

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: United Mining Group, Inc. (the "Issuer").

Trading Symbol: UMG

Number of Outstanding Listed Securities: 55,134,178

Date: September 3, 2010

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

United Mining Group, Inc. (the "Issuer") is a junior exploration company.

Throughout the month of August, the Issuer continued development work at the Crescent Mine in the Coeur d'Alene Mining District of northern Idaho. Work on the Countess Portal continued, and work on the decline ramp

began. The portal will be used to access the Alhambra and South veins. Rehab work continued in the Hooper Tunnel.

Throughout the month of August, the Issuer continued its environmental remediation work under its contract with the Idaho Department of Environmental Quality.

Throughout the month of August, the Issuer continued its contract mining operations at the Galena mine, as well as repair and maintenance at the Crescent Mine.

Throughout the month of August, the Issuer's fabrication division provided custom fabrication and welding services to customers primarily in the mining industry.

2. Provide a general overview and discussion of the activities of management.

In August 2010, management focused on its continuing operations at the Galena Mine, Crescent Mine, and other operating divisions. The Company also applied for a listing on the Toronto Stock Exchange and received conditional approval from the Exchange on August 30, 2010.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

The Issuer did not commence any drilling or exploration programs in August 2010.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

No drilling, exploration or production programs were amended or abandoned during the month of August 2010.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

No new business relationships were entered into between the Issuer, the Issuer's affiliates or third parties during the month of August 2010.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable for the preceding month.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not applicable for the preceding month.

8. Describe the acquisition of new customers or loss of customers.

Not applicable for the preceding month.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

There were no new developments or effects on intangible products.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

The Issuer hired several miners and nippers for the Galena and Crescent Mines. The Issuer laid off several employees in the Contracting Services Division due to the seasonality of the work.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
Not applicable for the preceding month.
14. Provide details of any securities issued and options or warrants granted.
69,000 warrants were exercised during the month.
15. Provide details of any loans to or by Related Persons.
A US\$12,000 payment was made by the Issuer's CFO, reducing his accounts receivable balance to US\$95,000.
16. Provide details of any changes in directors, officers or committee members.
Not applicable for the preceding month.
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
- a. **The Issuer's business is dependent to a large extent on the prices of precious metals, which are currently favourable; however, there is no guarantee precious metals prices will stay favourable.**
 - b. **Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Issuer's exploration and development activities will result in any discoveries of commercial bodies or ore or minerals. The long-term profitability of the Issuer's operations will be in part directly related to the cost and success of its exploration and subsequent evaluation programs, which may be affected by a number of factors. These include the particular attributes of the mineral deposit including the quantity and quality of the ore, proximity to or cost to develop infrastructure for extraction, financing costs, mineral prices and the competitive nature of the industry.**
 - c. **Governmental regulations including those relating to prices, taxes, royalties, land tenure and use, the environment and the importing and exporting of minerals are of key importance to the Issuer. The effects of these factors cannot be accurately predicted, but any combination of them may result in the Issuer not receiving an adequate return on invested capital.**
 - d. **Substantial expenditures are also required to establish reserves, to develop processes to extract the resources and, in the case of new**

properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. The Issuer's cash flow from operations is not sufficient at this time to completely fund the development of the Crescent Mine. The Issuer relies on capital markets and joint venture partners to complete funding for its exploration and evaluation activities. There can be no assurance that adequate funding will be available for these purposes when required.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated September 3, 2010.

Erik Panke
Name of Director or Senior
Officer

" Erik Panke "
Signature
Chief Financial Officer
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer			YY/MM/DD
United Mining Group, Inc.		August 2010	10/09/03
Issuer Address			
1980 – 1075 West Georgia Street			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6E 3C9		(208) 682-9472	(208) 682-9018
Contact Name		Contact Position	Contact Telephone No.
Erik Panke		CFO	(208) 682-9018
Contact Email Address		Web Site Address	
epanke@unitedmineservices.com		N/A	