10th July 2015

# Diamond Drilling at Newly Identified Hooton Prospect Returns Nickel Sulphides

- **MPJ has completed 4 RC\diamond drill holes (RHDD0013/14/15/16) totalling 1,445.4m at the Hooton Prospect situated some 5km's north along strike from Talc Lake (where previously reported intercepts include 0.50m at 6.5% Nickel).**

- **Most significantly, 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).**

- **Spot portable XRF readings have returned nickel values ranging from 0.5% to 3.2% Ni. (NB: laboratory assays are pending)**

- **Diamond drill hole RHDD0015 confirms the development of a significant mineralised system at the Hooton Prospect and provides further support for the prospectivity of the entire 40km belt at Roe Hills.**

- **Newexco highlighted 18 conductors of which 7 were classed as category 1 and immediate follow- up FLEM was recommended to further constrain the targets. An extension of the MLEM to the west of Talc Lake was also recommended where 2 conductors were detected on the periphery.**

- **Consulting Nickel specialist Sarah Dowling has 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.**

- **Ongoing evaluation of historical data has highlighted a new prospect several km's north along strike from Hooton, named "Point Perchance". Diamond drill hole PP1 (Newmont 1969) returned an intercept of 1.83m assaying 0.42% nickel, 650ppm copper at a basal ultramafic contact which has never been followed-up. Recently completed MLEM in the area has identified several high priority conductors in the area which are currently being evaluated prior to drill assessment.**

- **Diamond drilling, surface and down-hole geophysics, mapping and historical data evaluation is ongoing as the Technical Team continues to refine priority targets.**

Mining Projects Group Limited (ASX:MPJ) ("the Company") is pleased to announce it has completed 4 RC\Diamond drill holes (Table 1) in the recent drilling programme totalling 1,445.4m at the Roe Hills Project ("Roe Hills"). All holes were designed to test elevated near surface nickel/copper/PGE "Nickel Pathfinder" geochemical anomalism and to establish the prospectivity of the recently identified Hooton Prospect located some 5 km north along strike from Talc Lake (Figure 1).

Most significantly diamond drill hole RHDD0015 (Figure 2) intersected a thick sequence of ultramafic rocks hosting patchy cloud/disseminated and blebby Nickel Sulphides throughout a drilled interval of approximately 130 metres between the down hole depths of about 70 and 200m. Whilst it is stressed that the interval is patchy in nature, portable XRF readings of several narrow coherent zones located toward the base of the succession confirm the presence of Nickeliferous Sulphides with values ranging between 0.50% and 3.20% Nickel.

Drill hole RHDD0015 importantly confirms the development of a significant mineralised system at Hooton. Similar disseminated sulphide "halos" occur in close proximity to many of the major high grade massive Nickel Sulphide deposits throughout Western Australia, eg Black Swan/Silver Swan, Mt. Goode/Cosmos; Flying Fox/Lounge Lizard, Maggie Hays and the successful identification of such a system significantly elevates the overall prospectivity of the broader Roe Hills Project.

In addition, Newexco has highlighted 18 conductors from the ongoing surface MLEM geophysical survey of which 7 are defined as Category 1. Detailed FLEM surveys are being planned and will commence shortly to better define targets prior to drill testing. An extension of the MLEM to the west of Talc Lake is also currently underway where 2 additional conductors were detected in close proximity to a recently identified and previously unexplored sequence of high MgO channel facies ultramafics situated along the western flank of the main Roe Hills Belt (Figure 2).

Consultant Geologist and Nickel specialist Sarah Dowling located the sequence whilst undertaking the initial stage of detailed field mapping across the Talc Lake and Hooton prospects. Importantly this sequence may represent the fold repeated western limb of the belt and possibly the most prospective, earliest part of the overall sequence.

Ongoing evaluation of historical data has again highlighted a new prospect area centred several kilometres north along strike from Hooton. This new area is named Point Perchance and is defined by an historical diamond drill hole (PP 1) which returned 1.83m assaying 0.42% nickel; 650ppm copper from about 58m downhole depth within high MgO channel facies serpentinised ultramafic at a basal contact position with metabasalt (Refer Figures 1 & 2). The occurrence has never been followed up. Recently completed MLEM geophysical surveys have identified several high priority conductors within the area considered worthy of immediate evaluation. These are being further assessed prior to drill targeting.

The drilling will continue at Roe Hills as the Technical Team further defines and refine the conductive targets. Down-hole Electro Magnetics is being planned in the recently completed holes to assess the extent of the mineralisation and to define the best follow-up drill targets.

Neil Hutchison (Technical Director) said "The current results are a continuation of the exciting progression at Roe Hills and a testament to the quality of work being conducted by our World Class Technical Team. The recent holes highlight the massive scale of the Roe Hills project and the extensive mineralisation across the whole 40km strike."

The company looks forward to providing further results including assays in the near future.

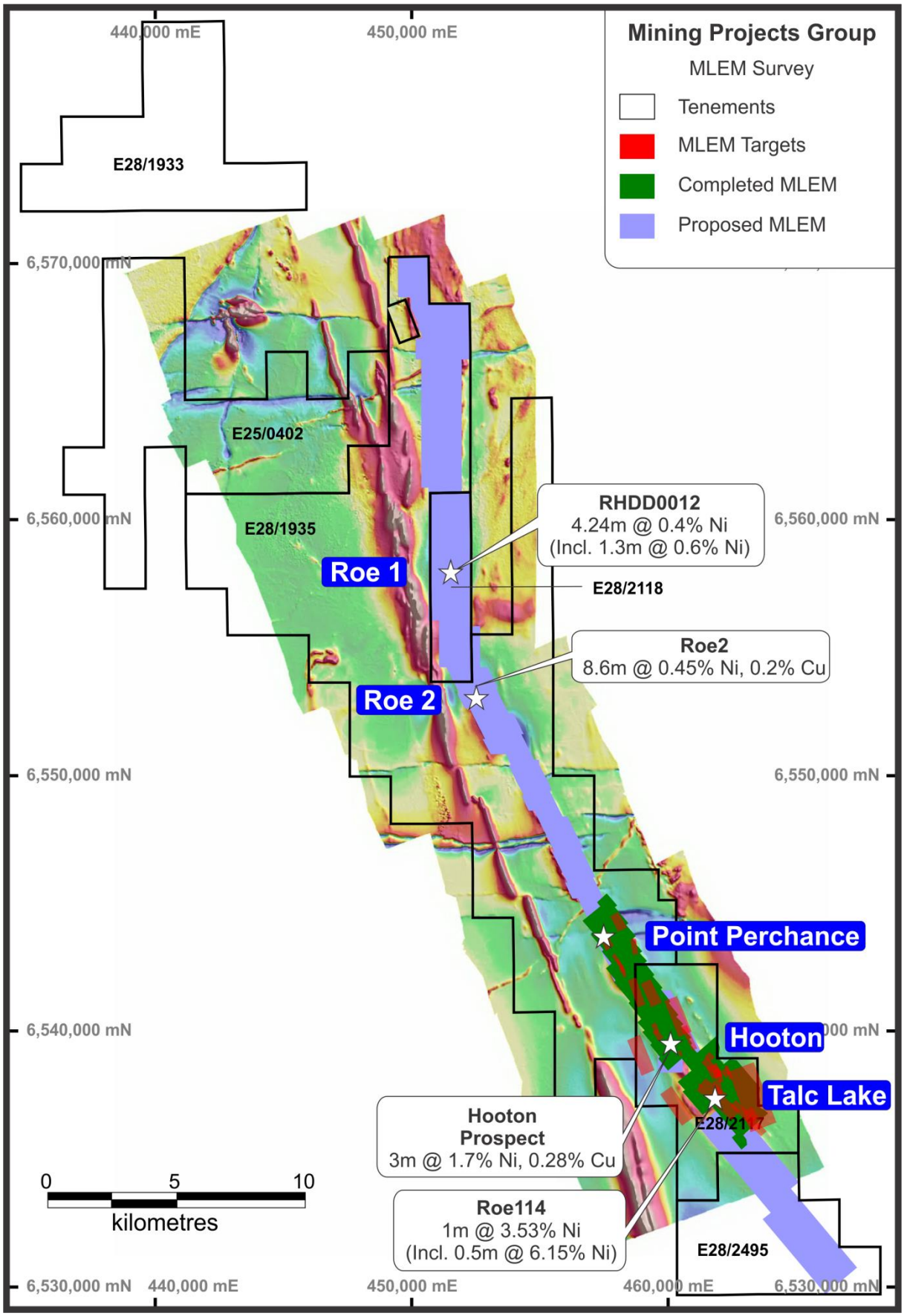


**Figure 1: Roe Hills project area showing planned MLEM, completed MLEM, target conductors & historic drill intersection.**

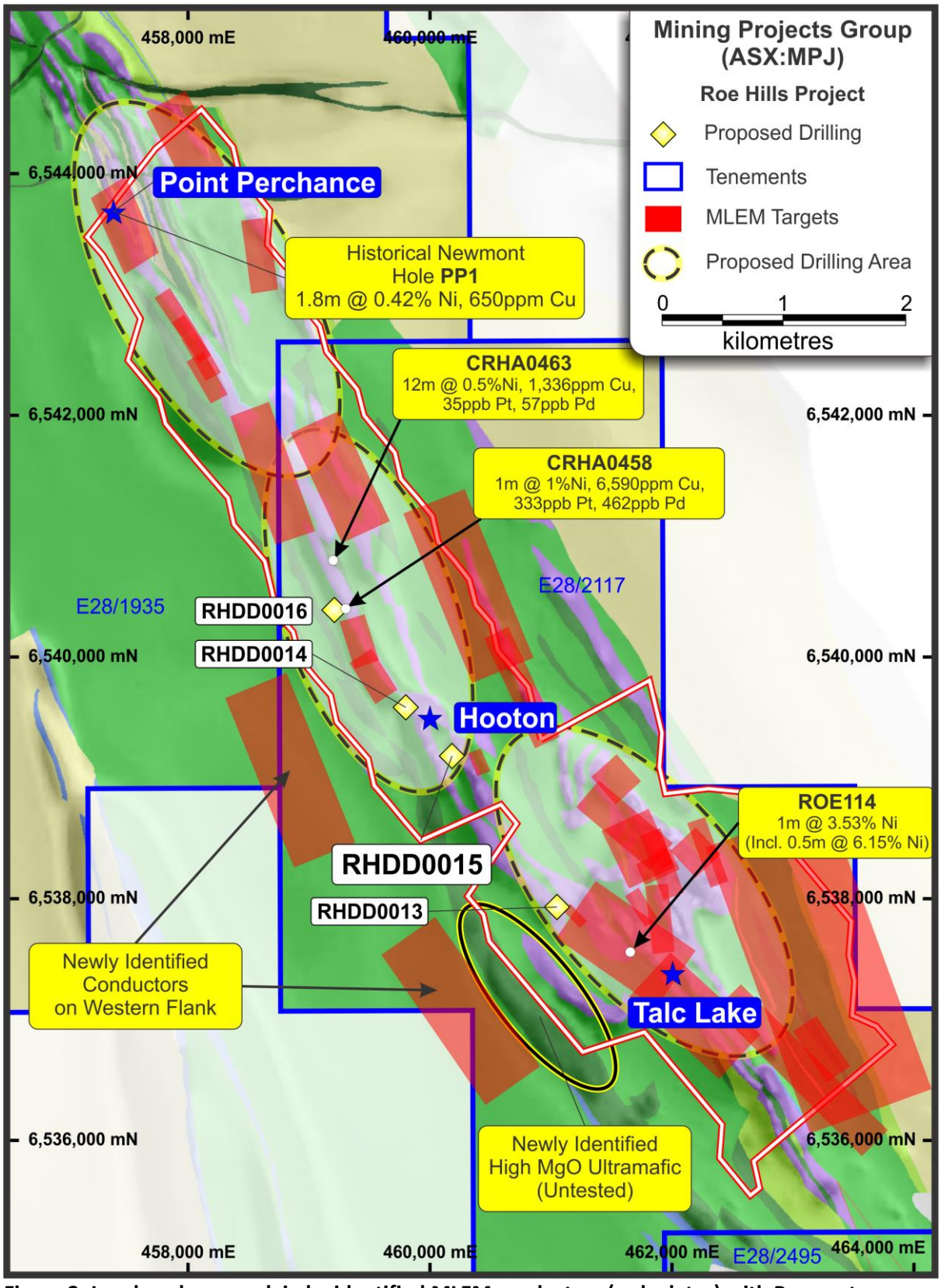


**Figure 2: Local geology overlain by identified MLEM conductors (red plates) with Prospect locations, historic results and recently completed drill hole locations.**

| Roe Hills Drilling Summary | | | | | |
|---|---|---|---|---|---|
| Hole ID | Nth | East | Dip | Az | EOH |
| RHDD0013 | 6537960 | 461040 | -60 | 90 | 421.1 |
| RHDD0014 | 6539600 | 459800 | -60 | 90 | 349.3 |
| RHDD0015 | 6539200 | 460180 | -60 | 90 | 355.0 |
| RHDD0016 | 6540400 | 459210 | -60 | 90 | 208.0 |
| RHDD0017 | 6540400 | 459140 | -60 | 90 | 112.0 |
| (in progress) | | | | TOTAL | 1445.4 |

**Table 1: Drill Hole Details**


**MPJ West Australian - Nickel Project Locations**

**ENDS**

For further information please contact:

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## 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.*

# Appendix 1 – Mining Projects Group – Roe Hills Project

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | **Geophysics**<br>• Moving in-loop ground EM (MLEM) survey carried out at 200m line spacing using a SMARTemV system by ElectroMagnetic Imaging Technology Pty Ltd.<br>• EMIT Fluxgate sensor recording 3 orthogonal components: Bz, Bx and By.<br>• Survey done at ground level.<br>• SMARTEM standard window times used for a transmitter frequency of 0.27 to 1 Hz.<br>• 200m x 200m transmitter loop producing a loop dipole moment for ~32000000 $Am^2$.<br>• Location of stations was accomplished with Garmin handheld GPS units with an accuracy of +/- 4m.<br>**Drilling**<br>• NQ sized cores were sawn with manual brick saw and half split prior to sampling and submitted to the lab.<br>• Half core samples submitted for highest quality and best representation of the sampled material and sample intervals are checked by the supervising geologist and field technician throughout the sampling process.<br>• All sampling is based on diamond drill core. Sample selection is based on geological core logging and sampled to geological contacts. Individual assay samples typically vary in length from a minimum of 0.2m and a maximum length of 1.0m. |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • All drilling was carried out by DDH 1 Drilling of North Fremantle Perth WA using a Sandvik 1200 Multi-purpose truck mounted drill rig. Reverse circulation percussion (RCP) drilling was used to establish pre-collars from surface to competent rock. The hole was then advanced with HQ3 and NQ2 in 3 metre and six metre barrel configurations to hole termination |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | depth. Core is oriented using Reflex ACT II RD digital core orientation tool. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Diamond core is logged and recorded in the database. Overall recoveries are >95% and there was no core loss or significant sample recovery problems. Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against depth given on core blocks. |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Geological logging is carried out on the core and recorded as qualitative description of colour, lithological type, grain size, structures, minerals, alteration and other features.<br>• All cores are photographed using a digital camera.<br>• Geotechnical logging comprises recovery and RQD measurements. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Cores were sawn and half split prior to sampling and submitted to SGS Laboratories in Kalgoorlie WA for subsequent transportation to SGS Perth WA.<br>• Half core samples submitted for highest quality and best representation of the sampled material. Duplicates not required.<br>• Cut sheets prepared and checked by geologist and field technician to ensure correct sample representation.<br>• All samples were collected from the same side of the core. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable* | **Geophysics**<br>• Data acquired using SMARTemV receiver system.<br>• Data were delivered by Merlin Geophysical Solutions Pty Ltd who performed QA/QC on a daily basis.<br>• Data were again subject to QA/QC by consultants Newexco Services Pty Ltd on a daily basis. QA/QC was achieved using Maxwell software by ElectroMagnetic Imaging Technolgy Pty Ltd. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *levels of accuracy (ie lack of bias) and precision have been established.* | **Drill Sample Analysis**<br>• Samples were submitted to SGS Laboratories in Kalgoorlie for sample preparation before pulps are freighted overnight to SGS Newburn Labs in Perth for multi-element analysis by sodium peroxide fusion followed by ICP-OES finish. PGEs are assayed using Fire Assay method.<br><br>**Hand Held XRF**<br>• Field reading are estimated using Olympus Innovx Delta Premium (DP4000C model) handheld XRF analyser prior to laboratory analysis.<br>• Reading times employed was 15 sec/beam for a total of 30 sec using 2 beam Geochem Mode.<br>• Handheld XRF QAQC includes supplied standards and blanks. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | **Geophysics**<br>• Data were check and validated on a daily basis using Maxwell software by ElectroMagnetic Imaging Technology Pty Ltd.<br><br>**Geological Logging**<br>• Primary data was collected using Excel templates utilizing lookup codes on laptop computers.<br>• Steve Vallance MPJ Technical Manager (AIG Member) has visually verified the significant intersections in the diamond core. |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | **Geophysics**<br>• Locations were planned using a combination of GIS software packages.<br>• Location of stations was accomplished with Garmin handheld GPS units with an accuracy of +/- 4m.<br>• All data points were located using the Geocentric Datum of Australia 1994 and the Map Grid of Australia zone 51 projection.<br><br>**Drilling**<br>• Drill collars are surveyed by modern hand held GPS units with accuracy of 5m which is sufficient accuracy for the purpose of compiling and interpreting results. |
| ***Data spacing*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of* | **Geophysics**<br>• At least 3 readings were recorded per station.<br>• Stations were spaced 100m along line. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***and distribution*** | *geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • Line spacing was 200m<br>**Drill Sampling**<br>• Minimal sample spacing for assay samples is 0.2m and maximum sample spacing is 1.0m.<br>• Sample spacing width is dependent on geological or grade distribution boundaries.<br>• No sample compositing will be applied. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | **Geophysics**<br>• Survey was oriented with E-W lines perpendicular to the main geological trend.<br>**Drilling**<br>• Diamond drill holes oriented to MGA (magnetic) east Holes are designed to intersect the geological contacts as close to perpendicular as possible. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | **Geophysics**<br>• Data were acquired by Merlin Geophysical Solutions Pty Ltd and reported to the company director.<br>• Data were forwarded from Merlin Geophysical Solutions Pty Ltd to consultants Newexco Services Pty Ltd.<br>**Drilling**<br>• Core samples are being cut in the field at the project site by MPJ personnel under the supervision of senior geological staff. They will be delivered to the laboratory by MPJ field personnel. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • N/A |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • Mining Project Group Limited owns 100% of the tenements.<br>• The project consists of 5 ELs.<br>• The Project is Located on Vacant Crown Land.<br>• At the time of writing extensions of terms for these licenses have been approved. Further review will be undertaken May 2016. |
| ***Exploration done*** | • *Acknowledgment and appraisal* | • Significant past work has been carried out by other parties for both Ni and Au exploration including, surface geochemical sampling, ground |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***by other parties*** | *of exploration by other parties.* | electromagnetic surveys, RAB, AC, RC and DD drilling. This is acknowledged in past ASX announcements. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • Target is Kambalda, Cosmos and Black/Silver Swan style Komatiitic Ni hosted in ultramafic rocks within the project. |
| ***Drill hole Information*** | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* | • Co ordinates and other attributes of diamond drillholes are included in the release. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | ○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncation* | • Exploration results will be length-weight average where applicable, no cut-off grade applied. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | *s (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | |
| ***Relationship between*** | • *These relationships are particularl* | • All intercepts reported are measured in down hole metres. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***mineralisation widths and intercept lengths*** | *y important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported* | • Suitable summary plans have been included in the body of the report. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Minimum, maximum and average PXRF results have been reported. Laboratory assay results are more accurate and will vary from the PXRF results. Lab results will supersede PXRF reported results. |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observati* | **Geophysics**<br>• MLEM Survey designed and managed by Newexco Services Pty Ltd.<br>• Moving in-loop Transient Electromagnetic surveying was completed by Merlin Geophysical Solutions Pty Ltd.<br>• Geophysical surveying employed a SMARTemV receiver system, an EMIT Fluxgate magnetic field sensor, Zonge ZT-30 transmitter and 200m x 200m transmitter loops. Survey stations were spaced 100m along line and lines were spaced 200m.<br>• Interpretation of the Electromagnetic data is being undertaken by Newexco Services Pty Ltd.<br>**Drill Sampling**<br>• Multi-element analysis is being conducted routinely on all samples for a base |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *ons; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | metal suite and potentially deleterious elements including Al, As, Co, Cr, Cu, Fe, Mg, Ni, S, Ti, Zn plus Au, Pt & Pd. |
| ***Further work*** | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main* | **Geophysics**<br>• Regional MLEM geophysical surveys are planned to continue to provide full coverage of the 40 kilometer |

*geological interpretations and future drilling areas, provided this information is not commercially sensitive.*


length of prospective ultramafic stratigraphy secured by the project tenure.

- Down Hole Electro-Magnetics (DHEM) is proposed in conjunction with the

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | | already successful geochemical and geological modelling.<br>• Further DD drilling is continuing and targeted to locate the modelled centre of the host komatiitic lava channel which is interpreted to be the source of the Nickel sulphide mineralisation. |