



24 April 2013

Dear Optionholder

Notice to Optionholders of Entitlement Issue

We write to you as the registered holder of Mining Group Limited (**Mining Group or Company**) options as at today's date. As announced on 22 April 2013, the Directors of Mining Group have resolved to undertake a non-renounceable entitlement issue of approximately 85,085,655 new shares (**New Shares**) on the basis of four New Shares for every five Mining Group shares held by shareholders on the record date at an issue price of \$0.025 per New Share and a free attaching New Option (**New Options**) (with an exercise price of \$0.05 and an expiry date of 30 June 2015) for every two New Shares issued to raise approximately \$2,127,141 before costs (**Entitlement Issue**).

The Entitlement Issue is fully underwritten by Cygnet Capital Pty Ltd (**Underwriter or Cygnet**). In consideration, Cygnet will be entitled to a 5% capital raising fee and 1% management fee calculated on total funds raised via the Entitlement Issue, which, at Cygnet's election can be taken as cash or converted to shares at the same price as those offered pursuant to the Entitlement Issue.

Further, on successful completion of the Entitlement Issue, and subject to Shareholder approval if required, Cygnet will be entitled to a success fee of 22,500,000 options on the same terms as the New Options.

The funds raised from the Entitlement Issue are being used for:

- (a) exploration and development works at the Comval Copper-Gold Project;
- (b) exploration works at the Company's Australian projects; and
- (c) working capital and project evaluation.

Participation in the Entitlement Issue is available to Mining Group shareholders registered on the record date of 2 May 2013 (**Record Date**) and who reside in Australia or New Zealand (**Eligible Shareholders**).

The Entitlement Issue is being made pursuant to a prospectus which was lodged with the Australian Securities and Investments Commission on 22 April 2013 (**Prospectus**). The Prospectus is available at the Company's website: www.mininggroup.net.au or on the ASX website (company announcements section, ASX code: MNE) at www.asx.com.au.

Key Dates:

The current proposed timetable for the Entitlement Issue is as follows*:

Event	Date
Lodgement of Prospectus with the ASIC	22 April 2013
Lodgement of Prospectus & Appendix 3B with ASX	22 April 2013
Notice sent to Optionholders	24 April 2013
Notice sent to Shareholders	24 April 2013
Ex date	26 April 2013

Record Date for determining Entitlements	2 May 2013
Prospectus despatched to Shareholders & Company announces despatch has been completed	3 May 2013
Closing Date	17 May 2013
Securities quoted on a deferred settlement basis	20 May 2013
ASX notified of under subscriptions	21 May 2013
Despatch of holding statements	27 May 2013
Deferred settlement trading ends	27 May 2013
Quotation of Securities issued under the Offer	28 May 2013

** Dates subject to change and indicative only. The Company reserves the right to amend this timetable, including, subject to the Corporations Act 2001 (Cth) and the Listing Rules of ASX, to extend the Closing Date.*

Under the terms of the options you currently hold, there is no entitlement to participate in the Entitlement Issue unless you exercise your options, and are entered onto the register as a shareholder on or before the Record Date.

If you wish to participate in the Entitlement Issue, it will be necessary for you to exercise all or part of your options. Accordingly, you should complete a Notice of Exercise of Options (**Notice**) and lodge the Notice with the Company, together with your payment for the number of shares you wish to take up. If payment for the exercise of options is not received **prior to 2 May 2013 (Record Date)**, you will not be able to participate in the Entitlement Issue.

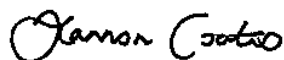
If you do not wish to participate in the Entitlement Issue (in respect of your options), you do not need to take any action. If you hold Employee Share Options (Class K and Class L) and choose not to exercise your options, the exercise price of your unexercised options **will be reduced** in accordance with the formula set out in the ASX Listing Rules.

Before deciding whether to exercise any or all of your options, you should consider the terms of the Entitlement Issue carefully, including the fact that the closing price of the Company's shares immediately prior to the announcement of the Entitlement Issue was less than the exercise price of your options. If in any doubt, consult with your professional adviser.

Each New Share allotted as a result of the exercise of an option will rank pari-passu with all other ordinary shares of the Company on issue.

If you have any queries in relation to the Entitlement Issue, please do not hesitate to contact Shannon Coates, the Company Secretary on (08) 9322 4328.

Yours faithfully



Shannon Coates
Company Secretary