

January 28, 2016

Mining Projects to acquire the Pilbara Lithium-Gold Project in WA

Pilbara adjoins the lithium projects of both Pilbara Minerals and Altura Mining

Mining Projects Group Limited (ASX: MPJ) is pleased to announce that it has agreed to acquire the “Lynas Find Assets” to be renamed the Pilbara lithium-gold project (Pilbara) in WA’s Pilbara region from Tyranna Resources (ASX: TYX) and Tribal Mining Pty Ltd.

Pilbara adjoins both Pilbara Minerals’ (ASX: PLS) Pilgangoora lithium-tantalum project (52.2Mt @ 1.3% Li₂O & 32.9Mt 0.0022% Ta₂O₅)₁ and Altura Mining’s (ASX: AJM) Pilgangoora lithium project (26.06Mt @ 1.2% Li₂O)₂ [see Figures 1 and 2] .

The project’s northern tenements border Pilbara’s spodumene deposit, where recent drilling is less than 500m from the tenement boundary. Spodumene is a mineral which hosts lithium. Pilbara Mineral’s spodumene lithium bearing deposit is internationally recognised and has defined an emerging lithium region.

The Pilbara Lithium-Gold Project:

The Pilbara project covers 29km² ~100km south of Port Hedland. In 2008, ASX-listed Trafford Resources published a JORC (2004) gold resource of 49,515oz comprising 933,400t at 1.65gpt. The project had produced 125,493oz between 1994 and 1998.³

The project lies in the Pilgangoora greenstone belt, which is dominated by the Pilgangoora syncline. The syncline is stoped out by regional granite. Where this granite wanes, pegmatite sills intrude the dolerite. These pegmatite sills are the source of the tantalum-lithium mineralisation in the area.

Mining Projects Managing Director Joshua Wellisch said “the extensive exploration undertaken at Pilbara had clearly demonstrated its potential to host significant lithium and gold mineralisation. ”

Mr Wellisch said “this view was also underpinned by the extensive lithium resources established on the adjacent tenements by Pilbara Minerals and Altura Mining.”

“The lithium-bearing pegmatite sills which have been identified, the extensive gold mineralisation already outlined and the considerable success enjoyed by our neighbours in establishing substantial lithium resources gives us every reason to be excited about the Pilbara acquisition,” he said.

“Upon settlement of the acquisition, we will move quickly to begin an aggressive on-ground exploration program at Pilbara.”

For personal use only

The agreement to acquire Pilbara is part of Mining Project's strategy to diversify both its asset and commodity base.

The Company already boasts a strong nickel sulphide exploration presence with its 100 per cent-owned Roe Hills nickel project near Kambalda in WA. An extensive drilling program conducted late last year returned a host of very promising results.

Mining Projects is now reviewing all the drilling and geophysical data from Roe Hills as part of its preparations for a follow-up drilling program.

In line with this diversification strategy, Mining Projects is pleased to announce that it has reached agreement with highly experienced resources industry executive Mr Ian Finch to become Chairman.

Mr Finch is an exploration and mining geologist with over 45 years experience. He worked extensively throughout Southern Africa, Asia and Australia with Anglo American and Rio Tinto before successfully listing Taipan Resources Ltd on ASX in 1993.

More recently he was founding Chairman of ASX listed companies Robust Resources and Bannerman Resources and President of Canadian listed Goldminco Corporation.

He formed ASX listed companies Trafford Resources and IronClad Mining in 2006 and 2007 respectively and oversaw their recent merger to form Tyranna Resources Ltd., of which he is the current chair. Trafford Resources Ltd was a cornerstone seed capital investor in the highly acclaimed Orinoco Gold Ltd whose high grade gold mine in Brazil is due to commence production this quarter. Mr Finch is a non-executive director at Orinoco.

Amongst his successes he identified and purchased the Paulsens project for Taipan, identified and oversaw the original exploration at the multi commodity Romang Island project for Robust and materially assisted (through Trafford) the rapid progress of Orinoco's gold projects in Brazil."

Mining Projects has agreed to pay a combination of cash and shares for Pilbara, which is 90 per cent-owned by Tyranna and 10 per cent by Tribal Mining Pty Ltd.

Mining Projects has paid the vendors a non-refundable deposit of \$20,000, reflecting their past exploration and acquisition expenditure.

Mining Projects has agreed that upon completion of the deal, it will pay the vendors \$200,000 cash and issue 200 million shares and 100 million unlisted options exercisable at 1c by June 30, 2017. It will issue a further 100 million shares when the tenements are granted. All these shares and options will be escrowed for 12 months.

Mining Projects has also agreed to issue the vendors "Milestone Shares" if certain JORC Resources of lithium or gold are established at Pilbara. These will be issued as follows:

For personal use only

- (i) 80 million shares (First Milestone Shares) on a mineral resource:
 - A. of at least 5 million tonnes at 1.2% Li₂O (lithium oxide); or
 - B. containing at least 500,000 ounces of gold, being identified within three years of the Completion Date on any or all of the Tenements and;
- (ii) 80 million shares (Second Milestone Shares) on a mineral resource:
 - A. of at least 15 million tonnes at 1.2% Li₂O; or
 - B. containing at least 1,000,000 ounces of gold, being identified within five years of the Completion Date on any or all of the Tenements.

The Company has entered into a placement agreement with CPS Capital [ACN 088 055 636] to act as Lead Manager to place 300 million new fully paid ordinary shares at \$0.004 (0.4 cents) per share to raise \$1.2 million before associated costs to strategic and sophisticated investors (Placement). The Placement comes with a 1:3 free attaching MPJO option. All securities under the offer will be issued pursuant to Chapter 7 of the ASX Listing Rules.

The Company has received commitments for the Placement and expects to close the Placement in the coming week.

For personal use only

For personal use only

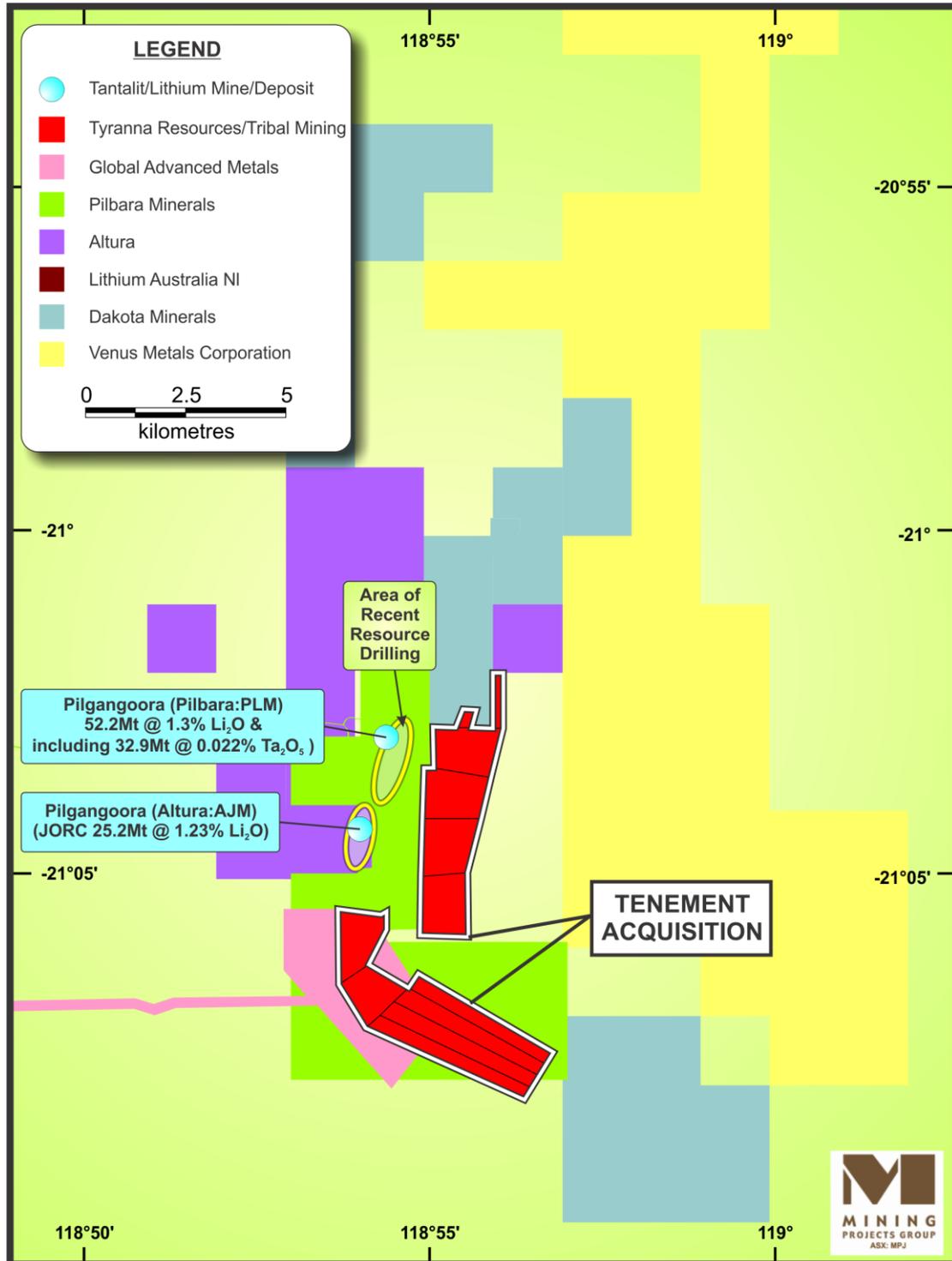


Figure 1: The Pilbara Project adjoins the lithium projects of both Pilbara Minerals and Altura Mining

For personal use only

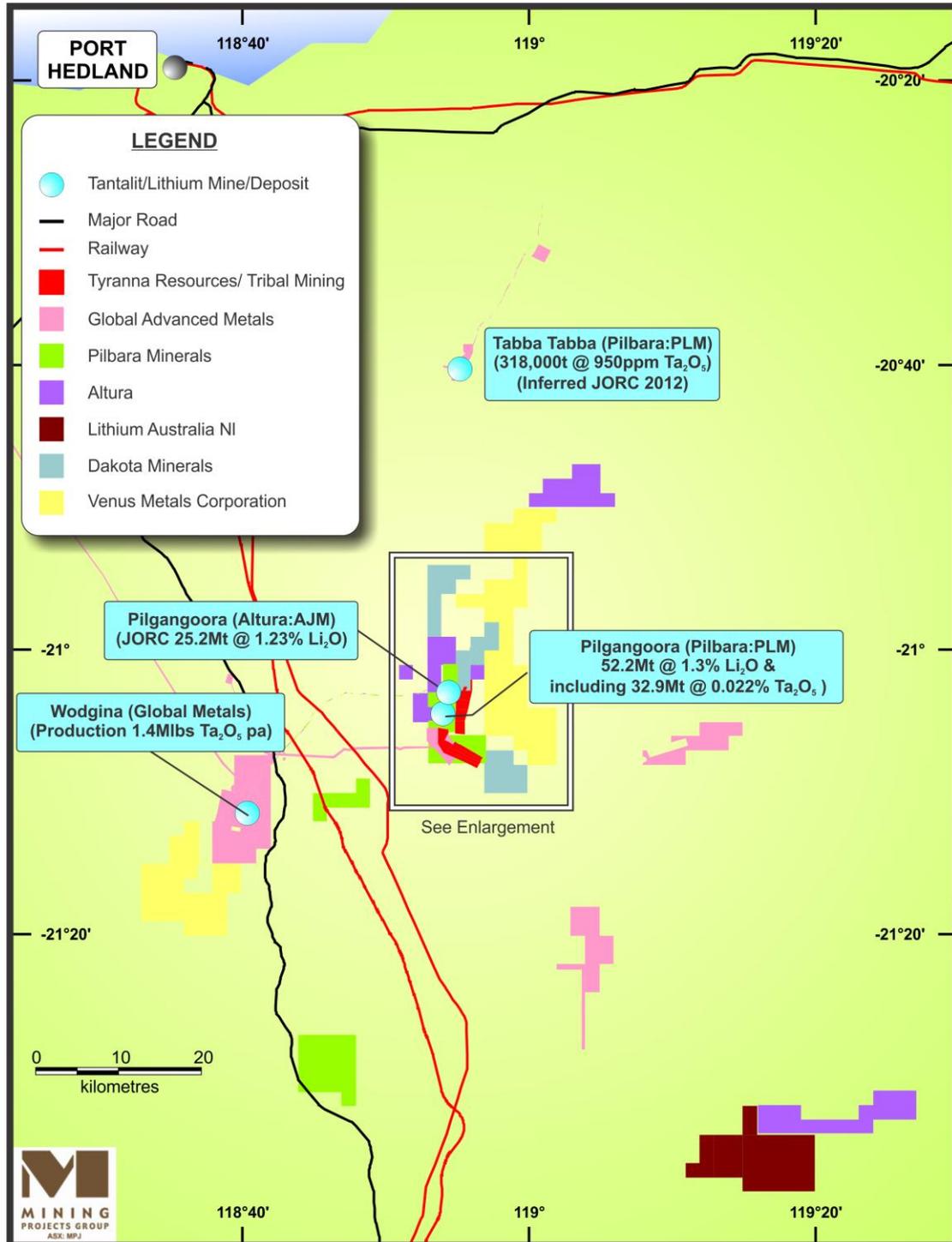


Figure 2: Regional Pilbara Project location including infrastructure

For further information please contact:

Investors:

Mr Joshua Wellisch
Managing Director
Mining Projects Group Limited

Media:

Nicholas Read/Paul Armstrong
Read Corporate
Ph: 08 9388 1474

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

Reference Source

Reference Number	Source Document
1	ASX Announcement (ASX:PLS – 30th October 2015 – September 2015 Quarterly Activities Report)
2	ASX Announcement (ASX:AJM – 30th October 2015 – September 2015 Quarterly Activities Report)

For personal use only