

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Mining Group Limited

ABN

73 149 230 811

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 50,202,344 Shares
Up to 12,500,000 Listed Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary Fully Paid Shares
Listed Options (trading under ASX Code "MNEO") |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>						
<p>5 Issue price or consideration</p>	<p>\$0.10 per Share</p> <p>Nil per Listed Option</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Partially underwritten, pro rata renounceable Entitlement Issue to raise approximately \$5,020,235 (before costs) to be applied, with existing funds and after meeting the expenses of the Entitlement Issue, towards exploration activities, repayment of loan and general working capital.</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>7 September 2012 – Entitlement Offer</p> <p>11 September 2012 – Listed Options Offer</p>						
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1473 989 1512">Number</th> <th data-bbox="989 1473 1283 1512">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1512 989 1668">Up to 86,889,063</td> <td data-bbox="989 1512 1283 1668">Fully paid ordinary shares</td> </tr> <tr> <td data-bbox="686 1668 989 1888">Up to 36,672,230</td> <td data-bbox="989 1668 1283 1888">Listed Options exercisable at \$0.20 each on or before 1 July 2014.</td> </tr> </tbody> </table>	Number	+Class	Up to 86,889,063	Fully paid ordinary shares	Up to 36,672,230	Listed Options exercisable at \$0.20 each on or before 1 July 2014.
Number	+Class						
Up to 86,889,063	Fully paid ordinary shares						
Up to 36,672,230	Listed Options exercisable at \$0.20 each on or before 1 July 2014.						

+ See chapter 19 for defined terms.

	Number	+Class																
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; padding: 5px;">13,515,625¹</td> <td style="padding: 5px;">Fully paid ordinary shares</td> </tr> <tr> <td style="padding: 5px;">1. 10,915,625 Shares escrowed to 1 July 2013 and 2,600,000 Shares escrowed to 17 January 2014</td> <td></td> </tr> <tr> <td style="padding: 5px;">1,500,000²</td> <td style="padding: 5px;">Options exercisable at \$0.20 each on or before 1 July 2014</td> </tr> <tr> <td style="padding: 5px;">2. Escrowed to 1 July 2013.</td> <td></td> </tr> <tr> <td style="padding: 5px;">400,000</td> <td style="padding: 5px;">Options exercisable at \$0.55 each on or before 28 February 2014</td> </tr> <tr> <td style="padding: 5px;">300,000³</td> <td style="padding: 5px;">Options exercisable at \$0.60 each on or before 1 April 2015</td> </tr> <tr> <td style="padding: 5px;">3. Escrowed to 1 April 2013</td> <td></td> </tr> <tr> <td style="padding: 5px;">50,000</td> <td style="padding: 5px;">Options exercisable at \$0.60 each on or before 14 May 2015.</td> </tr> </table>	13,515,625 ¹	Fully paid ordinary shares	1. 10,915,625 Shares escrowed to 1 July 2013 and 2,600,000 Shares escrowed to 17 January 2014		1,500,000 ²	Options exercisable at \$0.20 each on or before 1 July 2014	2. Escrowed to 1 July 2013.		400,000	Options exercisable at \$0.55 each on or before 28 February 2014	300,000 ³	Options exercisable at \$0.60 each on or before 1 April 2015	3. Escrowed to 1 April 2013		50,000	Options exercisable at \$0.60 each on or before 14 May 2015.
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10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
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12	Is the issue renounceable or non-renounceable?	Renounceable
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13	Ratio in which the +securities will be offered	One Share for every one Share held
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14	+Class of +securities to which the offer relates	Ordinary Shares
15	+Record date to determine entitlements	13 August 2012
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries outside of Australia and New Zealand.
19	Closing date for receipt of acceptances or renunciations	30 August 2012
20	Names of any underwriters	Conditionally partially underwritten to \$2,500,000 by Patersons Securities Limited
21	Amount of any underwriting fee or commission	\$75,000 plus an underwriting fee of 6% of the value of the Underwritten Shares (comprising 25 million shares) plus a placement fee of 6% of the value of any Shortfall Shares placed by the Underwriter (over and above the Underwritten Shares). Up to 12,500,000 Listed Options (exercisable at \$0.20 each on or before 1 July 2014).will also be issued to the Underwriter or its nominees, subject to Shareholder approval.
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable

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24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not Applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	16 August 2012
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	3 August 2012
28	Date rights trading will begin (if applicable)	7 August 2012
29	Date rights trading will end (if applicable)	23 August 2012
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Providing instructions to their broker, in accordance with section 4.5 of the Prospectus lodged on 1 August 2012
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Providing instructions to their broker, in accordance with section 4.5 of the Prospectus lodged on 1 August 2012, for those entitlements they wish to sell and completing and submitting Entitlement and Acceptance form with cleared funds or completing a BPAY payment, in accordance with section 4.4 of the Prospectus lodged on 1 August 2012, for the balance.
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Security holders can dispose of their entitlements by an off market transfer in accordance with section 4.8 of the Prospectus lodged on 1 August 2012.
33	+Despatch date	7 September 2012

Part 3 - Quotation of securities

+ See chapter 19 for defined terms.

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You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

Number	+Class

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

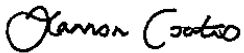
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Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 1 August 2012
(Company secretary)

Print name: SHANNON COATES

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