

22 March 2018

VANADIUM MINERALISATION - KIHABE PROJECT BOTSWANA

- Strike length of over 500m modelled on primary vanadium domain (Zone 4)
- Combined strike length of over 700m for modelled domains (Zone 1 and Zone 4)
- Further assessment required to provide definitive estimates on volumetrics
- Power supply options being investigated

Further to the announcement released to the market on 16 March 2018, relating to the Kihabe Vanadium mineralisation in Zone 1, Vanadium mineralisation in Zone 4 has now been compiled. Refer to Figure 1.

Zone 4 comprises seven drill sections in which 23 RC holes and 5 diamond core holes have been drilled at various times between 2003 and 2008, intersecting Vanadium mineralisation over a strike length of 500m. Refer to Figure 2.

All zones of Vanadium mineralisation in excess of 100 ppm Vanadium have been included in compiling the data for Zone 4.

TABLE 1 - DRILL HOLE DATA FOR VANADIUM MINERALISATION IN ZONE 4

Table 1 outlines the mineralised intersections of Vanadium as shown on Figures 3-9 (Sections 1-7 respectively).

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
SECTION 1									
KRC085	502095	7822362	-60	159	63.00/1183	47.00	49.00	2.00	104.00
						51.00	55.00	4.00	155.00
						68.00	74.00	6.00	171.00
KRC048	502079	7822386	-60	159	108.00/1183	46.00	50.00	4.00	195.00
KRC049	502062	7822411	-60	159	146.00/1183	67.00	69.00	2.00	118.00
KDD114	502085	7822386	-90	0	168.80/1183	58.00	60.00	2.00	170.00
SECTION 2									
KDD115	502214	7822367	-60	340	181.00/1182	37.00	42.00	5.00	1250.00
					<i>Including</i>	38.00	39.00	1.00	4120.00
						48.00	51.00	3.00	209.00
						56.00	58.00	2.00	121.00
KIH007	500205	7822387	-60	340	142.00/1182	12.00	34.00	22.00	463.00
					<i>Including</i>	19.00	23.00	4.00	1242.00
						39.00	41.00	2.00	644.00
						51.00	58.00	7.00	869.00
					<i>Including</i>	55.00	58.00	3.00	1566.00
						62.00	64.00	2.00	210.00
						125.00	126.00	1.00	271.00
						130.00	132.00	2.00	342.00
						138.00	139.00	1.00	292.00

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
SECTION 2 (cont'd)									
KRC059	502173	7822424	-60	159	97.00/1182	22.00	24.00	2.00	110.00
						26.00	29.00	3.00	232.00
						31.00	36.00	5.00	757.00
						44.00	45.00	1.00	201.00
						50.00	51.00	1.00	165.00
KIH010	502170	7822418	-60	159	97.00/1182	28.00	29.00	1.00	1549.00
						32.00	33.00	1.00	273.00
						35.00	36.00	1.00	113.00
						50.00	53.00	3.00	213.00
KRC054	502159	7822450	-60	159	121/1182	57.00	71.00	14.00	274.00
						88.00	91.00	3.00	250.00
KRC056	502145	7822475	-60	159	157/1182	63.00	64.00	1.00	110.00
						67.00	68.00	1.00	110.00
						77.00	78.00	1.00	141.00
						142.00	154.00	12.00	432.00
KRC058	502132	7822490	-60	159	171/1182	166.00	170.00	4.00	930.00
<i>Including</i>						166.00	167.00	1.00	2083.00
SECTION 3									
KRC066	502278	7822445	-60	159	49.00/1180	15.00	31.00	16.00	512.00
						39.00	43.00	4.00	1164.00
<i>Including</i>						40.00	42.00	2.00	1753.00
KR061	502258	7822480	-60	159	103.00/1181	33.00	34.00	1.00	105.00
						36.00	37.00	1.00	121.00
						40.00	43.00	3.00	158.00
						45.00	47.00	2.00	178.00
						50.00	51.00	1.00	375.00
						93.00	97.00	4.00	346.00
KRC062	502242	7822505	-60	159	125.00/1181	41.00	44.00	3.00	114.00
						65.00	66.00	1.00	114.00
						115.00	125.00	10.00	305.00
KRC072	502215	78225588	-60	159	191.00/1180	167.00	168.00	1.00	720.00
						180.00	190.00	10.00	1839.00
<i>Including</i>						181.00	182.00	1.00	2052.00
<i>Including</i>						186.00	188.00	2.00	4282.00
SECTION 4									
KDD146	502354	7822463	-60	330	74.00/1179	33.00	34.00	1.00	179.00
						36.00	38.00	2.00	535.00
						42.00	45.00	3.00	622.00
<i>Including</i>						43.00	44.00	1.00	1,266.00
KIH011	502304	7822543	-60	159	140.00/1162	32.00	33.00	1.00	346.00
						45.00	46.00	1.00	238.00

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
SECTION 5									
KDD116	502372	7822491	-67	340	140.00/1180	20.00	24.00	4.00	148.00
						31.00	35.00	4.00	211.00
						42.00	44.00	2.00	207.00
KRC074	502356	7822513	-60	159	55.00/1179	16.00	19.00	3.00	181.00
						34.00	35.00	1.00	135.00
						41.00	45.00	4.00	352.00
						47.00	52.00	5.00	988.00
<i>Including</i>						47.00	49.00	2.00	1,981.00
KRC076	502339	7822543	-60	159	103.00/1179	17.00	26.00	9.00	396.00
						93.00	96.00	3.00	194.00
KRC077	502332	7822556	-60	159	115.00/1180	25.00	26.00	1.00	133.00
						29.00	31.00	2.00	151.00
						37.00	38.00	1.00	141.00
						40.00	41.00	1.00	293.00
						104.00	109.00	5.00	191.00
SECTION 6									
KRC083	502445	7822552	-60	159	52.00/1178	24.00	25.00	1.00	104.00
						43.00	44.00	1.00	341.00
KRC080	502430	7822578	-60	159	103.00/1179	14.00	15.00	1.00	184.00
						28.00	31.00	3.00	163.00
						97.00	99.00	2.00	109.00
KRC081	502420	7822594	-60	159	109.00/1179	19.00	20.00	1.00	117.00
						26.00	27.00	1.00	125.00
						33.00	34.00	1.00	110.00
						35.00	37.00	2.00	658.00
						57.00	58.00	1.00	101.00
						69.00	75.00	6.00	369.00
<i>Including</i>						70.00	71.00	1.00	1327.00
						77.00	98.00	21.00	779.00
<i>Including</i>						87.00	90.00	3.00	2,342.00
KRC082	502412	7822607	-60	159	120.00/1179	35.00	36.00	1.00	121.00
						38.00	39.00	1.00	585.00
						49.00	50.00	1.00	107.00
						95.00	99.00	4.00	574.00
						103.00	104.00	1.00	207.00
						113.00	114.00	1.00	256.00
SECTION 7									
KIH012	502523	7822610	-60	159	54.00/1161	7.00	10.00	3.00	1,267.00
						11.00	12.00	1.00	248.00
						40.00	42.00	2.00	895.00
<i>Including</i>						40.00	41.00	1.00	1,661.00

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
SECTION 7 (cont'd)									
KRC084	502522	7822619	-60	159	63.00/1178	32.00	35.00	3.00	502.00
					<i>Including</i>	33.00	34.00	1.00	1,151.00
						59.00	61.00	2.00	127.00
KDD117	502500	7822667	-60	159	124.40/1179	47.00	48.00	1.00	136.00
						55.00	57.00	2.00	130.00
						115.00	117.00	2.00	141.00
						118.00	125.00	7.00	452.00
					<i>Including</i>	122.00	123.00	1.00	1,396.00

TABLE 2 - VANADIUM RESULTS PREVIOUSLY/NOT PREVIOUSLY ANNOUNCED TO THE MARKET

SECTION 1	ASX Announcement re Vanadium	Zn/Pb/Ag/Cu Announced Vanadium NOT included
KRC085	No ASX announcements as no significant Zn/Pb/Ag/Cu in this hole	
KDD114		27 July 2008
KRC048		27 July 2008
KRC049		27 July 2008
SECTION 2		
KDD115		23 Aug 2007
KIH007	30 January 2006	
KIH010		21 Apr 2004
KRC059	16 Oct 2006	
KRC054	10 Oct 2006	
KRC056	10 Oct 2006	
KRC058	10 Oct 2006	
SECTION 3		
KRC066	27 Oct 2006	
KRC061	27 Oct 2006	
KRC062	27 Oct 2006	
KRC072	31 Oct 2006	
SECTION 4		
KDD146		11 Mar 2008
KIH011		26 Feb 2004
SECTION 5		
KDD116		23 Aug 2007
KRC074	3 Nov 2006	
KRC076	3 Nov 2006	
KRC077	3 Nov 2006	
SECTION 6		
KRC083	No ASX announcements as no significant Zn/Pb/Ag/Cu in this hole	
KRC080	No ASX announcements as no significant Zn/Pb/Ag/Cu in this hole	
KRC081	29 Nov 2006	
KRC082	31 Jan 2007	
SECTION 7		
KIH012	No ASX announcements as no significant Zn/Pb/Ag/Cu in this hole	
KRC084	No ASX announcements as no significant Zn/Pb/Ag/Cu in this hole	
KRC117		17 August 2007

Table 2 above outlines the various holes drilled in Zone 4 detailing the dates when the respective Vanadium assay results were previously announced to the market. The schedule also details those drill holes in which the respective Vanadium assay results were not released to the market at the time that any of the base metal results were released to the market as they were not then considered significant to the project metrics.

These Vanadium assay values are now being re-released or released for the first time to the market because of the recent substantial increase in the Vanadium price and because of the potential future demand for Vanadium relative to its application in Vanadium Redox flow batteries.

The Kihabe deposit contains significant zones of Vanadium mineralisation, many of which occur immediately beneath the Kalahari sand cover.

None of these zones of Vanadium mineralisation have previously been taken into consideration in resource modelling at Kihabe.

VANADIUM OUTLOOK

Vanadium is primarily used to produce high-strength steel and chemical catalysts, but much future demand stems from its role in vanadium redox flow batteries (VRFBs), which have the capacity for multi-megawatt scale storage. The batteries are inherently simple and rely on changing the redox state of vanadium to store and then supply large amounts of power. They are suitable for off-grid mining and farming operations and are suitable for coupling with solar systems.

After seeing some price recovery in 2016, the vanadium market fell into deficit in 2017. According to Jack Bedder, steel alloys division manager at Roskill, low vanadium prices led to cutbacks in production, and ultimately that “caused supply to fall well below demand, creating a deficit in the market and contributing to a recovery in vanadium prices.”

As of 21 March 2018 pricing for European Vanadium Pentoxide Flake 98% is US\$32.52 per kg, and US\$69.50 per kg for European Ferro-Vanadium 80%. (www.vanadiumprice.com).



Vanadium redox flow battery storage



Installation of Vanadium redox flow batteries (100kWh) coupled with solar PV array (15kW) (source: VanadiumCorp.com), cost A\$160,000

The Company understands that the first mining utility-scale vanadium redox flow battery has been commissioned for testing in South Africa by State-owned power utility ESKOM.

The Company is currently investigating optionality around energy generation and storage for the Kihabe project, and will release any new information to the market as it becomes available.

KIHABE DEPOSIT

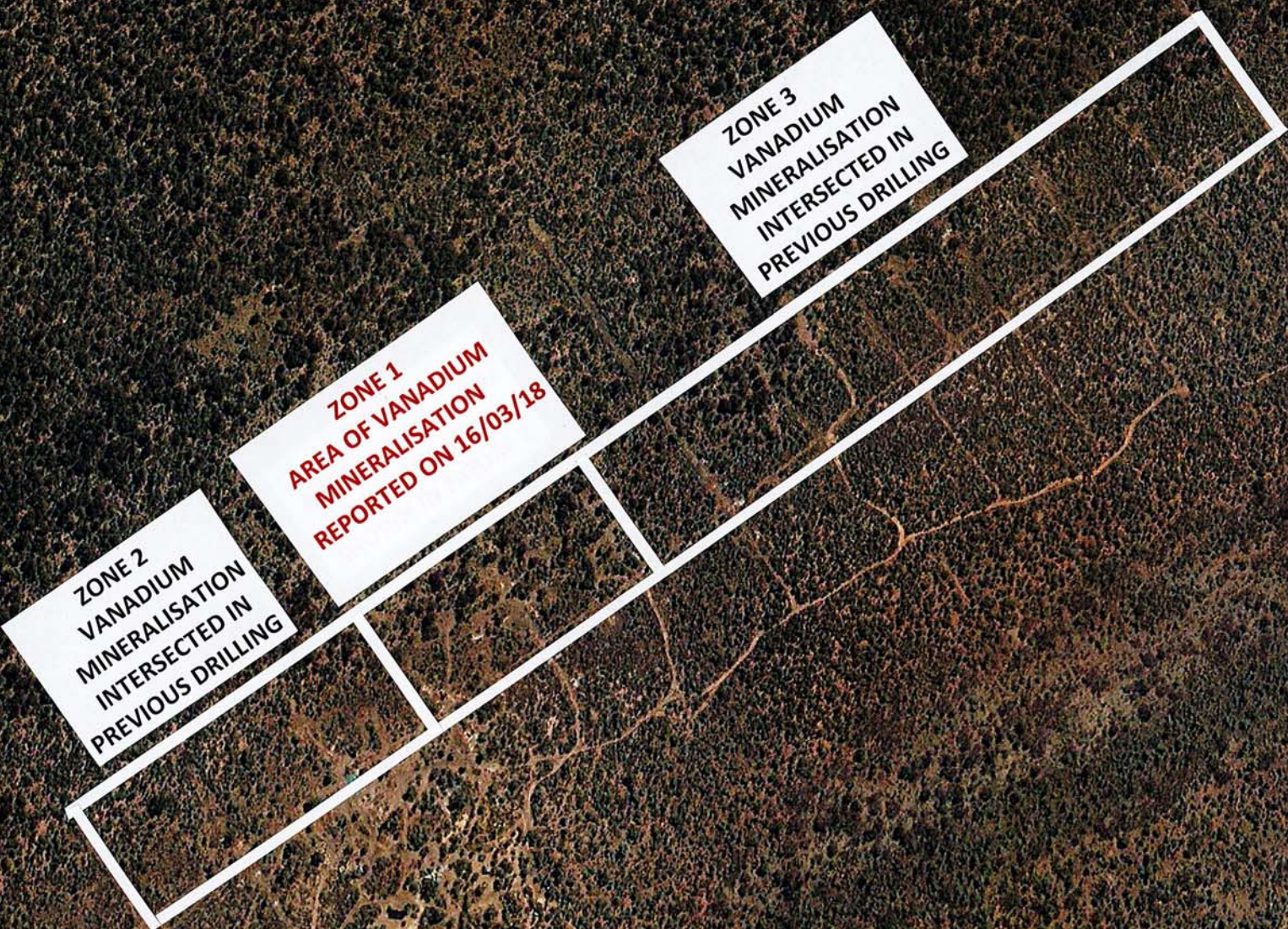
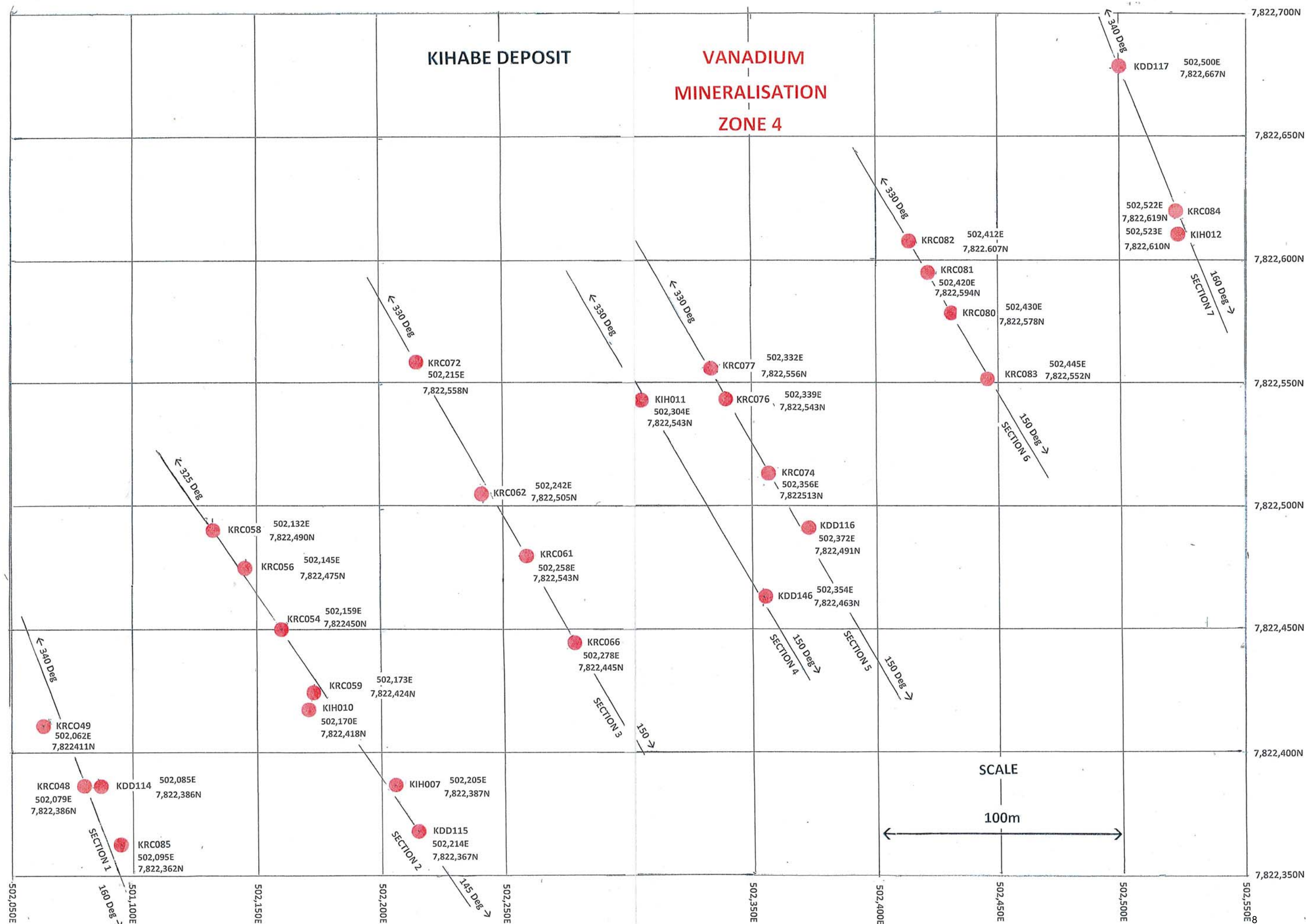
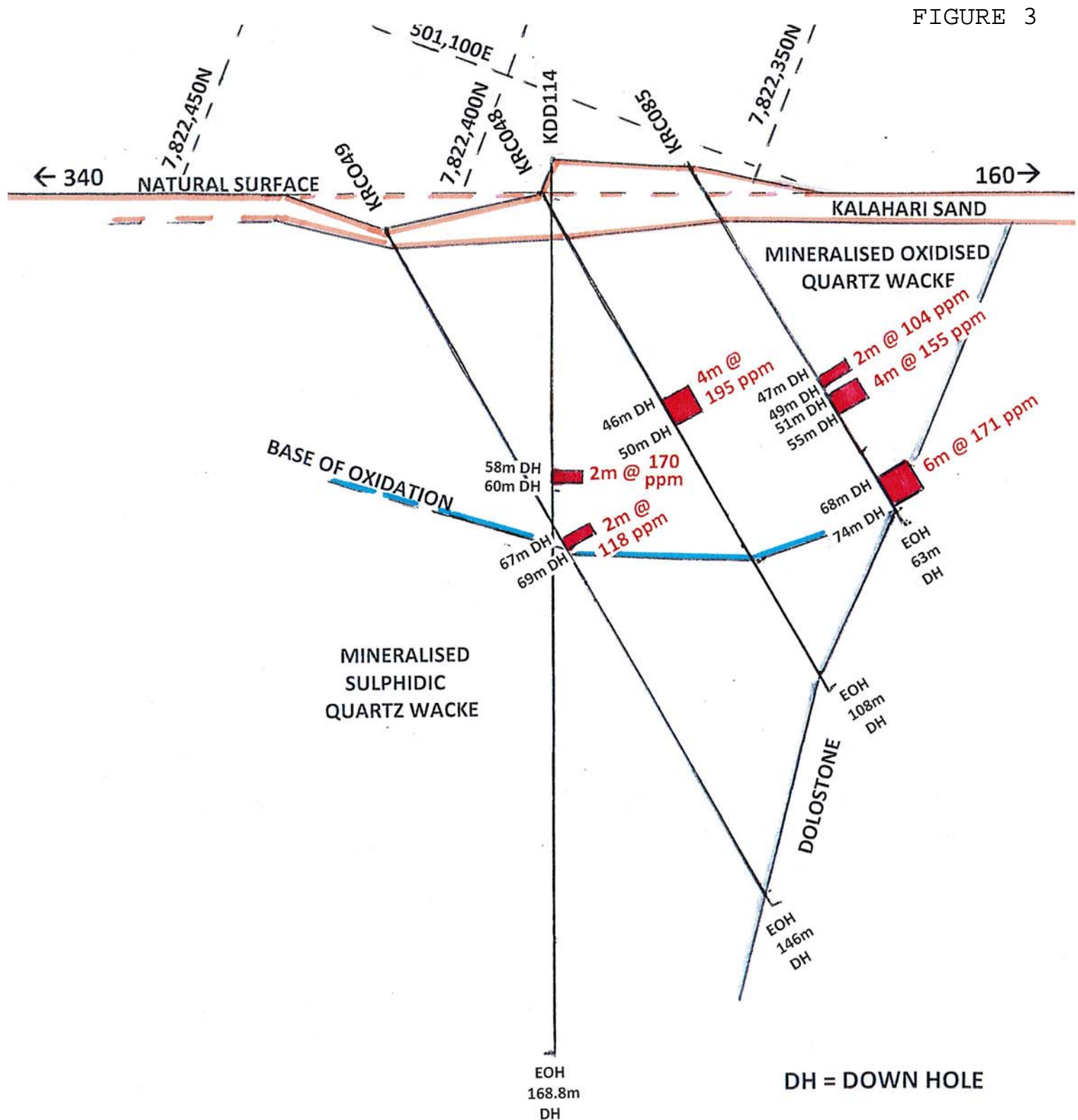


FIGURE 1



FIGURE 2

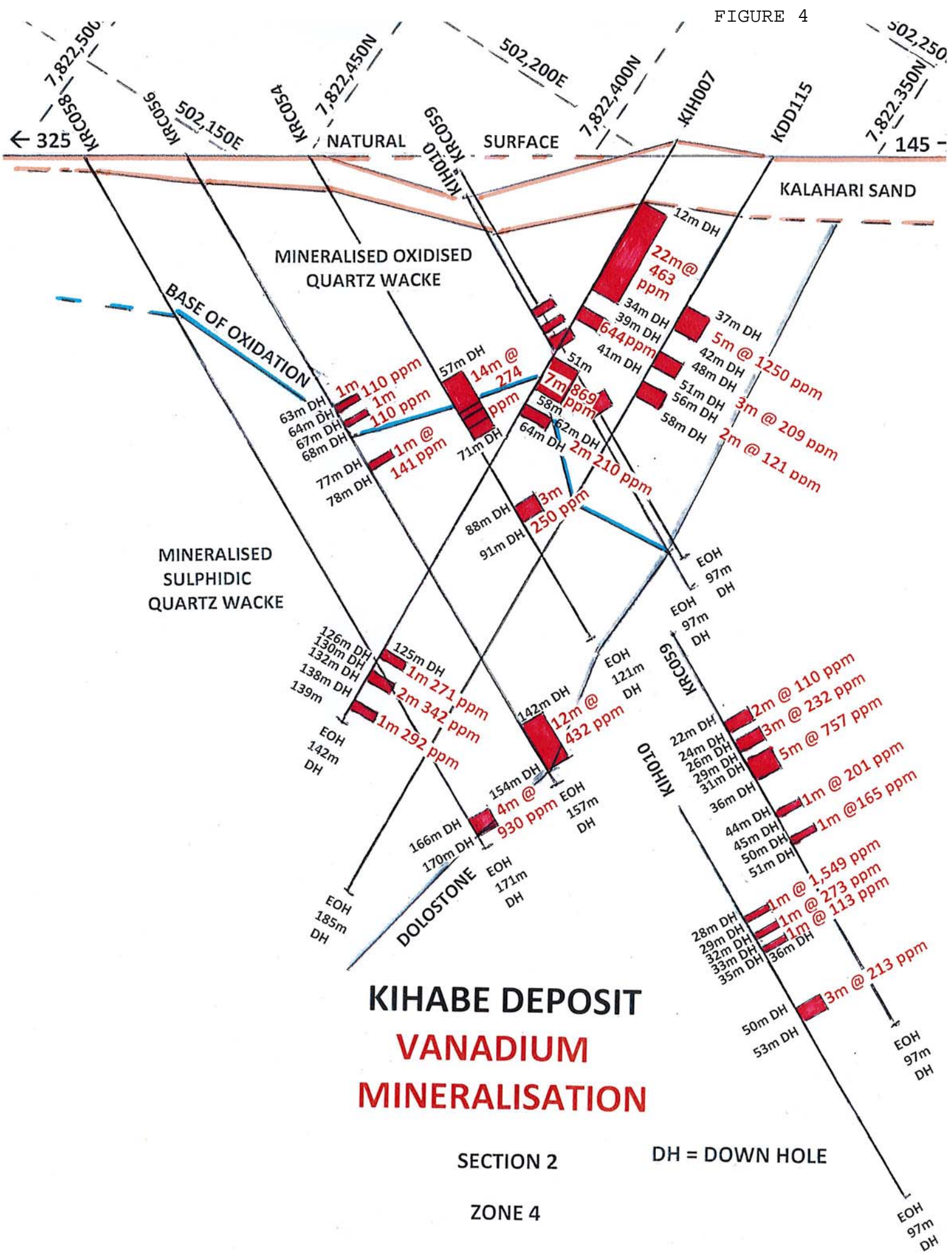


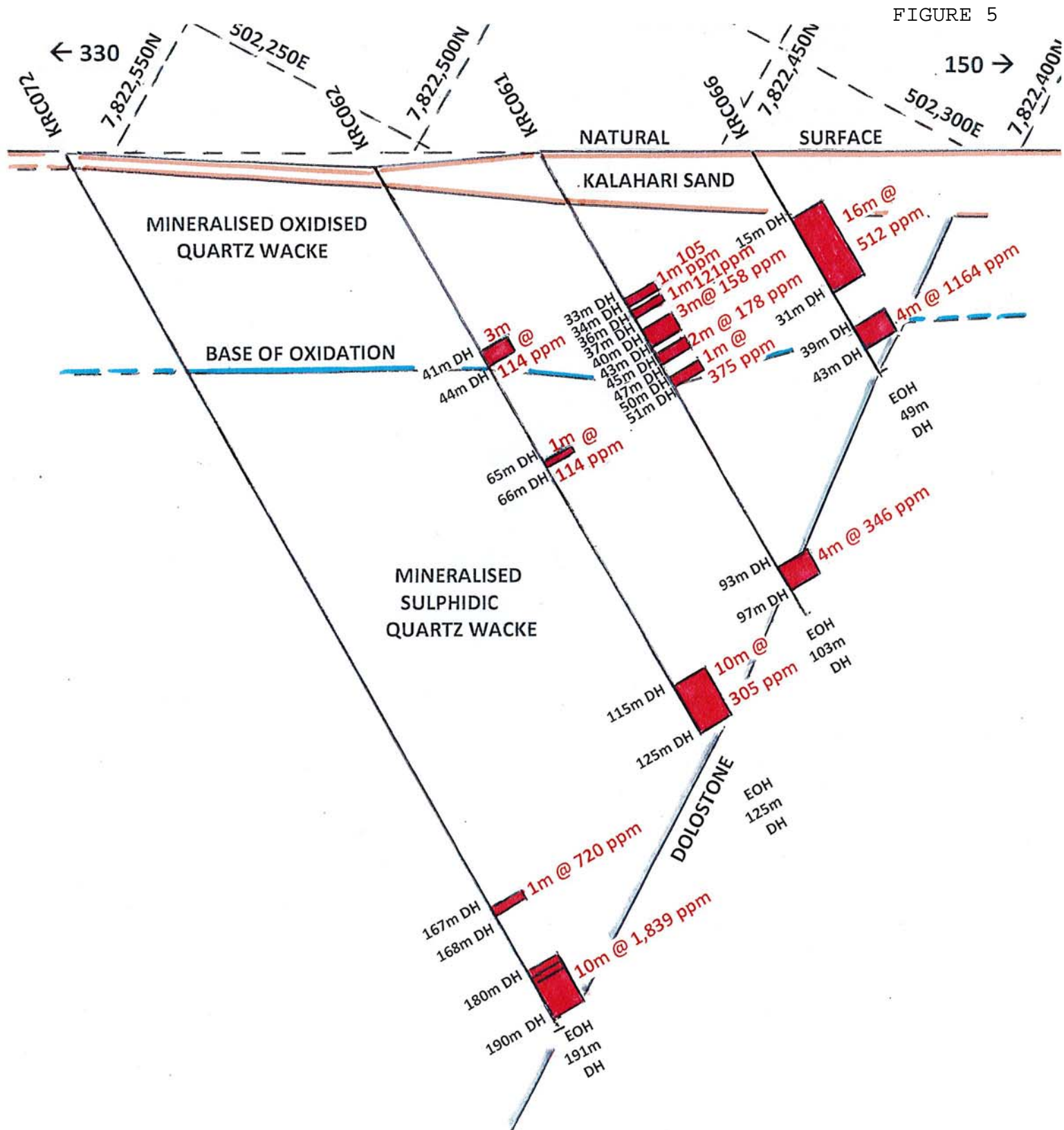


KIHABE DEPOSIT VANADIUM MINERALISATION

SECTION 1

ZONE 4



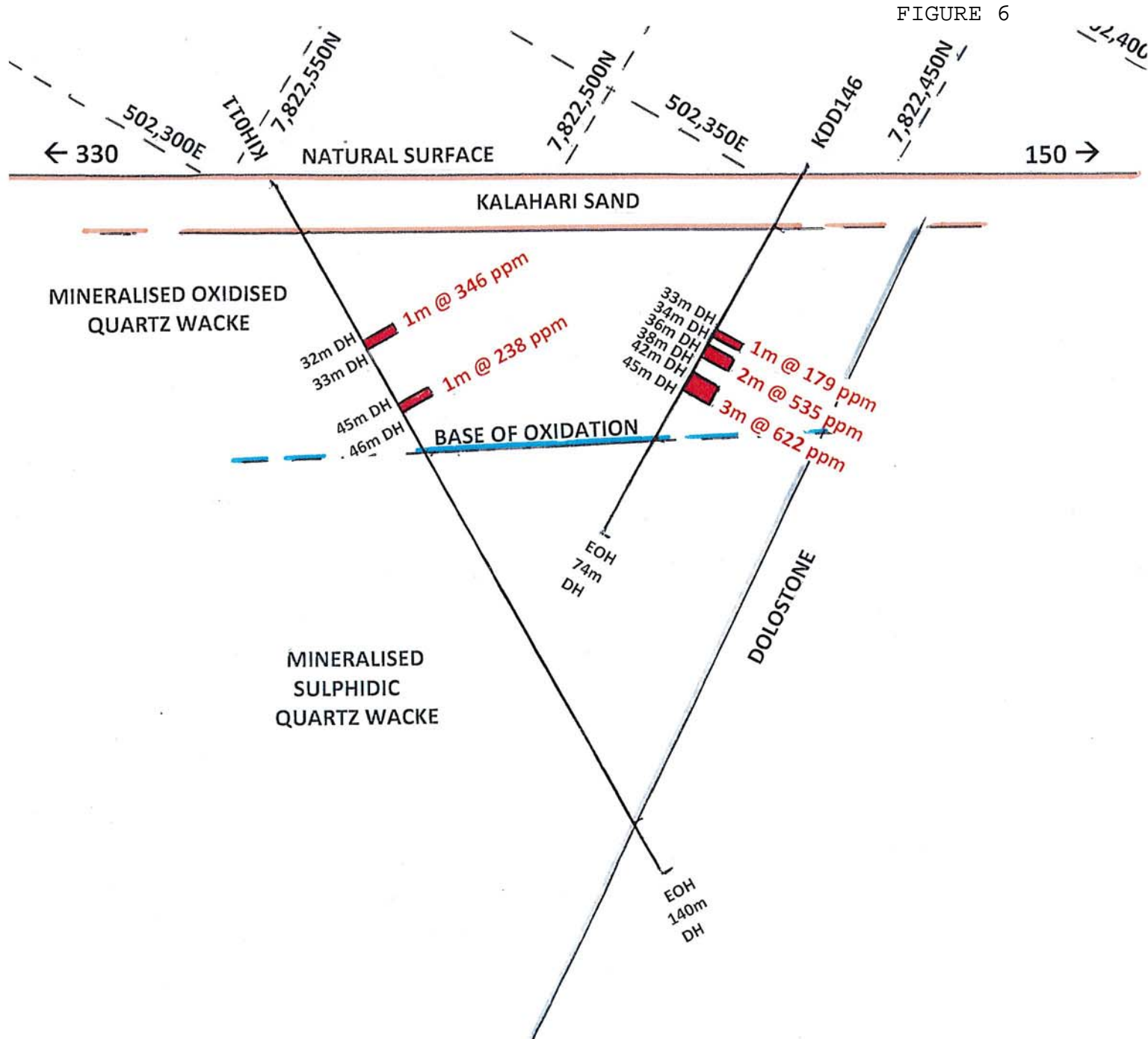


KIHABE DEPOSIT VANADIUM MINERALISATION

SECTION 3

DH = DOWN HOLE

ZONE 4

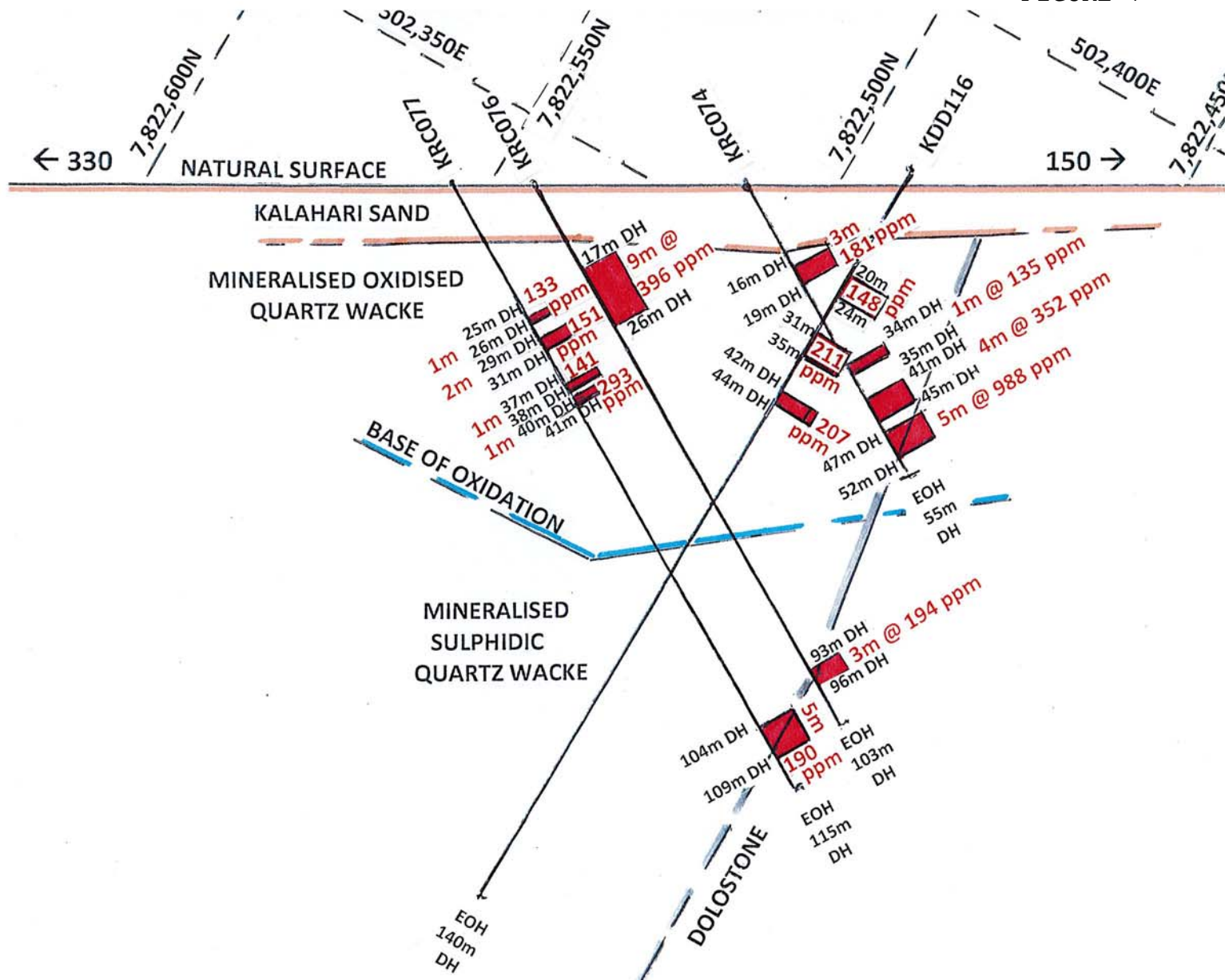


KIHABE DEPOSIT VANADIUM MINERALISATION

SECTION 4

DH = DOWN HOLE

ZONE 4



KIHABE DEPOSIT

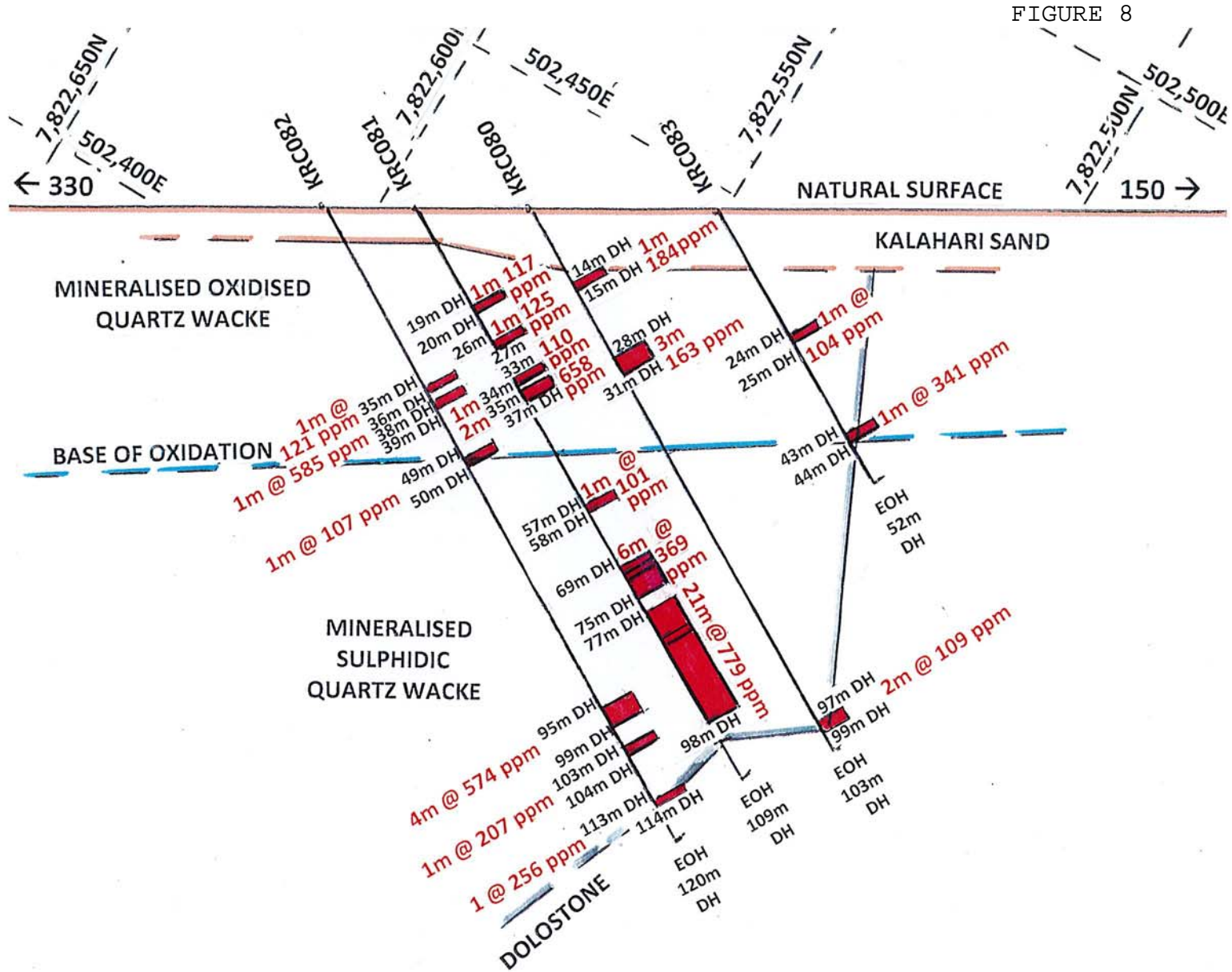
VANADIUM

MINERALISATION

SECTION 5

DH = DOWN HOLE

ZONE 4

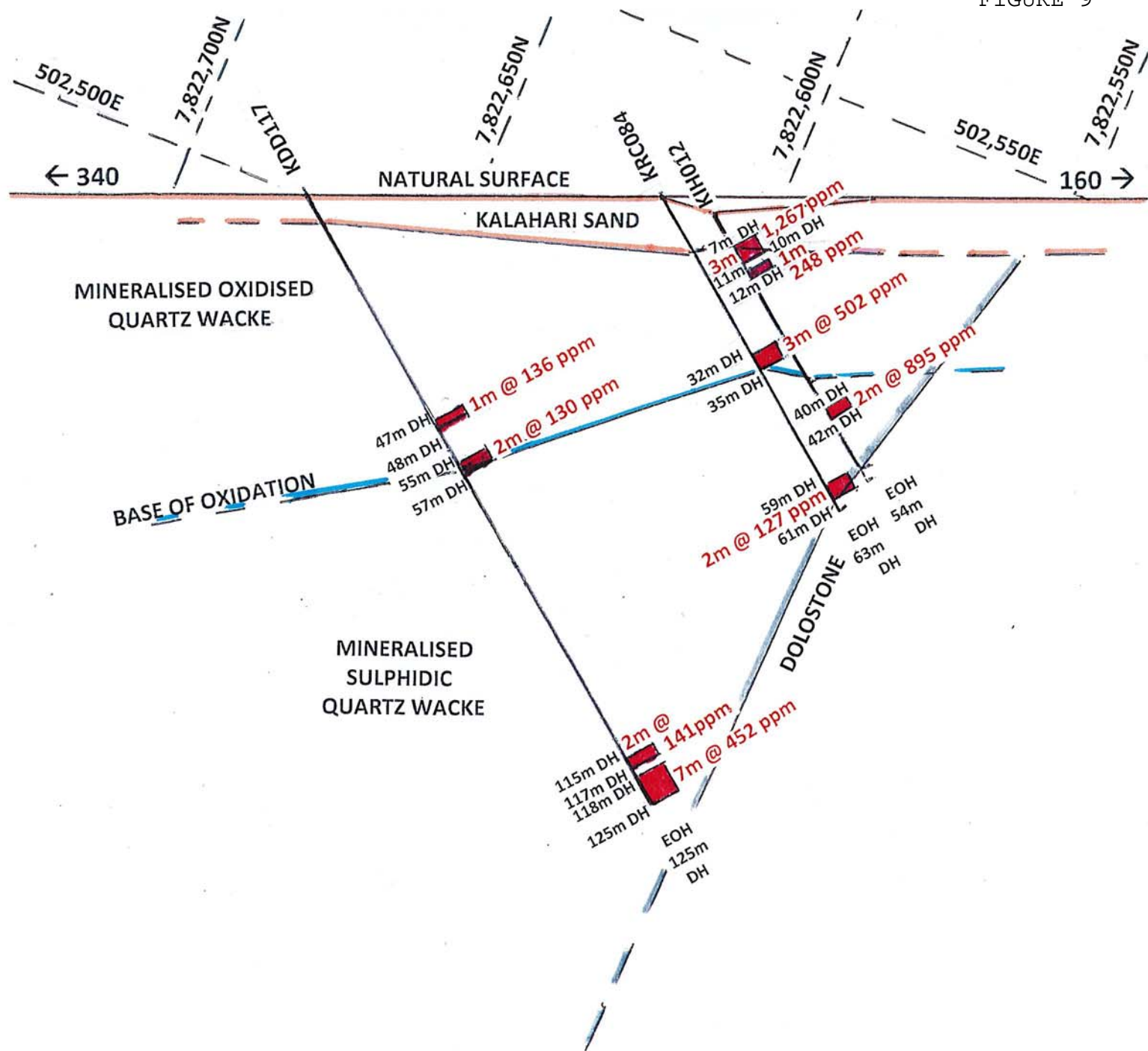


KIHABE DEPOSIT VANADIUM MINERALISATION

SECTION 6

DH= DOWN HOLE

ZONE 4



KIHABE DEPOSIT **VANADIUM** **MINERALISATION**

SECTION 7

DH DOWN HOLE

ZONE 4

Forward Looking Statement:

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

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

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

Other important Information

Purpose of document: This document 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 document 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.

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

Competent Person's Statements:

The information in this report that relates to the drilling results at Kihabe is based on, and fairly represents, information and supporting documentation prepared by Ms Karen Lloyd, who is a Fellow of the Australasian Institute of Mining & Metallurgy. Ms Lloyd is not a full-time employee of the Company and is employed as a Consultant from Jorvik Resources Pty Ltd. Ms Lloyd has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code)'. Ms Lloyd consents to the inclusion in this report of the drilling results and the supporting information in the form and context as it appears.

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

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections).

Criteria	JORC code explanation	Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	<p>RC holes Samples assayed were 8 inch and 5.5 inch diameter hammer samples. 1 metre samples were split by riffle splitter and spear sampled to achieve a 0.5 kg kraft bag sample.</p> <p>DD holes Samples assayed were HQ triple tube core diamond drill core. • Core is marked and collected in sample trays, visually logged and cut in half. Samples were collected as nominal 1m intervals but based on visible geology with minimum samples of 0.3m and maximum samples of 1.3m. Half of each core was retained on site in core trays and the other half was double bagged and sent for assay.</p> <p>All Holes All assay samples were pulverised to p80 75um and assayed via ICPMS/OES.</p>
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	<p>RC Holes Reverse circulation drilling was undertaken using 8 inch and 5.5 inch hammers</p> <p>DD Holes Both HQ and NQ diameter triple tube was used for diamond core drilling. All diamond hole core was oriented other than KDD 200-206.</p>
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material	Sample recoveries were in general high and no unusual measures were taken to maximise sample recovery other than the use of triple tube core. Mount Burgess believes there is no evidence of sample bias due to preferential loss/gain of fine/coarse material.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	Holes were logged in the field by qualified Geologists on the Company's log sheet template and of sufficient detail to support mineral resource estimation: Qualitative observations covered Lithology, grain size, colour, alteration, mineralisation, structure. Quantitative logging included vein percent. SG calculations at ~5m intervals were taken in the DD holes. All holes were logged for the entire length of hole. Logs are entered into MTBs GIS database managed by MTB in Perth.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to	<p>RC Drilling RC cuttings were collected over 1m intervals and two stage riffle split to produce a sample for dispatch to the assay laboratory. The remainder of the sample was bagged and kept on site. Washed chip samples for each metre were stored in chip trays for logging and later reference.</p> <p>DD Holes HQ and NQ Core was sawn in half on site. Half of each core was retained on site in core trays and the other half was double bagged and labelled noting Hole# and interval both within the bag and on the bag. Sample bags were</p>

	the grain size of the material being sampled.	<p>then placed in larger bags of ~40 individual samples and the larger bag also labelled describing the contents. Field duplicates were inserted at regular intervals.</p> <p>All Samples</p> <p>All samples were sent to assay laboratories including Ongopolo Laboratory Namibia, Set Point Laboratories South Africa and Intertek Genalysis Perth, for assaying according to the following standard techniques:</p> <ul style="list-style-type: none"> (a) Ore grade digest followed by ICP – OES finish for Silver, Lead, Vanadium & Zinc (b) Nitric acid/hydrofluoric acid specific digest for Germanium and Indium (c) Also 4 acid digest for silver, lead, zinc, germanium and gallium followed by AAS <p>Mount Burgess quality control procedures include following standard procedures when sampling, including sampling on geological intervals, and reviews of sampling techniques in the field.</p> <p>The current laboratory procedures applied to the Mount Burgess sample preparation include the use of cleaning lab equip. w/ compressed air between samples, quartz flushes between high grade samples, insertion of crusher duplicate QAQC samples, periodic pulverised sample particle size (QAQC) testing and insertion of laboratory pulp duplicates QAQC samples according to Intertek protocols.</p> <p>Intertek inserts QA/QC samples (duplicates, blanks and standards) into the sample series at a rate of approx. 1 in 20. These are tracked and reported on by Mount Burgess for each batch. When issues are noted the laboratory is informed and investigation conducted defining the nature of the discrepancy and whether further check assays are required. The laboratory completes its own QA/QC procedures and these are also tracked and reported on by Mount Burgess. Acceptable overall levels of analytical precision and accuracy are evident from analyses of the routine QAQC data</p>
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	No independent verification analyses have been conducted at this stage. Assay results for samples were received electronically from laboratories including Ongopolo, Set Point and Intertek Genalysis and uploaded into MTB's database managed by MTB at its Perth Office. No adjustment of assay data, including high grade cutting, was undertaken, other than the quoting of average values over specified intervals.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	Drill hole collar locations were recorded at the completion of each hole by hand held Garmin 62S GPS with horizontal accuracy of approx. 5 metres • Positional data was recorded in projection WGS84 UTM Zone 34S. The accuracy provided by the system employed is sufficient for the nature of the exploratory program. Downhole surveys were not conducted.
Data spacing and distribution	Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	The various drilling programs involved were a combination of infill drilling, validation/repeat drilling and extensional drilling and it is anticipated that the spacing of holes will be adequate to determine future drilling required to delineate a Vanadium Resource. No sample compositing was conducted.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Mineralisation was typically intercepted between 70 and 78 degrees to the drilling angle in the diamond drill holes. RC drilling was vertical and the mineralisation was typically intercepted around 30 degrees to the down hole trace.
Sample security	The measures taken to ensure sample security.	Samples were taken by vehicle on the day of collection to MTB's permanent field camp, and stored there until transported by MTB personnel to Maun from where they were transported via regular courier service to laboratories in South Africa. In the case of samples for Namibian Laboratory these were transported by MTB personnel to Tsumeb and lodged with the Laboratory.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	An independent Geologist was engaged to review sampling and logging methods on site at the commencement of the program.

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section).

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Kihabe-Nxuu Project is located in north-western Botswana, adjacent to the border with Namibia. The Project is made up of one granted prospecting licence - PL 43/2016. This licence is 100% owned and operated by Mount Burgess. The title is current at the time of release of this report. PL 43/2016 is in an area designated as Communal Grazing Area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The licence is in good standing and no impediments to operating are currently known to exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The Geological Survey of Botswana undertook a program of soil geochemical sampling in 1998. As a result of this program, Billiton was invited to undertake exploration and drilling activities in and around the project area. Mount Burgess first took ownership of the project in 2003 and has undertaken exploration activities on a continual basis since then.
Geology	Deposit type, geological setting and style of mineralisation.	<p>The Kihabe Base Metals SEDEX Project lies in the NW part of Botswana at the southern margin of the Congo craton. The Kihabe prospect is centred on the sedimentary rocks of the Xaudum Group. To the north of Kihabe are granitoids, ironstones, quartzites and mica schists of the Tsodilo Hills Group covered by extensive recent Cainozoic sediments of the Kalahari Group. Below the extensive Kalahari sediments are siliciclastic sediments and igneous rocks of the Karoo Supergroup in fault bounded blocks.</p> <p>The mineralization in the Kihabe project is hosted in feldspathic quartzites and grey wacke sedimentary sequences with minor mineralization in the footwall dolomites and cherts and is thought to be of hydrothermal origin. The mineralized zone is typically extensively altered to both sericite and chlorite with sulphides found parallel to shear zones and foliation/bedding. There has been remobilization along late shears and quartz veins; however the mineralization along these late structures is minor. The lithological units display a strong complex bedding/foliation trending on average NE-SW with minor trends to the ESE-WSW, NNE-SSE, and NW-SE and with steep and shallow dips indicating tight to isoclinal folding of geological units in the region.</p>
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation	Information material to the understanding of the exploration results reported by Mount Burgess is provided in the text of the public announcements released to the ASX. No material information has been excluded from the announcements.

Criteria	JORC Code Explanation	Commentary
	<p>above sea level in metres) of the drill hole collar</p> <p>dip and azimuth of the hole</p> <p>down hole length and interception depth</p> <p>hole length</p> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	No data aggregation methods have been used. Vanadium results are reported without a top cut but the Company has used 100 ppm as a bottom cut.
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p>	The geometry of the mineralisation with respect to the drill hole angle is typically between - 70 and -78 degrees, which is considered representative from a geological modelling perspective.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being	Appropriate maps, sections and mineralised drill intersection details are provided in public announcements released to the ASX. Similar diagrams accompany this report.

Criteria	JORC Code Explanation	Commentary
	reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Exploration results reported in Mount Burgess public announcements and this report are comprehensively reported in a balanced manner.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	All material results are reported.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further works planned at the Project include additional infill drilling at Nxuu and Kihabe deposits

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