ASX Code: MTB

16 January 2017

KIHABE ZINC, LEAD AND SILVER PROJECT – BOTSWANA

FIRST TRANCHE OF DRILL ASSAYS CONFIRM ZINC / LEAD MINERALISATION AT TARGET 52

- **First assays of RC drilling at Target 52 confirm the existence of Zinc / Lead mineralisation**
- **Target 52 soil anomaly has a strike length of more than double that of Kihabe and Nxuu deposits**
- **Assay results of a further 15 holes including additional targets pending.**

In October/November 2016 Mount Burgess (The Company; ASX:MTB) conducted a drilling programme (Figure 1) on its Kihabe Zn/Pb/Ag project in Botswana (Figure 2), where to date it has delineated 2004 JORC compliant Zn/Pb/Ag resources amounting to 25 million tonnes @ 3% Zn equivalent grade from its Kihabe and Nxuu deposits (see Table 1).

In this SEDEX system mineralisation occurs in a quartz wacke (QW) at the zone of contact with the regional dolostone.

The objective of the drilling program was to test four additional Zn/Pb targets and a copper/cobalt anomaly not previously drill tested that might represent the QW/dolostone contact. The Company's strategy is to use RC drilling for early identification of regions of interest for follow-up diamond drilling.

The Company advises that the first tranche of assay results from 7 of the 22 RC holes submitted for assay has confirmed mineralisation at Target 52 – one of the Zn/Pb anomalies. Results from Target 52 drill lines 4, 5 and 6 (Table 2 and Table 3) intersected Zn/Pb mineralisation at anticipated depths at or near the contact between quartz wacke and regional dolostone.

In addition to confirming that Target 52 is mineralised, the program results thus far suggest the mineralisation occurs as a synclinal fold with both limbs of the fold dipping inwards. Drill lines 1, 2 and 3 of Target 52 (all results pending) focus on the fold nose of the possible syncline and it is anticipated results from these lines will give greater understanding of the structure of the mineralised zones, which will assist in targeting drilling going forward.

Target 52 (Figure 3), is a geochemical soil anomaly identified 2km SE of the Company's Nxuu deposit. The geochemical soil results suggest a possible mineralised strike length of more than 5km, which is more than double that of the combined strike lengths of the Kihabe and Nxuu deposits.

Results from the remaining 15 holes submitted for assay are pending and include:

1. The remainder of Target 52 drilling (6 holes)
2. Wanchu, a zinc geochemical anomaly 4km SW of the Nxuu deposit (2 holes)
3. Wanchu West anomaly, a smaller but strong zinc anomaly just 1.5km south of the Kihabe zinc deposit (3 holes).
4. Copper /Cobalt soil anomaly 3km NE of Lebala.

Samples are being pulped in South Africa and sent to Perth, Western Australia for assaying. This will also include a selection of umpire assays of results presented in this announcement. Drilling at the less well defined Lebala Zn/Pb target did not intersect QW before entering dolostone near-surface and therefore these 2 drill holes were not submitted for assay.

Figure 1: *Kihabe Project regional map showing drill line locations over previously announced soil geochemical anomalies*

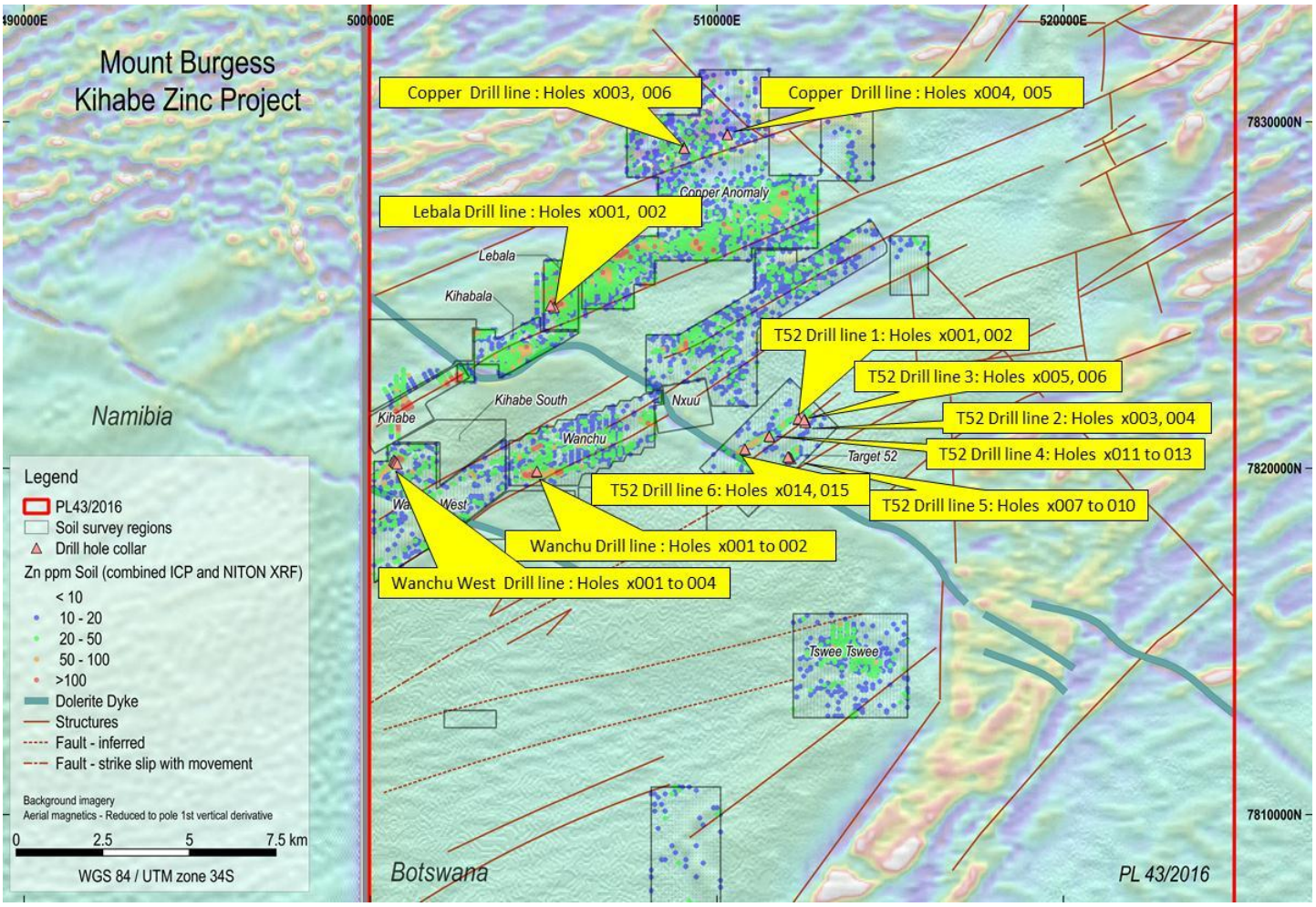

Figure 2*: The Kihabe Project (red box) covers 997km^2 and is located in Botswana near the Namibian Border and border crossing of Dobe. The nearest railhead is 337km west. There is a landing strip on the licence area and an international airport at Maun ~250km east. There is an established camp on the licence area.*

Figure 3: *Target 52 drill line (eg X01) locations and results of note, grades calculated as a simple average of 1m intervals (see Table 3 for original assay results). Assay results from drill lines 01, 02 and 03 remain pending.*

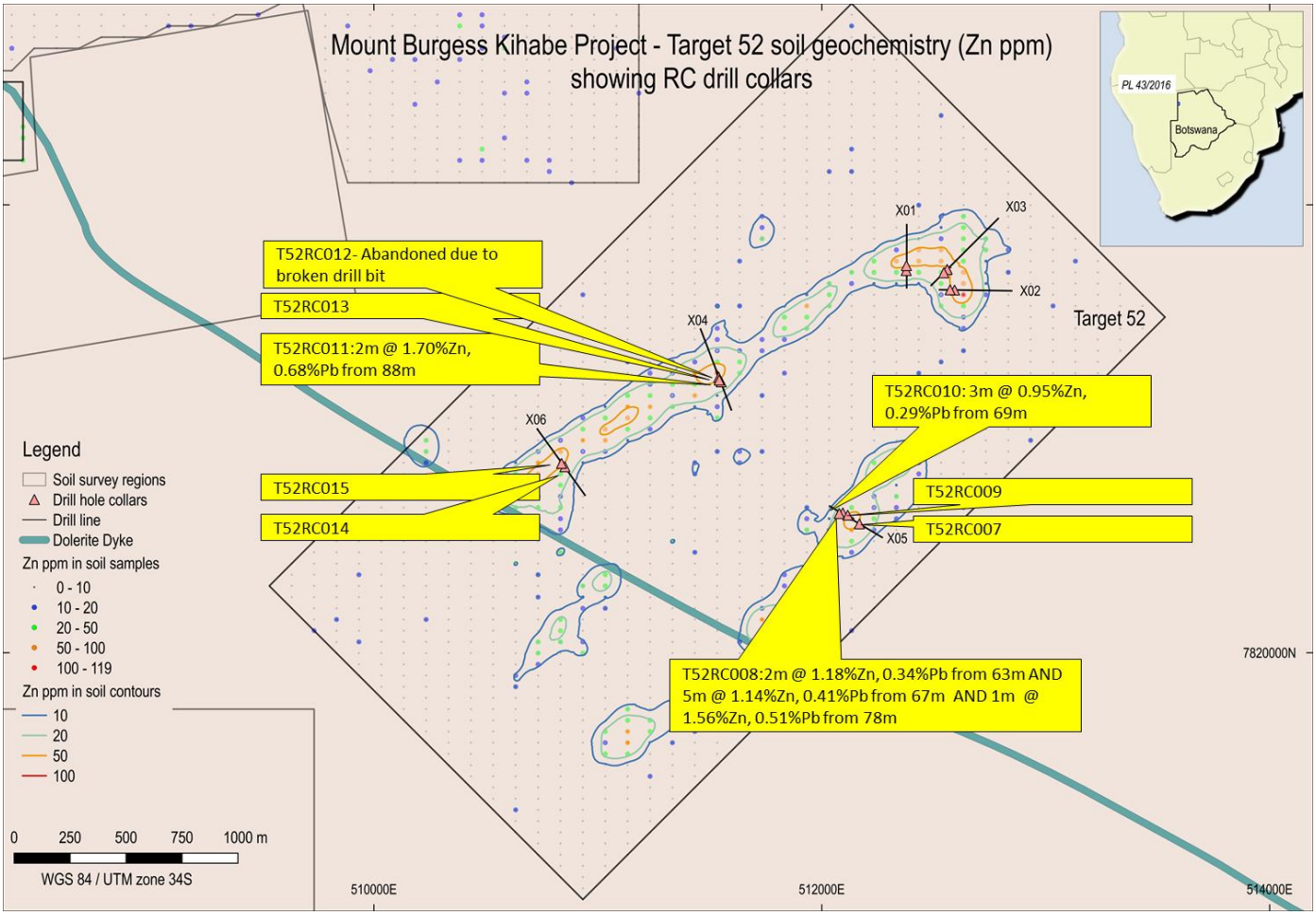

Table 1: *Resource Statement for the Kihabe and Nxuu deposits. Reported 15/5/13*

Deposit	External Cut %	Indicated M Tonnes %	Inferred M Tonnes %	Total M Tonnes %
Kihabe	1.5%	11.4 @ 2.90%	3.0 @ 2.60%	14.4 @ 2.84%
Nxuu	0.3%	-	10.9 @ 3.20%	10.9 @ 3.20%
		11.4 @ 2.90%	**13.9 @ 3.07%**	**25.3 @ 3.00%**

Kihabe resource calculated on metal prices as at 17 July 2008:	Zn US$1,810/t	Pb US$1,955/t	Ag US$18.75/oz
Grades applied:	Zn 1.8%	Pb 0.8%	Ag 7.7 g/t
Nxuu resource calculated on zinc & lead par value			
Grades applied:	Zn 1.8%	Pb 1.4%	

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This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

KIHABE-NXUU METAL RECOVERIES

Independent metallurgical testwork has confirmed the metal recoveries shown in the table below. Accordingly, the Company believes these recoveries are achievable. Zinc recovered from acid leaching oxide zones will enable Zn metal to be recovered on site from electro-winning.

DEPOSIT	Zone	Time	Zinc	Lead	Silver
Kihabe					
Oxide Zone					
Acid leaching @40^{o}C 30 kg/t acid	Oxide *	24 hrs	96.9%	91.9%	n/a
Sulphide Zone					
Rougher flot	Sulphide	90 seconds	91.9%	84.8%	94%
	Sulphide	15.5 mins	93.8%	88.1%	96.4%
Nxuu					
All Oxide					
Acid leaching @25^{o}C 30 kg/t acid	Oxide *	12 hrs	93%	93%	n/a

** Note: Zn mineralisation in the oxidised zones is hosted within Smithsonite and Baileychlore and independent test work has confirmed both of these are amenable to acid leaching.*

HOLE ID	TARGET (Drill Line)	EASTING	NORTHING	DIP	AZIMUTH	TOTAL DEPTH	RL
		WGS84 UTM Zone 34S		degrees	UTM degrees	metres	metres
T52RC001	Target 52 (01)	512344	7821408	-60	0	61	1134
T52RC002	(01)	512345	7821430	-60	0	49	1135
T52RC003	(02)	512560	7821321	-60	90	43	1134
T52RC004	(02)	512540	7821322	-60	90	49	1136
T52RC005	(03)	512527	7821413	-60	90	49	1136
T52RC006	(03)	512512	7821398	-60	45	55	1135
T52RC007	**(05) - abandonded**	**512135**	**7820277**	**-60**	**300**	**13**	**1137**
T52RC008	**(05)**	**512061**	**7820326**	**-60**	**120**	**85**	**1133**
T52RC009	**(05)**	**512083**	**7820316**	**-60**	**120**	**66**	**1136**
T52RC010	**(05)**	**512045**	**7820323**	**-60**	**120**	**91**	**1134**
T52RC011	**(04)**	**511518**	**7820911**	**-60**	**340**	**103**	**1134**
T52RC012	**(04) - abandoned**	**511507**	**7820931**	**-60**	**340**	**82**	**1134**
T52RC013	**(04)**	**511509**	**7820919**	**-60**	**340**	**94**	**1134**
T52RC014	**(06)**	**510820**	**7820532**	**-60**	**325**	**87**	**1136**
T52RC015	**(06)**	**510805**	**7820547**	**-60**	**325**	**84**	**1136**
WANRC001	Wanchu (01)	504800	7819892	-60	180	82	1153
WANRC002	(01)	504800	7819913	-60	180	88	1153
WWRC001	Wanchu West (01)	500667	7820232	-60	135	19	1166
WWRC002	(01)	500701	7820203	-60	135	57	1166
WWRC003	(01)	500730	7820167	-60	135	61	1166
WWRC004	(01)	500771	7820128	-60	315	85	1166
CURC003	Copper Anomaly (01)	509049	7829260	-60	180	48	1131
CURC004	(02)	510300	7829648	-60	180	38	1123
CURC005	(02)	510301	7829630	-60	180	55	1123
CURC006	(01)	509050	7829240	-60	180	61	1131
LERC001	Lebala (01)	505301	7824649	-60	45	19	1149
LERC002	(01)	505195	7824698	-60	45	16	1149

***Table 2**: Nov '16 Reverse Circulation (RC) drilling program drill collar details. Drill holes in bold are the subject of this announcement.*

***Table 3:** Assay Results. True widths not given as there is insufficient understanding of the mineralised structure at this stage. Highlighted assays are values of note.*

	WtRec	Ag	Pb	V	Zn	Cu	Co	Ga	Hg	Ge
METHOD	WGH79	ICP14B	ICP14B	ICP14B	ICP14B	ICP14B	ICP14B	IMS12S	IMS12S	IMS15B
L DETECTION	0.01	2	0.0002	2	0.0002	0.5	1	0.2	0.1	0.5
U DETECTION	0	10	0.01	10000	1.00	10000	10000	1000	1000	1000
UNITS	G	PPM	%	PPM	%	PPM	PPM	PPM	PPM	PPM
T52 RC HOLE 8										
T52RC008 0-55	Calcrete / QW - no assay results of significance									
T52RC008 55-56	2128.2	0	0.13	7	0.20	34.9	0	1.8	1.7	1
T52RC008 56-57	2031.4	0	0.17	10	1.10	58	20	1.6	1.1	1.4
T52RC008 57-58	2541.6	0	0.48	8	0.54	21.9	8	2	2.1	1.5
T52RC008 58-59	1825	0	0.09	7	0.77	8.9	7	1.8	0.3	1.2
T52RC008 59-60	2916.4	0	0.14	8	0.05	40.5	0	1.3	0.4	3.3
T52RC008 60-61	1996	0	0.14	5	0.29	12	0	1.1	0.9	1.3
T52RC008 61-62	1987.4	0	0.12	7	0.18	8.2	1	1.4	1.1	1.3
T52RC008 62-63	1878.6	2	0.21	10	0.32	15.1	0	1.8	1.3	1.4
T52RC008 63-64	2317.6	0	0.44	8	1.24	39.5	5	1.1	1.3	1.5
T52RC008 64-65	2057	0	0.24	6	1.12	115	6	1.1	1.2	1.4
T52RC008 65-66	2269.8	0	0.08	6	0.77	140	9	0.9	0.7	1.3
T52RC008 66-67	2621.8	0	0.13	6	0.22	30.6	0	1.4	2.2	1.1
T52RC008 67-68	2126.4	0	0.27	10	0.97	16.8	9	1.6	1	1.4

	WtRec	Ag	Pb	V	Zn	Cu	Co	Ga	Hg	Ge
METHOD	WGH79	ICP14B	ICP14B	ICP14B	ICP14B	ICP14B	ICP14B	IMS12S	IMS12S	IMS15B
L DETECTION	0.01	2	0.0002	2	0.0002	0.5	1	0.2	0.1	0.5
U DETECTION	0	10	0.01	10000	1.00	10000	10000	1000	1000	1000
UNITS	G	PPM	%	PPM	%	PPM	PPM	PPM	PPM	PPM
T52RC008 68-69	1793.8	0	0.27	7	0.94	10.9	9	1	1	1.3
T52RC008 69-70	2381.2	3	0.63	6	1.49	15.2	12	1	2	2
T52RC008 70-71	2207	4	0.68	5	1.47	64.7	14	1.6	2.2	2.2
T52RC008 71-72	2318.2	0	0.20	7	0.83	59.5	9	1.8	1.1	1.4
T52RC008 72-73	2039.4	0	0.14	5	0.30	31.6	8	1.3	0.4	1.1
T52RC008 73-74	1746	0	0.07	6	0.19	54.3	5	1.4	0.7	1.3
T52RC008 74-75	2233.6	0	0.03	3	0.18	33.7	3	1.3	0.6	1.2
T52RC008 75-76	2131.8	0	0.02	<2	0.25	12.5	5	1.2	0.1	0.9
T52RC008 76-77	2271.6	0	0.03	<2	0.36	71.4	6	1.4	0.3	0.8
T52RC008 77-78	2080.2	0	0.07	3	0.31	67.9	6	1.3	0.7	1
T52RC008 78-79	2246.4	3	0.51	3	1.56	30.5	6	1.5	4.1	1.4
T52RC008 79-80	2151.8	0	0.03	2	0.13	12.1	7	1	0.2	0.9
T52RC008 80-81	2537	0	0.05	3	0.16	16.4	8	1.2	0.2	0.9
T52RC008 81-82	2292	3	0.70	4	0.92	569	7	1.8	6.3	1.9
T52RC008 82-83	2347	Dolostone								
T52 RC HOLE 9										
T52RC009 0-45	Calcrete / QW - no assay results of significance									
T52RC009 45-46	1859.4	0	0.25	4	0.24	54.5	2	1.6	1.3	1.2
T52RC009 46-47	1981.6	0	0.19	2	0.33	82.1	2	1.3	1	1.4
T52RC009 47-48	1958.2	0	0.16	6	0.49	142	3	1.8	0.4	1.1
T52RC009 48-49	2072.2	0	0.32	63	0.61	229	2	1.7	0.6	1.1
T52RC009 49-50	1830.4	0	0.23	14	0.92	125	4	1.5	1.5	1.3
T52RC009 50-51	2258	0	0.38	15	0.94	96.9	2	1.7	2.2	1.4
T52RC009 51-52	1678	0	0.29	14	0.86	111	4	1.1	1.1	1.6
T52RC009 52-53	1823.4	4	0.63	6	0.36	119	13	2	3.4	1.7
T52RC009 53-54	1780.6	0	0.43	8	0.23	96.1	2	2.3	1.7	2.4
T52RC009 54-55	2228.2	0	0.50	3	0.17	102	10	0.7	2.2	2.6
T52RC009 55-56	1790.4	6	0.42	11	0.23	141	<1	3	3.9	3.9
T52RC009 56-57	2412.2	0	0.27	6	0.27	154	<1	0.9	6.9	2.2
T52RC009 57-58	1825.2	0	0.27	4	0.23	56.3	3	0.8	1.4	1.6
T52RC009 58-59	2120.4	0	0.08	10	0.30	34.9	4	2.3	1.6	1.6
T52RC009 59-60	1970.6	0	0.08	6	0.25	40.1	3	1.7	0.8	1.3
T52RC009 60-61	1938.2	0	0.05	8	0.23	235	5	1.8	0.5	1.3
T52RC009 61-62	Dolostone									
T52 RC HOLE 10										
T52RC010 0 - 64	Calcrete / QW - no assay results of significance									
TR52RC010 64-65	2020.6	2	0.46	10	0.37	30.4	3	2.2	2.7	1.9
TR52RC010 65-66	2183	0	0.12	15	0.51	12.6	2	3.1	0.3	1.4
TR52RC010 66-67	2022	0	0.05	12	0.40	7.1	2	2.7	0.3	1.3
TR52RC010 67-68	2233	0	0.09	9	0.09	6.6	<1	1.6	0.7	1.4
TR52RC010 68-69	2708.6	0	0.04	9	0.09	12.6	1	1.4	0.4	1.9
TR52RC010 69-70	2666.4	3	0.49	18	0.99	23.7	6	2.2	2.4	2.1
TR52RC010 70-71	2469	0	0.28	13	0.91	47.9	5	1.8	1.6	1.5
TR52RC010 71-72	2542.2	0	0.09	7	0.95	162	5	1.2	2.4	1.5
TR52RC010 72-73	2799.2	0	0.09	7	0.30	125	16	1.2	0.7	1.5
TR52RC010 73-74	2243.4	0	0.02	7	0.04	14.8	6	1.4	0.2	1.2
TR52RC010 74-75	2342.8	0	0.01	9	0.03	9.7	4	1.6	0.1	1.3
TR52RC010 75-76	2553	0	0.00	5	0.01	9	3	0.9	<0.1	1.1
TR52RC010 76-77	2343.4	0	0.00	5	0.01	8.9	4	0.9	<0.1	1.3
TR52RC010 77-78	2247.2	0	0.21	10	0.51	19.9	6	1.6	1	1.8
TR52RC010 88-89	1959.2	3	0.13	10	0.25	1500	6	2.4	2.6	1.3
TR52RC010 89-91	Dolostone									

	WtRec	Ag	Pb	V	Zn	Cu	Co	Ga	Hg	Ge
METHOD	WGH79	ICP14B	ICP14B	ICP14B	ICP14B	ICP14B	ICP14B	IMS12S	IMS12S	IMS15B
L DETECTION	0.01	2	0.0002	2	0.0002	0.5	1	0.2	0.1	0.5
U DETECTION	0	10	0.01	10000	1.00	10000	10000	1000	1000	1000
UNITS	G	PPM	%	PPM	%	PPM	PPM	PPM	PPM	PPM
T52 RC HOLE 11										
TR52RC011 0 - 58	Calcrete / QW - no assay results of significance									
T52RC011 58-59	3742.6	0	0.14	13	0.03	173	2	2.4	0.4	2.6
T52RC011 59-60	2018.4	0	0.37	12	1.00	35.5	10	2.6	0.7	1.2
T52RC011 60-61	3189.6	0	0.06	12	0.05	102	2	2	0.3	2.8
T52RC011 61-62	2989	0	0.04	29	0.13	147	<1	4.3	0.6	3.2
T52RC011 84-85	2908.8	6	0.28	8	0.44	445	10	1.1	1.4	1.6
T52RC011 85-86	3675.2	2	0.10	12	0.35	184	7	1.7	1.1	1.7
T52RC011 86-87	3390.6	2	0.10	9	0.29	238	6	1	1.2	1.5
T52RC011 87-88	3293.2	4	0.13	11	0.26	265	16	1.1	1.3	1.7
T52RC011 88-89	3069.2	5	0.67	5	1.72	127	5	1	7	2.3
T52RC011 89-90	2868	5	0.67	9	1.69	126	4	1.7	7.2	2.4
T52RC011 90-91	2625	0	0.32	10	0.63	178	7	1.7	1.9	1.8
T52RC011 91-92	2283.2	2	0.19	8	0.25	446	8	1.7	0.9	1.4
T52RC011 92-93	2397	0	0.03	9	0.17	391	7	1.5	0.8	1.4
T52RC011 93-94	2866.2	0	0.01	4	0.07	314	4	0.6	0.4	1.2
T52RC011 94-95	2646.6	0	0.03	6	0.09	150	5	1.1	0.4	1.2
T52RC011 95-96	1882.2	0	0.01	7	0.04	163	6	1	0.2	1.2
T52RC011 96-97	1895.8	0	0.03	6	0.03	25.6	5	1.1	0.2	1.2
T52RC011 97-98	2165.8	0	0.01	21	0.04	32.9	6	3.5	0.2	1.4
T52RC011 98-99	2166.2	0	0.01	21	0.02	19.1	8	3.1	0.1	1.3
T52RC011 99-100	2424.4	0	0.00	23	0.02	140	4	4.5	0.1	1.3
T52RC011 100-103	Dolostone									
T52 RC HOLE 13										
T52RC013 0 - 77	Calcrete / QW - no assay results of significance									
T52RC013 77-78	2517	3	0.13	8	0.44	257	6	1.9	1.5	1.2
T52RC013 78-79	2528.8	9	0.12	7	0.33	417	11	1.5	1	1.6
T52RC013 79-80	2136.8	10	0.16	6	0.45	394	8	1.4	1.3	1.8
T52RC013 80-81	2602.8	0	0.07	14	0.35	256	8	3	1.3	1.1
T52RC013 81-82	2166.2	0	0.11	21	0.27	115	4	4.5	1.2	1.1
T52RC013 82-83	1972	0	0.08	20	0.12	48.8	4	5.2	0.6	0.9
T52RC013 83-84	2626.8	0	0.09	6	0.07	94.3	2	1.6	0.6	1
T52RC013 84-85	1816	0	0.02	6	0.14	466	5	1.2	1.7	1
T52RC013 85-86	2279.8	0	0.01	14	0.05	293	9	3.2	0.7	1
T52RC013 86-87	2580.4	0	0.01	5	0.03	108	8	1	0.5	0.9
T52RC013 87-88	1994.6	0	0.01	11	0.02	54.1	7	2.9	0.4	0.7
T52RC013 88-89	1979.6	0	0.01	9	0.04	63.4	5	2.4	0.4	0.8
T52RC013 89-90	2570.6	0	0.01	19	0.02	39.3	4	3.6	0.3	1
T52RC013 90-91	2446	0	0.01	30	0.02	35	<1	4.4	0.2	0.9
T52RC013 91-92	2369.6	0	0.00	38	0.03	26.1	4	8	0.2	1.2
T52RC013 92-93	Dolostone									
T52 RC HOLE 14										
T52RC014 0-82	Calcrete / QW - no assay results of significance									
T52RC014 82 - 87	Dolostone									
T52 RC HOLE 15										
T52RC015 0 - 80	Calcrete / QW - no assay results of significance									
T52RC015 80 - 84	Dolostone									

Forward Looking Statement:

This presentation contains forward looking statements in respect of the projects being reported on by the Company. Forward looking statements are based on beliefs, opinions, assessments and estimates based on facts and information available to management and/or professional consultants at the time they are formed or made and are, in the opinion of management and/or consultants, applied as reasonably and responsibly as possible as at the time that they are applied.

Any statements in respect of Ore Reserves, Mineral Resources and zones of mineralisation may also be deemed to be forward looking statements in that they contain estimates that the Company believes have been based on reasonable assumptions with respect to the mineralisation that has been found thus far. Exploration targets are conceptual in nature and are formed from projection of the known resource dimensions along strike. The quantity and grade of an exploration target is insufficient to define a Mineral Resource. Forward looking statements are not statements of historical fact, they are based on reasonable projections and calculations, the ultimate results or outcomes of which may differ materially from those described or incorporated in the forward looking statements. Such differences or changes in circumstances to those described or incorporated in the forward looking statements may arise as a consequence of the variety of risks, uncertainties and other factors relative to the exploration and mining industry and the particular properties in which the Company has an interest.

Such risks, uncertainties and other factors could include but would not necessarily be limited to fluctuations in metals and minerals prices, fluctuations in rates of exchange, changes in government policy and political instability in the countries in which the Company operates.

Competent Persons Statements:

The information in this report that relates to Exploration Results is based on information compiled by Jason Stirbinskis, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Stirbinskis is a Director of Mount Burgess Mining. Mr Stirbinskis has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code of Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Stirbinskis consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in the resource statement that relates to the Kihabe Resource is compiled by Byron Dumpleton, B.Sc., a member of the Australasian Institute of Geoscientists. The information that relates to the Nxuu Resource is compiled by Mr Ben Mosigi, M.Sc., (Leicester University – UK), B.Sc., (University of New Brunswick – Canada), Diploma Mining Tech (Haileybury School of Mines – Canada), a member of the Geological Society of South Africa.

Mr Dumpleton is an independent qualified person and Mr Mosigi was a Technical Director of the Company during the period in which the resource was calculated. Both Mr Dumpleton and Mr Mosigi have sufficient experience relevant to the style of mineralisation under consideration and to the activity to which they have undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Both Mr Dumpleton and Mr Mosigi consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information with regard to the Kihabe Resource was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The following extract from the JORC Code 2012 Table 1 is provided for compliance with the Code requirements for the reporting of drilling results.

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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. 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.	Samples assayed were Reverse Circulation percussion drill chips. All drill cuttings for each metre drilled were collected from which were split an approx. 1.5 kg sample for assay and a 1.5 kg duplicate using a "Duplicate Fixed Cone splitter" for every 20 samples. Each meter residue was bagged and retained. Mount Burgess has ensured that duplicates, blanks and certified reference materials (standards) have been inserted into the sample series collectively at a rate of approximately 1 in 20. Mount Burgess has comprehensive procedures and protocols in place to ensure that 'Industry Standard' sampling processes are employed as a minimum.
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).	Drill type was reverse circulation using 8 inch diameter for shallow meters requiring casing followed by 5.5inch diameter hammer for the majority of each hole
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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	Each 1 metre drill sample was weighted to approx 0.5 kg accuracy Sample recoveries were in general high and no unusual measures were taken to maximise sample recovery. When all results are received an analysis will be made of any relationship between sample recovery and grade. Assay samples were continuously split as drill cuttings emerged from the hole, the fine grained nature of the mineralisation may have resulted in some loss of mineralised fines as cuttings emerged from the hole. The Company's strategy is to use RC drilling for early identification of regions of interest for follow-up diamond drilling.
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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	Each 1 metre sample was described geologically including lithology, grain size and distribution, alteration, mineralisation, oxidation state and colour by the geologist and the description entered into MTB's sample template spreadsheet for entry into MTB's GIS database managed by MTB in Perth. All holes were logged to a level of detail sufficient to support future mineral resource estimation, and studies.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field	All samples were assayed by SGS Randfontein (RSA) according to the following standard techniques: (a) Ore grade digest followed by ICP – OES finish for Silver, Lead, Vanadium & Zinc (b) Low temperature aqua regia digest followed by ICP –MS finish for Gallium (c) Nitric acid/hydrofluoric acid specific digest for Germanium and Indium (d) Also 4 acid digest for silver, lead, zinc, germanium and gallium followed by AAS Mount Burgess quality control procedures include following standard procedures when sampling, including sampling on geological intervals, and reviews of sampling techniques in the field. .

	duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	The laboratory procedures applied to the Mount Burgess sample preparation included the use of cleaning lab equip. w/ compressed air between samples, quartz flushes between high grade samples, insertion of crusher duplicate QAQC samples, periodic pulverised sample particle size (QAQC) testing and insertion of laboratory pulp duplicates QAQC samples according to SGS international protocols. SGS inserts QA/QC samples (duplicates, blanks and standards) into the sample series at a rate of approx. 1 in 20. These are tracked and reported to Mount Burgess for each batch. When issues are noted the laboratory is informed and investigation conducted defining the nature of the discrepancy and whether further check assays are required. The laboratory completes its own QA/QC procedures and these are also tracked and reported on by Mount Burgess. Acceptable overall levels of analytical precision and accuracy are evident from analyses of the routine QAQC data
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	Assay results for samples are received electronically from SGS Laboratories and uploaded into MTB's database managed by MTB at its Perth Office. . No adjustment of assay data, including high grade cutting, was undertaken, other than the quoting of average values over specified intervals.
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. Specification of the grid system used. Quality and adequacy of topographic control.	Drill hole collar locations were recorded at the completion of each hole by hand held Garmin 62S GPS with horizontal accuracy of approx. 5 metres Positional data was recorded in projection WGS84 UTM Zone 34S. The accuracy provided by the system employed is sufficient for the nature of the exploratory program. Downhole surveys were not conducted.
Data spacing and distribution	Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied.	The drill holes were the first exploratory holes in the area and the objective was to test for the presence of mineralisation. Drill hole spacing is not adequate, at this stage, for Mineral resource estimation. Each hole was intended to have an azimuth approximately 90 degrees to the strike. As outcrop is non-existent and the orientation of mineralised structures is not well understood, the true width of the drill intersections in not clear.
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. 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.	Each hole was intended to have an azimuth approximately 90 degrees to the strike. As outcrop is non-existent and the orientation of mineralised structures is poorly understood, the true width of the drill intersections is not clear.
Sample security	The measures taken to ensure sample security.	Samples were taken by vehicle on the day of collection to MTB's permanent field camp, and stored there until Transported by MTB personnel to Maun from which they were transported via regular courier service to SGS South Africa.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No reviews or audits of sampling techniques were conducted

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.	The Kihabe-Nxuu project (The Project) is located in north-western Botswana, adjacent to the border with Namibia. The Project is made up of one granted prospecting licence. This licence is100% owned and operated by Mount Burgess. The title is current at the time of release of this report.
	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.	The licence is in good standing and no impediments to operating are currently known to exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The geological survey of Botswana undertook a program of soil geochemical sampling in 1998. As a result of this program, Billiton was invited to undertake exploration and drilling activities in and around the project area. Mount Burgess first took ownership of the project in 2003 and has undertaken exploration activities on a continual basis since then.
Geology	Deposit type, geological setting and style of mineralisation.	The Kihabe Base Metal prospect lies in the NW part of Botswana at the southern margin of the Congo craton. The Kihabe prospect is centred on the sedimentary rocks of the Xaudum Group. To the north of Kihabe are granitoids, ironstones, quartzites and mica schists of the Tsodilo Hills Group covered by extensive recent Cainozoic sediments of the Kalahari Group. Below the extensive Kalahari sediments are siliciclastic sediments and igneous rocks of the Karoo Supergroup in fault bounded blocks. The mineralization is hosted in feldspathic quartzites and grey wacke sedimentary sequences with minor mineralization in the hanging wall dolomites and cherts and is thought to be of hydrothermal origin. The mineralized zone is typically extensively altered to both sericite and chlorite with sulphides found parallel to shear zones and foliation/bedding. There has been remobilization along late shears and quartz veins, however the mineralization along these late structures is minor. The lithological units display a strong complex bedding/foliation trending on average NE-SW with minor trends to the ESE-WSW, NNE-SSE, and NW-SE and with steep and shallow dips indicating tight to isoclinal folding of geological units in the region.
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: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole	Information material to the understanding of the exploration results reported by Mount Burgess is provided in the text of the public announcements released to the ASX. No material information has been excluded from the announcements.

Criteria	JORC Code Explanation	Commentary
	collar dip and azimuth of the hole down hole length and interception depth hole length 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 truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated.	No weighting or grade truncation or high grade cutting techniques have been applied to the data reported. Where replicate assays have been carried out the value reported is the arithmetic average of replicated assays.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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').	Each hole was intended to have an azimuth approximately 90 degrees to the strike/dip. As outcrop is non-existent and the orientation of mineralised structures is not well understood, the true width of the drill intersections in not clear
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be	Appropriate maps, sections and mineralised drill intersection details are provided in public announcements released to the ASX. Similar diagrams accompany this report.

Criteria	JORC Code Explanation	Commentary
	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.	Exploration results reported in Mount Burgess public announcements and this report are comprehensively reported in a balanced manner.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; 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.	All material results are reported.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further works planned at the Project comprise further drilling of the successful targets and preliminary drilling at other targets that are yet to be drill tested.

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