TANDAWAN HIGH GRADE GOLD ZONE EXTENDED 400m NORTH

ASX ANNOUNCEMENT **20 JUNE 2013**

Highlights

- **Tandawan gold target returns further high grade gold results from underground adit sampling 400m north of known mineralisation including along vein results of 8.00m @ 7.73g/t Au and an individual sample of 1.00m @ 22.25g/t Au**

Mining Group Limited (ASX: MNE) is pleased to provide the market with an update regarding recent exploration activities carried out at its Comval Project in the Philippines.

Commenting on the recent exploration results, Mining Group Managing Director, Mr Zeff Reeves said: "Tandawan is one of several high quality targets we have delineated over the last six months and we are excited by the results of recent exploration activities, with the Tandawan footprint continuing to expand. Further high grade gold mineralisation has now been confirmed approximately 400 metres north of our previously completed trenching."

"A recently discovered abandoned underground adit, approximately 400 metres north of known mineralisation was sampled and returned good gold results from what appears to be a strike extensive vein system.

"It is still early days for the Tandawan target, but the more work we do the more mineralisation we are discovering. We are hopeful that we can delineate a solid drill target in the coming months as well as continuing to progress work on our other high quality targets," Mr Reeves added.

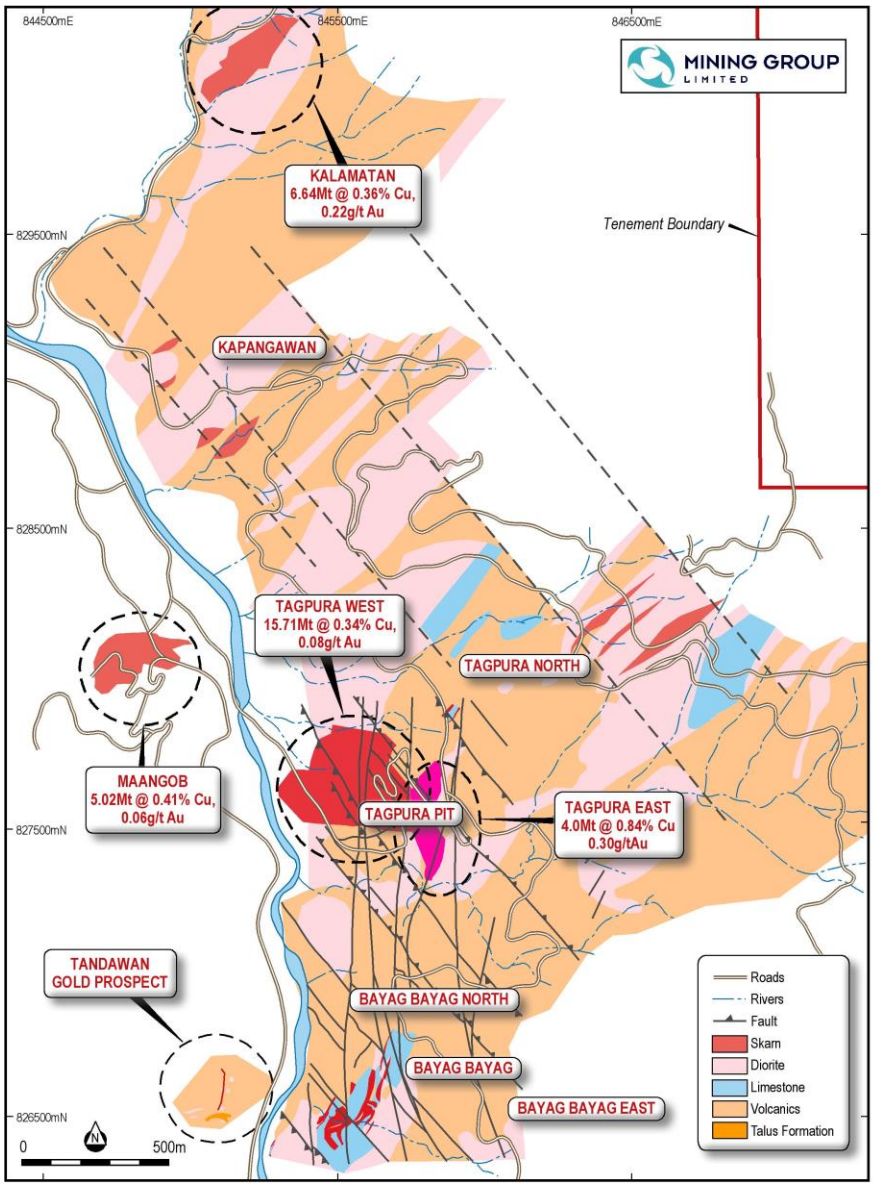

Figure 1 – Comval copper-gold project prospect and resource locations

TANDAWAN SURFACE TRENCHING

As a follow up to previously announced results (on 6 December 2012, 7 May 2013 and 30 May 2013), the company is continuing to carry out systematic work at Tandawan to further delineate and assess the potential for high grade gold mineralisation. This work has consisted of across strike trenching and detailed geological mapping.

During mapping activities a previously unknown small scale mine working was discovered approximately 400m north of the already known gold mineralisation at Tandawan. This adit is thought to have exploited a high grade quartz vein which is interpreted to be the along strike extension of the mineralised structure identified in previously reported results for trenches CCPCH00013, CCPCH00015 and CCPCH00017.

Within the adit a quartz vein was observed approximately 1.5m wide. The adit wall was sampled continuously along strike for a distance of 21.00m and significant high grade gold mineralisation was encountered between 12.00m and 21.00m along the wall of the adit. This zone returned 8.00m @ 7.73g/t Au and an individual sample of 1.00m @ 22.25g/t Au. *(Intercept widths are ALONG STRIKE wall samples, intercept calculated by weighted average for samples above 0.50g/t and maximum internal dilution of 1.00m)*.

For details on sample techniques and data collection, please refer to Appendix 1.

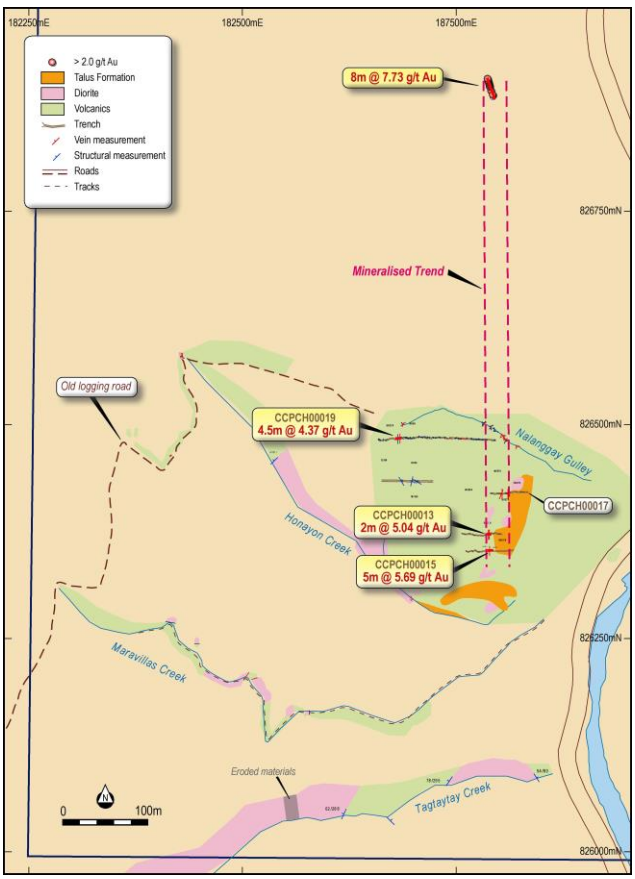

Figure 2 – Tandawan Gold prospect, trench and tunnel locations showing mineralised corridor extending over 400m north to south along strike from previous trench sampling.

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About Mining Group Limited

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

Mining Group seeks to develop the Comval Copper Gold Project in the Philippines along with exploring the prospective Western Australian based Boorara, Teutonic and Lake Christopher Projects.

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

For more information visit the Mining Group website at www.mininggroup.net.au

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

JORC Table 1

Section 1 Trench Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	▪ Rock chip samples collected are of a minimum 2kg weight. ▪ Minimum sample interval was 0.50m and maximum of 2.00m were collected along trench and adit walls. ▪ Samples were sent to Macphar Intertek Laboratories, Manila, Philippines ▪ Samples were pulverised to obtain a 30g charge for fire assay for gold ▪ A 0.5g charge was digested by aqua regia and analyses using ICP-OES for multielement analysis
Logging	▪ All rock chip samples are geologically logged by qualified geologists. ▪ Geological data is recorded in the Company's geological database and all trench walls are photographed.
Sub-sampling techniques and sample preparation	▪ The sample collection and preparation technique is deemed suitable and industry standard for diamond drilling. ▪ Samples are coarse crushed to 80% passing 2mm and then split produce a 30g sample for gold assay and 0.5g sample for multielement assay. Sub samples are then pulverised to 95% passing 75 microns prior to assay. ▪ No duplicate samples have been carried out ▪ Sample size is deemed appropriate.
Criteria	**Explanation**
Quality of assay data and laboratory tests	▪ Assay techniques are deemed suitable and accurate for the elements being tested. ▪ Standard reference materials have been submitted in each sample run every 20 samples ▪ Blank reference materials are submitted in each sample run every 50 samples
Verification of sampling and assaying	▪ All significant intersections have been calculated using down hole weighted averaging and verified by at least two company personnel. ▪ All data collected is done so in accordance with the Company's written data collection procedures and is kept within the Company's electronic database. Original drill logs and written data collection forms are also retained in the Company's data library.
Locations of data points	▪ Rock chip and trench samples are located using a hand held GPS ▪ Co-ordinates are recorded in WGS84 Zone 51 co-ordinate system
Data spacing and distribution	▪ NA at this exploration stage
Orientation of data in relation to geological structure	▪ Wherever possible trenches have been planned to intersect mineralised structures perpendicular to the structure wherever possible. ▪ Trench intercepts are along trench widths and do not indicate true widths of any mineralised structure.
Sample security	▪ All sampling is conducted under the supervision of Mining Groups on site exploration manager and the chain of custody from the drill to the sample preparation and logging facility is continually monitored by the exploration manager. Samples are shipped to the lab by qualified couriers or Company personnel under locked bags.
Audits or reviews	▪ No audit or review has been conducted due to the early stage exploration nature of the work.

Section 2 Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	▪ Mining Group Ltd owns 80% of Argusan Metals Corporation (Philippines) through its wholly owned subsidiary MNE Holdings Pty Ltd. Argusan Metals owns 100% of two exploration permits, EP-00001-XI (EP1) and EP-00002-09-XI (EP2), The Comval Project covering 4310 hectares. ▪ Mining group Ltd maintains its 80% ownership of Argusan Metals Corporation through expenditure commitments over six years. ▪ 20% of Argusan Metals Corporation is owned by TSX listed Cadan resources Corporation. ▪ EP-00001-XI (EP1) and EP-00002-09-XI (EP2) are granted exploration permits and are in good standing. ▪ Agreements are in place with local landowners and indigenous peoples for access to conduct exploration activities. ▪ The project area is subject to an underlying royalty payable to G. Lluch and Sons Inc. (Lluch) of $C2.00 per gold ounce of production from any commercial production fully approved by the Philippine government. The royalty agreement is between Argusan Metals Corporation and Lluch. ▪
Geology	▪ Tandawan Prospect is a shear zone controlled copper gold prospect hosted with an andesitic volcanic sequence associated with a copper gold porphyry system.
Trench information	▪ Within announcement
Data aggregation methods	▪ Intercept widths are along trench widths, intercept calculated by weighted average for samples above 0.50g/t and maximum internal dilution of 1.00m.
Relationship between mineralization widths and intercept lengths	▪ Trenches were designed to be excavated perpendicular to the interpreted strike of the mineralised structures unless stated within the announcement ▪ Intercept widths are along trench widths and are not true geological widths.
Diagrams	▪ Within announcement
Further work	▪ Further trenching required at Tandawan