ASX Release

28 September, 2012

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Projects:

Burkina Faso
8 gold exploration permits covering 1,178 km^2 in three prospective areas of Burkina Faso.

Western Australia
5 gold tenements located predominantly in the Mt Monger region east of Kalgoorlie covering an area of 2,610 ha

Directors:

***Kevin Dart** - Chairman*
***Sandy Barblett** - Director*
***John Hannaford** – Director*

Issued Capital:
*31.5m Ordinary Shares **
16m Unlisted Options
** increases to 37.75m shares on completion of two acquisitions*

ASX Code:
MRY

Cash (30 June) - $1.9m

BURKINA EXPLORATION UPDATE

Highlights

Burkina Faso tenements:

- ***Auger drilling to commence in October, following completion of acquisitions***
- ***MMI soil sampling results at Tigan show two large, cohesive gold anomalous areas***
- ***Soil sample results from Eburnean leases show gold anomalism for further follow up***

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Monteray Mining Group Ltd ("Monteray" and or "the Company") is pleased to announce that auger drilling will commence in October 2012 at its Tigan and Pepin leases in Burkina Faso, following completion of the Vema and Eburnean acquisitions.

This follows as a result of its encouraging soil sampling program at Tigan. Results from soil sampling conducted at the Kana, Bilakongo and Dobokuy permits has also been analysed, with several anomalies identified for follow up work.

Further RC drilling in the new year will follow up the auger programme.

Monteray Director John Hannaford commented:

"We are encouraged by the recent soil sampling that was conducted at the Tigan permit. Along with the analysis of the soil sampling at Eburnean's permits, this enables the Company to begin the auger drilling programme with confidence. These soil sample results are consistent with the Company's view that its permits are on highly prospective structures. Burkina Faso continues to emerge as a highly attractive exploration destination with high success rates and low discovery costs."

MMI Soil Results and Analysis

Results for the MMI (Mobile Metal Ion) soil survey carried out on the Tigan Lease as announced previously (*Quarterly Activities Report, 30 June 2012)* have been received from the Perth Laboratory and analysed by a Contract Geochemist appointed by the company.

A feature of MMI is that it analyses a total of 53 elements for each sample taken, resulting in a rich data set for analysis.

Results show that there is a large (2.8 km x 1.5 km), distinct and cohesive anomaly for gold in the eastern sector of the Tigan lease with a second separate and smaller anomaly to the south.

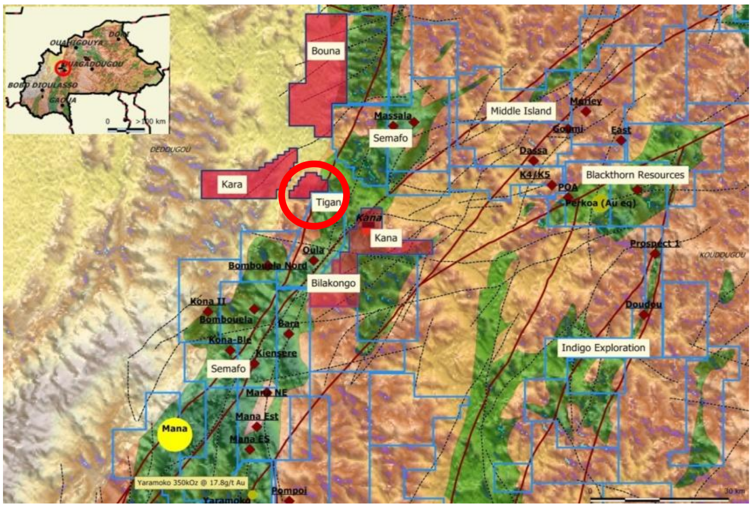

***Figure 1** showing Tigan lease (circled) in Mana region, western central Burkina Faso*

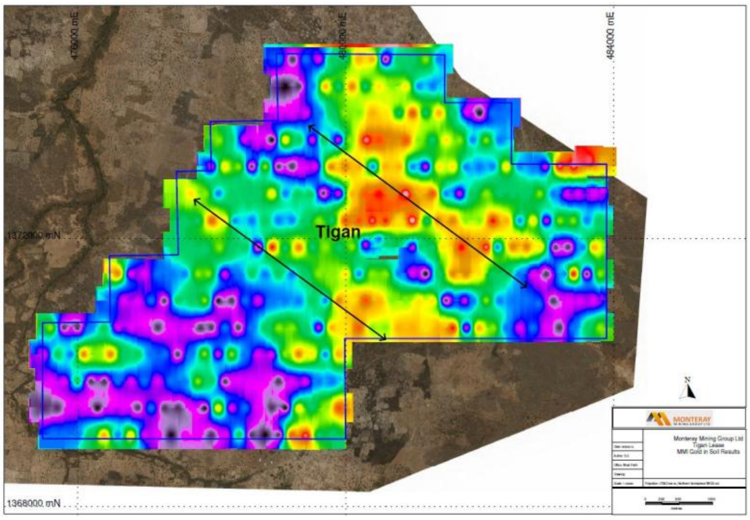

***Figure 2:** The Tigan permit with MMI gold in soil results plotted showing two distinct anomalies highlighted in the hotter red and yellow colours showing a NW trend/orientation*

This MMI gold in soil anomalism is orientated in a north-westerly direction and likely related to tensional linkage structures formed between magnetic lineaments marking major structures that consistently trend to the north-east in the region. These postulated linkages can be zones of dilation that can result in deposition of mineralising fluids. The 6.8Moz SEMAFO Mana gold mine, located 60km to the south, as well as the adjacent Ola permit also being drilled by SEMAFO, is related to one of these strong north-east trending structures.

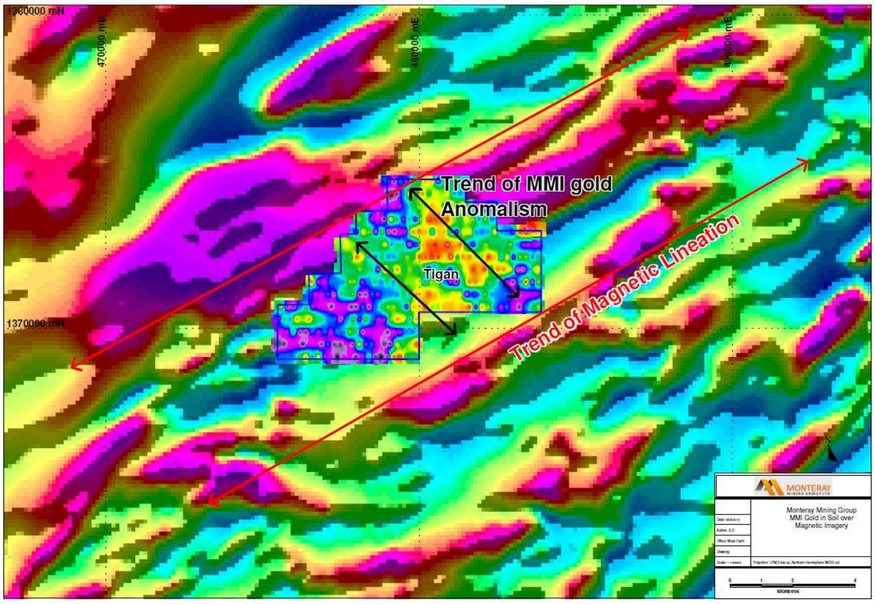

Figure 3: *Tigan lease MMI gold in soil over regional Aeromagnetic image showing the NE trend of magnetic lineation and NW trend of gold in soil anomalism*

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The MMI multi-element results confirm strong anomalism in the north and central part of the lease (see Appendix 1). This is a significant model for gold mineralisation related to deep seated structures, because elements tend to occur together in the earth's crust when a geological event has occurred, whereby concentrating elements that are not normally so closely associated. Deep seated ultramafic associations are a significant model in most recent discoveries in Burkina Faso.

There also appears to be a subtle zonation developed with a central gold core and multi-element anomalism developed on the fringes, especially in the north of the lease area. The anomalism displayed by the MMI soil survey has been successful in delineating robust targets for further follow up by auger drilling.

Duplicate samples were collected every 20th sample and this QAQC data was reviewed with no significant issues raised.

Eburnean Permit Soil Sample Results Analysed

The Kana, Bilakongo and Dobokuy permits held by Eburnean Resources are currently being acquired by Monteray as announced on 24 July 2012, were soil sampled by Eburnean using the conventional, whole fraction method in 2011. This data was also reviewed and analysed by Monteray's geochemist. This data was levelled using the provided geological information accompanying the results and then plotted as an image.

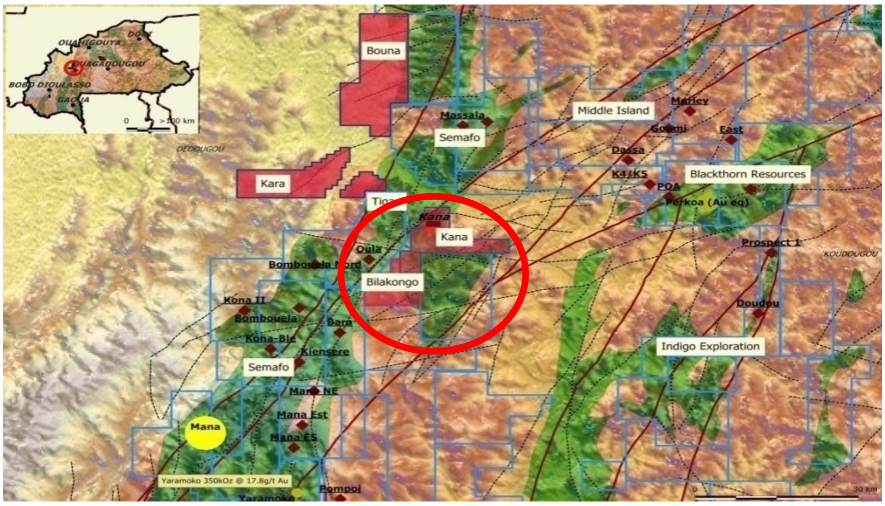

Figure 4: *Kana & Bilakongo permits (circled) in east group of the Mana region group of permits*

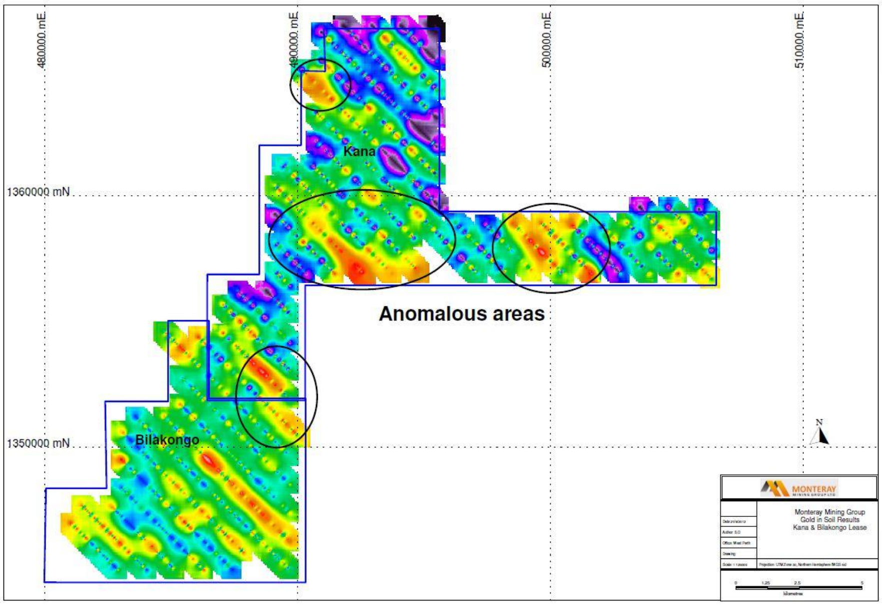

Figure 5: *Gold in soil results at the Kana and Bilakongo permits, showing four distinct anomalous target areas.*

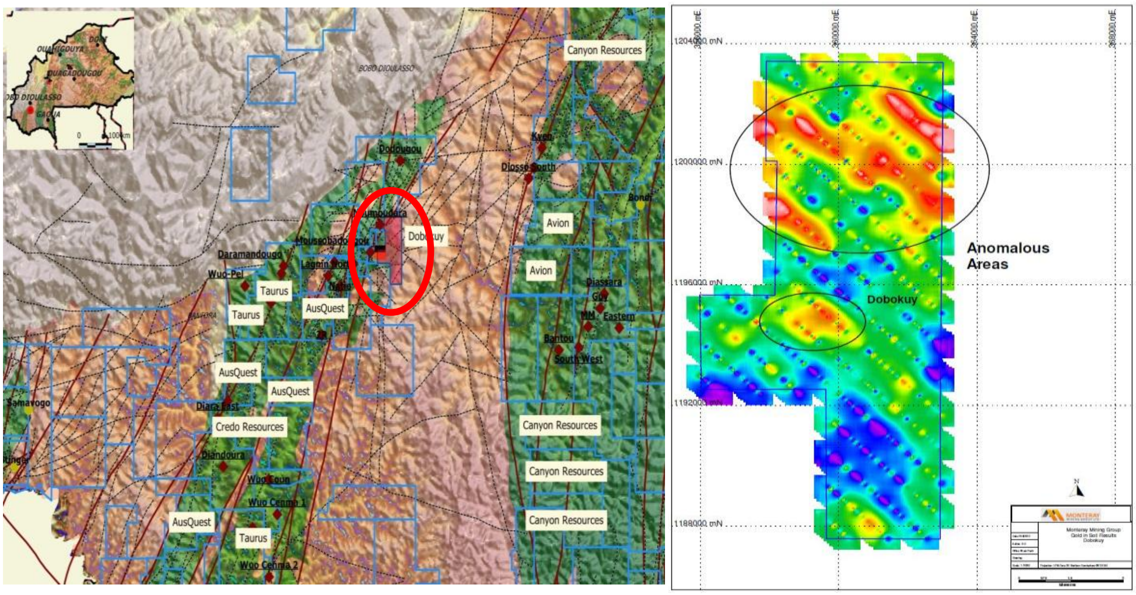

Figure 6: *Dabokuy permit location in Banfora region, south west Burkina Faso. Image shows strong soil anomalism in the northern part of the permit.*

Results show that there are four anomalous areas on the Kana and Bilakongo leases and that the northernmost half of the Dobokuy lease is anomalous for gold. These results coincide with structural features outlined in completed regolith mapping. These results will be followed up with infill soil sampling and auger drilling later in the year.

For and on behalf of Monteray Mining Group Ltd

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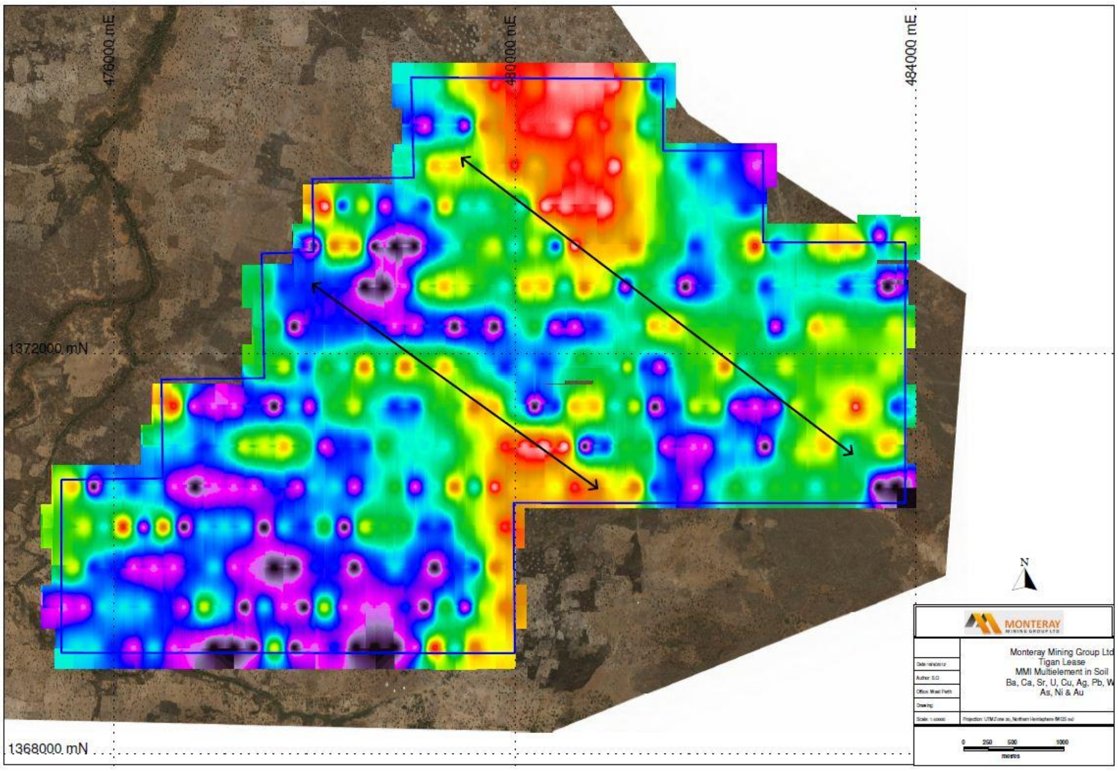
Competent Person's Statement

The information in this report accurately reflects information prepared by Competent Persons (as defined by the Australasian Code for Reporting of Mineral Resources and Ore Reserves). It is compiled by Mr Simon Omotosho, a consultant to the Company who is a Member of The Australasian Institute of Mining and Metallurgy with the requisite experience in the field of activity in which he is reporting. Mr Omotosho has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Omotosho consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1:

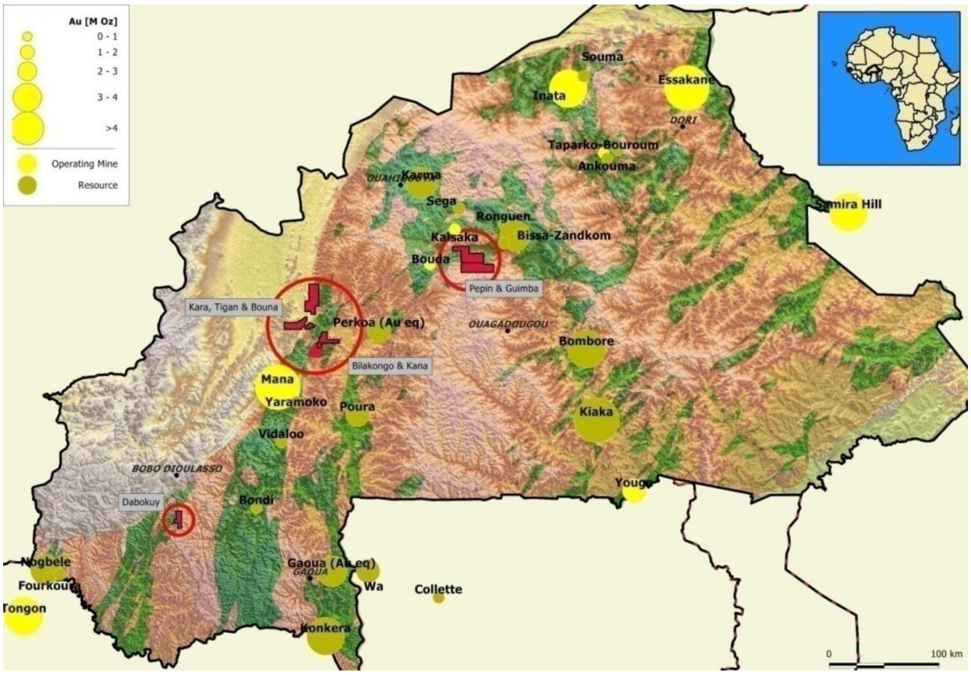
Multi-element anomalies at Tigan lease featuring strong associations of Ba, Sr, U, Cu, Ag, Pb, W, As and Au



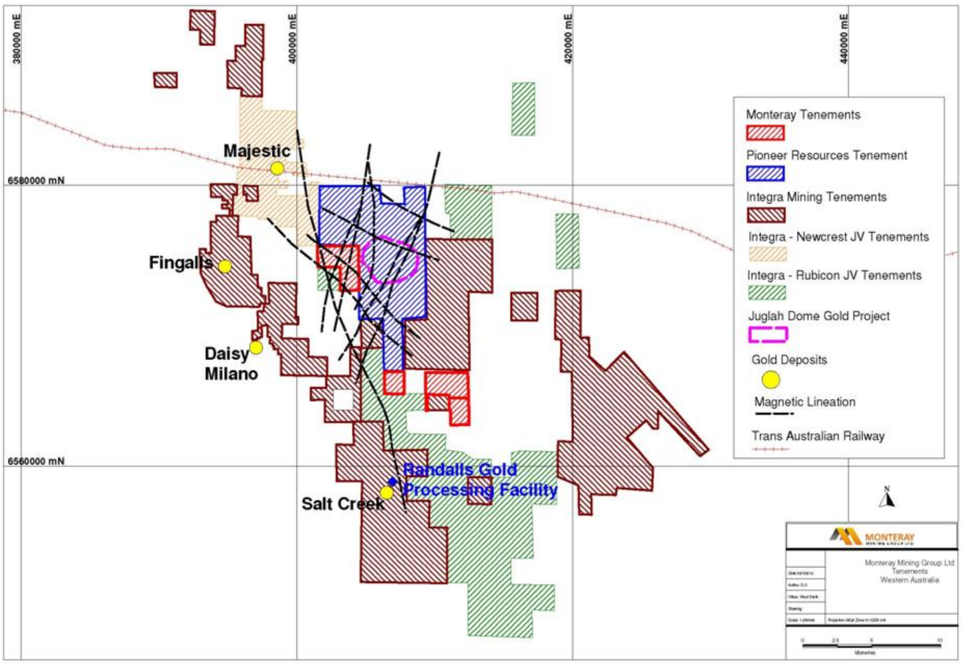
Method: Factor Analysis and review of spatial associations

About Monteray Mining Group Ltd

Monteray Mining Group Ltd was relisted on ASX in February 2011 following the acquisition of a portfolio of gold licences located in the goldfields region of Western Australia, and the raising of $3.5 million. On 7 September 2012 shareholders approved the acquisition of Vema Resources Pty Ltd and Eburnean Resources SARL, which collectively hold interests in eight newly granted gold exploration permits located in western & central Burkina Faso.



Burkina Faso map showing the Company's exploration permits in Central and Western Burkina Faso.



Monteray's WA project portfolio in the WA goldfields east of Kalgoorlie (in red) close to Integra Mining's Majestic project area and Pioneer Resources "Juglah Dome" project.