ACN: 009 067 476

NOTICE OF ANNUAL GENERAL MEETING

The 2017 Annual General Meeting of Mount Burgess Mining N.L will be held at the offices of the Company, Unit 8/800 Albany Highway, East Victoria Park, Western Australia 6101, at 3 pm on Thursday 30 November 2017

AGENDA

BUSINESS

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting

GENERAL BUSINESS

Financial Report for the Year ended 30 June 2017

To receive the financial statements, Directors' report and auditor's report for Mount Burgess Mining NL and its controlled entities for the year ended 30 June 2017.

ORDINARY RESOLUTIONS

1 - Adoption of Remuneration Report

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2017."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement:
In accordance with section 250R (4) of the Act, no member of the key management personnel of the Company or a closely related party of such a member may vote on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

• It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or

• It is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

2 - Re-election of Director – Mr Jason Stirbinskis

"That, for all purposes, Mr Jason Stirbinskis, who retires in accordance with Listing Rule 14.4 and Clause 13.6 of the Constitution, being eligible and offering himself for re-election be elected as a Director of the Company with immediate effect."

3 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"that, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period on the terms and condition set out in the Explanatory Statement."

(The Company will disregard any votes cast on Resolution 3 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person (and any associates of such a person) who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed .However, the Company will not disregard a vote if: (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) it is cast by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.)

4. Approval of issue of 50,000,000 Shares to N R and J E Forrester to convert part debt into equity

To consider, and if thought fit, pass, with or without amendment, the following Resolution as an ordinary resolution:

"that, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Act and for all other purposes, approval be given for the Directors to issue 50,000,000 ordinary shares to Nigel and Jan Forrester, on the terms and conditions set out in the Explanatory Statement, at a value of 1 cent per share being 81.82% higher than the 14 August 2017 Share Placement price, for the purpose of extinguishing $500,000 of a cash loan granted by them to the Company, which at 30 June 2017 amounted to $1,556,360."

(The Company will disregard any votes cast on Resolution 4 by Nigel Forrester and Jan Forrester or their associates. However the Company need not disregard a vote if:

(i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

(ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote

5. Appointment of Auditor

To consider and, if thought fit, pass the following as an ordinary resolution:

"That Ernst & Young, having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company with effect from the close of the Annual General Meeting."

OTHER BUSINESS

Electronic Annual Report

Shareholders are advised that the Company's 2017 Annual Report is now available in pdf format to view/download at http://www.mountburgess.com

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of General Meeting and should be read in conjunction with it.

Proxies

Please note that:

(a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;

(b) a proxy need not be a member of the Company;

(c) a Shareholder may appoint a body corporate or an individual as its proxy;

(d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and

(e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, a certificate of appointment of corporate representative should be completed and lodged in the manner specified below.

The Proxy Form (and any Power of Attorney under which it is signed) must be sent or delivered, or sent by facsimile to either the Company's Registered Office (Fax No. 08 9355 1484 – 8/800 Albany Highway, East Victoria Park, Western Australia 6101, or the offices of Advanced Share Registry Services - 150 Stirling Highway, Nedlands, Western Australia 6009. Please note that all Proxy Forms must be received at either of the above addresses not later than 48 hours before the commencement of the meeting - 3 p.m. on 28 November 2017 WST. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Entitlement to vote

The Board has determined that for the purpose of determining entitlements to attend and vote at the meeting, shares will be taken to be held by the persons who are the registered holders at 3 pm (WST) on 28 November 2017. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Annual General Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

By Order of the Board of Directors

Company Secretary
Mount Burgess Mining N.L.
22 September 2017

ACN: 009 067 476
8/800 Albany Hwy
East Victoria Park
Western Australia 6101
Tel: (61 8) 9355 0123
Fax: (61 8) 9355 1484
mtb@mountburgess.com
www.mountburgess.com

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2017 Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement is intended to be read in conjunction with the Notice of Meeting.

In accordance with the Company's Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

As a Shareholder you are entitled to submit written questions to the auditor prior to the Annual General Meeting provided that the question relates to:

- The content of the auditor's report; or
- The conduct of the audit in relation to the financial report

All written questions must be sent to the Company and may not be sent directly to the auditor. The Company will then forward all questions to the auditor.

The auditor will be attending the Annual General Meeting and will be available to answer questions from Shareholders relevant to:

- The conduct of the audit;
- The preparation and content of the auditor's report;
- The accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- The independence of the auditor in relation to the conduct of the audit.

The auditor will also answer written questions submitted prior to the Annual General Meeting.

The Company does not provide a hard copy of the Company's annual financial report unless specifically requested to do so. Shareholders may view the Company's annual financial report on its website at www.mountburgess.com.

Under Resolution 1 the Company is seeking shareholders to vote on an advisory resolution that the Remuneration Report be adopted. Further detailed information is provided under Item 1 of this Explanatory Statement.

Under Resolution 2 the Company is seeking shareholder approval for the re-election of a director. More details are provided under Item 2 of this Explanatory Statement

Under Resolution 3 the Company is seeking shareholder approval for a 10% Placement Facility in terms of ASX Listing Rule 7.1A and further details are given under Item 3 of this Explanatory Statement.

Under Resolution 4 the Company is seeking shareholder approval for the issue of 50,000,000 ordinary shares to Nigel and Jan Forrester at a value of 1 cent per share, being 81.82% higher than the 14 August 2017 Share Placement price, to extinguish $500,000 of their cash loan to the Company, which loan at 30 June 2017 amounted to $1,556,360. Full details are given under Item 4 of this Explanatory Statement.

Under Resolution 5 the Company is seeking shareholder approval for the Appointment of Ernst & Young as auditors of the Company. Having been nominated, Ernst & Young have consented in writing to act as auditors of the Company. Full details are given under Item 5 of this Explanatory Statement.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The remuneration report of the Company for the financial year ended 30 June 2017 is set out in MTB's 2017 Annual Report which is available on MTB's website: www.mountburgess.com.

The remuneration report sets out the Company's remuneration arrangements for Directors. The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the remuneration report at the meeting. In addition, shareholders will be asked to vote on the remuneration report. The resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the vote and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies. Under the Corporations Act 2001, if 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

The Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report and encourages all shareholders to cast their votes on Resolution 1.

1.2 Voting Restrictions where Proxy is Chairman or Key Management Personnel

In accordance with section 250R (4) of the Act, no member of the key management personnel of the Company or a closely related party of such a member may vote on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

• It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or

• It is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

1.3 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

(a) a spouse or child of the member;
(b) a child of the member's spouse;
(c) a dependent of the member or the member's spouse;
(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
(e) a company the member controls; or
(f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR JASON STIRBINSKIS

"That, for all purposes, Mr Jason Stirbinskis, who retires by rotation in accordance with Listing Rule 14.4 and Clause 13.3 of the Company's Constitution, being eligible and offering himself for re-election, is re-elected a Director of the Company."

Mr Stirbinskis' brief profile is outlined below:

Jason Stirbinskis
Non-Executive Director

Mr Stirbinskis was the CEO of Drake Resources while it was active across gold and base metals projects in Africa and Europe. He has also held MD/CEO roles at Phillips River Mining and Central Asia Resources. Mr Stirbinskis has broad and substantial experience across geology, metallurgy/engineering and financial markets both within Australia and internationally. He is a Geologist and holds an MBA.

The Board (other than Mr Stirbinskis) recommends that Shareholders support the resolution re-electing Mr Stirbinskis as a director of the Company.

3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY (SPECIAL RESOLUTION)

3.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after approval at the Annual General Meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval to have the ability, by way of a special resolution, to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to 5.2 (c) below).

The Company will apply funds raised to administration costs as well as to exploration and resource development activities on its Kihabe Zn/Pb/Ag Project in Western Ngamiland, Botswana.

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3.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company currently has only one class of quoted Equity Securities on issue being the Ordinary Shares in the Company.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A represents the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

(D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At 29 August 2017, the date of preparation of this Notice, the Company has on issue 314,580,464 Equity Securities. It therefore has a capacity to issue:

(i) 47,187,069 Equity Securities under Listing Rule 7.1 **subject to approval** being granted by shareholders under Resolution 1 of the General Meeting of the Company to being held on 27th September 2017; and

(ii) 31,458,046 Equity Securities under Listing Rule 7.1A **subject to approval** being granted by shareholders under Resolution 1 of the General Meeting of the Company being held on 27th September 2017 and subject to Shareholder approval being granted under this Resolution 3 at the AGM.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer 3.2(c) above).

(e) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

(i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or

(ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX.

3.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company’s 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

3.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) If Resolution 3 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing shareholders’ voting power in the Company will be diluted as shown in Table 1 below. There is a risk that:

(i) the market price of the Company’s Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting and

(ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company’s Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Table 1 shows the risk of economic and voting the dilution of existing Shareholders on the basis of the market price of the Shares as at the preparation of this Notice of Annual General Meeting (29 August 2017) and the number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

Table 1 also shows:

(i) Two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

(ii) Two examples showing where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table 1

Variable "A" in Listing Rule 7.1A.2		**Dilution**		
		$0.004 50% decrease in issue price	**$0.008 issue price**	**$0.016 100% increase in issue price**
314,580,464 **Current Variable A**	10% Voting Dilution	31,458,464 shares	31,458,464 shares	31,458,464 shares
	Funds Raised	$125,834	$251,668	$503,335
471,870,696 50% increase in **Current Variable A**	10% Voting Dilution	47,187,069 shares	47,187,069 shares	47,187,069 shares
	Funds Raised	$188,748	$377,496	$754,993
629,160,928 100% increase in **Current Variable A**	10% Voting Dilution	62,916,092 shares	62,916,092 shares	62,916,092 shares
	Funds Raised	$251,664	$503,328	$1,006,657

The table has been prepared on the following assumptions:

(i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

(ii) No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;

(iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

(v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

(vii) The issue price is $0.008, being the closing price of the Shares on ASX as of 29 August 2017, the date of preparation of this notice.

(c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).

(d) The Company may seek to issue the Equity Securities for the following purposes:

(i) non-cash consideration for the acquisition of new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or

(ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the exploration and resource development activities at its existing project and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

(i) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing security holders can participate;

(ii) the effect of the issue of the Equity Securities on the control of the Company;

(iii) the financial situation and solvency of the Company; and

(iv) advice from corporate, financial and broking advisers (if applicable)

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resource assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resource assets or investments.

(e) The Company was previously granted approval for a 10% Placement Facility under LR7.1A at its Annual General Meeting held on 30 November 2016.

In accordance with LR7.3A.6, the Company provides the following information:

LR7.3A.6(a).

- The total number of equity securities issued in the 12 months preceding the date of the meeting amounted to 104,115,237 representing 33% of the total number of Equity Securities on issue. These were issued under LR7.1, the 15% placement facility, LR7.1.A, the 10% placement facility and in compliance with Listing 10.11.

LR7.3A.6(b).

- The 104,115,237 ordinary shares were made in five separate issues.
- The above shares were issued as fully paid ordinary shares, ranking equally with existing shares. Quotation on the ASX was sought and obtained.
- 91,024,329 of shares were issued to Sophisticated and Professional Investors as shown in Table 2 below and none of those allottees were related parties.
- The remaining 13,090,908 shares were issued in compliance with Listing Rule 10.11 to Directors of the Company as a salary/fee sacrifice.

Table 2

Date	Applicant	Shares applied for LR7.1 (15%)	Shares applied for LR7.1A (10%)	Shares issued in compli-ance with LR10.11	Price ($)	Discount to market price	Cash con-sideration $
October 2016	Sophisticated and Professional Investors	26,933,335			0.015	10%	404,000
May 2017	Sophisticated and Professional Investors	4,636,449	21,000,000		0.008	nil	205,091

Date	Applicant	Shares applied for LR7.1 (15%)	Shares applied for LR7.1A (10%)	Shares issued in compli-ance with LR10.11	Price ($)	Discount to market price	Cash con-sideration $
June 2017	Directors (related parties)			13,090,908	0.055	nil	nil
August 2017	Sophisticated and Professional Investors	38,454,545*			0.055	nil	211,500
	TOTAL	**70,024,329**	**21,000,000**	**13,090,908**			
***Ratification of this issue being sought under Resolution 1 at the General Meeting to be held on 27 September 2017**							

(f) A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice of Meeting, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

4. RESOLUTION 4 – APPROVAL OF ISSUE OF SHARES TO N R AND J E FORRESTER TO CONVERT DEBT INTO EQUITY

4.1 Background

On 15 May 2013, the Company announced that on the basis that it had not conducted a Feasibility Study on its Kihabe Zn/Pb/Ag project, the Minister for Minerals Energy and Water Resources (MMEWR), Botswana, rejected the Company's Application for Extension of Prospecting Licence PL 69/2003, which contained the Kihabe project. The Company was not able to complete a Feasibility Study on the project because it was not able to rely upon the provision of grid power, previously assured by MMEWR to be available by the end of 2012.

On 10 November 2015, the Company announced that the Chamber of Mines, Botswana had approached MMEWR to consider allowing the Company to apply for a new Prospecting Licence over the Kihabe project.

On 28 January 2016, the Company announced that it had been granted a new Prospecting Licence PL 43/2016, over the Kihabe project.

During this thirty-three month period from 15 May 2013 to 28 January 2016, the Company was in litigation with MMEWR in the High Court and the Appeal Court of Botswana and not having a project as a basis upon which it could continue to raise funds, the Company was only able to raise $157,000 from its long term supportive shareholders.

During this period the existence of the Company mainly depended upon unsecured loan funding from its Directors and their associates, a large proportion of which was extended by Nigel and Jan Forrester. As at 30 June 2017 their unsecured loan (including interest) stood at $1,556,360.
A summary of how the loan is made up is shown below.

Date	Amount Advanced/(Repaid) $		Balance $
2011			
August	20,000		20,000
September	10,000		30,000
December		(2,500)	27,500
2013			
October		(8,000)	19,500
November		(3,000)	16,500

Date	Amount Advanced/(Repaid) $		Balance $
2014			
January		(3,000)	13,500
February		(1,000)	12,500
March		(2,000)	10,500
April	954,632		965,132
May	18,000		983,132
June	15,500		998,632
July	33,000		1,031,632
August	13,000		1,044,632
September	7,000		1,051,632
October	13,000		1,064,632
November	10,000		1,074,632
December	45,000		1,119,632
2015			
January	33,000		1,152,632
February	31,500		1,184,132
March	17,550		1,201,682
April	12,700		1,214,382
May	9,500		1,223,882
June	14,500		1,238,382
July	27,500		1,265,882
August	43,500		1,309,382
September	4,000		1,313,382
October	5,500		1,318,882
November	1,200		1,320,082
December	16,600		1,336,682
2016			
January	23,000		1,359,682
February	4,500		1,364,182
March	7,000		1,371,182
April		(6,000)	1,365,182
June		(1,000)	1,364,182
July	9,700		1,373,882
August		(9,700)	1,364,182
September		(3,000)	1,361,182
October		(3,000)	1,358,182
November		(12,000)	1,346,182
December		(7,200)	1,338,982
2017			
January		(6,000)	1,332,982
March		(5,000)	1,327,982
April		(5,000)	1,322,982
May		(12,000)	1,310,982
June		(5,000)	1,305,982
Loan Interest Agreed interest of 4% over bank prime rate over the period of variable loan amounted to **$250,378** to 30 June 2017			
Total loan plus interest as at 30 June 2017			**1,556,360**

Loan repayments can only be made as and when the Company has sufficient funds to do so without affecting going concern.

The Company wishes to implement debt repayment by issuing shares on a basis that is equitable to both its shareholders and Directors and their associates, in order to preserve the Company's cash reserves and present a stronger Balance Sheet, so as to facilitate the potential to raise further funds.

The Board of the Company together with Nigel and Jan Forrester have agreed, subject to shareholder approval, to convert $500,000 of the $1,556,360 loan, by issuing 50,000,000 shares to Nigel and Jan Forrester at a value of 1 cent per share, being 81.82% higher than the 14 August 2017 Share Placement price.

The share trading history of MTB shares over the last ten days of trades prior to the preparation of this Notice of Meeting compares the proposed issue price of 1 cent (premium of 81.82%) with these trades.

Date	Last Trade Price	Premium of loan conversion to equity at proposed value of 1 cent per share compared to share trades
13 July 2017	0.5 of a cent	100.00%
14 July 2017	0.6 of a cent	66.67%
3 August 2017	0.5 of a cent	100.00%
7 August 2017	0.5 of a cent	100.00%
15 August 2017	0.7 of a cent	42.86%
18 August 2017	0.6 of a cent	66.67%
21 August 2017	0.7 of a cent	42.86%
22 August 2017	0.7 of a cent	42.86%
24 August 2017	0.7 of a cent	42.86%
29 August 2017	0.8 of a cent	25.00%

For a public company or an entity that the public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act, and

(b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a Related Party, or a person whose relationship with the entity or a Related Party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. Listing Rule 10.13.3 requires the shares to be issued within one month after the date of approval by Shareholders in General Meeting.

The issue of the shares to the Related Parties requires the Company to obtain Shareholder approval because the conversion of part of a loan as equity to a Director and his wife constitutes the giving of a financial benefit.

The Company therefore seeks Shareholder approval to issue shares to Nigel and Jan Forrester pursuant to Listing Rule 10.11.

4.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Shares:

(a) the Related parties are Nigel and Jan Forrester . Nigel Forrester is a related party by virtue of being a Director of the Company. Jan Forrester is his wife and Company Secretary of Mount Burgess Mining NL. Jan Forrester is also a Director of Mount Burgess (Botswana) (Proprietary) Ltd, the title holder to the Kihabe project.

(b) the maximum number of Shares (being the nature of the financial benefit being provided) to be issued under this approval to N R and J E Forrester, the Related Parties, is 50,000,000 shares. The fully paid ordinary shares will be issued at a value of 1 cent per share, being 81.82% higher than the 14 August 2017 Share Placement price.

(c) The trading history of the shares on ASX in the 12 months before the preparation of this Notice of Annual General Meeting is set out below:

	Price
Highest	2.3 cents on 4 October 2016
Lowest	0.4 of a cent on 15 June 2017
Last	0.8 of a cent on 29 August 2017

(d) As at 29 August 2017, the date of preparation of this Notice of Meeting and Explanatory Statement, the Company's issued share capital stands at 314,580,464 shares. If approval is given by Shareholders for the issue of shares to be granted in accordance with Resolution 4 then the following would apply.

Share Price	Number of Shares to be issued to NR & J E Forrester	Value of Loan that will be repaid $	Number of shares to be held by NR and JE Forrester	% of Shares to be held by NR and JE Forrester	% Dilution to Existing Shareholders
1 cent	50,000,000	500,000	59,988,788	16.45	13.72

(e) the Shares will be issued to the Related Parties no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will all be issued on one date;

(f) The shares are being issued to convert $500,000 of a cash loan of $1,556,360 to the Company by N R and J E Forrester as equity. As such the Shares will be granted for nil cash consideration, and no funds will be raised;

(g) the Shares issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms as the Company's existing shares;

(h) the relevant interests of the Related Parties in the securities of the Company are set out below:

The proposed grantees' **current** shareholdings in the Company **including any associate** are listed below.

Fully Paid Ordinary Shares	
NR and J E Forrester and Associates	9,988,788

(i) the remuneration from the Company to the Related Parties for the financial year to 30 June 2017 is set out below:

Related Party	Approved Fees/Salary p.a. ($)	Paid to 30 June 2017	Paid/salary sacrifice to 31 December 2016
Mr N R Forrester	210,603	NIL*	
Ms J Forrester as Company Secretary of Mount Burgess	44,000	NIL*	
Ms J Forrester as Director of Mount Burgess (Botswana) (Proprietary) Ltd	12,000		2,181,818 shares issued in lieu of director's fees and approved in General Meeting on 28 June 2017.

*The salaries, annual leave, superannuation and long service leave as shown for N R Forrester and J Forrester were not paid during the year. They are shown as an accrual in the Company's financial statements.

Any further issue of shares by the Company after the release of this Notice but prior to the holding of the Company's Annual General Meeting will affect the above percentages of issued share capital held by NR and JE Forrester.

As at 29 August 2017, the date of preparation of this Notice of Meeting and Explanatory Statement and assuming Resolution 1 is approved at the General Meeting of the Company to be held on 27 September 2017, the Company has the availability to issue up to a further 47,187,069 if required, under Listing Rule 7.1.

Any such further issue of shares would add to the above 314,580,464 shares on issue as at 29 August 2017 to form the basis upon which to calculate the percentage of N R and JE Forrester's shareholdings outlined in 4.2.(d) above.

(j) The purpose of the issue of the Shares to Nigel and Jan Forrester as related parties is to reduce their loan funding to the Company and its subsidiaries in their respective roles as Directors.

(k) The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed.

(l) The Board considers the grant of shares to the related parties is reasonable in the circumstances, given the necessity to maintain the Company's cash reserves and strengthen the Company's Balance Sheet.

(m) The Company will not be subject to Fringe Benefits Tax or be liable for additional taxes in the event Resolution 4 is approved and the relevant Shares issued.

(n) Nigel and Jan Forrester decline to make a recommendation to Shareholders in relation to Resolution 4, due to their interest in the outcome of the Resolution.

(o) The other Directors who do not have a material interest in the outcome of Resolution 4 recommend that Shareholders vote in favour of Resolution 4 as the passing of this Resolution will preserve the Company's cash reserves and present a stronger Balance sheet so as to facilitate the potential to raise further funds. The Board, excluding Nigel Forrester, is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

5. RESOLUTION 5 – NOMINATION OF AUDITOR

Resolution 5 is conditional on ASIC's consent to the resignation of BDO Audit (WA) Pty Ltd and the Company anticipates that this consent will be given before the date of the Annual General Meeting. Upon receipt of ASIC's consent to the resignation, it is expected that BDO Audit (WA) Pty Ltd will submit its resignation as auditor to the Company in accordance with Section 329(5) of the Corporations Act.

The Company has received notice in writing from a shareholder nominating Ernst & Young to be appointed as the Company's auditor in accordance with section 328B(1) of the Corporations Act. A copy of the nomination is shown as Annexure A in this Explanatory Statement.

If Resolution 5 is passed, the appointment of Ernst & Young as the Company's auditor will take effect from the close of Annual General Meeting.

If BDO Audit (WA) Pty Ltd does not obtain ASIC approval and resign on the date of the Annual General Meeting, the Company will not put Resolution 5 to Shareholders but intends to appoint Ernst & Young as its auditor under section 327C(1) of the Corporations Act once ASIC approval is obtained and BDO Audit (WA) Pty Ltd has resigned.

Subject to receipt of ASIC's consent and approval by Shareholders, the appointment of Ernst & Young will be effective for the 2017 financial year.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

ANNEXURE A

Nigel Forrester

10B Edgar Way, Mount Pleasant, 6153 Western Australia

16 August 2017

The Secretary
Mount Burgess Mining NL
8/800 Albany Highway
East Victoria Park
Western Australia 6101

Dear Ms Chau

For the purposes of Section 328B(1) of the Corporations Act 2001, I, Nigel Forrester, being a member of **Mount Burgess Mining NL** hereby nominate Ernst & Young as auditor of the Company to take effect at the conclusion of the Company's the Annual General Meeting anticipated to be held on 30 November 2017.

Yours sincerely

Nigel Forrester

mount burgess mining

A.C.N. 009 067 476

SHAREHOLDER PROXY FORM

LODGE YOUR FORM

By Mail: Company Secretary
C/o Advanced Share Registry Services
P O Box 1156
Nedlands, Western Australia 6909

By Fax : +61 8 9355 1484

All enquiries to: +61 8 9355 0123

Proxy forms will only be valid and accepted by Mount Burgess Mining N.L. if they are signed and received no later than 48 hours before the meeting i.e. by 3.00 pm on Tuesday 28 November 2017. **PLEASE READ VOTING INSTRUCTIONS OVERLEAF BEFORE MARKING ANY BOX**

STEP 1 APPOINTMENT OF PROXY

I/We being a member(s) of the Company and entitled to attend and vote at the Meeting hereby:

appoint the Chairman of the meeting

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the Person or body corporate (excluding the registered Shareholder) you are appointing as your proxy here

Or failing the person/body corporate named, or if no person/body corporate is named, the Chair or the Chair's nominee of the meeting, as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 3 pm on Thursday 30 November 2017, at the Registered Office of the Company 8/800 Albany Highway, East Victoria Park, and at any adjournment or postponement of the meeting.

Chair of the Meeting authorised to exercise undirected proxies on Resolution 1 (Approval of Remuneration Report): If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of Resolution 1 even though this resolution is in relation to the Remuneration Report and connected with the remuneration of Key Management Personnel of the Company, including the Chair.

The Chair of the Meeting intends to vote all undirected proxies in favour of all resolutions **other than Resolution 4**. This item relates to the giving of a financial benefit to a related party and the Chair of the Meeting being the related party in question is excluded from voting any undirected proxies in any manner in respect of Resolution 4.

If you have appointed the Chair of the Meeting as your proxy (or the Chair of the Meeting becomes your proxy by default), and you wish to give the Chair specific voting directions on an item, you should mark the appropriate box opposite those items in Step 2 below (directing the Chair to vote for, against or to abstain from voting).

STEP 2 VOTING DIRECTIONS FOR YOUR PROXY

Please place an 'X in the appropriate voting box below to indicate your directions.

Ordinary Business

			For	Against	Abstain
Resolution	1	Adoption of Remuneration Report	☐	☐	☐
Resolution	2	Re-election of Director – Mr Jason Stirbinskis	☐	☐	☐
Resolution	3	Approval of 10% Placement Facility **(Special Resolution)**	☐	☐	☐
Resolution	4	Approval of Issue of Shares to N R and J E Forrester to convert debt to equity	☐	☐	☐
Resolution	5	Appointment of Auditor	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of all Resolutions **with the exception of Resolution 4.**

ⓘ If you mark the Abstain box for a particular item of business, your votes will not be counted in computing the required majority on a poll.

STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

(Individual) or Joint Shareholder 1	Shareholder 2	Shareholder 3
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the Shareholder. If a joint holding, any of the Shareholders may sign. If signed by the Shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the Company's constitution and *the Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS PROXY FORM

Appointment of Proxy – STEP 1

If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in the space provided in STEP 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

Votes on Resolutions – STEP 2

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate voting box. If you do not mark any of the boxes, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

The Chairman of the meeting may exercise the proxy in relation to Resolution 1 even though the resolution is connected with remuneration of members of Key Management Personnel. **The Chairman of the meeting intends to vote undirected proxies in favour of Resolutions 1,2,3 and 5.**

Key Management Personnel of Mount Burgess Mining N.L. are the Directors and those persons having authority and responsibility for planning, directing and controlling the activities of Mount Burgess Mining N.L., directly or indirectly. The Remuneration Report identifies Mount Burgess Mining N.L.'s Key Management Personnel for the financial year to 30 June 2017. Their closely related parties are defined in the Corporations Act 2001 (Cth), and include certain of their family members, dependants and companies they control.

If you mark the Abstain box for a particular item of business, your votes will not be counted in computing the required majority on a poll.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares the proxy appointed by that form may exercise. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together.

Signing Instructions – STEP 3

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign

Joint Holding: where the holding is in more than one name, all the shareholders should sign

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the Company's Share Registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001* (Cth)) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the instructions set out in the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

STEP 4 - Lodgement of your Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 3.00 pm WST on Tuesday 28 November 2017, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Voting Forms may be lodged as follows:

✉	By Mail:	Company Secretary C/o Advanced Share Registry Services PO Box 1156. NEDLANDS WA 6909
	OR to:	Company Secretary Mount Burgess Mining N.L. 8/800 Albany Highway EAST VICTORIA PARK WA 6101
	By Fax:	+61 9355 1484
	By Hand:	delivering it to Advanced Share Registry Services, 150 Stirling Highway, Nedlands, WA 6009.
	OR to:	the Company's Registered Office, Unit 8, Level 1, 800 Albany Highway, East Victoria Park, WA, 6101

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.

mount burgess mining

ACN 009 067 476

Annual Report

for the Year ended 30 June 2017

Contents

Corporate Directory

Mount Burgess Mining NL

ACN: 009 067 476

Directors

Nigel Raymond Forrester, FCA

Jason Stirbinskis, MBA, B. Sc., Grad Dip Ed., AusIMM
(Appointed 29 August 2016)

Karen Clark

Chris Campbell-Hicks, FAusIMM CP Met MMICA

Harry Warries, Ms Mine Eng., AusIMM
(Appointed 1 August 2016)

Joint Company Secretaries

Jan Forrester

Serene Chau, CPA

Registered Office

Unit 8
800 Albany Highway
East Victoria Park
Western Australia 6101

Telephone: +61 8 9355 0123
Facsimile: +61 8 9355 1484
Email: mtb@mountburgess.com
Website: www.mountburgess.com

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, Western Australia, 6008

Bankers

Australia and New Zealand Banking Group Ltd
77 St Georges Terrace
Perth, Western Australia, 6000

Share Registry

Advanced Share Registry Services
150 Stirling Highway
Nedlands, Western Australia, 6009
Telephone : +61 8 9389 8033
Facsimile : +61 8 9389 7871

Level 6 225 Clarence Street
Sydney NSW 2000
PO Box Q1736
Queen Victoria Building NSW 1230
Telephone: +61 2 8096 3502

Website: www.advancedshare.com.au

Australian Securities Exchange

Mount Burgess Mining NL is an ASX listed public company incorporated in Australia.

ASX Code

MTB

Address by the Chairman

It is my pleasure to present to you our Annual Report for the year ended 30th June 2017.

Through regaining title last year to its Kihabe Zinc, Lead and Silver project in Western Ngamiland, Botswana, the Company was able for the first time in three years, to raise close to $840,000 during the financial year to 30th June 2017.

This fund raising enabled the Company to conduct further exploratory drilling on anomalies previously generated outside of the two Kihabe and Nxuu resources comprising the 2004 JORC compliant 25 million tonnes @ 3% Zn/Pb, including 3.3 million ozs Ag. Whilst mineralisation was encountered, none of these anomalies produced the widths of mineralisation as previously found in the Kihabe and Nxuu resources.

This being the case, the Company now intends to move forward with the initial development of the Nxuu resource. Whilst subject to further diamond core drilling to achieve a 2102 JORC Code resource category, the Nxuu resource presents as a shallow, low risk, low capex operation, which subject to the availability of a commercial power supply will enable the production of Zn metal on site through solvent extraction and electro-winning. There is the further possibility that lead and silver will also be able to be produced on site from this totally oxidised deposit. Test work is currently being conducted to confirm this.

With regard to the provision of a commercial power supply for the project, the Company is in discussions with parties with the experience of providing commercial power to remote projects unable to access grid power. Whilst it is the intention of the Botswana Power Corporation to provide grid power to projects within Western Ngamiland, the Company believes it essential to seek safeguard in alternative power supplies in the event that the supply of grid power does not fit within the project development time frame proposed by the Company.

During the course of the year to 30 June 2017, we have seen zinc prices climb from around the US$2,100/t level to close to the US$2,800/t level, gaining around 33%. Whilst it is becoming increasingly difficult to determine future metal price movements as a result of futures and derivatives trading, unrelated to supply and demand factors, the general consensus is that zinc is well placed in the demand curve for some time to come.

I extend my sincere thanks to those parties who have helped with the Company's financing during the year, many of whom have been supportive even during the time the Company was endeavouring to regain title to its project. Many Board members and loyal executive staff members have applied significant time on behalf of the Company without being paid accordingly. For this I am extremely grateful.

Nigel Forrester

Chairman and Managing Director

7 August 2017

Projects - Botswana

PL043/2016

THE KIHABE-NXUU PROJECT BOTSWANA

TITLE

In January 2016 Mount Burgess (Botswana) (Proprietary) Ltd, a wholly owned subsidiary of the Company was granted Prospecting Licence PL 43/2016 over the Kihabe- Nxuu Zn/Pb/Ag project, previously held under PL 69/2003 (*Figure 1*). The term of PL 43/2016 runs for three years to 26 January 2019 with the right of two further two year extensions to 26 January 2021 and 26 January 2023.

Figure 1: The Kihabe licence in in North West Botswana with its western border also defining the Botswana / Namibia border.

RESOURCES

To date the Company has developed 2004 JORC compliant indicated and inferred resources amounting to 25 million tonnes @ 3% Zn equivalent grade, including 3.3 million ozs of Ag. These combined resources are made up from the Kihabe and Nxuu deposits, seven km apart. Both the Kihabe and Nxuu resources have the potential to be open cut mining operations.

STYLE OF MINERALISATION

The Kihabe-Nxuu project is a SEDEX mineralised system within a Neo-proterozoic belt. Zn/Pb/Ag mineralisation occurs in a quartz wacke, right at the contact with the regional dolostone.

In the Neo-proterozoic era, this SEDEX zone of mineralisation was formed by hydrothermal fluids depositing mineralisation over quartz wacke overlying the regional seabed/lakebed dolostone. This would have formed a single unit covering a large area. Over time that unit has been broken up by folding, faulting and erosion into several individual units, all within close proximity of one another that now show up as individual geochemical anomalies (*Figure 2*).

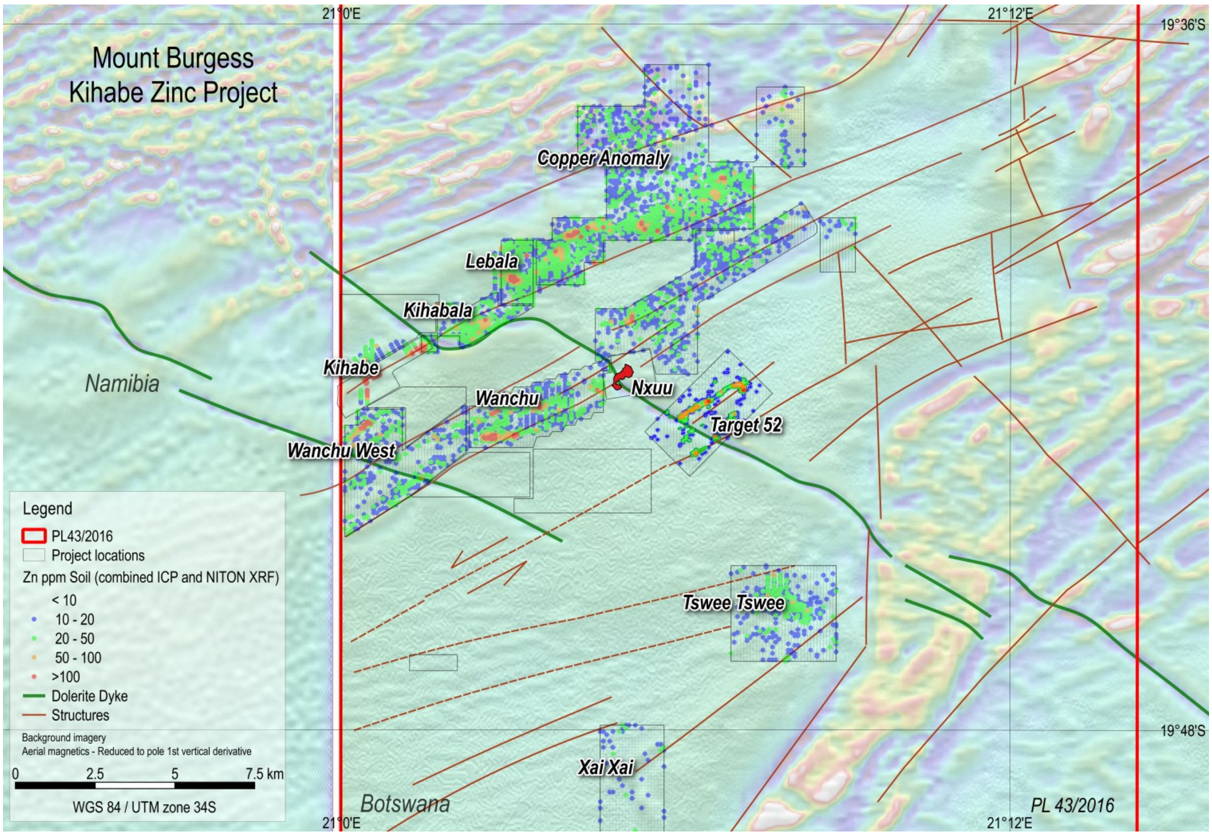

Figure 2: A portion of the Company's Prospecting licence showing zinc anomalism. The area of interest also contains the established resources at Kihabe and Nxuu.

STRATEGIC DIRECTION

In the March 2017 quarter Mount Burgess announced its three-pronged strategy to progress the Kihabe/Nxuu project.

1. **Exploration** - Investigate the potential of known high priority targets to supplement the established resources delineated at Kihabe and Nxuu deposits.

2. **Resource** - Upgrade the established resource with diamond core drilling to comply with JORC 2012 standards and in so doing raise the Resource category to Indicated/Measured and address grade under-call issues generated from Reverse Circulation (RC) drilling.

3. **Feasibility** - Continue preliminary investigations into aspects of operations such as potential power options, processing options and other aspects of engineering.

Consistent with the above, the Company completed a drilling program at five anomalies not previously drill tested. The program identified mineralisation at Wanchu, Wanchu West and Target 52 at or near the QW/ dolostone contact which, when combined with the resources defined at Kihabe and Nxuu, defines an extensive area and raises the possibility of additional targets under the Kalahari sand and calcrete cover that occurs throughout the region.

Whilst only narrow zones of mineralisation were confirmed over a large area in this drilling programme, the possibility of finding ore grade mineralisation in these areas still remains. The individual drill results did not materially change the immediate opportunity presented by the established Kihabe and Nxuu resources and so the Company's focus is now on the current resources and feasibility. Within that broader strategic direction the Company is concentrating on the Nxuu portion of the established resources as this presents as a potentially low risk, low capital project with a relatively quick path to production. The Company has come to this conclusion because of the following:-

1. **Relatively inexpensive drilling program**. With a maximum depth of 60m (Figure 3b) and an anticipated average depth of 48m, only requiring drilling vertical drill holes, the investment in drilling is low cost, given the amount of contained zinc that could be defined.

2. **Near surface, shallow mineralisation**. Mineralisation follows a gentle sloping bowl shape from 5m to 60m below surface. The shallow nature of the mineralisation should result in low waste to ore strip ratios with low mine operating costs, as well as low risk relative to geotechnical issues.

3. **Uniform, simple mineral suite**. The Nxuu resource is entirely oxidized (no transitional zones or sulphides) and occurs predominantly as the zinc oxide mineral smithsonite and the lead oxide mineral cerussite. This simple mineralisation suite removes the complexity of treating considerably different metallurgical domains, which, in turn, should translate to a relatively lower capital requirement for the processing facility.

4. **Potentially simple process flow**. At 75 micron grind size 93% Zn and 93% Pb are recovered in 12 hours through tank acid leaching at 25^{o}C. In addition, as the mineralisation occurs in a quartz wacke, as opposed to more commonly carbonate host rocks, acid consumption is relatively low (~30kg/t acid - bench scale test work - Ammtec).

5. **Possibility of metal production on site**. Production of zinc metal from oxides via acid leaching followed by SX/EW is an established process. In addition, recent investigations suggest both lead and silver could be recovered via a similar path. Assuming access to an economic source of power, alternatives for which are currently being investigated, production of metal on site from the Nxuu resource removes the cost of shipping concentrate and by-passes negotiations with smelters and smelting costs. Further investigation of these processing options is a priority for the Company.

6. **The top of the Kihabe Resource is also oxide**. The Kihabe resource is 7km west of Nxuu and the upper portion of the established resource at Kihabe is also oxide material thus presenting potentially more oxide feed before plant modifications would be required to accommodate the deeper Kihabe transitional and sulphide mineralisation.

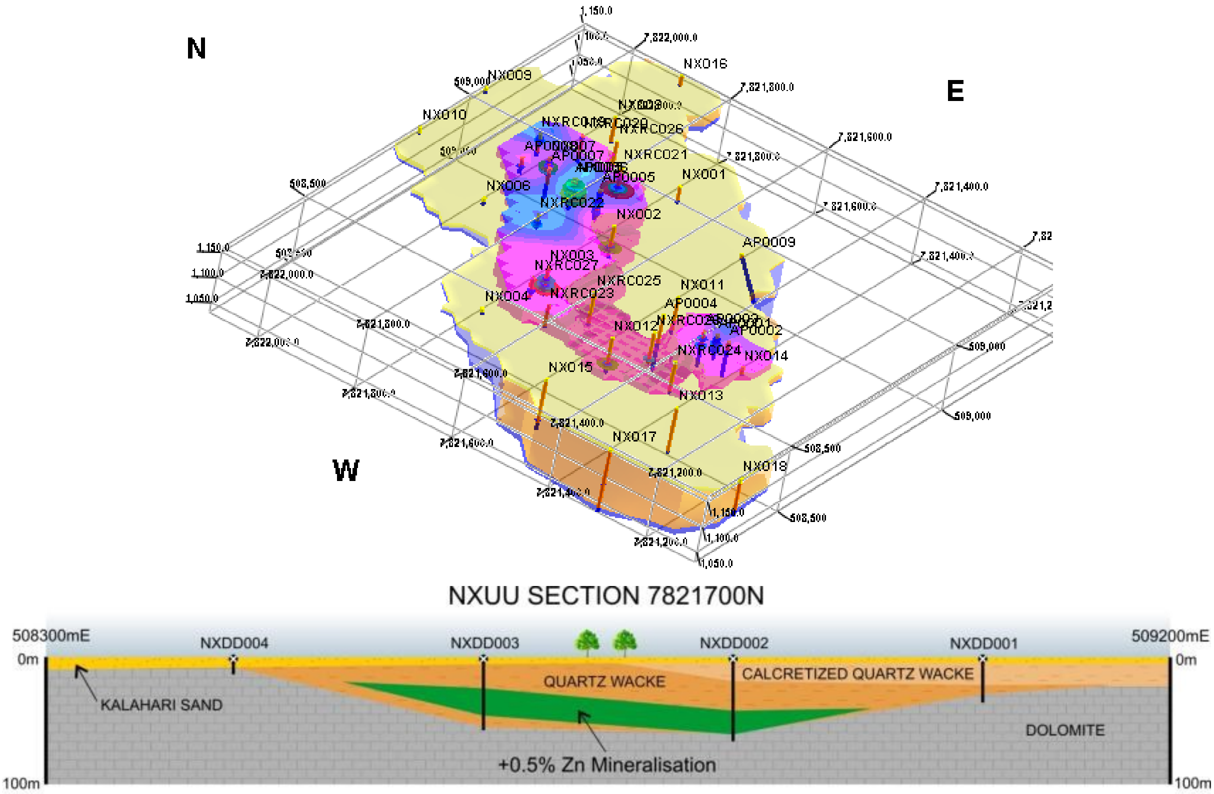

Figure 3a and3b: The Nxuu mineralisation forms a shallow basin defined by a fold closure.

A proposed diamond drilling program for the Nxuu deposit has been costed. The objectives of the program are to:

1. Convert the current 2004 JORC compliant resource to 2012 JORC standards and upgrade the resource to Indicated/Measured status.

2. Address the potential resource grade under-call from previous Reverse Circulation (RC) drilling. The Nxuu resource was delineated on 78% RC drilling and 22% diamond core drilling. The Company has previously provided evidence that suggests historical RC drilling materially under-called the grade of the Kihabe and Nxuu Resources (see announcement 5 March 2017). It is anticipated the intended diamond drilling program will enable the Nxuu resource to be delineated entirely on diamond core drilling results and address the grade under-call issue conclusively for the Nxuu portion of the project resources.

3. Include potential silver and germanium credits in the planned revision of the Nxuu resource estimate. The existing Nxuu resource zinc equivalent calculation does not include silver credits although silver is recorded in most holes within the resource envelope. Similarly, the Company wishes to investigate the distribution of germanium in the deposit as this metal also has the potential to enhance the project economics.

RESOURCE STATEMENT

The Company's Reserves and Resources are unchanged from the previous year and are presented below.

Table 1: *Resource Statement for the Kihabe and Nxuu deposits.*

	External Zn-eq Cut	Indicated M Tonnes	Inferred M Tonnes	Total M Tonnes	Contained Zinc metal	Contained Lead metal
	%	%	%	%	kt	kt
Kihabe	1.5%	11.4 @ 2.90%*	3.0 @ 2.60%*	14.4 @ 2.84%*	259kt	115kt
Nxuu	0.3%	-	10.9 @ 3.20%*	10.9 @ 3.20%*	196kt	153kt
		11.4 @ 2.90%*	**13.9 @ 3.07%***	**25.3 @ 3.00%***	455kt	268kt

*Zinc Equivalent

	Zn	Pb	Ag
Kihabe resource calculated on metal prices as at 17/7/2008:	US$1,818/t	US$1,955/t	US$18.75/oz
Kihabe Grades	Zn 1.8%	Pb 0.8%	Ag 7.7 g/t
Nxuu resources calculated on zinc and lead par value metal prices			
Nxuu Grades	Zn 1.8%	Pb 1.4%	

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.

	Zone	Time	Zinc	Lead	Silver
KIHABE DEPOSIT					
Oxide Zone					
Acid leaching @40°C, 30 kg/t acid	Oxide *	24 hrs	96.9%	91.9%	n/a
Sulphide Zone					
Rougher float	Sulphide	90 seconds	91.9%	84.8%	94%
	Sulphide	15.5 mins	93.8%	88.1%	96.4%
NXUU DEPOSIT					
All Oxide					
Acid leaching @25°C, 30 kg/t acid	Oxide	12 hrs	93%	93%	n/a

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

Forward Looking Statement:

This report contains forward looking statements in respect of the project 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.

Other important Information

Purpose of document: This report has been prepared by Mount Burgess Mining NL (MTB). It is intended only for the purpose of providing information on MTB, its project and its proposed operations. This report is neither of an investment advice, a prospectus nor a product disclosure statement. It does not represent an investment disclosure document. It does not purport to contain all the information that a prospective investor may require to make an evaluated investment decision. MTB does not purport to give financial or investment advice.

Professional advice: Recipients of this report should consider seeking appropriate professional advice in reviewing this report and should review any other information relative to MTB in the event of considering any investment decision.

Forward looking statements: This report contains forward looking statements which should be reviewed and considered as part of the overall disclosure relative to this presentation.

Disclaimer: Neither MTB nor any of its officers, employees or advisors make any warranty (express or implied) as to the accuracy, reliability and completeness of the information contained in this report. Nothing in this document can be relied upon as a promise, representation or warranty.

Proprietary information: This document and the information contained therein is proprietary to MTB.

Competent Persons Statements:

The information in this report that relates to exploration soil results, together with any related assessments and interpretations, is based on information approved for release by Mr. Giles Rodney Dale of GR Dale and Associates. Mr. Dale is a Fellow of the Australian Institute of Mining and Metallurgy. Mr. Dale has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. Mr. Dale consents to the inclusion in this release of matters based on this information in the form and context to which it appears. The 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.

The information in this report related to 2016 Exploration Results is extracted from an ASX Announcement titled “Kihabe Zinc, Lead, Silver Project Drilling Update” created on 5 February 2017 and is available to view at www.mountburgess.com. The information in this report 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 this 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 for the period in which the resource was developed. 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 Competent Persons as defined in the 2004 Edition of the “Australasian Code of Reporting of 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 regarding Kihabe and Nxuu Resources was first released 8 October 2008 and 20 January 2010 respectively and updated with recovery information 12 April 2012. The 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.

Directors' Report

The Directors of Mount Burgess Mining N.L. ("Mount Burgess" or the "Company") submit herewith the annual report of Mount Burgess Mining N.L. and its subsidiaries (the Group) for the financial year ended 30 June 2017. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

Information about the Directors and Senior Management

The names, skills and experience of the Directors of the Company during or since the end of the financial year are:

Mr N R Forrester
FCA (ICAEW)
Chairman & Managing Director
Chartered Accountant
Non-independent

Mr Forrester is a Fellow of the Institute of Chartered Accountants in England and Wales. He has been involved in the exploration and mining industry over the past thirty seven years. Mr Forrester is one of the original shareholders of the Company which he floated in 1985.

Aged 72. Board member since 1985.

Mr J Stirbinskis
MBA, B. Sc., Grad Dip Ed., AusIMM
Executive Director
Geologist
Independent
(Appointed 29 August 2016)

Mr Stirbinskis was the CEO of Drake Resources while it was active across gold and base metals projects in Africa and Europe. He has also held MD/CEO roles at Phillips River Mining and Central Asia Resources. Mr Stirbinskis has broad and substantial experience across geology, metallurgy/engineering and financial markets both within Australia and internationally. He is a Geologist and holds an MBA.

Aged 49.

Ms K Clark
Non-executive Director
Independent

Following employment with the British Institute of Management, Ms Clark joined Gresham House plc in 1974. Gresham House was involved in asset management and investment trusts. Ms Clark was Company Secretary to fifty companies as well as Director of some forty companies, alongside previous Director of Mount Burgess Mining Mr Stirling until 2008. Since 2008, Ms Clark has been Company Secretary of six Companies and a Director of a number of companies alongside Mr Stirling.

Aged 67. Board member since 2015.

Mr C Campbell-Hicks
FAusIMM CP Met MMICA
Non-executive Director
Metallurgist
Independent

Mr Campbell-Hicks has more than forty years' experience in the mineral processing industry in base metals, precious metals, alumina and iron ore. He has spent extensive time developing projects in including some in Africa, South America, PNG, Fiji, Indonesia, Turkey and Kazakhstan as well as five years with Barrick Gold as Manager Metallurgy, based in Moscow, Siberia and Canada.

Aged 70. Board member since 2014.

Mr H Warries
Ms Mine Eng., AusIMM
Non-executive Director
Mining Engineer
Independent
(Appointed 1 August 2016)

Mr Warries is mining engineer with more than 25 years of experience in the mining industry and is a Fellow of the AusIMM. Prior to setting up his own mining consultancy business he worked on a wide range of projects, both in Australia and overseas, including a number of major feasibility studies. He has provided mining engineering services relative to copper, nickel, cobalt, gold, lead, zinc and graphite projects, as well as conducting numerous due diligence studies and technical audits.

Aged 53.

The above named Directors held office during the whole of the financial year and since the end of the financial year, except as noted for Mr H Warries and Mr J Stirbinskis.

Directorships of other Listed Companies

At no time during the year did any officer of the Company hold any directorship of other listed companies in the three years immediately before the end of the financial year.

Former Partners of the Audit Firm

At no time during the year was any officer of the Company a partner in an audit firm, or a director of an audit company that was an auditor of the Company for the year.

Directors' Shareholdings

The following table sets out each director's relevant interest in shares and options in shares of the Company or a related body corporate as at the date of this report.

	Mount Burgess Mining NL	
	Fully Paid Ordinary Shares	**Share Options**
N R Forrester and /or associates	9,963,219	-
J Stirbinskis and /or associates	2,181,818	-
K Clark	2,731,818	-
C Campbell-Hicks and /or associates	3,314,676	-
H Warries and /or associates	2,181,818	-

Remuneration of Directors and Senior Management

Information about the remuneration of directors is set out in the remuneration report of this directors' report, on pages 14 to 18.

Company Secretaries

The names and particulars of the Company Secretaries of the Company as at the end of the financial year are:

Name	Particulars
Mrs J E Forrester	Aged 68, joined the Company upon listing in 1985 and was appointed as Joint Company Secretary in 1993.
Ms S Chau, CPA	Certified Practising Accountant, aged 38 joined the Company in 2007 as Company Secretary/Accountant and previously held a position in the audit division of Deloitte, Perth.

Review of Operations

(a) The objectives of the Group are to explore for and in the event of discovery, develop commercial deposits of mineral resources. To this end, during the financial year the Group was involved with the following:

Western Ngamiland, Botswana – Base Metals

The Group has 100% of Prospecting Licence PL 43/2016, awarded on 26 January 2016 for a period of seven years. PL 43/2016 covers an area of 997 sq km within which is situated in a Neoproterozoic belt prospective for base metals.

To date the Group has developed 2004 JORC compliant indicated and inferred SEDEX resources amounting to 25 million tonnes @ 3% Zinc equivalent grade, including 3.3 million ozs of silver. These resources are made up of the Kihabe and Nxuu deposits seven km apart, both of which have the potential to be open cut mining operations.

Delineated as a SEDEX system of mineralisation, potential exists for the discovery of further resources within PL 43/2016.

(b) Performance and indicators used by management in carrying out the above objectives include:

- Assessing and reviewing the likeliness of making a discovery through exploration
- Assessing the risks and rewards relative to the costs of exploration and the values of the minerals being explored for

(c) As the Group is involved only in exploration and resource development at this stage, any significant commercial discovery or resource upgrade could have a significant impact on the capitalisation of the Group. However, inherent in all exploration are risk factors relative to rates of success. Even beyond exploration at the point of resource development, risks prevail relative to fluctuations in commodity prices, rates of exchange and political risk.

Operations and Principal Activities

(a) The main business activity of the Group during the financial year consisted of assessing the way forward for the project. This included exploratory drilling of Zinc geochemical soil anomalies previously generated by the Group, reviewing existing resources, investigating the potential to exploit additional known metal credits such as Germanium and investigating various metallurgical processes that could be applied to enhance the potential for on-site beneficiation of metal production.

Funds applied to the various exploration activities were as follows:

	2017 $	2016 $	2015 $	2014 $	2013 $
Exploration for rare earths in Namibia	-	-	-	-	677
Exploration for diamonds in Namibia and Botswana	-	-	-	26,407	42,391
Resource development for base metals in Namibia and Botswana	521,135	158,428	-	-	244,256

(b) As the Group was involved in exploration and resource development over the Kihabe-Nxuu Project during the financial year, there were not any returns to shareholders by way of dividends and increase in shareholder funds. Between 2013 and 2017 the Company's shares traded as follows:

2017		2016		2015		2014		2013	
Low cents	High cents	Low cents	High cents	Low cents	High cents	Low cents	High cents	Low cents	High cents
0.4	2.1	0.2	2.0	0.2	0.7	0.1	0.2	0.1	0.4

Since the Group regained title to its Kihabe-Nxuu base metals project through the grant of PL43/2016, the Company has been in a far more favourable position to raise funds for ongoing resource development and exploration expenditure for the project during the remainder of the year.

Financial Conditions

(a) Further resource exploration requirements beyond the Group's current cash resources can only be funded from further share and loan capital raisings or the sale or joint venture of equity in the project.

(b) At the end of the financial year, the Group had cash resources of $126,494.

(c) A loan agreement is in place with Exchange Services Ltd, a company controlled by A P Stirling, a former Director of the Company for funding up to £275,618 equivalent to $467,716; funding of $1,305,982 provided via a loan from Jan and Nigel Forrester; and $22,500 from Ron O'Regan, a former director of the Company. There were no other resources available to the Group that are not reflected in the Statement of Financial Position, other than the availability to raise further funds through the issue of shares, loan funds, the sale or joint venture of equity in projects and the sale of assets.

The Consolidated Entity has continued financial support from the Directors, former Directors and their associated entities, in that the Directors have confirmed in writing that they will not recall upon their loans to be repaid within the next 12 months, unless sufficient funds are available to do so without affecting the Company's going concern. As at 30 June 2017, the Directors loans outstanding were $2,238,235 (Note 4.4) and accruals for unpaid salaries for director and his related party amounting to $955,647 (Note 4.3).

(d) As the Group was mainly involved in exploration and resource development over the Kihabe-Nxuu project during the year then later assessing the way forward of the project there was not any cash generated from operations.

(e) The financial condition of the Group was not impacted by any legislation or other external requirements during the reporting period. It is not currently foreseen that the financial condition will be materially affected by such issues in future reporting periods.

(f) The Audit Report issued by the Group's auditor, contains an "Emphasis of Matter" paragraph in relation to the Group's ability to continue as a going concern. The directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are confident in the ability of the Group to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

A full review of operations is outlined on page 4 to 9.

Change in State of Affairs

During the year there were no significant changes in the state of affairs of the Group.

Subsequent Events

Since the end of the financial year the Company has secured commitments for the placement of 38,454,545 ordinary shares by way of a placement to sophisticated investors, in accordance with Listing Rule 7.1. The issue price of the shares is 0.55 of one cent per share and will raise the Company $211,500 before costs. The purpose of the issue is to provide funds for ongoing exploration including diamond drilling at the Nxuu Deposit and administration costs.

Other than above, there have not been any matters or circumstances occurring subsequent to the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results of Operations

With secure legal title over the Kihabe-Nxuu project, the Group is continuing with exploration and enhancement of resource development.

Environmental Regulations

The Board is committed to environmental best practice in its operations and ensures full compliance with all statutory environmental regulations and guidelines in the countries in which it operates. No known environmental breaches have occurred in relation to the Group's operations.

Dividends

The Directors do not recommend the payment of a dividend and no dividend has been paid or declared since the end of the previous financial year.

Shares under Option or Issued on Exercise of Options

On 30 July 2010, the Company introduced Employee Share Option Plan (2010). This plan expired on 31 December 2016.

Indemnification of Officers and Auditors

During or since the end of the year, the Company, except to the extent permitted by law, has not given any indemnity to a current or former officer or auditor against a liability or made any agreement under which an officer or auditor may be given any indemnity .

During the year, the Group paid $6,901 for premiums in respect of directors' and officers' indemnity insurance for the financial year under review.

Remuneration Report – Audited

This report details the nature and amount of remuneration for each director and the key personnel management of Mount Burgess Mining NL. The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

Directors Details

The following persons acted as directors of the Company during or since the end of the financial year:

Mr N R Forrester (Chairman and Managing Director)
Mr J Stirbinskis – appointed 29 August 2016
Ms K Clark
Mr C Campbell-Hicks
Mr H Warries – appointed 1 August 2016

For the purpose of this report key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executives or otherwise) of the parent company and all key management personnel.

Remuneration Committee

Due to the limited size of the Group and its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. The Board has adopted the following policies for Directors' and executives' remuneration.

Remuneration policy

The Board of Directors maintains remuneration policies aimed at attracting and retaining a motivated workforce and management team which are within the economic capabilities of the Company. The intention is to match the outcomes from the remuneration system with the performance of the Company and ultimately the value received by our shareholders on a long-term basis.

As an overall policy, the Group will remunerate in such a way that it motivates Directors and management to pursue the long-term growth and success of the Group.

Remuneration structure

In accordance with ASX Corporate Governance Principles and Recommendations, the structure of Non-executive Director and executive compensation is separate and distinct.

Non-executive Directors' Remuneration

Under normal financial circumstances the non-executive directors receive fees either in cash or in shares in lieu of cash – subject to shareholder approval (including statutory superannuation where applicable) for their services. Non-executive directors' fees paid for the year to 30 June 2017 amounted to the equivalent of $12,000 per Director paid by way of shares issued in lieu of fees to the Directors or their nominees as follows:

Name		Number of fully paid shares to be issued
Mount Burgess Mining N.L.		
J Stirbinskis	$12,000 worth at 0.55 a cents* =	2,181,818
K Clark	$12,000 worth at 0.55 a cents* =	2,181,818
C Campbell-Hicks	$12,000 worth at 0.55 a cents* =	2,181,818
H Warries	$12,000 worth at 0.55 a cents* =	2,181,818
Mount Burgess (Botswana) (Proprietary) Ltd		
J Forrester	$12,000 worth at 0.55 a cents* =	2,181,818
S Chau	$12,000 worth at 0.55 a cents* =	2,181,818

*The fully paid shares to be issued are at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

ASX Corporate Governance Principles 8.2 recommends that Non-executive directors should not receive options or bonus payments. The Company does not comply with this recommendation as it is prepared to grant options to all non-executive Directors in recognition of the significant time they contribute to the Company. The non-executive directors are often called upon to perform duties for the Company overseas or spend considerable time away from their earning base to represent the Company. Their fees for these duties in no way cover what they could otherwise earn. Any options granted are often exercisable at a significant premium to the current share price. As at 30 June 2017 the Company did not have any options on issue.

Executive Remuneration

Directors and staff can be granted options in recognition of their efforts and as long term incentives for their retention and for creating value for the Company. No such options will be issued for the satisfaction of any performance conditions. Any options issued to directors are subject to shareholder approval.

The Board reviews the remuneration packages and policies applicable to executive directors, executives and non-executive directors on an annual basis. Remuneration levels relative to current market conditions will be competitively set to attract the most qualified and experienced directors and senior executives. Where necessary the Board will obtain independent advice on the appropriateness of remuneration packages. The Company did not utilise the services of remuneration consultant for the year.

Remuneration packages contain the following key elements:

(a) Short term employee benefits – salary/fees (including any annual leave accrued), shares issued in lieu of directors fees or salary sacrifice and unlisted share options granted under any Employee Share Option Plan and non-monetary benefits

(b) Post employment benefits – including superannuation

(c) Other long term employment benefits – long service leave

(d) Share based payment – unlisted share options which could be granted under an Employee Share Option Plan

There is no link between the remuneration policy and the Company's performance.

Key terms of employment contracts

Mr J Stirbinskis was engaged under an employment contract under the following key terms:

Component	Description
Fixed remuneration	A$240,000 per annum in normal circumstances. During the month in which the Company is subject to cash constraints, any such monthly payments will be A$10,000 or any other amount mutually agreed upon prior to that month.
Contract duration	Ongoing contract
Notice period	3 months
Termination payment	None specified

Beside Mr J Stirbinskis, there were no other employment contracts in place during the financial year.

Details of remuneration

The compensation of each member of the key management personnel of the Company and Group is set out below:

	Short term employee benefits							
	Salary & fees $	Annual Leave $	Shares issued in lieu of directors' fees or salary sacrifice* $	Post employment benefits Superannuation $	Long Service Leave $	Share based payments $	Total $	Proportion related to performance %
2017								
Non-executive Directors								
C Campbell - Hicks	-	-	12,000	-	-	-	12,000	-
K Clark	-	-	12,000	-	-	-	12,000	-
H Warries[1]	-	-	12,000	-	-	-	12,000	-
Executive Directors								
N R Forrester[2]	172,936	14,566	-	16,429	6,672	-	210,603	-
J Stirbinskis[3]	89,133	769	12,000	8,467	-	-	110,369	-
	262,069	15,335	48,000	24,896	6,672	-	356,972	
2016								
Non-executive Directors								
A P Stirling[4]	-	-	-	-	-	-	-	-
C Campbell - Hicks	-	-	-	-	-	-	-	-
K Clark[6]	-	-	-	-	-	-	-	-
Executive Directors								
N R Forrester[6]	172,936	14,567	-	16,429	6,687	-	210,619	-
	172,936	14,567	-	16,429	6,687	-	210,619	

* Shares issued in lieu of Director's fees for the period of 1 July 2016 to 31 December 2016, approved by shareholders on 28 June 2017.
1 Appointed 1 August 2016.
2 The salary, annual leave, superannuation and long service leave as shown for N R Forrester was not paid during the year. It has been shown as an accrual.
3 Appointed 29 August 2016.
4 Deceased 17 August 2015.
5 Appointed 25 August 2015.
6 The salary, annual leave, superannuation and long service leave as shown for N R Forrester was not paid during the year. It has been shown as an accrual.

No director or senior management person appointed during the year received a payment as part of his or her consideration for agreeing to hold the position.

Equity instrument held by key management personnel

(i) Shareholdings

2017	Balance at 1 July 2016 No.	Granted as compensa-tion No.	Net other change No.	Balance at 30 June 2017 No.	Balance held nominally No.
N R Forrester and / or associates	7,781,401	-	2,181,818	9,963,219	-
J Stirbinskis[1] and / or associates	-	2,181,818	-	2,181,818	-
K Clark	550,000	2,181,818	-	2,731,818	-
C Campbell-Hicks and / or associates	1,132,858	2,181,818	-	3,314,676	-
H Warries[2] and / or associates	-	2,181,818	-	2,181,818	-
Total	9,464,259	8,727,272	2,181,818	20,373,349	-

[1] *Appointed 29 August 2016*
[2] *Appointed 1 August 2016*

None of the shares above are held nominally by the directors or any of the other key management personnel.

Issue of ordinary shares in lieu

At the General Meeting of shareholders held on 28 June 2017, approval was given for the issue of fully paid ordinary shares in the Company in lieu of director fees to Directors or their nominees as follows:

Name		Number of fully paid shares to be issued
Mount Burgess Mining N.L.		
J Stirbinskis	$12,000 worth at 0.55 a cents* =	2,181,818
K Clark	$12,000 worth at 0.55 a cents* =	2,181,818
C Campbell-Hicks	$12,000 worth at 0.55 a cents* =	2,181,818
H Warries	$12,000 worth at 0.55 a cents* =	2,181,818

*The fully paid shares to be issued are at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

(ii) Employee Share Options

Employee share option plan

Mount Burgess Mining NL previously operated an ownership-based scheme for executives and employees of the Group. In accordance with the provisions of the plan, executives and employees may be granted options which can be converted to ordinary shares.

During the financial year, no options were granted to directors or senior management. None of the previous options granted were exercised and all those options granted have now expired.

Share based payments in existence during the year are disclosed in Note 8.1.

Shares issued on exercise of options

During or since the end of the financial year, the Company did not issue any ordinary shares as a result of the exercise of options. All options expired on 31 December 2016.

Loans from key management personnel

Details of loans made from directors of Mount Burgess Mining N.L. and other key management personnel of the Group, including their close family members and entities related to them, are set out below:

Aggregates for key management personnel

	Principal $	Interest $	Total $
Balance as at 1 July 2015	1,270,882	93,199	1,364,081
Additions	141,800	81,065	222,865
Repayment	(7,000)	-	(7,000)
Other changes[1]	(32,500)	-	(32,500)
Balance as at 30 June 2016	1,373,182	174,264	1,547,446
Additions	9,700	76,777	86,477
Repayment	(76,900)	(663)	(77,563)
Balance as at 30 June 2017	1,305,982	250,378	1,556,360

[1] *Deceased 2 September 2013*

For the details of the loans please refer to Note 4.4.

No write-downs or allowances for doubtful receivables have been recognised in relation to any loans made to key management personnel.

Other transaction with key management personnel

During the year the Company received a loan amounting to $9,700 (2016: $132,800) from Nigel and Jan Forrester. Mr Nigel Forrester is a Director of the Company. Interest will accrue on the loan at the rate of 4% above the Bank Bill Rate in Australia, which is currently at 5.70% (2016: 5.95% pa). The interest accrued for the financial year is amounting to $76,600 (2016: $80,579). There was a repayment of $67,900 (2016: $7,000) during the financial year.

During the year the Company received a loan amounting to NIL (2016: $9,000) from Mr Chris Campbell-Hicks. Mr Chris Campbell-Hicks is a Director of the Company. Interest accrued on the loan at the rate of 4% above the Bank Bill Rate in Australia, which was at 5.70% (2016: 5.95% pa). This loan was repaid during the financial year.

Adoption of Remuneration Report

At the 2016 Annual General Meeting, the resolution adopting the 2016 remuneration report was carried unanimously.

The Company received more than 91% of "yes" votes on its Remuneration Report for the 2016 financial year. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

This concludes the remuneration report, which has been audited.

Directors Meetings

The number of Directors' meetings attended by each of the Directors of the Company during the financial year are as follows:

Director	Attended	Eligible
N Forrester	24	24
J Stirbinskis	17	17
K Clark	13	24
C Campbell-Hicks	23	24
H Warries	18	20

Non-Audit Service

There were no amounts paid or payable to the auditors of the Group for non-audit services provided during the year. Details of amounts paid or payable to the auditors during the year are outlined in Note 9(i) to the financial statements.

Auditor's Independence Declaration

The auditor's independence declaration follows on immediately from the Directors' Report as required under s.307C of the Corporations Act 2001.

This Directors' Report is signed in accordance with a resolution of directors made pursuant to s.298 (2) of the Corporations Act 2001.

On behalf of the Directors

N R Forrester
CHAIRMAN AND MANAGING DIRECTOR
Perth, 7 August 2017

Auditor's Independence Declaration

BDO

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Australia

DECLARATION OF INDEPENDENCE BY WAYNE BASFORD TO THE DIRECTORS OF MOUNT BURGESS MINING N.L

As lead auditor of Mount Burgess Mining N.L for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mount Burgess Mining N.L and the entities it controlled during the period.

BDO

Wayne Basford

Director

BDO Audit (WA) Pty Ltd

Perth,7 August 2017

Consolidated Statement of Profit and Loss and other Comprehensive Income

For the year ended 30 June 2017

	Notes	2017 $	2016 $
Revenue	2.1	146	191
Administration expenses	2.2 (a)	(384,971)	(265,087)
Finance costs	2.2 (b)	(115,499)	(113,266)
Other expenses	2.2 (c)	(61)	(347)
Loss before income tax		(500,385)	(378,509)
Income tax benefit / (expense)	3	-	-
Loss after income tax for the year		(500,385)	(378,509)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to the owners of Mount Burgess Mining NL		(500,385)	(378,509)
Loss per share for the year attributable to the owners of Mount Burgess Mining NL:			
Basic Loss per Share (cents per share)	8.5	(0.22)	(0.22)
Diluted Loss per Share (cents per share)	8.5	N/A	N/A

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2017

	Notes	2017 $	2016 $
CURRENT ASSETS			
Cash and cash equivalents	4.1	126,494	15,514
Trade and other receivables	4.2	18,692	4,054
Total Current Assets		145,186	19,568
NON CURRENT ASSETS			
Plant and equipment		-	61
Exploration interests	5.1	679,563	158,428
Total Non Current Assets		679,563	158,489
TOTAL ASSETS		824,749	178,057
CURRENT LIABILITIES			
Trade and other payables	4.3	1,107,339	902,832
Borrowings	4.4	2,238,235	2,237,694
Provisions	5.2	213,392	182,302
Total Current Liabilities		3,558,966	3,322,828
TOTAL LIABILITIES		3,558,966	3,322,828
NET LIABILITIES		(2,734,217)	(3,144,771)
EQUITY			
Issued capital	7.1	43,744,096	42,833,157
Reserves	7.3(a)	490,017	490,017
Accumulated losses	7.3(b)	(46,968,330)	(46,467,945)
Total Deficiency		(2,734,217)	(3,144,771)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2017

	Issued Capital $	Employee Equity Settled Benefits Reserve $	Assets Realisation Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2015	42,687,167	380,045	109,972	(46,089,436)	(2,912,252)
Loss for the year	-	-	-	(378,509)	(378,509)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(378,509)	(378,509)
Transactions with owners in their capacity as owners:					
Share placement to professional investors	145,990	-	-	-	145,990
Balance at 30 June 2016	42,833,157	380,045	109,972	(46,467,945)	(3,144,771)
Loss for the year	-	-	-	(500,385)	(500,385)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(500,385)	(500,385)
Transactions with owners in their capacity as owners:					
Share placement to professional investors	838,939	-	-	-	838,939
Shares issued in lieu of directors fee	72,000	-	-	-	72,000
Balance at 30 June 2017	43,744,096	380,045	109,972	(46,968,330)	(2,734,217)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2017

	Notes	2017 $	2016 $
Cash flows from operating activities			
Payments to suppliers and employees		(297,004)	(207,672)
Interest received		146	191
Interest and other costs of finance paid		(1,642)	(753)
Net cash (outflows) from operating activities	6(b)	(298,500)	(208,234)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(352,370)	(71,950)
Net cash (outflows) from investing activities		(352,370)	(71,950)
Cash flows from financing activities			
Proceeds from issues of equity securities		838,939	146,000
Payment for share issue costs		-	(10)
Proceeds from borrowings to fund operations		9,700	141,800
Repayment of borrowings		(86,900)	(7,000)
Net cash inflows from financing activities		761,739	280,790
Net increase / (decrease) in cash and cash equivalents		110,869	606
Cash and cash equivalents at the beginning of the financial year		15,514	15,132
Effects of exchange rate changes on the balance of cash held in foreign currencies		111	(224)
Cash and cash equivalents at the end of the financial year	6(a)	126,494	15,514

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTE 1: Segment Information

Mount Burgess Mining N.L. whilst previously operating in Namibia and Botswana, now operates predominantly in one industry and one geographical segment being the mineral exploration industry in Botswana. The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operation decision makers) in assessing the performance and determining the allocation of resources. The Company's focus is on base metals exploration and resource development.

As the Company is focused on mineral exploration and resource development, the Board monitors the Company based on actual versus budgeted exploration and resource development expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Company and its ongoing exploration and resource development activities, while also taking into consideration the results of exploration and resource development work that has been performed to date.

Segment information relating to the reportable segment being mineral exploration and resource development in Botswana is outlined as below:

	External Sales		Total	
	2017	2016	2017	2016
	$	$	$	$
Reconciliation of segment revenue to total other income before tax				
Namibia	-	-	-	-
Botswana	-	-	-	-
Total of all segments	-	-	-	-
Unallocated corporate revenue			146	191
Consolidated total revenue			146	191
Reconciliation of segment result to net loss before tax				
Namibia			-	-
Botswana			-	-
Total of all segments			-	-
Unallocated corporate revenue			146	191
Unallocated corporate expenses			(500,531)	(378,700)
Loss before income tax expense			(500,385)	(378,509)
Income tax benefit / (expense)			-	-
Loss for the year			(500,385)	(378,509)
Reconciliation of segment assets to the statement of financial position				
Namibia			1,696	1,702
Botswana			702,891	159,965
Total of all segments			704,587	161,667
Unallocated corporate assets			120,162	16,390
Consolidated total assets			824,749	178,057
Reconciliation of segment liabilities to the statement of financial position				
Namibia			374	341
Botswana			63,162	61,132
Total of all segments			63,536	61,473
Unallocated corporate liabilities			3,495,430	3,261,355
Consolidated total liabilities			3,558,966	3,322,828

NOTE 1: Segment Information (Cont'd)

	Total	
	2017	2016
	$	$
Acquisition of plant and equipment and exploration expenditure		
Namibia	-	-
Botswana	521,135	158,428
Total of all segments	521,135	158,428
Unallocated corporate	-	-
Consolidated total	521,135	158,428
Depreciation/amortisation included in segment result		
Namibia	-	-
Botswana	-	-
Total of all segments	-	-
Unallocated corporate	61	347
Consolidated total	61	347

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocation resources and assessing performance of the operating segments, has been identified as the strategic steering committee.

NOTE 2: Revenue and Expenses

NOTE 2.1: Revenue

	2017	2016
	$	$
Interest income	146	191

Accounting Policy

Revenue is measured at the fair value of the consideration received or receivable.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

NOTE 2.2: Expenses

		2017	2016
		$	$
(a)	**Administration expenses include:**		
	Salaries and wages	202,937	177,256
	Defined contribution plans	11,365	15,482
	Net foreign exchange loss / (gain)	(15,843)	(91,081)
(b)	**Finance costs**		
	Interest on directors' loan	114,520	112,513
	Late payment fees	979	753
		115,499	113,266

NOTE 2.2: Expenses (Cont'd)

		2017 $	2016 $
(c)	**Other expenses**		
	Depreciation of non current assets	61	347

NOTE 3: Income Taxes

		2017 $	2016 $
(a)	**Income tax expense**		
	Income tax recognised in profit or loss		
	Tax expense / (income) comprises:		
	Benefits arising from previously unrecognised tax losses recognised	-	-
	Total tax expense/(income)	-	-
	Income tax expense/(income) attributable to loss from continuing operations	-	-
	The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense as follows:		
	Loss of operations	(500,385)	(378,509)
	Income tax benefit calculated at 27.5% (2016: 30%)	(137,606)	(113,553)
	Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
	Non deductible expenses	990	951
	Share based payments	76,000	-
	Tax benefits not recognised	60,616	112,602
	Income tax benefit	-	-
(b)	**Unrecognised Australian deferred tax assets**		
	The following deferred tax assets have not been brought to account as assets:		
	Tax losses at 27.5% (2016:30%)	6,051,772	5,918,192
	Temporary differences at 27.5% (2016:30%)	66,249	75,735
		6,118,021	5,993,927

Accounting Policy

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

NOTE 3: Income Taxes (Cont'd)

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that they are probable and that sufficient taxable income will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in associates and are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and that they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects that tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they are relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination the tax effect is included in the accounting for the business combination.

NOTE 4: Financial Assets and Liabilities

NOTE 4.1: Cash and cash equivalents

	2017	2016
	$	$
Cash and cash equivalents	126,494	15,514

Accounting Policy

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

NOTE 4.2: Trade and other receivables

	2017	2016
	$	$
VAT/GST receivables	18,692	4,054

Due to the short term native of current receivables, the carrying amount is assumed to be the same as their fair value.

NOTE 4.3: Trade and other payables

	2017	2016
	$	$
Trade payables	100,795	133,035
Accruals	1,006,544	769,797
	1,107,339	902,832

NOTE 4.3: Trade and other payables (Cont'd)

Trade payables are non-interest bearing and are normally settled on terms of 30 days from month end. Included in the balance, $54,235 was agreed to be deferred; $8,000 was covered by security; $31,117 was for current creditors, leaving balance of $7,443 for creditors over 30 days. Included in accruals are unpaid salaries for director and his related party amounting to $955,647.

Accounting Policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

NOTE 4.4: Borrowings

	2017 $	2016 $
Unsecured – at amortised cost		
Loan from a former Director related company (i)	646,242	657,748
Loan from a Director (ii)	1,556,360	1,537,960
Loan from a former Director (iii)	35,633	32,500
Loan from a Director (iv)	-	9,486
	2,238,235	2,237,694
Current	2,238,235	2,237,694

(i) The loan comprises two parts:

(a) Loan from a former Director's related company amounts to £20,618, equivalent to $36,262 (2016: $35,096) to a wholly owned subsidiary Mount Burgess (Botswana) Proprietary Ltd. Interest is not payable on this loan.

(b) Loan from a former Director's related company amounts to £255,000 equivalent to $431,454 (2016: $458,992). Interest will accrue on the loan at the rate of 4% above the Bank Bill Rate in Australia as from 1 July 2010 until the loan has been repaid in full. The above balance is inclusive of interest payable amounting to £105,513, equivalent to $178,526.

The Company's exposure to foreign currency exchange risk has been disclosed in Note 7.2.

(ii) The loan was provided by NR and JE Forrester. Mr NR Forrester is a Director of the Company. Interest will accrue on the loan at the rate of 4% above the Bank Bill Rate in Australia, which is currently at 5.70% (2016: 5.95%). The above balance is inclusive of interest.

(iii) The loan was provided by Ron O'Regan. Mr Ron O'Regan was a Director of the Company. Interest will accrue on the loan at the rate of 4% above the Bank Bill Rate in Australia, which is currently at 5.70% (2016: NIL). The above balance is inclusive of interest. During the year the Company made a repayment of $10,000 (2016: NIL) to this loan.

(iv) This loan was repaid during the financial year. In the previous financial year the loan was provided by Mr Chris Campbell-Hicks. Mr Campbell-Hicks is a Director of the Company. Interest accrued on the loan until the time of repayment in November 2016 at the rate of 5.70%, being 4% above the Bank Bill Rate in Australia. (2016: 5.95%). The above balance was inclusive of interest.

Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

NOTE 5: NON-FINANCIAL ASSETS AND LIABILITIES

NOTE 5.1: Exploration interests

	2017 $	2016 $
Tenement acquisition at cost		
Balance as at the start of the financial year	-	-
Addition / (Write offs)	-	-
Balance as at the end of the financial year	-	-
Exploration expenditure at cost		
Balance as at the start of the financial year	158,428	-
Additions	521,135	158,428
Balance as at the end of the financial year	679,563	158,428
Total Exploration Interests	679,563	158,428

Recovery of the carrying amount of exploration expenditure is dependent on the continuance of the Group's right to tenure of the areas of interest, successful development of commercial exploration or sale of the respective tenement areas.

Accounting Policy

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as exploration and evaluation assets in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- the exploration and evaluation in the area of interest has not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administration costs are included in measurement of exploration and evaluation costs only when they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

NOTE 5.2: Provisions

	2017 $	2016 $
Employee entitlements	213,392	182,302

NOTE 5.2: Provisions (cont'd)

The current provision for employee entitlements includes accrued annual leave and long service leave. For long service leave it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled pro-rata payments in certain circumstances. The entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

Accounting policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

NOTE 6: Notes to the Statement of Cash Flows

(a) Reconciliation of Cash and Cash Equivalents

For the purpose of the cash flow statement, cash includes cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement are reconciled to the related items in the statement of financial position as follows:

	2017 $	2016 $
Cash and cash equivalents	126,494	15,514

The Company's exposure to interest rate risk is discussed in Note 7.2.

(b) Reconciliation of Loss for the Period to the Net Cash Flows from Operating Activities:

	2017 $	2016 $
Loss for the year	(500,385)	(378,509)
Depreciation	61	347
Unrealised foreign exchange (gain)/ loss on loan	(36,116)	(89,676)
Equity settled expenses	72,000	-
Net exchange differences	(111)	224
Changes in operating assets and liabilities:		
Increase / (decrease) in trade receivables	747	(881)
Increase in trade payables	20,357	123,382
Increase in borrowings costs	113,857	112,513
Increase in provision for employee entitlements	31,090	24,366
Net cash outflows from operations	(298,500)	(208,234)

(c) Non-cash Financing and Investing Activities

There have been no non-cash financing and investing activities for the year ended 30 June 2017 (2016: Nil).

(d) Financing Facilities

As at reporting date the Company had a Visa Card credit facility to the value of $10,000 (2016 $5,000) and indemnity / guarantee facility of $8,000 (2016: $8,000). At reporting date the total amount unused for all facilities was $18,000 (2016: $13,000).

NOTE 7: Equity

NOTE 7.1: Issued Capital

	2017 $	2016 $
276,125,919 fully paid ordinary shares (2016: 183,477,958)	42,744,096	42,833,157

	2017 No.	2017 $	2016 No.	2016 $
Fully paid ordinary share capital				
Balance at beginning of financial year	183,477,958	42,833,157	153,227,958	42,687,167
Share placements to professional investors	79,557,053	838,939	30,250,000	146,000
Less costs	-	-	-	(10)
Issued of ordinary shares in lieu (i)	13,090,908	72,000	-	-
	276,125,919	43,744,096	183,477,958	42,833,157

(i) Issue of ordinary shares in lieu of Directors' fees.

At the General Meeting of shareholders held on 28 June 2017, approval was given for the issue of fully paid ordinary shares in the Company in lieu of director fees and for a salary sacrifice as follows:

Ms K Clark	$12,000 worth at 0.55 a cents =	2,181,818
Ms S Chau	$12,000 worth at 0.55 a cents =	2,181,818
Ms J Forrester	$12,000 worth at 0.55 a cents =	2,181,818
C Campbell-Hicks	$12,000 worth at 0.55 a cents =	2,181,818
H Warries	$12,000 worth at 0.55 a cents =	2,181,818
J Stirbinskis	$12,000 worth at 0.55 a cents =	2,181,818
		13,090,908

NOTE 7.2: Financial Risk Management

(a) Significant Accounting Policies

Details of significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 9 to the financial statements. No financial derivative instruments were in place at year end.

(b) Financial Risk Management Objectives

Note 7.2 (c), (d), (e) (f) (g) and (h) present information about the Group's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Group does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continual basis. The Group does not enter into or trade financial instruments, including derivatives financial instruments, for speculative purposes.

The Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risk relating to the operations of the Group through regular reviews of the risks.

(c) Interest Rate Risk Management - Cash Flow

The Group is exposed to interest rate risk (primarily on its cash and cash equivalents and variable rate borrowings), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group does not use derivatives to mitigate these exposures.

NOTE 7.2: Financial Risk Management (Cont'd)

At the reporting date the interest rate profile of the Group's and the Company's interest-bearing financial instruments was:

	Weighted average effective interest rate	2017	2016
	%	$	$
Non-interest bearing			
Financial assets	-	135,186	9,413
Financial liabilities	-	1,143,601	935,332
		1,278,787	944,745
Fixed rate instruments			
Financial assets	1.40	10,140	10,280
Financial liabilities	-	-	-
		10,140	10,280
Variable rate instruments			
Financial assets	-	-	-
Financial liabilities	5.70	1,860,252	2,336,403
		1,860,252	2,336,403

Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable rate instruments at the end of the reporting period. The analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis point higher/lower and all other variables constant, the Group's loss for the year ended 30 June 2017 would decrease/increase by $11,010 (2016: decrease/increase by $11,026). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

(d) Foreign Currency Risk Management

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The Company monitors relevant rates of exchange on a daily basis to determine as best as possible the more advantageous rates at which to transfer funds to overseas accounts.

The Group has not entered into any derivative financial instruments to hedge such transactions.

The Group is exposed to currency risk. At reporting date the Group holds significant amounts of financial assets or liabilities which are exposed to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	2017	2016	2017	2016
GBP	275,618	275,618	-	-

NOTE 7.2: Financial Risk Management (Cont'd)

(e) Sensitivity Analysis

A 10 percent strengthening of the Australian dollar against the following currency as at 30 June would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2017.

	GBP impact	
	2017	2016
Profit or loss	43,135	45,899

A 10 percent weakening of the Australian dollar against the above currencies at 30 June would have had the equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

(f) Credit Risk Management

Credit risk refers to the risk that a counter party will default on in relation to its contractual obligations, resulting in financial loss to the Group. The Group has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Group does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Non-trade receivables from wholly owned controlled entities are assessed for impairment by reference to any future prospects in relation to development of the tenements / resources.

(g) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 9 to the financial statements.

(h) Liquidity Risk Management

Ultimate responsibility of liquidity risk management rests with the Board of Directors, which continually monitors the Company's future funding plans. Future funding plans are subject to change, according to prevailing and anticipated market conditions determining the ease at which further funding capital can be raised. Capital raisings are planned at times that the Company still holds adequate cash resources or has in place banking and resource borrowing facilities.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

NOTE 7.2: Financial Risk Management (Cont'd)

	Weighted average effective interest rate	Less than 1 year	1-5 years	Total
	%	$	$	$
30 June 2017				
Non-interest bearing		1,143,601	-	1,143,601
Variable interest rate instruments	5.70	2,327,485	-	2,327,485
		3,471,086	-	3,471,086
30 June 2016				
Non-interest bearing		935,332	-	935,332
Variable interest rate instruments	5.95	2,336,403	-	2,336,403
		3,271,735	-	3,271,735

The following table details the Company's expected maturity of its non-derivative financial assets. The table has been drawn up based on the undiscounted maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Weighted average effective interest rate	Less than 1 year	1-5 years	Total
	%	$	$	$
30 June 2017				
Non interest bearing		135,186	-	135,186
Variable rate instruments	1.40	10,140	-	10,140
		145,326	-	145,326
30 June 2016				
Non interest bearing		9,413	-	9,413
Variable rate instruments	1.90	10,280	-	10,280
		19,693	-	19,693

(i) Capital Risk Management

The Group manages its capital to ensure that companies in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt to equity balance. The Group's focus has been to raise sufficient funds through equity to fund exploration and resource development activities.

The Group's overall strategy remains unchanged from 2016. Risk management policies and procedures are established with regular monitoring and reporting.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses as disclosed in Notes 7.1, 7.3(a) and 7.3(b) respectively. The Group operates in Australia and Botswana. None of the Group's companies are subject to externally imposed capital requirements.

NOTE 7.3: Reserve and Accumulated losses

(a) Reserve

	2017 $	2016 $
Equity-settled employee benefits	380,045	380,045
Asset realisation reserve	109,972	109,972
	490,017	490,017

The equity-settled employee benefits arise on the grant of share options to employees under the employee share option plan. Further information about share-based payments to employees is made in Note 8.1 to the financial statements.

Asset realisation reserve represents realised benefits transferred from a previous asset revaluation reserve.

(b) Accumulated Losses

	2017 $	2016 $
Movements in accumulated losses were as follows:		
Balance 1 July	(46,467,945)	(46,089,436)
Net loss for the year	(500,385)	(378,509)
Balance 30 June	(46,968,330)	(46,467,945)

NOTE 8: Other Information

NOTE 8.1: Share-based payments

Equity-settled share-based payments granted to employees are measured at fair value at the date of the grant. In the event of the issue of employee options fair value is measured by use of a binomial model where Black-Scholes option pricing model is used to validate the valuation. The expected life used in the model would be adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Employee Share Option Plan

On 30 July 2010, the Company introduced Employee Share Option Plan 2010 to reward past services and contributions of Eligible Employees and also to assist in the recruitment, retention, incentive and motivation of Eligible Employees of the Company. Employee share options carry no rights to dividends and no voting rights. In accordance with the terms of the Employee Share Option Plan all options, including any issued during the year ended 30 June 2017, vest in the option holder at the date of their issue and may be exercised at any time from the date of their issue to the date of their expiry. No amounts are paid by the recipient on receipt of the option. Each share option converts to one ordinary share of Mount Burgess Mining N.L. on exercise. The exercise price of the options issued was 35 cents. However, this employee share option plan expired on 31 December 2016.

	2017 No.	Weighted Average exercise price $	2016 No.	Weighted Average exercise price $
Employee share option plan				
Balance at the start of the year (i)	71,430	0.35	1,978,579	0.35
Terminated during the year (ii)	(71,430)	0.35	(1,907,149)	0.35
Balance at the end of the year (iii)	-	-	71,430	0.35

NOTE 8.1: Share-based payments (Cont'd)

(i) Balance at the beginning of the Year

	No.	Grant Date	Expiry Date	Exercise Price $	Fair Value at grant date $
Issued 1 September 2011	71,430	01/09/11	31/12/16	0.35	0.009
	71,430				

(ii) Terminated During The Year

	2017 No.	2016 No.
Issued 17 September 2010	-	1,428,575
Issued 04 October 2010	-	442,860
Issued 16 November 2010	-	35,714
Issued 1 September 2011	71,430	-
	71,430	1,907,149
(iii) Balance at the end of the year	NIL	71,430

On 30 July 2010, the Company introduced an Employee Share Option Plan (2010) governed by the following terms and conditions:

(1) each option will be issued free of consideration;

(2) the Options shall not be transferred or assigned by the holder provided that the holder shall be at liberty at any time to transfer all or any of his or her Options to his or her wife or husband respectively or to a proprietary limited company all the issued shares of which are beneficially owned by the holder and his or her wife or husband or any other nominee of the Eligible Employee, provided that any such transferee first undertakes to the Company, in a deed, not to transfer or assign such Options until such time as they are exercised;

(3) each Option will entitled the holder to subscribe for one share at an exercise price;

(4) the Options expire at 5.00pm on 31 December of the year five (5) years from the year of grant;

(5) the Options are exercisable wholly or in part by forwarding to the Company an "Option Exercise Form", accompanied by payment of the exercise price;

(6) The Options are exercisable at any time on or prior to the Expiry Date;

(7) there are no participating rights or entitlements inherent in the Options and holders will not participate in any new issue of capital offered to shareholders during the currency of the Options;

(8) an Option's terms must not prevent the Option being reorganised as required by the Listing Rules on a reorganisation of capital;

(9) the Company shall grant the Options and deliver the certificates relating to the Options to the Eligible employee within ten (10) business days of the Application Date.

Status of the Options

Any options issued under this plan will not be listed on the Australian Securities Exchange Limited for official quotation.

NOTE 8.1: Share-based payments (Cont'd)

Only upon exercise of the Options issued under the plan will the Company make application to the Australian Securities Exchange Limited for the quotation of the shares issued pursuant to the exercise of the Options.

All share options expired on 31 December 2016. In the previous financial year the share options outstanding had an exercise price of $0.35 and a weighted average remaining contractual life of 0.5 years.

Consideration received in the event of the exercise of employee share options would have been recognised in contributed equity.

NOTE 8.2: Commitments for Expenditure

(a) Exploration Commitments

The Group has certain obligations to perform minimum exploration work on its Exploration Licence PL 43/2016, in Western Ngamiland, Botswana, in order to maintain tenure. These obligations will vary over time, depending on the Group's priorities relative to exploration and resource development programmes. As at the reporting date future expenditure commitments on PL 43/2016 have not been provided for in the financial statements. Between the time the Group's previous exploration licence over the Kihabe project expired on 30 June 2012 and the award of PL 43/2016 on 26 January 2016, covering the Kihabe project, the Group spent $1,150,000 on exploration on the project. This expenditure whilst not having been capitalised as exploration expenditure, represents a significant contribution to and foundation for the currently planned commitment being applied in moving the project forward. The annual expenditure commitment for PL 43/2016 covers the calendar year from 1 January to 31 December. The expenditure commitment outlined by the Group from the period when PL43/2016 was awarded on 26 January 2016 to 31 December 2016, amounted to the equivalent of $550,000. Expenditure incurred during this same period amounted to $557,962.

The Group is required to outline minimum annual expenditure estimates as proposed by it when applying for or renewing its Prospecting Licence in Botswana. The Group may from time to time notify the Minister of any amendments it wishes to make to its proposed prospecting operations and relative expenditure. The Minister has the discretion to suspend or agree to vary the obligation to expend the minimum annual expenditure estimates as initially outlined when applying for or renewing its Prospecting Licence.

The minimum annual expenditure for Year 2 and Year 3 is P5,000,000 (equivalent to $623,177) and P15,500,000 (equivalent to $1,931,849) respectively.

(b) Operating Lease Commitments

	2017 $	2016 $
No later than 1 year	10,370	10,370
Later than 1 year and not later than 5 years	-	-
	10,370	10,370

The above operating lease commitment is for the lease of the Company premises. The annual lease commitments are fixed and there are no contingent rental payments. The lease agreement contains an option to renew the lease.

Accounting policy

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

NOTE 8.3: Contingent Assets and Contingent Liabilities

As at reporting date there are no known contingent liabilities.

NOTE 8.4: Events occurring after the reporting period

Since the end of the financial year the Company has secured commitments for the placement of 38,454,545 ordinary shares by way of a placement to sophisticated investors, in accordance with Listing Rule 7.1. The issue price of the shares is 0.55 of one cent per share and will raise the Company $211,500 before costs. The purpose of the issue is to provide funds for ongoing exploration including diamond drilling at the Nxuu Deposit and administration costs.

Other than above, there have not been any matters or circumstances occurring subsequent to the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years.

NOTE 8.5: Loss per share

	2017 Cents per share	2016 Cents per share
Basic loss per share	(0.22)	(0.22)
Diluted basic loss per share	N/A	N/A

The loss and weighted average number of ordinary shares used in the calculation of basic and dilutive earnings per share are as follows:

	2017 $	2016 $
Net loss	(500,385)	(378,509)
Loss used in calculation of basic and dilutive EPS	(500,385)	(378,509)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	232,239,298	170,404,952

The following potential ordinary shares are not dilutive as they would decrease the loss per share and are therefore excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share:

	2017 No.	2016 No.
Employee share options	-	71,430

There have been no conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report other than disclosed in subsequent events.

Accounting policy

<u>Basic earnings per share</u>

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

<u>Diluted earnings per share</u>

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financial costs associated with dilutive potential ordinary shares; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTE 8.6: Related Party Transactions

(a) Equity Interest in Related Parties

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 8.7 to the financial statements.

(b) Key Management Personnel Compensation

Remuneration of Directors and Senior Management

The aggregate compensation made to the directors and other key management personnel of the Company and Group is set out below:

	2017 $	2016 $
Short term employee benefits (including annual leave accrued)	325,404	187,503
Post employment benefits	24,896	16,429
Other long term benefits – long service leave accrued	6,672	6,687
	356,972	210,619

Accounting Policy

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after reporting period, regardless of when the actual settlement is expected to occur.

(c) Other Transactions with Key Management Personnel (and their Related Parties) of Mount Burgess Mining N.L.

During the year the Company received a loan amounting to $9,700 (2016: $132,800) from Jan and Nigel Forrester. Mr Nigel Forrester is a Director of the Company. Interest will accrue on the loan at the rate of 4% above the Bank Bill Rate in Australia, which is currently at 5.70% (2016: 5.95% pa). The interest accrued for the financial year is amounting to $76,600 (2016: $80,579). The loan balance, which inclusive of interest, and unpaid salaries at the end of the financial year end amounting to $1,556,360 (2016: $1,537,960) and $955,647 (2016: $722,332) respectively.

During the year the Company repaid the loan of $9,000 given in the previous financial year by Mr Chris Campbell-Hicks. Mr Campbell-Hicks is a Director of the Company. Interest accrued on the loan until the time of repayment in November 2016 at the rate of 5.70%, being 4% above the Bank Bill Rate in Australia. (2016: 5.95%). The amount repaid was inclusive of interest. The loan balance, which inclusive of interest, at the end of the financial year end amounting to NIL (2016: $9,486).

NOTE 8.6: Related Party Transactions (Cont'd)

During the financial year the Company repaid $10,000 (2016: NIL) to a loan given from Mr Ronald O'Regan, a former Director of the Company. Interest accrued on the loan at the rate of 4% above the Bank Bill Rate in Australia, which was at 5.70% (2016: NIL). The loan balance, which inclusive of interest, at the end of the financial year end amounting to $35,633 (2016: $32,500).

At the General Meeting of shareholders held on 28 June 2017, approval was given for the issue of fully paid ordinary shares in the Company in lieu of director fees to Directors or their nominees and their related party as follows:

Name	Number of fully paid shares to be issued	
J Stirbinskis	$12,000 worth at 0.55 a cents* =	2,181,818
K Clark	$12,000 worth at 0.55 a cents* =	2,181,818
C Campbell-Hicks	$12,000 worth at 0.55 a cents* =	2,181,818
H Warries	$12,000 worth at 0.55 a cents* =	2,181,818
J Forrester	$12,000 worth at 0.55 a cents* =	2,181,818

* The fully paid shares issued were at the volume weighted average price ("VWAP") of the shares in the five ASX trading days prior to issue.

(d) Transactions with Subsidiary

All loans advanced to and payable to MTB (Namibia) (Pty) Ltd and Mount Burgess (Botswana) (Proprietary) Limited are interest free, unsecured and subordinate to other liabilities.

(e) Parent Entity

The parent entity in the Group is Mount Burgess Mining N.L. Equity interests in controlled entities are disclosed in Note 8.7.

NOTE 8.7: Parent Entity Financial Information

(a) Financial Position

	2017 $	2016 $
Assets		
Current assets	120,162	16,329
Non-current assets	25	86
Total assets	120,187	16,415
Liabilities		
Current liabilities	3,495,430	3,261,355
Non-current liabilities	25	25
Total liabilities	3,495,455	3,261,380
Net Liabilites	(3,375,268)	(3,244,965)
Equity		
Issued capital	43,744,096	42,833,157
Reserves	490,017	490,017
Accumulated losses	(47,609,381)	(46,568,139)
Total Deficit	(3,375,268)	(3,244,965)

NOTE 8.7: Parent Entity Financial Information (Cont'd)

(b) Financial Performance

	2017 $	2016 $
Loss for the year	(1,041,242)	(541,702)
Other comprehensive income	-	-
Total comprehensive loss	(1,041,242)	(541,702)

(c) Guarantees entered into by the Parent Entity in relation to the Debts of its Subsidiaries

As at reporting date there are no known guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

(d) Contingent Liabilities of the Parent Entity

As at reporting date there are no known contingent liabilities of the parent entity.

(e) Commitments of the Parent Entity

The commitments of the parent entity have been disclosed in Note 8.2.

		Ownership Interest (%)	
	Country of Incorporation	2017	2016
Parent Entity			
Mount Burgess Mining N.L.	Australia		
Controlled Entity			
MTB (Namibia) (Proprietary) Ltd	Namibia	100%	100%
Mount Burgess (Botswana) (Pty) Ltd	Botswana	100%	100%

NOTE 9: Summary of Significant Accounting Policies

Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 7 August 2017.

Mount Burgess Mining N.L. is a for profit entity for the purpose of preparing the financial statements.

Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

NOTE 9: Summary of Significant Accounting Policies (Cont'd)

Account Policies

(a) Going concern basis

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Consolidated Entity has incurred net losses before tax of $500,385 (2016: $378,509) and net cash outflows from operating and investing activities of $650,870 (2016: $280,184) for the year ended 30 June 2017. As at 30 June 2017, the Consolidated Entity had a working capital deficiency of current assets to current liabilities of $3,413,780 (2016: $3,303,260) and cash and cash equivalents of $126,494 (2016: $15,154).

The ability of the Consolidated Entity to continue as a going concern is dependent upon continued financial support from its Directors related parties and creditors, and on securing additional funding through capital raising to continue to meet its working capital requirements in the next 12 months. These conditions indicate a material uncertainty that may cast significant doubt that the Consolidated entity will continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe the Consolidated entity will continue as a going concern and be able to pay its debts as and when they fall due, for the following reasons:

(a) The Consolidated Entity has continued financial support from the Directors, former Directors and their associated entities, in that they have confirmed in writing that they will not call upon their loans to be repaid within the next 12 months, unless sufficient funds are available to do so without affecting the Company's going concern. As at 30 June 2017, the Directors loans outstanding were $2,238,235 (Note 4.4) and accruals for unpaid director and his related party salaries $955,647 (Note 4.3);

(b) The Company has the ability to raise funds through equity issues. In relation to additional funding via capital raisings, initial discussions have commenced with potential brokers;

(c) In addition, the Directors have also embarked on a strategy to reduce costs in line with the funds available to the Consolidated Entity; and

(d) The Directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are confident in the ability of the Consolidated Entity to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Consolidated Entity be unable to continue as a going concern.

(b) Basis of Consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTE 9: Summary of Significant Accounting Policies (Cont'd)

(c) Financial Instruments issued by the Company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded as the proceeds received, net of direct issue costs.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

(d) Financial Assets

All financial assets are recognised and de-recognised on the date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value.

Available-for-sale financial assets

Listed shares held by Group that are traded in an active market are classified as being available-for-sale and are stated at fair value. Fair value is determined by reference to quoted market prices less costs to sell. Gains and losses arising from changes in fair value are recognised in profit or loss and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is classified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

NOTE 9: Summary of Significant Accounting Policies (Cont'd)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

<u>De-recognition of financial assets</u>

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

<u>Investment in subsidiaries</u>

Investments in subsidiaries are recognised in the parent entity's financial statements at cost less any impairment losses.

(e) Foreign Currency Translation

The individual financial statements of each Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Australian dollars ('$'), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of partial disposal of the net investment.

NOTE 9: Summary of Significant Accounting Policies (Cont'd)

(f) Goods and Services Tax and VAT

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(g) New Accounting standards and Australian accounting interpretations

Adoption of New and Revised Accounting Standards

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2016:

- AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations)
- AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation
- AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements
- AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosures Initiative: Amendments to AASB 101
- AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities Applying the Consolidation Exception

The adoption of this standard did not have any impact on the current period or any prior and is not likely to affect future periods.

Standards and Interpretations issued but not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective:

	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 Financial Instruments, and the	1 January 2018	30 June 2019

NOTE 9: Summary of Significant Accounting Policies (Cont'd)

	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 15 Revenue from Contracts with Customers and AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2017	30 June 2019
AASB 16 Leases	1 January 2019	30 June 2020
AASB 2016-1 Amendments to Australian Accounting Standards – Recognition Deferred Tax Assets for Unrealised Losses	1 January 2017	30 June 2018
AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	30 June 2018

The Directors have not yet determined what impact, if any, the implementation of the above standards would have on the financial statements of the Group.

(h) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 9, management is required to make judgements, estimates, and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods .

Critical Judgements in applying the Entity's Accounting Policies

The following are the critical judgements that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

(a) Going Concern

The Company does not have a sustainable income base from which it can fund its continual exploration effort and resource development. Consequently, with regard to going concern, the Company is reliant upon raising funds through equity issues, debt, or from the sale of assets to fund its ongoing exploration and resource development. Alternatively, the Company can seek joint venture partners to fund exploration and resource development on its behalf.

(b) Commitments for Exploration and Evaluation Expenditure not provided for

The Company has expenditure commitments in relation to its various exploration licences and mining leases. If any of these commitments fall into arrears through any funding inability, the Company has the choice to seek joint venture partners to meet these commitments or apply for expenditure exemptions.

NOTE 9: Summary of Significant Accounting Policies (Cont'd)

(i) Auditors' remuneration

	2017 $	2016 $
Auditor of the parent entity		
Auditing of the financial report	30,000	30,000

The auditor of Mount Burgess Mining N.L. is BDO (2016: BDO).

NOTE 10: Company Information

Mount Burgess Mining NL (the Company) is a public company listed on Australian Securities Exchange (trading under the symbol 'MTB') incorporated in Australia. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The principal activities of the Company and its subsidiaries (the Group) are described in Note 1.

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 21 to 48 are in accordance with the Corporations Act 2001, including:

(i) complying with the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable, and

Note 9 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s.295 (5) of the Corporations Act 2001.

On behalf of the Directors

N R Forrester

CHAIRMAN and MANAGING DIRECTOR

Perth, 7 August 2017

Independent Auditor's Report

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Mount Burgess Mining N.L.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mount Burgess Mining N.L (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i)Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and
*(ii)*Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 9 (a) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Exploration and evaluation expenditure

Key audit Matter	How the matter was addressed in our report
During the year, the Group incurred significant amount of Exploration and evaluation expenditure which has been capitalised. The carrying value of Exploration and Evaluation Assets as at 30 June 2017 is A$679,563 (30 June 2016: A$158,428), as disclosed in Note 5.1. The Group's accounting policy in respect of exploration and evaluation assets is outlined in Note 5.1. As the carrying value of these Exploration and Evaluation Assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. In addition, we also considered it necessary to assess whether the capitalised exploration and evaluation assets meet the recognition criteria under AASB 6 *Exploration for and Evaluation of Mineral resources*.	Our procedures included, but were not limited to: • Obtained a schedule of the areas of interest held by the Group and assessed whether the rights to tenure of those areas of interest remained current at balance date by obtaining supporting documentation such as licence agreements and also considered whether the Group maintains the tenements in good standing; • Obtained a schedule of the capitalised exploration and evaluation expenditure and tested a sample of expenditure to confirm the nature of the costs incurred and the appropriateness of the classification as exploration and evaluation asset. • Held discussions with management with respect to the status of ongoing exploration programmes in the respective areas of interest and assessed Group's cashflow budget for the level of budgeted spend on exploration projects; and • Considered whether any facts or circumstances existed to suggest impairment testing was required. We also assessed the adequacy of the related disclosures in Note 5.1 to the Financial Statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_files/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 18 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Mount Burgess Mining N.L, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Wayne Basford

Director

Perth, 7 August 2017

Securities Information

The information set out below was applicable as at 31 July 2017.

1. Distribution of Equity Securities and Voting Rights:

(a) Distribution of Shareholders of Ordinary shares:-

	No. of Holders
1 - 1,000	798
1,001 - 5,000	625
5,001 - 10,000	222
10,001 - 100,000	343
100,001 and over	187
Total No. of Shareholders	2,175

(b) Each shareholder entitled to vote may vote in person or by proxy, attorney or representative. On a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote. On a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share.

(c) There existed 2,175 shareholders who held less than a marketable parcel of shares.

(d) Substantial Shareholders:

W.B. Nominees	19,455,405 shares	representing 7.04% of the Company
Graham Forward Pty Ltd	17,125,000 shares	representing 6.20% of the Company
Peloton Pty Ltd	16,125,000 shares	representing 5.84% of the Company
Strata Drilling WA Pty Ltd	14,925,000 shares	representing 5.40% of the Company

2. Top Twenty Shareholders

		Units Held	Percentage of Issued Capital
1	W. B. Nominees	19,455,405	7.04
2	Graham Forward Pty Ltd	17,125,000	6.20
3	Peloton Pty Ltd	16,125,000	5.84
4	Strata Drilling WA Pty Ltd	14,925,000	5.40
5	Cen Pty Ltd	12,292,161	4.45
6	N R Forrester & Associates	9,963,219	3.61
7	Mr Michael Damien Murphy	9,878,938	3.58
8	Mr Geoffrey Allen Bailey	9,641,550	3.49
9	Citicorp Nominees Pty Ltd	9,494,989	3.44
10	Jerd Pty Ltd	8,425,000	3.05
11	ESM Ltd	7,000,000	2.54
12	Alfred Patrick Stirling	6,617,648	2.40
13	Mrs Jennifer O’Regan & Associates	6,412,392	2.32
14	Running Water Limited	4,500,000	1.63
15	HSBC Custody Nominees	4,069,666	1.47
16	Armuk Pty Ltd	4,000,000	1.45
17	Heldon Pty Ltd	3,500,000	1.27
18	Mr Uday Raniga	3,487,269	1.26
19	Benjamin Mosigi	3,000,000	1.09
20	Brizzi Family Superannuation A/C	2,784,744	1.01
		172,697,981	**62.54**

Details of the Company's Mineral Tenements

As at 31 July 2017

BOTSWANA	
Tenement No.	**Percentage of Equity**
Kihabe-Nxuu	
PL 043/2016	100%

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