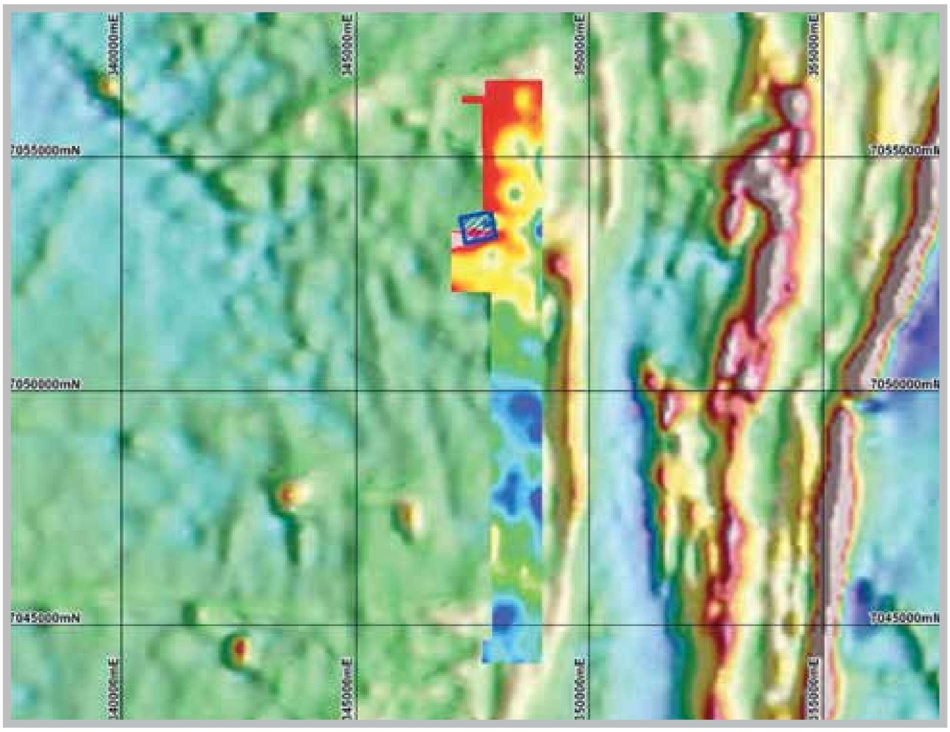

Figure 22: Dingo Range MLEM channel 10 (1 ms) image overlaid on a Total Magnetic Intensity Reduced to the Pole Image with the Maxwell model plate of conductive cover generated from the FLEM data.

COMPETENT PERSON STATEMENT:

Competent Person: The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Mr N Hutchison, who is a Non-Exec Director for Mining Projects Group and who is a Member of The Australian Institute of Geoscientists.

Mr Hutchison has sufficient experience which is relevant to the style of mineralisation and type of deposits 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.' (the JORC Code 2012). Mr Hutchison has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Corporate

In July 2014, the Company completed a Placement of $1,398,000 via the issue of 233 million ordinary fully paid MPJ shares with professional and sophisticated investors at an issue price of $0.006 (0.6 cents) per share. The terms of the placement provide that each Placement Share was to be issued with a free attaching option (MPJO) having an exercise price of $0.01 (1 cent) and an expiry date of 30 June 2016. The issue of the Placement Options were issued subsequent to receiving shareholder approval.

In February 2015, the Company successfully raised $600,000 under a Placement via the issue of 100 million ordinary fully paid MPJ shares at an issue price $0.006 (0.6 cents) per share with a one for one free attaching MPJO listed option exercisable at $0.01 and expiring on 30 June 2016 to institutional and sophisticated investor clients of Alignment Capital Pty Ltd.

REVIEW OF OPERATIONS

In April 2015, the Company successful raised $1.6 million from its fully underwritten non-renounceable 1 for 5 rights issue by the issue of 272 million new fully paid ordinary shares at $0.006 (0.6 cents) per share with a one for one free attaching MPJO listed option exercisable at $0.01 (1 cent) and expiring on 30 June 2016. The proceeds from the Placement and Rights Issue were raised to further advance its existing flagship Roe Hills nickel project; and to provide working capital.

On 28 July 2015, the Company held a general meeting of shareholders. All resolutions were voted in favour.

In August 2015, the Company completed a Placement to sophisticated investors via the issue of 200 million fully paid shares at an offer price of A$0.006 (0.6 cents) per share to raise A$1.2 million before costs. The Placement comes with a 1:2 free attaching MPJO option, subject to shareholder approval. The resolution seeking approval for the MPJO will form part of the Annual General Meeting, expected to be held late November 2015.

References

Mining Projects Group Limited (ASX: MPJ) – 2014/2015

Date	Title	Reference
30/09/2015	Significant Nickel Sulphide Mineralisation Confirmed at ROE2	1
10/09/2015	Strong Bedrock Conductors Identified at Roe 1	2
12/08/2015	MPJ Advance with New Nickel Sulphide Zone Identified – ROE 2	3
10/07/2015	Newly Identified Hooton Prospect Returns Nickel Sulphides	4
17/06/2015	Drilling Commences at Roe Hills Nickel Sulphide Project	5
12/06/2015	Multiple Significant Conductors Highlighted at Roe Hills	6
03/06/2015	Appointment of Geological Consultant, Ms Sarah Dowling	7
18/05/2015	MPJ Investor Presentation May 2015	8
14/05/2015	Significant Conductors and New Hootan Prospect Identified	9
16/04/2015	Appointment of Technical Manager	10
15/04/2015	Downhole EM Identifies Highly Conductive Target	11
27/03/2015	Roe 1 Prospect Drilling Update	12
26/02/2015	MPJ Exploration Update – Diamond Drilling at Roe 1 Prospect	13
09/02/2015	$2.2 Million Capital Raising places MPJ in Strong Position	14
29/01/2015	Roe 1 Highlights New Fertile Nickel Sulphide Lava Channel	15
27/11/2014	New Nickel Sulphide Intersection Update	16
22/10/2014	Roe Hills Drilling Update	17
15/09/2014	High Grade Nickel Intersected in First Drill Hole – Roe Hill	18
03/09/2014	Diamond Drilling programme at Roe Hills Commences	19
19/08/2014	Diamond Drilling Programme at Roe Hills finalised	20
24/07/2014	3D Modelling Defines New Plunging Nickel Sulphide Targets	21
08/07/2014	New Nickel Sulphide Targets Identified for Drilling at Roe Hills	22
18/06/2014	Fraser Range East and Dingo Range Update	23

DIRECTORS' REPORT

The Board of Directors of Mining Projects Group Limited and its subsidiaries ('the Consolidated Entity') present their report for the year ended 30 June 2015.

DIRECTORS

The names of the Directors in office at any time during, or since the end of the year are:

Mr Joshua Wellisch	Managing Director
First appointed to the Board	28 March 2013
Experience	Mr Wellisch is a corporate professional and company director whose career has included acquisition and management of mineral geological projects in the energy and minerals sector. Mr Wellisch has held several private and public board positions in various capacities over the past 8 years. He has a breadth of experience in capital raisings, corporate structuring and public company transactions predominantly in the mining and exploration sector.
Qualification	Bachelor of Science in Information Technology and Post Graduate Diploma in Project Management.
Interest in shares and options[1]	60,000,000 options over ordinary shares. 55,000,000 Performance Rights as approved by shareholders on 28 July 2015.
Directorships held in other listed entities	Oroya Mining Limited

Mr Neil Hutchison	Non-Executive Director
First appointed to the Board	15 April 2014
Experience	Mr Hutchison is a geologist with over 20 years' experience in conducting regional exploration, target generation, resource drill out, project reviews and evaluations. He is the General Manager of Geology at Poseidon Nickel and was formerly the Exploration Superintendent managing the nickel exploration group at the highly successful Cosmo Nickel Project.
Interest in shares and options[1]	12,933,334 ordinary shares and 15,000,000 options over ordinary shares. 11,000,000 Performance Rights as approved by shareholders on 28 July 2015.
Directorships held in other listed entities	Nil

Mr Dehong Yu	Non-Executive Director
First appointed to the Board	15 July 2013
Experience	Mr Yu is a business development executive with over 20 years' experience in international trade relations. He established his business operation in Australia within property development and expanded into mining exploration utilising his extensive network of Chinese investors. He brings to the Board his experience in mining exploration investment and access to his network of investors.
Interest in shares and options[1]	110,000,000 ordinary shares and 55,000,000 options for ordinary shares. 11,000,000 Performance Rights as approved by shareholders on 28 July 2015.
Directorships held in other listed entities	Nil

DIRECTORS' REPORT

Mr Angus Edgar	Non-Executive Director
First appointed to the Board	28 March 2013
Resigned from the Board	21 November 2014
Experience	Mr Edgar has over 25 years' experience in the finance and stockbroking industry. He has been directly involved with providing corporate advisory and fund raising services to private and Australian Securities Exchange listed companies via Melbourne Capital Limited, where he has been a director for 13 years.

1. The relevant interests of each Director in shares and options as at the date of this report

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Mr Adrien Wing, a CPA qualified and works with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary, has held the position of Company Secretary from 2 October 2013.

PRINCIPAL ACTIVITY

The principal activity of the Consolidated Entity during the financial year was resource exploration and investment.

There have been no significant changes in the nature of those principal activities during the financial year not disclosed elsewhere in the Annual Report.

DIVIDENDS

The Directors did not pay any dividends during the financial year. The Directors do not recommend the payment of a dividend in respect of the 2015 financial year.

EARNINGS PER SHARE

Basic loss per share: 0.11 cents (2014: 0.11 cents)

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

In accordance with shareholder approval at a General Meeting held on 28 July 2015, the following events occurred:

1. Approval for the issue of 40,000,000 listed options to Alignment Capital Pty Ltd at an exercise price of $0.01 per option was granted;
2. The prior issue of 100,000,000 listed options to clients of Alignment Capital Pty Ltd at an exercise price of $0.01 per option was ratified;
3. The prior issue of 15,000,000 ordinary fully paid shares to Alignment Capital Pty Ltd at an issue price of $0.006 per share (total aggregate consideration $90,000) was ratified;
4. The prior issue of 16,378,044 ordinary fully paid shares to nominees of ONQ Exploration Solutions Pty Ltd at an issue price of $0.007 per share (total aggregate consideration $114,646.30) was ratified;
5. The prior issue of 100,000,000 ordinary fully paid shares to clients of Alignment Capital Pty Ltd at an issue price of $0.006 per share (total aggregate consideration $600,000) was ratified;
6. Approval for the adoption of the Company's Performance Rights Plan providing officers and executives the opportunity to acquire shares in the Company was granted. The plan allows for the issue of a total of 77 million Performance Rights to the Company's directors, Mr Joshua Wellisch (55 million), Mr Dehong Yu (11 million) and Mr Neil Hutchison (11 million), together with a further 22 million rights to be issued to the Company Secretary, Mr Adrien Wing. These performance rights (99 million) were issued on 27 August 2015.

DIRECTORS' REPORT

On 20 August 2015, the Company completed a strategic share placement of 200 million fully paid ordinary shares to sophisticated investors at a price of 0.6 cents per share, raising $1.2 million before costs.

Other than the matters listed above, no other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Consolidated Entity, the result of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The likely developments in the Consolidated Entity's operations, to the extent that such matters can be commented upon, are covered in the Review of Operations contained elsewhere in this Annual Report. In the opinion of the Directors, disclosure of information regarding the expected results of those operations in financial years after the current financial year is not predictable at this stage. Accordingly, this information has not been included in this Report.

REVIEW AND RESULTS OF OPERATIONS

The Consolidated Entity's net loss after income tax for the financial year was $1,447,470 (2014: $2,585,273). The Review of Operations provides further details regarding the progress made by the Consolidated Entity since the prior financial year, which has contributed to its results for the year.

ENVIRONMENTAL REGULATIONS

The Consolidated Entity holds participating interests in a number of exploration licences. The various authorities granting such licences require the holder to comply with directions given to it under the terms of the grant of the licence.

The Board is not aware of any breaches of the Consolidated Entity's licence conditions.

MEETINGS OF DIRECTORS

During the financial year, 15 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number attended	Number eligible to attend
Mr Joshua Wellisch	15	15
Mr Angus Edgar[1]	6	6
Mr Dehong Yu	14	15
Mr Neil Hutchison	15	15

1. Resigned as a Director 21st November 2014

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OTHER OFFICERS

The company has not indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the *Corporations Act 2001.* The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

DIRECTORS' REPORT

OPTIONS OVER UNISSUED SHARES

At the date of this report, the unissued ordinary shares of Mining Projects Group Limited under option are as follows:

ASX Code	Number under option	Date of Expiry	Exercise Price
MPJO	1,050,694,833	30 June 2016	$0.010
MPJAI	400,000	5 October 2015	$0.100
MPJAI	500,000	5 October 2015	$0.250
MPJAI	500,000	5 October 2015	$0.500
MPJAO	20,000,000	21 August 2017	$0.010
MPJAO	20,000,000	21 August 2017	$0.020
MPJAO	20,000,000	21 August 2017	$0.025
MPJAQ	15,000,000	30 December 2017	$0.010
MPJAS	7,500,000	23 May 2017	$0.010
MPJAS	7,500,000	23 May 2017	$0.020

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Mining Projects Group Limited.

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS

During the year ended 30 June 2015 426,973 options were exercised at a cost of 1.5 cents per option (2014: nil).

PROCEEDINGS ON BEHALF OF THE CONSOLIDATED ENTITY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Consolidated Entity, or to intervene in any proceedings to which the Consolidated Entity is a party, for the purpose of taking responsibility on behalf of the Consolidated Entity for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Consolidated Entity with leave of the Court under section 237 of the *Corporations Act 2001.*

NON-AUDIT SERVICES

No fees for non-audit services were paid or payable to the external auditor of the Parent Entity during the year ended 30 June 2015 (2014: nil).

AUDITOR'S INDEPENDENCE DECLARATION

The lead Auditor's Independence Declaration, as required under section 307C of the *Corporations Act 2001,* for the year ended 30 June 2015 has been received and can be found in the section titled 'Auditor's Independence Declaration' within this Annual Report.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Consolidated Entity support, and adhere to, good corporate governance practices. Refer to the Company's Corporate Governance Statement at www.miningprojectsgroup.com.au.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

The information provided under Sections A to F includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures.

The information in this report has been audited as required by section 308(3C) of the *Corporations Act 2001.*

This report details the nature and amount of remuneration for each Director and Key Management Personnel of the Consolidated Entity.

The Directors and Key Management Personnel of the Consolidated Entity during the year were:

Mr Joshua Wellisch	Managing Director	(Appointed 28th March 2013)
Mr Angus Edgar	Non-Executive Director	(Resigned 21st November 2014)
Mr Dehong Yu	Non-Executive Director	(Appointed 15th July 2013)
Mr Neil Hutchison	Non-Executive Director	(Appointed 15th April 2014)
Mr Adrien Wing	Company Secretary	(Appointed 2nd October 2013)

SECTION A: PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

REMUNERATION GOVERNANCE

The remuneration of all Executive and Non-Executive Directors, Officers and Employees of the Consolidated Entity is determined by the Remuneration Committee, whose responsibilities are addressed by the Board as a whole.

The Consolidated Entity is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive and consistent with "Best Practice" including the interests of Shareholders. Remuneration packages are based on fixed and variable components, determined by the Executives' position, experience and performance, and may be satisfied via cash or equity.

Non-Executive Directors are remunerated out of the aggregate amount approved by Shareholders and at a level that is consistent with industry standards. Non-Executive Directors do not receive performance based bonuses and prior Shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

Voting at the Company's 26 November 2014 Annual General Meeting ("AGM")

The Company received 99.74% of "for" votes in relation to its remuneration report for the year ended 30 June 2014.

REMUNERATION POLICY VERSUS CONSOLIDATED ENTITY FINANCIAL PERFORMANCE

Over the past 5 years the Consolidated Entity has continued to acquire and maintain many participating interests in mining projects and companies that Directors believe have the potential to provide ongoing benefits to Shareholders. This is represented by the Consolidated Entity's interests in public and private companies, and direct participation in mining projects and joint ventures.

Some of the Consolidated Entity's investments have been realised over the past years and have provided trading profits and cash in-flows to fund ongoing activities. A number of projects and joint ventures are not at a stage where production or positive cash flows have been established, which may affect the Consolidated Entity's current performance and shareholder wealth.

The Consolidated Entity's earnings in the past 5 years have remained negative which is due to the nature of the Consolidated Entity as an early stage mining Company. Shareholder wealth reflects this speculative and volatile market sector. No dividends have ever been declared by the Consolidated Entity.

DIRECTORS' REPORT

The earnings of the consolidated entity for the five years to 30 June 2015:

Loss financial year ended 2015	($1,447,470)
Loss financial year ended 2014	($2,585,273)
Loss financial year ended 2013	($5,263,314)
Loss financial year ended 2012	($2,971,131)
Loss financial year ended 2011	($1,500,202)

Factors that are considered to affect total shareholder return are summarised below:

	2015	2014	2013	2012	2011
Share price at financial year end ($A)	0.008	0.005	0.004	0.009	0.023
Basic earnings per share (cents per share)	(0.11)	(0.11)	(1.57)	(2.90)	(2.07)

Directors have been compensated for work undertaken and the responsibilities assumed in being Directors of this Consolidated Entity based on industry practice, as opposed to the Consolidated Entity's performance which is difficult to ascertain given the nature of the activities undertaken, as described above.

PERFORMANCE BASED REMUNERATION

The purpose of a performance bonus is to reward individual performance in line with the Consolidated Entity's objectives. Consequently, performance based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the Consolidated Entity. This is regularly measured in respect of performance against key performance indicators (KPI's).

The Consolidated Entity uses a variety of KPI's to determine achievement, depending on the role of the executive being assessed, these include successful contract negotiations. No performance based remuneration was granted during the reporting period (2014: $ nil).

SECTION B: DETAILS OF REMUNERATION

DETAILS OF REMUNERATION FOR THE YEAR ENDED 30 JUNE 2015

FY 2014/15	Short-term employee benefits			Post-employment benefits	Share-based payments	Total
	Cash salary and fees	Other	Non-monetary benefits	Superannuation Contribution	Equity-settled	
	$	$	$	$	$	$
Joshua Wellisch	192,000	-	-	-	-	192,000
Angus Edgar[2]	40,000	-	-	-	-	40,000
Dehong Yu	40,132	-	-	-	-	40,132
Neil Hutchison[1]	40,000	-	-	-	71,400	111,400
Adrien Wing	60,000	-	-	-	-	60,000
	372,132	**-**	**-**	**-**	**71,400**	**443,532**

1. Details of the equity issued to Directors can be found in "Section C: Share Based Compensation". Equity settled share based payments for Neil Hutchison were 7,933,334 shares, paid in lieu of a cash payment and are not performance related.

2. Resigned 21 November 2014

DIRECTORS' REPORT

DETAILS OF REMUNERATION FOR THE YEAR ENDED 30 JUNE 2014

The remuneration for each Director of the Consolidated Entity during the year ended 30 June 2014 was as follows:

FY 2013/14	Short-term employee benefits			Post-employment benefits	Share-based payments	Total
	Cash salary and fees	Other	Non-monetary benefits	Superannuation Contribution	Equity-settled	
	$	$	$	$	$	$
Bryan Frost[2]	24,000	-	-	-	-	24,000
Joshua Wellisch	176,000	-	-	-	175,064[1]	351,064
Angus Edgar	96,000	-	-	-	-	96,000
Dehong Yu	40,330	-	-	-	-	40,330
Neil Hutchison[3]	7,727	-	-	-	74,450[1]	82,177
Adrien Wing	45,000	-	-	-	-	45,000
	389,057	**-**	**-**	**-**	**249,514**	**638,571**

1. Equity settled share based payments for Joshua Wellisch were 60,000,000 Options (49.8% of his total remuneration for the year is performance related). Equity settled share based payments for Neil Hutchison were 5,000,000 Shares and 60,000,000 Options (51.66% of his total remuneration for the year is performance related).
2. Resigned 30 September 2013
3. Appointed 15 April 2014

PERFORMANCE INCOME AS A PROPORTION OF TOTAL REMUNERATION

All executives are eligible to receive incentives by the recommendation of the Board. The performance payments are based on a set monetary value, set number of shares, or options, or as a portion of base salary. There is no fixed proportion between incentive and non-incentive remuneration.

Non-Executive Directors are not entitled to receive bonuses and/or incentives.

No performance incentives were paid during the reporting period (2014: $ nil).

SECTION C: SHARE BASED COMPENSATION

DETAILS OF SHARES ISSUED

The number of shares in the Company held by key management personnel, including their personal related parties is as set out below:

	Balance at start of the year	Received as compensation**	Grant Date	Issue Price	Net change other*	Balance at the end of the year/ resignation date
2015						
Joshua Wellisch	-	-	-	-	-	-
Angus Edgar[2]	47,000,000	-	-	-	-	47,000,000
Dehong Yu	110,000,000	-	-	-	-	110,000,000
Neil Hutchison[1]	5,000,000	7,933,334	23 Dec 2014	$0.009	-	12,933,334
Adrien Wing	19,406,112	-	-	-	(10,406,112)	9,000,000
	181,406,112	**7,933,334**	**-**	**-**	**(10,406,112)**	**178,933,334**

* The net change other column above includes those shares acquired and sold by Directors as well as shares issued during the year to Directors' for their participation in any placements/rights issues.

** The received as compensation column above includes shares that were issued in lieu of cash payment

DIRECTORS' REPORT

1. 7,933,334 shares with a fair value of $71,400 using a 5 day volume weighted average share price at the approval date were issued to a director as approved by shareholders at the November 2014 Annual General Meeting of the Company.

2. Resigned 21 November 2014.

DETAILS OF OPTIONS ISSUED

The number of Options over ordinary shares in the Company held by key management personnel, including their personal related parties is as set out below:

	Balance at start of the year	Received as compensation	Options Exercised No.	Options Lapsed No.	Net change other*	Balance at the end of the year/ resignation date
2015						
Joshua Wellisch	60,000,000	-	-	-	-	60,000,000
Angus Edgar	44,500,000	-	-	-	-	44,500,000
Dehong Yu	55,000,000	-	-	-	-	55,000,000
Neil Hutchison	15,000,000	-	-	-	-	15,000,000
Adrien Wing	16,666,667	-	-	-	(16,666,667)	-
	191,166,667	**-**	**-**	**-**	**(16,666,667)**	**175,500,000**

* The net change other column above includes those options that have been acquired and disposed of by Directors as well as options issued during the year for Directors' participation in any placements/rights issues.

SECTION D: EMPLOYMENT CONTRACTS OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

During the year ended 30 June 2015, there were no Employment Contracts of Directors and Key Management Personnel. No external remuneration consultants were engaged during the year.

SECTION E: LOANS TO DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

There were no loans made to Directors or other Key Management Personnel of the Company, including their personally related parties.

SECTION F: OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Peregrine Corporate Ltd, is a Company of which Bryan Frost is a director of. During the 2014 financial year this entity provided corporate advice and capital raising underwriting services to the value of $586 to Mining Projects Group Limited at standard commercial rates. Mr Frost resigned as a director on 30 September 2013.

There were no further transactions with Key Management Personnel not disclosed above or in Note 20.
End of Remuneration Report (Audited).

Signed in accordance with a resolution of the Board of Directors made pursuant to s298(2)(a) of the *Corporations Act 2001.*

Joshua Wellisch
Managing Director

Dated: The 29th Day of September 2015

AUDITOR'S INDEPENDENCE DECLARATION

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Australia

DECLARATION OF INDEPENDENCE BY DAVID GARVEY TO THE DIRECTORS OF MINING PROJECTS LIMITED

As lead auditor of Mining Projects Group Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect Mining Projects Group Limited and the entities it controlled during the period.

David Garvey
Partner

BDO East Coast Partnership

Melbourne, 30 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	30 June 2015 $	30 June 2014 $
REVENUE			
Interest revenue from external parties	2	11,870	7,238
Other	2	11,527	5,915
TOTAL REVENUE		**23,397**	**13,153**
EXPENSES			
Tax and audit fees	3a	(55,467)	(51,653)
Depreciation		(901)	(2,238)
Tenement expenses		(4,256)	(12,889)
Directors' and consultants' fees	3a	(490,052)	(633,571)
Impairment of tenement assets		(194,248)	(1,641,236)
Travel and marketing		(257,630)	(96,450)
Professional fees	3a	(155,606)	(198,711)
Rent		(28,000)	(37,522)
Administration and other expenses		(229,395)	(164,990)
Write off property, plant and equipment	13	-	(21,666)
Provision for diminution of other financial assets		(45,412)	-
Bad debts		(9,900)	(50,000)
Reversal of contingent consideration		-	312,500
Loss before income tax		**(1,447,470)**	**(2,585,273)**
Income tax expense	4	-	-
Loss for the year after income tax		**(1,447,470)**	**(2,585,273)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Gain on the revaluation of available-for-sale financial assets		11,683	19,766
Other comprehensive income for the year, net of tax		**11,683**	**19,766**
Total comprehensive loss for the year		**(1,435,787)**	**(2,565,507)**
Loss attributable to:			
Owners of Mining Projects Group Ltd		(1,447,440)	(2,594,679)
Non-controlling interests		(30)	9,406
		(1,447,470)	**(2,585,273)**
Total comprehensive loss attributable to:			
Owners of Mining Projects Group Ltd		(1,435,757)	(2,574,913)
Non-controlling interests		(30)	9,406
		(1,435,787)	**(2,565,507)**
Loss per share for the year attributable to the members of Mining Projects Group Limited:			
Basic (loss) per share (cents per share)	7	(0.11)	(0.11)
Diluted (loss) per share (cents per share)	7	(0.11)	(0.11)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Note	30 June 2015 $	30 June 2015 $
ASSETS			
Current assets			
Cash and cash equivalents	8	1,313,920	146,208
Trade and other receivables	9	146,849	48,403
Other financial assets	10	61,808	95,538
Other assets	11	16,190	13,513
Total Current Assets		**1,538,767**	**303,662**
Non-current assets			
Property, plant and equipment	13	5,989	-
Exploration and evaluation costs	14	3,833,614	2,067,069
Total non-current assets		**3,839,603**	**2,067,069**
TOTAL ASSETS		**5,378,370**	**2,370,731**
LIABILITIES			
Current liabilities			
Trade and other payables	15	1,092,144	446,646
Total current liabilities		**1,092,144**	**446,646**
TOTAL LIABILITIES		**1,092,144**	**446,646**
NET ASSETS		**4,286,226**	**1,924,085**
EQUITY			
Contributed equity	16	43,501,008	39,703,080
Reserves – available for sale financial assets		31,449	19,766
Accumulated losses		(39,245,120)	(37,797,680)
Parent interests		**4,287,337**	**1,925,166**
Non-controlling interests		(1,111)	(1,081)
TOTAL EQUITY		**4,286,226**	**1,924,085**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

Consolidated Entity	Contributed Equity $	Available for Sale Reserve $	Accumulative losses $	Non-controlling interests $	Total $
Balance at 30 June 2013	**37,359,995**	**-**	**(35,203,001)**	**(10,487)**	**2,146,507**
Income / (loss) for the year after tax	-	-	(2,594,679)	9,406	(2,585,273)
Other comprehensive income	-	19,766	-	-	19,766
Total comprehensive income / (loss) for the year	**-**	**19,766**	**(2,594,679)**	**9,406**	**(2,565,507)**
Transactions with owners in their capacity as owners:					
Shares issued (net of costs)	2,027,730	-	-	-	2,027,730
Shares buy back	(50,000)	-	-	-	(50,000)
Options exercised	-	-	-	-	-
Options Issued	365,355	-	-	-	365,355
Balance at 30 June 2014	**39,703,080**	**19,766**	**(37,797,680)**	**(1,081)**	**1,924,085**
Income / (loss) for the year after tax	-	-	(1,447,440)	(30)	(1,447,470)
Other comprehensive income	-	11,683	-	-	11,683
Total comprehensive income / (loss) for the year	**-**	**11,683**	**(1,447,440)**	**(30)**	**(1,435,787)**
Transactions with owners in their capacity as owners:					
Shares issued (net of costs)	2,003,821	-	-	-	2,003,821
Shares buy back	-	-	-	-	-
Options exercised	6,405	-	-	-	6,405
Options Issued	1,787,702	-	-	-	1,787,702
Balance at 30 June 2015	**43,501,008**	**31,449**	**(39,245,120)**	**(1,111)**	**4,286,226**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Note	30 June 2015 $	30 June 2014 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(894,256)	(904,284)
Receipts from customers (inclusive of GST)		11,527	-
Interest received		11,870	7,238
Net cash flows used in operating activities	**19**	**(870,859)**	**(897,046)**
Cash flows from investing activities			
Payment for purchases of plant and equipment		(6,890)	-
Payment for tenement and exploration		(1,539,182)	(524,097)
Research and development tax incentive		223,888	-
Net cash flows used in investing activities		**(1,322,184)**	**(524,097)**
Cash flows related to financing activities			
Proceeds from issues of securities		3,642,107	636,200
Capital raising costs		(281,352)	(52,270)
Net cash flows from financing activities		**3,360,755**	**583,930**
Net increase/(decrease) in cash and cash equivalents		**1,167,712**	**(837,213)**
Cash and cash equivalents at the beginning of the year		146,208	983,421
Cash and cash equivalents at the end of the financial year	**8**	**1,313,920**	**146,208**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: BASIS OF PREPARATION

CORPORATE INFORMATION

The financial report of Mining Projects Group Limited (the Consolidated Entity) for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the Directors on 30th September 2015.

Mining Projects Group Limited is a listed public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX:MPJ). The financial report covers the Consolidated Entity of Mining Projects Group Limited and controlled entities.

The principal activity of the Company is resource exploration and investments.

BASIS OF PREPARATION

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards, as appropriate for profit orientated entities. The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian dollars.

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and assumptions made by management in preparation of these financial statements are;

– Share based payment transactions
  The company measures the cost of the share-based payments at fair value at the grant date using the Black-Sholes formula after taking into account the terms and conditions upon which the instruments were granted (see note 16)

– Exploration and evaluation costs
  Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.

GOING CONCERN

The Consolidated Entity incurred a net loss after income tax of $1,447,470 for the year ended 30 June 2015 and had net cash outflows from operating and investing activities of $2,193,043. At 30 June 2015, the Consolidated Entity had cash and cash equivalents of $1,313,920 and had working capital, being current assets less current liabilities, of $446,623.

On 20 August 2015, the Company completed a strategic share placement of 200 million fully paid ordinary shares to sophisticated investors at a price of 0.6 cents per share, raising $1.2 million before costs. Based on planned and committed expenditure, the company will need to raise additional capital within the next 12 months to fund its activities. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the entity to continue as a going concern. The financial report has been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business at the amounts stated in the financial report, for the following reasons:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

- The budgets and forecasts reviewed by the directors for a period of 12 months from the date of signing the financial report anticipate the business will hold cash and cash equivalents to fund its operations and exploration commitments. The ability of the Consolidated Entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity.
- Management will actively manage discretionary and exploration expenditures in line with the funds available.
- Should additional funding be required the Consolidated Entity may attempt future equity capital raising initiatives, however it should be noted that while this source of funding has been used in the past, any future capital raising would be dependent on financial market conditions at the time that any additional equity funds are being sought.

Based on the above, the directors are satisfied adequate plans are in place and that the Consolidated Entity will have sufficient sources of funding to meet its obligations and anticipated expenditure through to 30 September 2016 (12 months from date of audit report). On this basis the financial report has been prepared on the going concern basis.

Should the Consolidated Entity be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

STATEMENT OF COMPLIANCE

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

New and amendments standards adopted by the Group

All required new and amending Standards have been adopted from 1 July 2014. Adoption of these Standards did not have any effect on the financial position or performance of the Consolidated Entity. All other accounting policies adopted by the Consolidated Entity are consistent with the most recent Annual Report for the year ended 30 June 2014.

The following Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and therefore have not been adopted by the Consolidated Entity for the annual reporting period ended 30 June 2015:

Ref	Title	Summary
AASB 9	*Financial Instrument and its consequential amendments*	*AASB 9 Financial Instruments and its consequential amendments* This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2017 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the Consolidated Entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Principles of Consolidation

A controlled entity is any entity controlled by Mining Projects Group Limited. Control exists when the Company has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Mining Projects Group Limited to achieve the objectives of Mining Projects Group Limited.

A list of controlled entities is contained in Note 12 to the financial statements. All of the controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

Where controlled entities have entered or left the Consolidated Entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

b) Income Tax

The charge for current income tax expense is based on the profit or loss for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted as at the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited to the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The tax Consolidated Entity has entered a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution of the group’s income tax. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the parent entity.

c) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis over their useful lives to the Consolidated Entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20% to 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

d) Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The costs of restoration obligations are provided for in full at the time of the activities which give rise to the need of restoration. Restoration costs include reclamation, site closure and monitoring of those activities, and are based on undiscounted prospective current cost estimates which satisfy anticipated legal requirements. Estimates of future costs are measured at least annually.

Where part of a joint venture is farmed out in consideration of the farminee undertaking to incur further expenditure on behalf of both the farminee and the entity in the joint venture area of interest, exploration expenditure incurred and carried forward prior to farmout continues to be carried forward without adjustment, unless the terms of the farmout are excessive based on the diluted interest retained. A decision is then made to reduce exploration expenditure to its recoverable amount.

e) Financial Assets

Recognition and initial measurement

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Entity commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit and loss, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or at cost. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties. Where available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised costs are calculated as:

i) the amount at which the financial asset or financial liability is measured at initial recognition;

ii) less principle repayments;

iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and

iv) less any reduction for impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payment or receipts (including fees, transaction costs, and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the statement of profit or loss and other comprehensive income.

The Consolidated Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management and the asset falls within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit and loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. They are measured and held at amortised cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets the whole category would be tainted and reclassified as available-for-sale. They are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

Available-for-sale financial assets

Available for sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither fixed maturity nor fixed or determinable payments. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

De-recognition

Regular purchases and sales of financial assets are recognised or derecognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the profit and loss as gains or losses from investment securities.

Fair value

Fair value is determined based on current bid prices for all quoted investments at reporting dates. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms-length transactions, reference to similar instruments, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the profit and loss.

f) Impairment of Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the profit and loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Consolidated Entity's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit and loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the profit and loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Consolidated Entity's presentation currency are translated as follows:

- assets and liabilities are translated at the year-end exchange rates prevailing at the reporting date;
- income and expenses are translated at the average exchange rate for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the foreign currency translation reserve via other comprehensive income. The cumulative amount of these differences are recycled in profit or loss in the period in which the operation is disposed.

h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

i) Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

j) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

k) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Consolidated Entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender is recognised as an expense on an accruals basis.

l) Share capital

Ordinary share capital is recognised as the fair value of the consideration received by the Consolidated Entity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

m) Earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares outstanding during the financial year. Where a net loss is made for the period, basic earnings per share and dilutive earnings per share are the same, because, the inclusion of options in the earnings per share calculation does not result in future dilution.

n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

o) Interests in Joint Ventures

Where the Consolidated Entity is a venturer and so has joint control in a jointly controlled operation, the Consolidated Entity recognises the assets that it controls and the liabilities that it incurs, along with the expenses that it incurs and the Consolidated Entity's share of the income that it earns from the sale of the goods or services by the joint venture.

Profits or losses on transactions establishing the joint venture partnership and transactions with the joint venture are eliminated to the extent of the group's ownership interest until such time as they are realised by the joint venture partnership on consumption or sale. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

p) Investment in subsidiaries

Investments in subsidiaries are carried at the lower of cost of acquisition or at their recoverable amount in the Consolidated Entity's financial statements.

q) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and assessing their performance.

r) Parent entity information

In accordance with the *Corporations Act 2001,* these financial statements present the result of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 22.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 2: REVENUE

	30 June 2015 $	30 June 2014 $
Operating and other revenue		
Interest revenue from external parties	11,870	7,238
Other	11,527	5,915
Total revenue	**23,397**	**13,153**

NOTE 3: (LOSS) FOR THE YEAR

a) Expenditure

	30 June 2015 $	30 June 2014 $
Tax & Audit Fees		
Audit fees	39,750	51,653
Taxation fees	15,717	-
Tax & Audit Fees	**55,467**	**51,653**
Directors' & consultants' fees		
Directors	312,132	344,057
Consultants	177,920	40,000
Share based payments – equity settled[1]	-	249,514
Directors' & consultants' fees	**490,052**	**633,571**
Professional fees		
Legal fees	17,094	52,454
Other	138,512	146,257
Professional fees	**155,606**	**198,711**

1. Equity was issued to Directors pursuant to the May 2014 General Meeting of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 4: INCOME TAX EXPENSE

		30 June 2015 $	30 June 2014 $
a)	**The components of tax benefit comprise**		
	Current income tax benefit	812,751	437,385
	Deferred tax (expense)/income relating to the originating and reversal of temporary differences	(476,060)	285,736
	Tax losses not recognised	(336,691)	(723,121)
		-	-
b)	**The prima facie tax on profit from continuing activities before tax is reconciled to the income tax expense as follows:**		
	Prima facie tax benefit on loss from continuing activities before income tax at 30% (2014: 30%)		
	- Consolidated Entity	434,241	775,582
		434,241	**775,582**
	Add:		
	Tax effect of:		
	- Section 40/880 deduction	42,037	39,872
	Less:		
	Tax effect of:		
	- share based payments	(131,152)	(85,654)
	- entertainment	(8,435)	(6,679)
		336,691	**723,121**
	Tax effect of current period losses not recognised as deferred tax assets	(336,691)	(723,121)
	Income tax benefit/(expense) attributes	-	-
c)	**Unrecognised deferred tax balances**		
	Deferred tax liabilities		
	Deferred exploration & evaluation costs	3,833,614	2,067,069
	Other	16,188	13,512
		3,849,802	**2,080,581**
	Tax effect @ 30%	**1,154,941**	**624,174**
	Deferred tax assets		
	Investments	224,415	277,910
	Other	541,698	313,524
	Tax losses**	23,357,698	19,374,711
		24,123,811	**19,966,145**
	Tax effect @ 30%	**7,237,143**	**5,989,844**
	Net deferred tax asset not recognised	6,082,202	5,365,670

NOTE 4: INCOME TAX EXPENSE (CONT.)

The benefit of tax losses and timing differences will only be achieved if:

(i) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and

(ii) the losses are transferred to an eligible entity in the Consolidated Entity; and

(iii) the Consolidated Entity continues to comply with the conditions for deductibility imposed by tax legislation; and

(iv) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit from the deductions for the losses.

d) Tax-Consolidation Group

Mining Projects Group Limited is the head entity in the tax Consolidated Entity.

** These carry forward tax losses are gross tax losses from prior financial years amounting to $20,648,532. These losses are subject to further review by the consolidated entities to determine if they satisfy the necessary legislative requirements under the income tax legislation for the carry-forward and recoupment of tax losses. Included in tax losses are transferred losses into the tax Consolidated Entity relating to the years from 2000 to 2002.

Additionally, a deferred tax asset has not been recognised in respect of these items because it is not probable that future profit will be available against which the Consolidated Entity can utilise the benefits.

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

a) Key Management Personnel Compensation

The aggregate compensation made to Directors of Mining Projects Group Ltd and other Key Management Personnel of the Consolidated Entity is set out below:

	30 June 2015 $	30 June 2014 $
Short-term employee benefits	372,132	389,057
Post-employment benefits	-	-
Share based payment – equity settled	71,400	249,514
	443,532	**638,571**

NOTE 6: AUDITORS' REMUNERATION

	30 June 2015 $	30 June 2014 $
Remuneration of the auditor of the parent entity for:		
– Audit and review fees	41,750	51,653
	41,750	**51,653**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 7: EARNINGS PER SHARE

	30 June 2015 $	30 June 2014 $
Basic (loss) per share (cents)	(0.11)	(0.11)
Diluted (loss) per share (cents)	(0.11)	(0.11)
a) Net (loss) used in the calculation of basic and diluted loss per share	($1,447,470)	($2,594,679)
b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	1,342,278,452	2,263,192,244

NOTE 8: CASH AND CASH EQUIVALENTS

	30 June 2015 $	30 June 2014 $
Cash at bank	1,303,920	136,208
Term deposits	10,000	10,000
	1,313,920	**146,208**

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	1,313,920	146,208
	1,313,920	**146,208**

9: TRADE AND OTHER RECEIVABLES

	30 June 2015 $	30 June 2014 $
Current		
Trade and other receivables*	22,785	9,900
Good and services tax refund due	124,064	38,503
	146,849	**48,403**

*** No receivables are past their due date or impaired.**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 10: OTHER FINANCIAL ASSETS

	30 June 2015 $	30 June 2014 $
Current		
Financial assets (held for trading) at fair value through profit or loss	61,808	95,538
	61,808	**95,538**
Comprising of:		
Listed investments held at fair value		
– Shares held in listed corporations (current)	61,808	95,538
	61,808	**95,538**
Total financial assets	**61,808**	**95,538**

At each reporting date, the Consolidated Entity reviews the unlisted financial assets which are carried at cost to determine if there are indications of impairment. The Consolidated Entity considers factors such as recent arm length transactions resulting in capital raisings and commercial contracts to determine the estimated value of the investment

NOTE 11: OTHER ASSETS

	30 June 2015 $	30 June 2014 $
Current		
Prepayments	16,190	13,513
	16,190	**13,513**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 12: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*	
		30 June 2015	30 June 2014
Parent Entity			
Mining Projects Group Limited	Australia		
Subsidiaries of Mining Projects Group Limited			
Delcarmen Energy Pty Ltd	Australia	100.00	100.00
Xplor Pty Ltd	Australia	100.00	100.00
Enoch's Point Pty Ltd	Australia	96.86	96.86
Horizon Energy Pty Ltd	Australia	96.86	96.86
Golden Mount Pty Ltd	Australia	96.86	96.86
Westside Nickel Pty Ltd	Australia	100.00	100.00
Coal First Pty Ltd	Australia	100.00	100.00
Next Commodities Pty Ltd	Australia	100.00	100.00

* Percentage of voting power is in proportion to ownership

NOTE 13: PLANT AND EQUIPMENT

	30 June 2015 $	30 June 2014 $
Plant and equipment		
At cost	10,475	172,796
Accumulated depreciation	(4,486)	(172,796)
Total plant and equipment	**5,989**	**-**
Movements in carrying amounts		
Movements in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:		
Balance at the beginning of year	-	23,904
Additions	6,890	-
Depreciation expense	(901)	(2,238)
Write off	-	(21,666)
Carrying amount at the end of the year	**5,989**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 14: EXPLORATION AND EVALUATION ASSETS

	Note	30 June 2015 $	30 June 2014 $
Non-Current			
Exploration and tenement expenditure:			
Mt Tarrengower project (98.86%)[1]			
Balance at the start of the year		-	-
Exploration expenditure capitalised		-	2,550
Capitalised exploration costs written down		-	(2,550)
		-	-
Golden Mountain project (98.86%)[1]			
Balance at the start of the year		-	-
Exploration expenditure capitalised		-	9,145
Capitalised exploration costs written down		-	(9,145)
		-	-
Etona Coal project(100%)[1]			
Balance at the start of the year		-	113,719
Exploration expenditure capitalised		-	3,140
Capitalised exploration costs written down		-	(116,859)
		-	-
Fraser Range project (100%)[1]			
Balance at the start of the year		-	-
Exploration expenditure capitalised		47,261	573,655
Capitalised exploration costs written down		(47,261)	(573,655)
		-	-
Delcarmen Coal project (100%)[1]			
Balance at the start of the year		-	772,782
Exploration expenditure capitalised		-	32,437
Capitalised exploration costs written down		-	(805,219)
		-	-
Roe Hills Nickel project (100%)[1]			
Balance at the start of the year		539,892	250,592
Exploration expenditure capitalised2		1,801,215	289,300
Capitalised exploration costs written down		(146,987)	-
		2,194,120	**539,892**
Mt Barrett project (100%)[1]			
Balance at the start of the year		-	114,951
Exploration expenditure capitalised		-	18,856
Capitalised exploration costs written down		-	(133,807)
		-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 14: EXPLORATION AND EVALUATION ASSETS (CONT.)

	Note	30 June 2015 $	30 June 2014 $
Dingo Range project (100%)			
Balance at the start of the year		800,594	-
Acquisition during period	16	-	690,000
Exploration expenditure capitalised		61,270	110,594
Capitalised exploration costs written down		-	-
		861,864	**800,594**
Balladonia project (100%)			
Balance at the start of the year		726,583	-
Acquisition during period	16	-	690,000
Exploration expenditure capitalised		51,047	36,583
Capitalised exploration costs written down		-	-
		777,630	**726,583**
Total capitalised exploration expenditure		**3,833,614**	**2,067,069**

1. Tenements were impaired due to they have been lapsed and surrendered on reporting date.

2. Includes 7,933,339 ordinary fully paid shares at $0.009 per share (aggregate value of $71,400) issued to Neil Hutchison in lieu of payment for geological services provided on the Roe Hills Nickel project.

At reporting date the group owned:

	Percentage Owned (%)*	
	30 June 2015	30 June 2014
Mt Tarrengower Project[3]	98.86	98.86
Golden Mountain Project[1]	98.86	98.86
Etona Coal Project[2]	100.00	100.00
Delcarmen Coal Project[4]	100.00	100.00
Roe Hills Nickel Project	100.00	100.00
Mt Barrett Gold Project[5]	100.00	100.00
Fraser Range Project	100.00	0.00
Dingo Range Project[6]	100.00	100.00
Balladonia Project[7]	100.00	100.00

1 & 2. This tenement was surrendered during the 2014 financial year.

3, 4 & 5. This tenement was surrendered during the 2015 financial year.

6 & 7. As per ASX announcement on 27 May 2014, these tenements were acquired from Coal First Pty Ltd and Next Commodities Pty Ltd respectively.

Ultimate recovery of exploration costs is dependent upon the Company maintaining appropriate funding through success in its exploration activities or by capital raising, or sale/farm-out of its exploration tenement interests to support continued exploration activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 15: TRADE AND OTHER PAYABLES

	30 June 2015 $	30 June 2014 $
Current		
Trade payables	729,029	218,556
Sundry payables and accrued expenses	363,115	228,090
	1,092,144	**446,646**

NOTE 16: CONTRIBUTED EQUITY

	Note	30 June 2015 $	30 June 2014 $
Ordinary shares fully paid	16(a)	41,730,322	38,082,394
Options over ordinary shares	16(b)	1,770,686	1,620,686
		43,501,008	**39,703,080**

		30 June 2015		30 June 2014	
	Note	No.	$	No.	$
16 a) Ordinary Shares					
At the beginning of reporting period		997,833,503	38,082,394	600,166,840	36,104,664
Shares issued during year					
–Issue of shares	i)	605,950,391	3,635,702	430,666,663	2,012,000
–Issue of shares to consultants	ii)	68,148,340	365,773	12,000,000	36,000
–Exercise of Options	iii)	426,973	6,405	-	-
–Issue of shares to directors	iv)	7,933,334	71,400	5,000,000	32,000
–Share buyback	v)	-	-	(50,000,000)	(50,000)
Transaction costs relating to share issues			(431,352)		(52,270)
At reporting date		**1,680,292,541**	**41,730,322**	**997,833,503**	**38,082,394**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 16: CONTRIBUTED EQUITY (CONT.)

Note	30-Jun-15	Details	Number	Issue Price $	Total $
i)	23 July 2014	Share placement	233,000,000	0.006	1,398,000
i)	19 February 2015	Share placement	100,000,000	0.006	600,000
i)	15 April 2015	Share placement	272,950,391	0.006	1,637,702
					3,635,702
ii)	23 July 2014	Issue of securities to Newexco Services Pty Ltd – in lieu of payment	22,120,646	0.003	66,362
ii)	24 February 2015	Issue of securities to S3 Consortium – in lieu of payment	3,437,500	0.008	27,500
ii)	29 April 2015	Issue of securities to ONQ Exploration – in lieu of payment	16,370,194	0.007	114,591
ii)	29 April 2015	Issue of securities for settlement of marketing and consulting fees – in lieu of payment	26,220,000	0.006	157,320
					365,773
iii)	24 February 2015	Exercise of options	426,973	0.015	6,405
					6,405
(iv)	23 December 2014	Issue of securities to Neil Hutchison for remuneration purposes	7,933,334	0.009	71,400
					71,400
		Total	**682,459,038**		**4,079,280**

Note	30-Jun-14	Details	Number	Issue Price $	Total $
i)	12 Sep 2013	Issue of securities to obtain a 70% interest in Fraser Range tenements	20,000,000	0.0050	100,000
i)	22 Jan 2014	Share placement	80,000,000	0.0030	240,000
i)	27 May 2014	Share placement	130,666,663	0.0030	392,000
i)	27 May 2014	Issue of securities to acquire the Dingo Range tenements	100,000,000	0.0064	640,000
i)	27 May 2014	Issue of securities to acquire the Balladonia tenement	100,000,000	0.0064	640,000
					2,012,000
ii)	27 May 2014	Issue of securities to Proactive Investors – in lieu of payment	2,000,000	0.0030	6,000
ii)	27 May 2014	Issue of securities to Stocks Digital – in lieu of payment	10,000,000	0.0030	30,000
					36,000
iv)	27 May 2014	Issue of securities to Neil Hutchison – for remuneration and incentive purposes	5,000,000	0.0064	32,000
					32,000
v)	21 Aug 2013	Oroya share buy back	(50,000,000)	0.0010	(50,000)
					(50,000)
		Total	**397,666,663**		**2,030,000**

NOTE 16: CONTRIBUTED EQUITY (CONT.)

		30 June 2015		30 June 2014	
	Note	No.	$	No.	$
16 b) Options					
At the beginning of reporting period		632,726,485	1,620,686	378,045,729	1,255,331
Options movements during year					
– Issue of options	i)	605,950,391	-	209,744,442	147,841
– Exercise of options	ii)	(426,973)	-	-	-
– Issue of options to consultants	iii)	50,000,000	150,000	-	-
– Expiration of options	iv)	(146,582,043)	-	(63,686)	-
– Issue of options to directors	v)	-	-	75,000,000	217,514
– Cancellation of options	vi)	-	-	(30,000,000)	-
At reporting date		**1,141,667,860**	**1,770,686**	**632,726,485**	**1,620,686**

Note	30-Jun-15	Details	Class	Number	Issue Price $	Total $
i)	23 July 2014	Capital raising – free attaching options	MPJO	233,000,000	-	-
i)	15 February 2015	Capital raising – free attaching options	MPJO	100,000,000	-	-
i)	29 April 2015	Capital raising – free attaching options	MPJO	272,950,391	-	-
						-
ii)	24 February 2015	Exercise of options	MPJO	(426,973)	-	-
					-	**-**
iii)	9 October 2014	Issue of options to Alignment Capital – in lieu of payment	MPJO	50,000,000	0.003	150,000
						150,000
iv)	6 July 2014	Expiry of options	MPJOA	(41,299,175)	-	-
iv)	30 November 2014	Expiry of options	MPJOB	(105,282,868)	-	-
					-	**-**
		Total		**508,941,375**		**150,000**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 16: CONTRIBUTED EQUITY (CONT.)

Note	30-Jun-14	Details	Class	Number	Issue Price $	Total $
i)	21 Aug 2013	Issue of options as per Resolution 2 approved by shareholders at the General Meeting held on 20 Aug 2013	MPJOC	4,300,000	0.001	4,200
i)	21 Sep 2013	Issue of options to obtain a 70% interest in Fraser Range tenements	unlisted	15,000,000	-	43,641
i)	27 May 2014	Capital raising – free attaching options	MPJO	140,444,442	-	-
i)	27 May 2014	Issue of options to acquire the Dingo Range tenements	MPJO	25,000,000	-	50,000
i)	27 May 2014	Issue of options to acquire the Balladonia tenement	MPJO	25,000,000	-	50,000
						147,841
iv)	28 Feb 2014	Expiration of options	unlisted	(63,686)	-	-
						-
v)	21 Aug 2013	Issue of options to directors – Joshua Wellisch	unlisted	60,000,000	-	175,064
v)	27 May 2014	Issue of options to directors – Neil Hutchison	unlisted	15,000,000	-	42,450
						217,514
vi)	21 Aug 2013	Cancellation of Oroya options	unlisted	(30,000,000)	-	-
						-
		Total		**254,680,756**		**365,355**

During the period the Company did not issue any unlisted options.

In the previous financial year, the Company issued 90,000,000 unlisted options as part of a share based payment which was valued with a Black-Scholes calculation, using the following criteria:

Recipient	Directors	Directors	Tenement Acquisition
Quantity	60,000,000	15,000,000	15,000,000
Entitlement date	21/08/2013	27/05/2014	21/09/2013
Expiry date	21/08/2017	23/05/2017	30/12/2017
Share price	$0.006	$0.0064	$0.005
Exercise price	$0.01, $0.02 & $0.0025	$0.01 & $0.02	$0.01
Implied volatility	95%	95%	95%
Option life (years)	4.00	3.02	4.30
Expected dividends	-	-	-
Risk free rate	2.83	2.85	3.36

None of the options issued above had any vesting or escrow conditions. The implied volatility of 95% is based on the medians of relevant companies observed and is considered to be indicative of future volatility.

The share options outstanding at the end of the year had a weighted average exercise price of $0.02, and a weighted average remaining contractual life of 1.77 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 17: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

MABO DECISION

The decision of the High Court of Australia in June 1992 in Mabo and Others v The State of Queensland (no. 2) (1992) 175 CLR 1 recognised traditional native title rights of Aboriginal Australians to land in certain circumstances. As a consequence of the Mabo decision the Federal Parliament enacted the *Native Title Act 1993.* The Mabo decision and subsequent native title claims have resulted in uncertainties concerning the security of title to interests in land, including exploration and mining tenements on an Australia-wide basis.

The Company and controlled entities hold tenements in Western Australia and Queensland. Some of these tenements may be subject to native title claims. Because of the uncertainties described above, the granting of exploration rights and ultimately mining from those tenements will depend on the outcome of the Native Title Claims and/or current negotiations by the Company.

The full impact of the consequences of the Mabo decision cannot be determined, but may in the future include:

– Tenements being made subject to conditions relating to native title

– Delays in the granting of new tenements or for renewals or extensions of existing tenements

– Claims for recognition of native title or for compensation by persons claiming native title

Other than as disclosed above the Consolidated Entity is not involved in any legal or arbitration proceedings nor, so far as the Directors are aware, of such proceedings pending or threatened against the Consolidated Entity.

NOTE 18: OPERATING SEGMENTS

The Company has identified its operating segments based on the internal reports that are reviewed and used by the management team in assessing performance and determining the allocation of resources.

The operating segments are identified by management based on the manner in which the expenses are incurred and resources allocated. Discrete financial information about each of these operating segments is reported to the board on a regular basis.

The reportable segments are based on aggregated operating segments determined by similarity of expenses, where expenses in the reportable segments exceed 10% of the total expenses for either the current and/or previous reporting period.

Operating segments

- Investments – The Consolidated Entity invests in a portfolio of listed investments for short term gains and liquidity purposes, and in unlisted equities for the purpose of long-term results.
- Exploration – The Consolidated Entity invests in exploration activities in areas of interest in order to identify mineral deposits for exploitation through sale of rights or mining activities.
- Corporate – The Corporate business segment consists of the Board of Directors and the costs of the Consolidated Entity communications and reporting. Share based payments have been included in this segment.

The company owns interests in exploration assets and financial assets that are based in Australia.

Segments are reported before tax. Tax is reflected in corporate expenditure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 18: OPERATING SEGMENTS (CONT.)

30 June 2015	Exploration & Mining $	Investments $	Segments Total $	Corporate $	Total $
Revenue					
Interest revenue	-	-	-	11,870	11,870
Other unallocated revenue	-	-	-	11,527	11,527
Total Revenue	**-**	**-**	**-**	**23,397**	**23,397**
Expenses					
Depreciation	-	-	-	(901)	(901)
Other Expenses	(198,504)	-	(198,504)	(1,248,035)	(1,446,539)
Profit/(loss) attributed to minority interest	-	-	-	(30)	(30)
Net Result	**(198,504)**	**-**	**(198,504)**	**(1,248,966)**	**(1,447,470)**
Assets					
Segment assets	3,833,614	61,809	3,895,423	1,482,947	5,378,370
Total Assets	**3,833,614**	**61,809**	**3,895,423**	**1,482,947**	**5,378,370**
Liabilities					
Segment liabilities	979,608	-	979,608	112,536	1,092,144
Total Liabilities	**979,608**	**-**	**979,608**	**112,536**	**1,092,144**

30 June 2014	Exploration & Mining $	Investments $	Segments Total $	Corporate $	Total $
Revenue					
Interest revenue	-	-	-	7,238	7,238
Other unallocated revenue	-	-	-	5,915	5,915
Total Revenue	**-**	**-**	**-**	**13,153**	**13,153**
Expenses					
Depreciation	-	-	-	(2,238)	(2,238)
Other Expenses	(1,654,124)	-	(1,654,124)	(938,317)	(2,592,441)
Profit/(loss) attributed to minority interest	-	-	-	9,406	9,406
Net Result	**(1,654,124)**	**-**	**(1,654,124)**	**(931,149)**	**(2,585,273)**
Assets					
Segment assets	2,067,069	95,538	2,162,607	208,124	2,370,731
Total Assets	**2,067,069**	**95,538**	**2,162,607**	**208,124**	**2,370,731**
Liabilities					
Segment liabilities	424,497	-	424,497	22,149	446,646
Total Liabilities	**424,497**	**-**	**424,497**	**22,149**	**446,646**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 19: CASH FLOW INFORMATION

	30 June 2015 $	30 June 2014 $
Reconciliation of Cash Flow from Operations with Result after Income Tax:		
(Loss) for the Period	**(1,447,470)**	**(2,585,273)**
Add back depreciation expense	901	2,238
Add back write-off unrecoverable debts	-	50,000
Add back impairment of property, plant and equipment	-	21,666
Add back impairment of mining tenements	194,248	1,641,236
Add back equity settled expense	437,173	285,514
Add back provision for diminution	45,412	32,206
Add back non capitalised exploration	-	(5,915)
Add back reversal of contingent consideration	-	(312,500)
(Increases) in Accounts Receivable	(98,446)	(8,424)
(Increases) in Other Current Assets	(2,677)	(8,471)
(Decreases) in Accounts Payable	-	(9,323)
Cash flow from operations	**(870,859)**	**(897,046)**
Non-Cash Investing Activities (refer to Note 16) during the year ended 30 June 2014:		
Fraser Range 70% interest acquired – shares issue	-	100,000
Fraser Range 70% interest acquired – options issue	-	43,641
Dingo Range project acquisition shares issue	-	640,000
Dingo Range project acquisition options issue	-	50,000
Balladonia project acquisition shares issue	-	640,000
Balladonia project acquisition options issue	-	50,000
Non-Cash Investing Activities	**-**	**1,523,641**

NOTE 20: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The Directors of the Company during the financial year were:

- Joshua Wellisch (Appointed: 28th March 2013)
- Angus Edgar (Appointed: 28th March 2013) (Resigned: 21st November 2014)
- Dehong Yu (Appointed: 15th July 2013)
- Neil Hutchison (Appointed: 15th April 2014)

	30 June 2015 $	30 June 2014 $
Services performed		
Peregrine Corporate Ltd, is a Company of which Bryan Frost was a director of. During the year this entity provided corporate advice and capital raising underwriting services to Mining Projects Group Limited at standard commercial rates.		
Value of services performed whilst Directors of MPJ – cash settled	-	586
Total		**586**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) Financial Instruments

The Consolidated Entity's financial instruments consist of cash and cash equivalents, trade and other receivables, other financial assets, and trade and other payables.

	30 June 2015 $	30 June 2014 $
Cash and cash equivalents	1,313,920	146,208
Trade and other receivables	146,849	48,403
Other financial assets held for trading	61,808	95,538
Trade and other payables	(1,092,144)	(446,646)

The Consolidated Entity does not have any derivative instruments at 30 June 2015 (30 June 2014: Nil).

b) Risk Management Policy

The Board is responsible for overseeing the establishment and implementation of the risk management system, and reviews and assesses the effectiveness of the Consolidated Entity's implementation of that system on a regular basis.

The Board seeks to ensure that the exposure of the Consolidated Entity to undue risk which is likely to impact its financial performance, continued growth and survival is minimised in a cost effective manner.

c) Significant Accounting Policy

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and other financial assets are represented at their fair values determined in accordance with the accounting policies disclosed in Note 1.

d) Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may issue new shares or reduce its capital, subject to the provisions of the Company's constitution.

The capital structure of the Company consists of equity attributed to equity holders of the Company, comprising issued capital and accumulated losses.

e) Financial Risk Management

Interest Rate Risk

The Company is exposed to interest rate risks via the cash and cash equivalents that it holds. Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The objective of managing interest rate risk is to minimise the Company's exposure to fluctuations in interest rates that might impact its interest revenue and cash flow.

Cash at bank balances of $1,313,920 (2014: $146,208) are subject to interest rate risk, being held in accounts with floating interest rates. There is no other exposure to interest rate risk.

The Consolidated Entity has conducted a sensitivity analysis of the Consolidated Entity's exposure to interest rate risk. The analysis shows that if the Consolidated Entity's interest rate was to fluctuate as disclosed below and all other variables had remained constant, then the interest rate sensitivity impact on the Consolidated Entity's loss after tax and equity would be as follows:

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

	30 June 2015 $	30 June 2014 $
1% (2014: +1.00%)	13,139	1,462
-1% (2014: -1.00%)	(13,139)	(1,462)

Foreign Currency Risk

The Company is exposed to foreign currency risk via the equity investments in foreign entities that it holds. Foreign currency risk is the risk that the value of the financial investment will fluctuate due to changes in the foreign exchange rates. The Company does not have a policy to hedge overseas payments or receivables as they are infrequent.

The following financial assets and liabilities are subject to foreign currency risk:

	30 June 2015 $	30 June 2014 $
Cash and cash equivalents (AUD/CAD)	-	-
Financial Assets held for trading (AUD/CAD)	9,287	37,250

The Consolidated Entity has significantly reduced its investments outside of Australia, which previously exposed it to transactional currency movements. The Consolidated Entity is currently only exposed to fluctuations in Canadian dollars, meaning there is very minimal impact on the entity.

Credit Risk

The Consolidated Entity is exposed to credit risk via its cash and cash equivalents and trade and other receivables. Credit risk is the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Company. To reduce risk exposure for the Company's cash and cash equivalents, it places them with high credit quality financial institutions.

The Company has analysed its trade and other receivables below. All trade and other receivables disclosed below have not been impaired.

Receivables past due and impaired are $nil (2014: $nil). All other receivables past due are not considered impaired. Management believe that these receivables are recoverable and are satisfied that payment will be received in full. The ageing of the group's trade receivables at reporting date:

	0-30 days	30-60 days	60-90 days	90+ days	Total
2015					
Trade and other receivables					
– Trade receivables	990	-	-	-	990
– Sundry receivables	16,795	-	-	5,000	21,795
– Good and services tax refund due	124,064	-	-	-	124,064
	141,849	**-**	**-**	**5,000**	**146,849**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

	0-30 days	30-60 days	60-90 days	90+ days	Total
2014					
Trade and other receivables					
– Trade receivables	-	-	-	9,900	9,900
– Good and services tax refund due	38,503	-	-	-	38,503
	38,503	**-**	**-**	**9,900**	**48,403**

Liquidity Risk

The Company is exposed to liquidity risk via its trade and other payables. Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet the commitments associated with its financial instruments. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring the Company's undiscounted cash flow forecasts to ensure the Company is able to meet its debts as and when they fall due.

Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the activity. The Board considers when reviewing its undiscounted cash flows forecasts whether the Company needs to raise additional funding from the equity markets. The Company has analysed its trade and other payables below:

	0-30 days	30-60 days	60-90 days	90+ days	Total
2015					
Trade and other payables					
– Trade and other payables (AUD)	696,010	33,019	-	-	729,029
– Accrued expenses	363,115	-	-	-	363,115
	1,059,125	**33,019**	**-**	**-**	**1,092,144**
2014					
Trade and other payables					
– Trade and other payables (AUD)	179,332	18,848	-	20,376	218,556
– Accrued expenses	228,090	-	-	-	228,090
	407,422	**18,848**	**-**	**20,376**	**446,646**

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

f) Net Fair Value

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For unlisted investments where there is no organised financial market, assets are carried at lower of cost or recoverable amount based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment. Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date is as follows:

	30 June 2015		30 June 2014	
	Carrying Amount $	**Net Fair Value $**	**Carrying Amount $**	**Net Fair Value $**
Consolidated Entity				
Financial Assets				
Cash and cash equivalents	1,313,920	1,313,920	146,208	146,208
Trade and other receivables	146,849	146,849	48,403	48,403
Other financial assets held for trading	61,809	61,809	95,538	95,538
Other financial assets available for sale	-	-	-	-
	1,525,578	**1,525,578**	**290,149**	**290,149**
Financial liabilities				
Trade and other payables	1,092,144	1,092,144	446,646	446,646
	1,092,144	**1,092,144**	**446,646**	**446,646**

g) Market Risk

Market risk is the risk that the value of an investment will decrease due to movements in market factors.

The Board do not follow a formally documented risk management policy. The analysis shows that if the Company's market price was to fluctuate as disclosed below and all other variables had remained constant, then the market price sensitivity impact on the Company's loss after tax and equity would be as follows:

	30 June 2015 $	30 June 2014 $
Increase/(Decrease) in financial assets held for trading:		
5.00% (2014: 5%)	3,090	4,777
-5.00% (2014: -5%)	(3,090)	(4,777)
Increase/(Decrease) in financial assets held for sale		
5.00% (2014: 5%)	-	-
-5.00% (2014: -5%)	-	-

Listed Investments

Net fair value of current listed investments is determined by reference to their quoted market bid price at balance date. Market values of all listed investments are disclosed in Note 10.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

h) Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements.

The fair value hierarchy consists of the following levels:

– quoted prices in active markets for identical assets or liabilities (Level 1);

– inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and

– inputs for asset or liability values that are not based on observable market data (unobservable inputs) (Level 3). Level 3 is applied to available for sale financial assets that are considered to be impaired.

	2015			
	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets				
Financial assets at fair value through the profit or loss:				
– listed investments (held for trading)	61,809	-	-	61,809
	61,809	**-**	**-**	**61,809**
Available for sale financial assets carried at cost less accumulated impairment				
– listed investments	-	-	-	-
	-	-	-	-
	61,809	**-**	**-**	**61,809**

	2014			
	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets				
Financial assets at fair value through the profit or loss:				
– listed investments (held for trading)	95,538	-	-	95,538
	95,538	**-**	**-**	**95,538**
Available for sale financial assets carried at cost less accumulated impairment				
– listed investments	-	-	-	-
	-	-	-	-
	95,538	**-**	**-**	**95,538**

NOTE 22: PARENT COMPANY INFORMATION

The following information has been extracted from the financial reports and records of the Parent Entity, Mining Projects Group Ltd, and has been prepared in accordance with the accounting standards.

	Parent Entity	
	30 June 2015 $	30 June 2014 $
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	1,515,497	280,100
Non-current assets	3,862,873	2,091,438
Total assets	**5,378,370**	**2,371,538**
Liabilities		
Current liabilities	1,092,144	446,372
Total liabilities	**1,092,144**	**446,372**
Net assets	**4,286,226**	**1,925,166**
Equity		
Issued capital	43,501,008	39,703,080
Reserves	31,449	19,766
Accumulated losses	(39,246,231)	(37,797,680)
Total equity	**4,286,226**	**1,925,166**
STATEMENT OF PROIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Total loss	**(1,656,006)**	**(2,553,235)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 23: EVENTS OCCURRING AFTER THE REPORTING DATE

In accordance with shareholder approval at a General Meeting held on 28 July 2015, the following events occurred:

1. Approval for the issue of 40,000,000 listed options to Alignment Capital Pty Ltd at an exercise price of $0.01 per option was granted;
2. The prior issue of 100,000,000 listed options to clients of Alignment Capital Pty Ltd at an exercise price of $0.01 per option was ratified;
3. The prior issue of 15,000,000 ordinary fully paid shares to Alignment Capital Pty Ltd at an issue price of $0.006 per share (total aggregate consideration $90,000) was ratified;
4. The prior issue of 16,378,044 ordinary fully paid shares to nominees of ONQ Exploration Solutions Pty Ltd at an issue price of $0.007 per share (total aggregate consideration $114,646.30) was ratified;
5. The prior issue of 100,000,000 ordinary fully paid shares to clients of Alignment Capital Pty Ltd at an issue price of $0.006 per share (total aggregate consideration $600,000) was ratified;
6. Approval for the adoption of the Company’s Performance Rights Plan providing officers and executives the opportunity to acquire shares in the Company was granted. The plan allows for the issue of a total of 77 million Performance Rights to the Company’s directors, Mr Joshua Wellisch (55 million), Mr Dehong Yu (11 million) and Mr Neil Hutchison (11 million), together with a further 22 million rights to be issued to the Company Secretary, Mr Adrien Wing.

On 20 August 2015, the Company completed a strategic share placement of 200 million fully paid ordinary shares to sophisticated investors at a price of 0.6 cents per share, raising $1.2 million before costs.

Other than the matters listed above, no other matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Consolidated Entity, the result of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

NOTE 24: COMPANY DETAILS

The registered office and principle place of business of the Company is:

43 Outram Street, West Perth, Western Australia, Australia 6005.

DIRECTORS' DECLARATION

The Directors' of the Company declare that;

1. In the Directors' opinion the financial statements and the notes and the remuneration disclosures that are contained within the Remuneration report within the Directors' report are in accordance with the *Corporations Act 2001*, including:

    a. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and

    b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001 and other mandatory professional reporting requirements.

2. The financial report also complies with International Financial Reporting Standards issued by the International Accounting Standards Board as disclosed in note 1; and

3. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the chief executive officer and chief financial officer for the financial year ended 30 June 2014.

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

Joshua Wellisch
Managing Director
Mining Projects Group Limited

Melbourne
Dated: 30th Day of September 2015

INDEPENDENT AUDITOR REPORT

BDO

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INDEPENDENT AUDITOR'S REPORT

To the members of Mining Projects Group Limited

Report on the Financial Report

We have audited the accompanying financial report of Mining Projects Group Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Mining Projects Group Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

INDEPENDENT AUDITOR REPORT

Opinion

In our opinion:

(a) the financial report of Mining Projects Group Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 39 to 42 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Mining Projects Group Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership

BDO

David Garvey
Partner

Melbourne, 30 September 2015

SHAREHOLDER INFORMATION

As at 31st August 2015:

NUMBER OF HOLDERS OF EQUITY SECURITIES

Ordinary Shares

1,888,292,541 fully paid ordinary shares are held by 4,422 individual shareholders.

All ordinary shares carry one vote per share.

Options

MPJO – 1,050,694,833 options exercisable at $0.01 on or before 30 Jun 2016, are held by 635 individual shareholders;

MPJAI – 1,400,000 options exercisable at various prices on or before 5 October 2015, are held by 3 individual shareholders;

MPJAO – 60,000,000 options exercisable at various prices on or before 21 Aug 2017, are held by 3 individual shareholders;

MPJAQ – 15,000,000 options exercisable at $0.01 on or before 30 Dec 2017, are held by 3 individual shareholders; and

MPJAS – 15,000,000 options exercisable at $0.01 on or before 23 May 2017, are by 2 individual shareholders.

Options do not carry a right to vote.
Voting rights will be attached to the unissued shares when the options have been exercised.

DISTRIBUTION OF HOLDERS IN EACH CLASS OF EQUITY SECURITIES

Shareholders (MPJ)

	No. of Shareholders
1 – 1,000	1,108
1,001 – 5,000	816
5,001 – 10,000	318
10,001 – 100,000	854
100,001 –	1,326
Total number of shareholders	**4,422**
Unmarketable Parcels	3,146

Option holders (MPJO)

	No. of Option holders
1 – 1,000	31
1,001 – 5,000	49
5,001 – 10,000	26
10,001 – 100,000	143
100,001 –	386
Total number of option holders	**635**

SHAREHOLDER INFORMATION

TWENTY LARGEST HOLDERS OF QUOTED SECURITIES

Fully paid ordinary shares

	Shareholders	Number	%
1	FOREIGN DIMENSIONS PL*	74,000,000	3.92%
2	REDCLIFFE COAL PROJECT PL	65,000,000	3.44%
3	BLACKWALL INV PL*	37,180,503	1.97%
4	ABN AMRO CLRG SYD NOM PL	35,081,945	1.86%
5	CITICORP NOM PL	30,370,650	1.61%
6	BERETTA NICKEL PL*	28,500,000	1.51%
7	RICHSHAM NOM PL*	25,773,307	1.36%
8	ALITIME NOM PL*	24,360,887	1.29%
9	REIAJA PL	22,666,667	1.20%
10	1215 CAP PL	21,666,667	1.15%
11	XU WEI ZE	21,242,000	1.12%
12	DARNETTA PL*	20,000,000	1.06%
13	S3 CONSORTIUM PL*	16,537,500	0.88%
14	J P MORGAN NOM AUST LTD	14,860,088	0.79%
15	BRAND CONNECTIION PL	13,814,619	0.73%
16	UBS WEALTH MGNT AUST NOM	13,500,000	0.71%
17	NEWEXCO SVCS PL	12,000,000	0.64%
18	CORREIA MARIO AVELINO	11,500,000	0.61%
19	STRAPP BRUCE JOHN	11,385,097	0.60%
20	BARMANOR PL	11,104,999	0.59%
	TOTAL	**510,544,929**	**27.04%**

*** Denotes Merged Holdings**

SHAREHOLDER INFORMATION

Option holders (MPJO)

	Option holders	Number	%
1	COLLINS BRIAN FREDERICK	51,500,000	4.58%
2	FOREIGN DIMENSIONS PL*	50,633,333	4.50%
3	CHEN NELSON FENG	31,000,000	2.76%
4	PERFECT FRESH PL	28,541,166	2.54%
5	LAPJ NOM PL	28,250,000	2.51%
6	BRAND CONNECTION PL	25,364,894	2.26%
7	REIAJA PL	25,146,136	2.24%
8	RICHARDS ANDREW BRUCE	25,000,000	2.22%
9	PHIPPS ANDREW JAMIE*	22,610,000	2.01%
10	TAN SOO PIN	22,084,725	1.96%
11	CFO SOLUTION TEAM PL*	20,000,000	1.78%
12	REIAJA PL	16,520,531	1.47%
13	BAKER DANIEL JOHN	16,000,000	1.42%
14	CONVENEY DAVID STUART	15,333,334	1.36%
15	SORIA NOM PL	15,000,000	1.33%
16	PENINSULA INV WA PL	14,850,000	1.32%
17	ALIGNMENT CAP PL	14,000,000	1.24%
18	BRAND CONNECTION PL	13,500,000	1.20%
19	SQUIERS CHRISTOPHER JOHN	13,000,000	1.16%
20	SCOTT RAYMOND A + A C	12,000,000	1.07%
	TOTAL	**460,334,119**	**40.93%**

*** Denotes Merged Holdings**

SHAREHOLDER INFORMATION

UNQUOTED EQUITY SECURITIES HOLDINGS GREATER THAN 20%

Nil

SUBSTANTIAL SHAREHOLDERS

There are no substantial Shareholders who have notified the Consolidated Entity in accordance with Section 671B of the Corporations Act.

SHAREHOLDER ENQUIRIES

Shareholders with enquiries about their shareholdings should contact the Share Registry:

Security Transfer Registrars
770 Canning Highway
Applecross, Western Australia 6153
Telephone: +61 (0)8 9315 2333 Facsimile: +61 (0)8 9315 2233
Email: registrar@securitytransfer.com.au

CHANGE OF ADDRESS, CHANGE OF NAME, CONSOLIDATION OF SHAREHOLDINGS

Shareholders should contact the Share Registry to obtain details of the procedure required for any of these changes.

REMOVAL FROM THE ANNUAL REPORT MAILING LIST

Shareholders who wish to receive a hard copy of the Annual Financial Report should advise the Share Registry or the Company in writing. Alternatively, an electronic copy of the Annual Financial Report is available from www.asx.com.au or www.miningprojectsgroup.com.au. All shareholders will continue to receive all other shareholder information.

TAX FILE NUMBERS

It is important that Australian resident shareholders, including children, have their tax file number or exemption details noted by the Share Registry.

CHESS (CLEARING HOUSE ELECTRONIC SUB-REGISTER SYSTEM)

Shareholders wishing to move to uncertificated holdings under the Australian Securities Exchange (ASX) CHESS system should contact their stockbroker.

UNCERTIFICATED SHARE REGISTER

Shareholding statements are issued at the end of each month that there is a transaction that alters the balance of your holding.

SHAREHOLDER INFORMATION

Interests in Mining Tenements as at 30 June 2015

Project/Tenements	Location	Held	Events Subsequent to Balance Date
Roe Hills Project E28/1935 E28/2117 E28/2118	W.A., Australia	100%	
Fraser Range Project E69/3082	W.A., Australia	100%	
Balladonia Project E69/3211	W.A., Australia	100%	
Dingo Range E53/1731 E53/1732 E53/1733 P53/1624	W.A., Australia	100%	

CORPORATE DIRECTORY

COMPANY

Mining Projects Group Limited
ABN 84 006 189 331

DIRECTORS

Mr Joshua Wellisch
Managing Director

Mr Dehong Yu
Independent Non-Executive Director

Mr Neil Hutchison
Independent Non-Executive Director

COMPANY SECRETARY

Mr Adrien Wing

REGISTERED OFFICE

43 Outram Street
West Perth, Western Australia
Australia 6005

Phone: +61 (0)8 9226 1141
Facsimile: +61 (0)3 9614 0550

SHARE REGISTRY

Security Transfer Registrars
770 Canning Highway
Applecross, Western Australia
Australia 6153

Telephone: +61 (0)8 9315 2333
Facsimile: +61 (0)8 9315 2233
Email: registrar@securitytransfer.com.au

SECURITIES QUOTED

Australian Securities Exchange (ASX)

ASX Code:

MPJ Ordinary Fully Paid Shares

MPJO Listed options exercisable at $0.01 per option on, or before 30 June 2016

COMPANY WEBSITE

www.miningprojectsgroup.com.au

SOLICITORS

Quinert Rodda & Associates
Level 19, 500 Collins Street
Melbourne, Victoria
Australia 3000

AUDITORS

BDO East Coast Partnership
Level 14, 140 William Street
Melbourne, Victoria
Australia 3000

BANKERS

National Australia Bank
Melbourne, Victoria
Australia 3000

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43 Outram Street
West Perth WA 6005
ABN 84 006 189 331