

REPORT FOR THE QUARTER ENDED 30 JUNE 2018

KIHABE-NXUU PROJECT BOTSWANA

Vanadium

Vanadium data review was conducted on the Nxuu Deposit, the Kihabe Deposit and on a regional deposit known as the Gossan Anomaly – eight kilometres south of the Kihabe Deposit.

Since the beginning of April 2018 the Vanadium price has risen a further 23.26% (European Vanadium Pentoxide US\$34.43 kg on 3 April 2018 and US\$42.44 kg on 30 July 2018 - Refer to Figure 13 which shows the 3 Year Vanadium Price in US\$ per pound). Accordingly the Company continued its investigation, together with geological modelling, into previous and recent Vanadium results obtained from its Kihabe Zinc, Lead, Silver, Germanium and Vanadium Project in Botswana.

Subject to satisfactory recovery test work still to be conducted, Vanadium could represent a significant revenue contribution to the Project.

Previous test work conducted by the Company has confirmed that the Vanadium mineralisation at the Kihabe Project is hosted in Vanadinite /Descloizite. Within the same Neoproterozoic belt in Namibia Vanadinite/Descloizite was recovered through simple wet table gravity separation at Berg Aukas and Abenab Vanadium mines.

The Nxuu Deposit

In 1982, Billiton Botswana (Pty) Ltd, (Billiton) conducted an initial drilling program over the Kihabe Project at what is now known as the Nxuu Deposit where Billiton drilled ten percussion holes numbered AP001 to AP 010. Samples from five of these holes, AP001, AP003, AP005, AP006 and AP008 returned significant Vanadium assay results as shown in Table 1. See Figures 1-3. These results should also be read in conjunction with the Vanadium results obtained from drilling conducted by the Company at the Nxuu Deposit, as released to the market on 3 April 2018.

Table 1 – Significant Assay Results, Billiton Percussion Drill Holes – Nxuu Deposit

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing				From (m)	To (m)	Width (m)	ppm
AP001	508,702	7,821,387	-90	0	50.00/1157.40	14.00	31.00	17.00	308
						32.00	33.00	1.00	390
AP003	508,693	7,821,409	-90	0	70.00/1157.67	26.00	27.00	1.00	107
						30.00	32.00	2.00	550
AP005	508,933	7,821,784	-90	0	60.00/1156.04	33.00	36.00	3.00	244
						8.00	9.00	1.00	1,550
						20.00	21.00	1.00	485
						24.00	35.00	11.00	596
						24.00	25.00	1.00	940
						31.00	32.00	1.00	960
						32.00	33.00	1.00	880

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade	
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm	
					and being	33.00	34.00	1.00	1,495	
						31.00	34.00	3.00	1,112	
						36.00	37.00	1.00	1,680	
						41.00	51.00	10.00	718	
						including	41.00	42.00	1.00	910
						and	46.00	47.00	1.00	1,520
AP006	508,926	7,821,834	-90	0	60.00/1155.66	11.00	14.00	3.00	132	
						17.00	18.00	1.00	115	
						37.00	38.00	1.00	102	
						42.00	44.00	2.00	280	
AP008	508,912	7,821,931	-90	0	32.00/1155.99	11.00	12.00	1.00	1,880	
					including	17.00	20.00	3.00	5,400	
						18.00	19.00	1.00	10,000 (1%)	

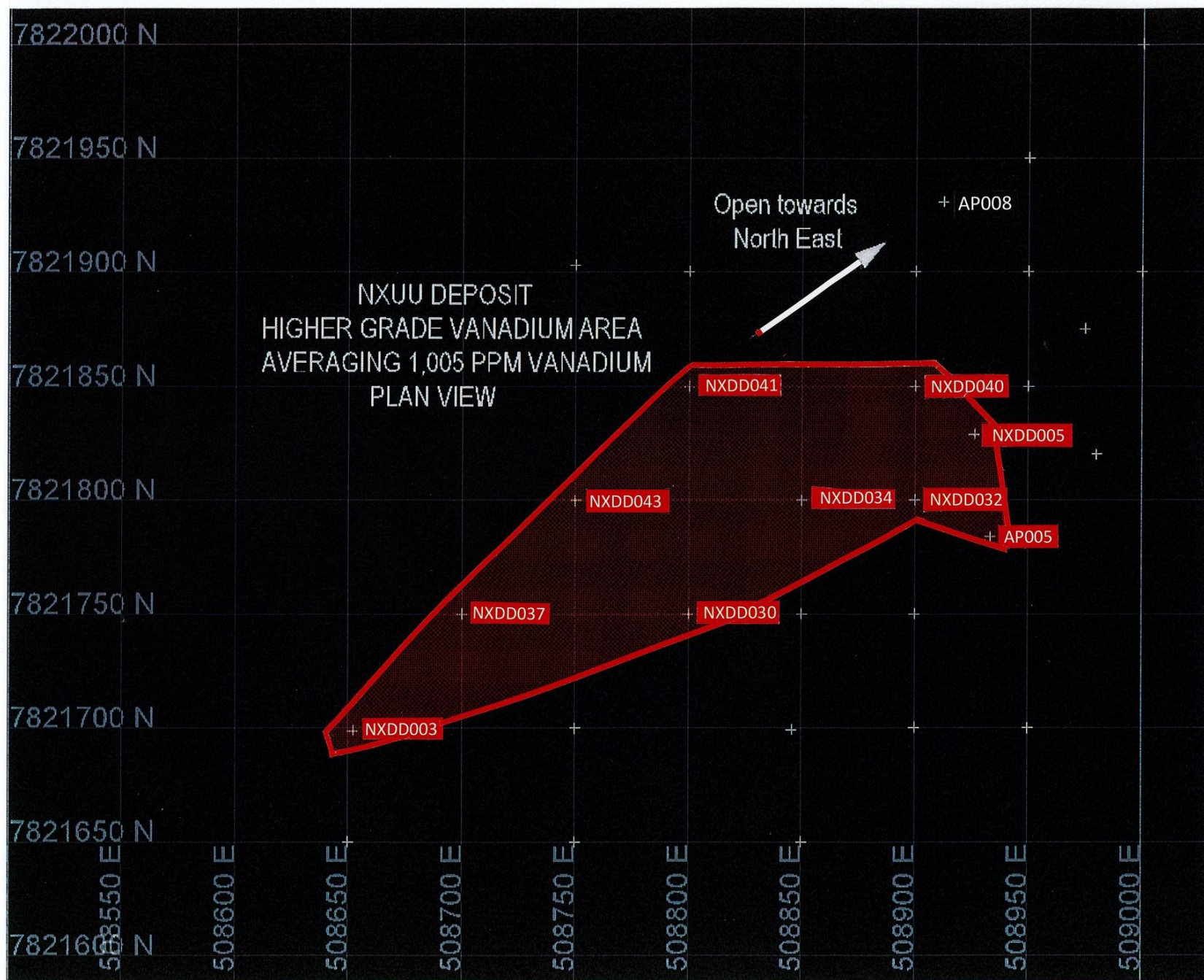
(N.B. Not all one metre intervals were assayed by Billiton for Vanadium resulting in gaps in the results data above).

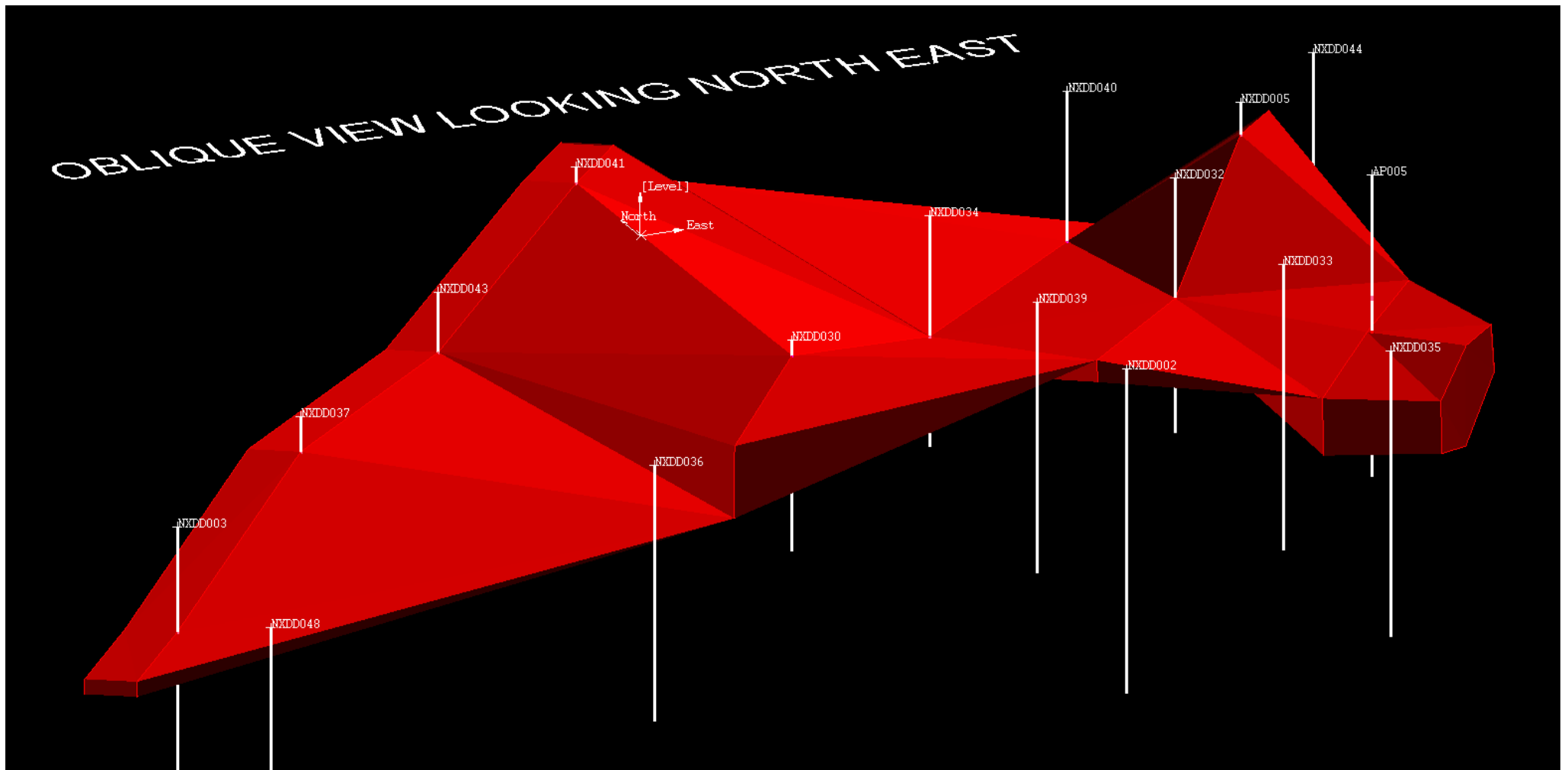
Zn/Pb/Ag/Ge/V mineralisation at the Nxuu Deposit occurs within a totally oxidised quartz wacke which lies within a barren dolostone basin. The mineralised, oxidised quartz wacke covers an area roughly 550m X 250m and is overlain with Kalahari sand cover of varying depths ranging from 3m to 18m.

Intersections of mineralisation occur at varying depths from as shallow as 3m to a maximum depth of 60m.

At the Nxuu Deposit significant Vanadium mineralisation exists at a shallow depth adjacent to the modelled Zn/Pb/Ag mineralisation domain. Future drilling programs will be designed to test the continuity of mineralisation, which remains open

Further investigation and geological modelling on the Vanadium mineralisation at the Nxuu Deposit suggests that an area estimated to be 270 metres x 100 metres is a domain of higher grade Vanadium mineralisation, averaging a grade of 1,005ppm as shown below. Significant intersections from 10 drill holes (see ASX announcements of 3 April and 9 July 2018) were used to model a single, continuous, near surface, high grade domain. The domain has been modelled from the base of the Kalahari sand cover (approximately 3m below the natural surface), to a maximum depth of 50m as shown in the 3D Geological Model of Vanadium Mineralisation.





3D Geological Model of Vanadium Mineralisation – Nxuu Deposit

HISTORICAL DRILLING

Billiton drill hole AP008 (Refer Figures 1 and 2) which contains 1m of Vanadium mineralisation @ 1,880ppm from 11m to 12m and 3m @ 5,400ppm from 17m to 20m, not included in the domain modelling, could represent continuity of the domain. The Company plans to drill test this proposed extension.

Mount Burgess Drill Hole NXDD041 contains 6.5 metres of Vanadium mineralisation averaging 646 ppm from 3.2m to 9.70m below surface; however no significant intersections of Zn/Pb/Ag/Ge mineralisation were encountered in this hole. All other Mount Burgess NXDD holes and Billiton drill hole AP005 listed below contained intersections of Zn/Pb/Ag mineralisation and NXDD 030, 032, 034 and 040 also contained Germanium mineralisation (Refer to announcements dated 5 February 2018 and 3 April 2018).

TABLE 2 - Higher Grade Vanadium Zone at Nxuu Deposit

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade	Weighted Average
	Easting	Northing				From (m)	To (m)	Width (m)	ppm	ppm
NXDD003	508,650	7,821,750	-90	0	56.05/1133	20.92	26.00	5.08	681	3,459.48
NXDD037	508,700	7,821,750	-90	0	41.95/1133	7.00	22.00	15.00	783	11,745.00
NXDD043	508,750	7,821,800	-90	0	20.95/1132	12.00	19.43	7.43	711	5,282.73
NXDD030	508,800	7,821,750	-90	0	41.95/1132	3.00	25.00	22.00	1,832	40,304.00
NXDD041	508,800	7,821,850	-90	0	11.95/1133	3.20	9.70	6.50	646	4,199.00
NXDD034	508,850	7,821,800	-90	0	49.62/1132	5.15	20.69	15.54	588	9,137.52
						24.00	27.95	3.95	606	2,393.70
						29.00	31.00	2.00	782	1,564.00
						24.00	29.00	5.00	1,043	5,215.00
NXDD032	508,900	7,821,800	-90	0	50.95/1132	24.00	29.00	5.00	1,043	5,215.00
NXDD040	508,900	7,821,850	-90	0	38.35/1131	29.88	34.00	4.12	2,199	9,059.88
						35.00	38.35	3.35	896	3,001.60
AP005	508,933	7,821,784	-90	0	60.00/1156	24.00	25.00	1.00	940	940.00
						31.00	34.00	3.00	1,112	3,336.00
						36.00	37.00	1.00	1,680	1,680.00
						41.00	51.00	10.00	718	7,180.00
NXDD005	508,926	7,821,825	-90	0	47.70/1157	6.40	15.17	8.77	626	5,490.02
TOTAL						43.00	44.75	1.75	1,181	2,066.75
								115.49		116,054.68
Weighted Average Grade (ppm) of Vanadium Mineralisation										1,005.00

The results from Billiton drill hole AP008 could extend this zone, though further drilling will be required to verify and confirm the overall extent of the higher grade zone.

TABLE 3 – Billiton AP008 - High Grade Vanadium Zone

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade	Weighted Average
	Easting	Northing				From (m)	To (m)	Width (m)	ppm	ppm
AP008	508,912	7,821,931	-90	0	32.00/1156	11.00	12.00	1.00	1,880	1,880.00
						17.00	20.00	3.00	5,400	16,200.00
TOTAL								4.00		18,080.00
Weighted Average Grade (ppm) of Vanadium Mineralisation										4,520.00

The Kihabe Deposit

Billiton drilled two percussion holes numbered AP011 and AP012 at the Kihabe Deposit, 7km west of the Nxuu Deposit. Samples from both these holes returned significant Vanadium assay results as shown in Table 4. See Figures 4-6. These results should also be read in conjunction with Vanadium results obtained from drilling conducted by the Company at the Kihabe Deposit, as released to the market on 16 March 2018 and 23 March 2018.

Table 4 – Billiton Percussion Drill Holes – Kihabe Deposit

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
AP011	500,837	7,821,551	-60	339	100.00/1188.19	48.00	50.00	2.00	385
AP012	502,210	7,822,339	-60	339	100.00/1182.89	25.00	26.00	1.00	510
						27.00	28.00	1.00	1,210
						29.00	32.00	3.00	1,400
						35.00	38.00	3.00	4,463
						37.00	38.00	1.00	10,000 (1%)

The Vanadium mineralisation at the Kihabe deposit as shown in Table 4 above all occurs within the top oxide zone of the deposit.

The Billiton results quoted are verbatim from reports made available by the Geological Survey of Botswana and were used by the Company as a guide for their initial exploration within the area of PL43/2016 (previously PL69/2003).

Assay results and extent of multi-metal mineralisation encountered in exploration of this area by the Company has, without fail, supported results reported by Billiton. Similarly, assays from recent drilling programs by the Company, particularly in relation to vanadium results reported by Billiton, are of similar order and thickness.

The Gossan Anomaly

The Gossan Anomaly, which has high grade vanadium mineralisation at shallow depth is situated some eight kilometres south of the Kihabe Deposit, where anomalous geochemistry was identified over an area of 500m x 200m. Geological interpretation suggests mineralisation is open in all directions.

Upon defining an elevated base metal geochemical anomaly limited base metal drilling was undertaken at the Gossan Anomaly, first by Billiton (Botswana) Pty Ltd (Billiton) in 1982 and later by the Company in 2007 and 2008.

Billiton drilled six percussion holes numbered AP015 to AP020. All these drill holes also returned what are now seen as significant Vanadium results, with values of up to 1% Vanadium at depths ranging from surface to 27m downhole. (Refer to Figures 7 and 8)

In 2007, the Company drilled the Gossan believed to be the source of the base metal geochemical anomaly generated by Billiton. Three RC drill holes, GRC001, GRC002 and GRC003 were drilled into the Gossan, all returning what are now seen as significant intersections of Vanadium mineralisation (Refer to Figures 7 and 9). This was followed by five diamond core holes in 2008 GDD01, GDD01A, GDD02, GDD03 and GDD04, with GDD04 returning values of over 1% Vanadium. (Refer to Figures 10, 11 and 12).

Table 5 – Billiton Percussion Drill Holes

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
AP018	503,015	7,812,945	-60	190	32.00/1198.39	14.00	17.00	3.00	4,757.00
						18.00	21.00	3.00	4,007.00
AP017	503,019	7,812,928	-60	350	31.00/1199.11	14.00	17.00	3.00	4,843.00
						19.00	21.00	2.00	1,275.00
						25.00	27.00	2.00	123.00
AP020	503,015	7,812,928	-60	150	30/1198.92	1.00	4.00	3.00	2,040.00
						10.00	12.00	2.00	378.00
AP016	503,020	7,812,910	-60	350	31/1199.71	8.00	13.00	5.00	582.00
					<i>including</i>	10.00	11.00	1.00	1,120.00
AP015	503,019	7,812,888	-60	350	30/1200.35	16.00	19.00	3.00	1,807.00
AP019	503,018	7,812,869	-60	350	30/1200.90	7.00	8.00	1.00	440.00
						12.00	14.00	2.00	9,800.00

Table 6 –Mount Burgess Mining RC Drill Holes

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
GRC002	503,023	7,812,964	-55	60	86	0.00	2.00	2.00	428.00
						3.00	7.00	4.00	409.00
						8.00	11.00	3.00	158.00
						13.00	18.00	5.00	265.00
						21.00	28.00	7.00	481.00
					<i>Including</i>	21.00	22.00	1.00	1,018.00
GRC001	503,041	7,812,948	-60	60	76	0.00	2.00	2.00	644.00
						10.00	14.00	4.00	362.00
						15.00	27.00	12.00	439.00
					<i>including</i>	17.00	18.00	1.00	1,129.00
						28.00	31.00	3.00	187.00
						34.00	36.00	2.00	122.00
						51.00	53.00	2.00	179.00
						79.00	81.00	2.00	142.00
GRC003	503,071	7,812,917	-55	60	80	0.00	1.00	1.00	225.00
						9.00	12.00	3.00	120.00
						36.00	41.00	5.00	360.00

Table 7 –Mount Burgess Mining Diamond Core Drill Holes

HOLE ID	COORDINATES		DIP	AZI-MUTH	EOH/RL	DOWNHOLE INTERVAL			V Grade
	Easting	Northing	Degrees	Degrees	(m)	From (m)	To (m)	Width (m)	ppm
GDD01	503,065	7,812,885	-50	45	71.7	35.00	39.00	4.00	181.00
						41.00	43.00	2.00	125.00
						43.90	45.00	1.10	154.00
						61.80	62.70	0.90	116.00
GDD01A	503,062	7,812,886	-50	45	152.70	38.00	43.00	5.00	130.00
						46.00	50.00	4.00	168.00
						54.50	58.00	3.50	2,712.00
					<i>including</i>	56.00	57.00	1.00	1,461.00

HOLE ID	COORDINATES		DIP Degrees	AZI- MUTH Degrees	EOH/RL (m)	DOWNHOLE INTERVAL			V Grade
	Easting	Northing				From (m)	To (m)	Width (m)	ppm
						62.00	63.00	1.00	106.00
						68.00	69.00	1.00	200.00
						85.00	86.00	1.00	119.00
						100.00	102.00	2.00	172.00
						107.00	110.00	3.00	115.00
						113.00	114.00	1.00	117.00
						119.00	120.00	1.00	104.00
						124.00	125.00	1.00	120.00
GDD02	502,998	7,812,958	-50	45	121.00	4.00	6.10	2.10	246.00
						6.46	10.00	3.54	177.00
						11.00	14.00	3.00	308.00
						58.00	59.00	1.00	106.00
						61.00	62.00	1.00	104.00
GDD03	503,224	7,812,903	-50	225	42.00	34.00	35.00	1.00	144.00
GDD04	503,028	7,812,848	-56	45	130.00	1.40	10.00	8.60	1,201.00
					<i>including</i>	2.00	3.00	1.00	2,668.00
									23,221.00
						<i>including</i>	3.00	3.10	0.10
									(2.32%)
						<i>including</i>	3.10	3.55	0.45
									16,380.00
									(1.638%)
						11.00	15.00	4.00	298.00
						18.00	19.00	1.00	155.00
						22.00	25.00	3.00	317.00
						27.00	28.00	1.00	121.00
						30.00	32.00	2.00	297.00
						33.00	37.00	4.00	404.00
						80.10	81.00	0.90	319.00

Mineralogical and metallurgical test work will need to be conducted on the Gossan Anomaly Vanadium mineralisation in order to establish its recoverability. This will determine its potential as supplemental feed for the proposed future production at the Nxuu Deposit some 9 km to the north east.

CORPORATE

FUNDING

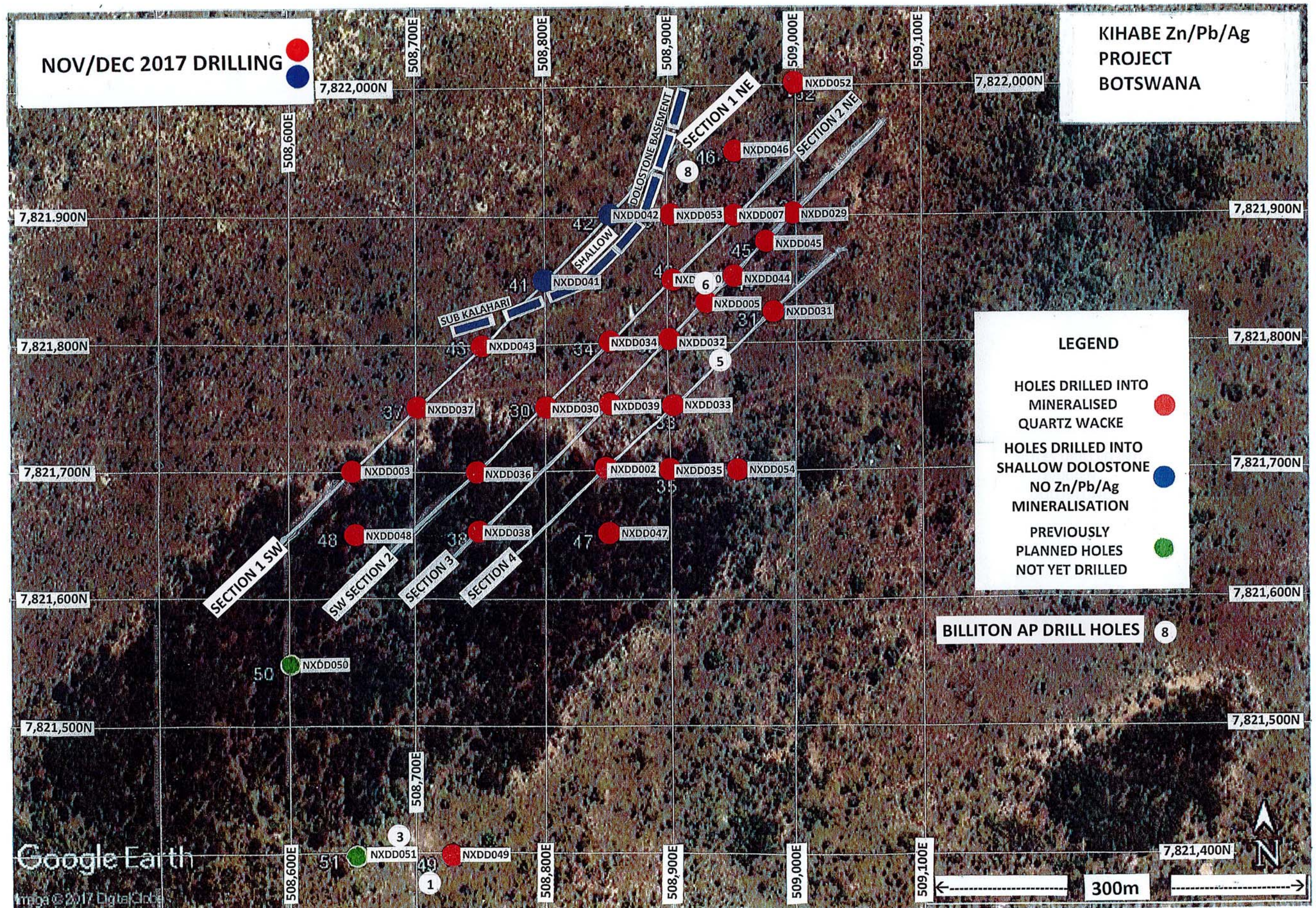
During the quarter the Company raised \$94,804 through the issue of 13,543,376 shares at 0.7 of a cent.

Since the end of the quarter whilst awaiting VAT repayments from BURS Botswana, amounting to \$16,000, Jan and Nigel Forrester have lent the Company \$ 30,000.

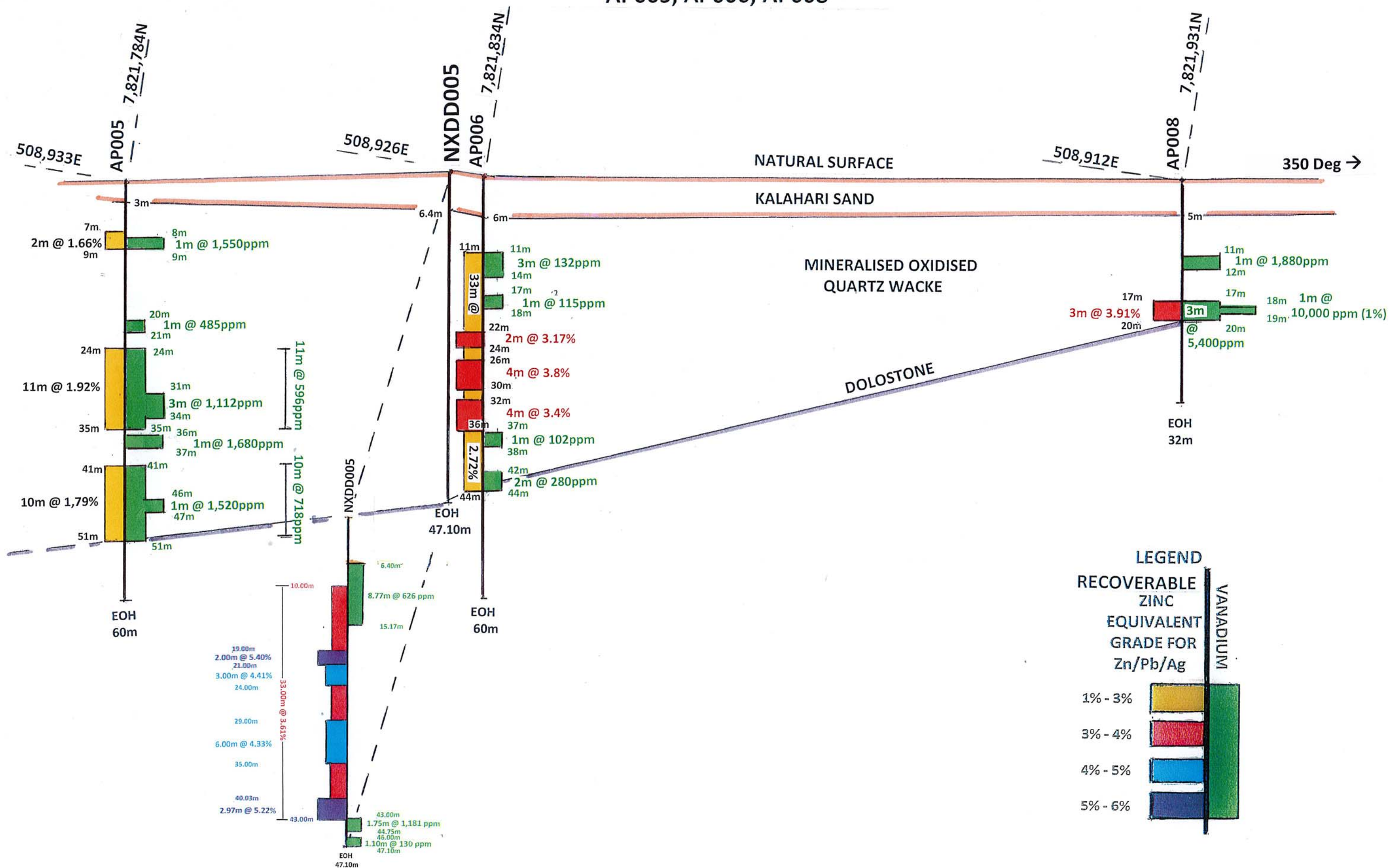
NXUU Zn, Pb, Ag, Ge, V DEPOSIT

FIGURE 1

DRILL HOLES



**NXUU DRILL HOLE SECTION
SHOWING BILLITON DRILL HOLES
AP005, AP006, AP008**



NXUU DRILL HOLE SECTIONS SHOWING BILLITON DRILL HOLES AP001 AND AP003

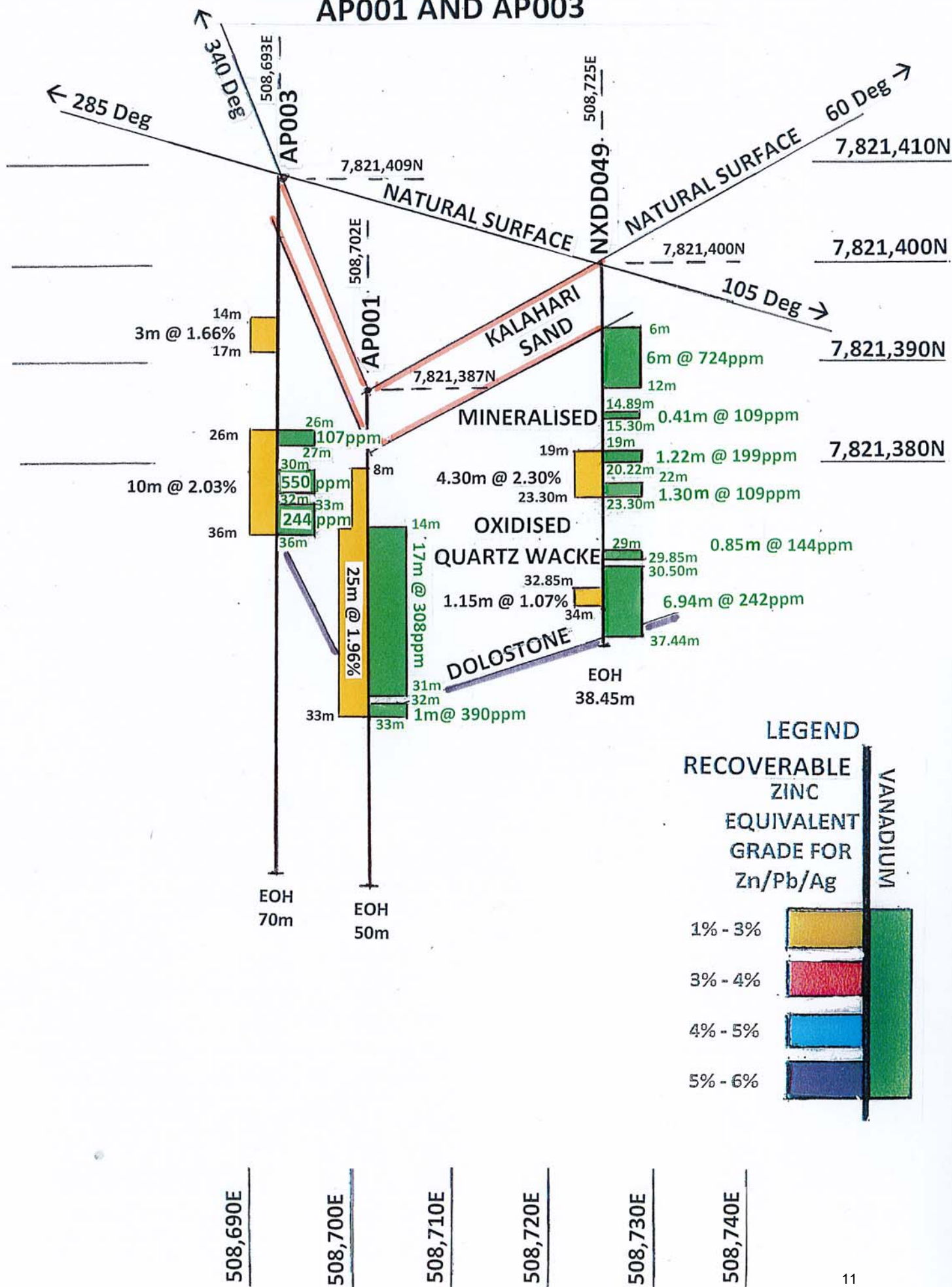
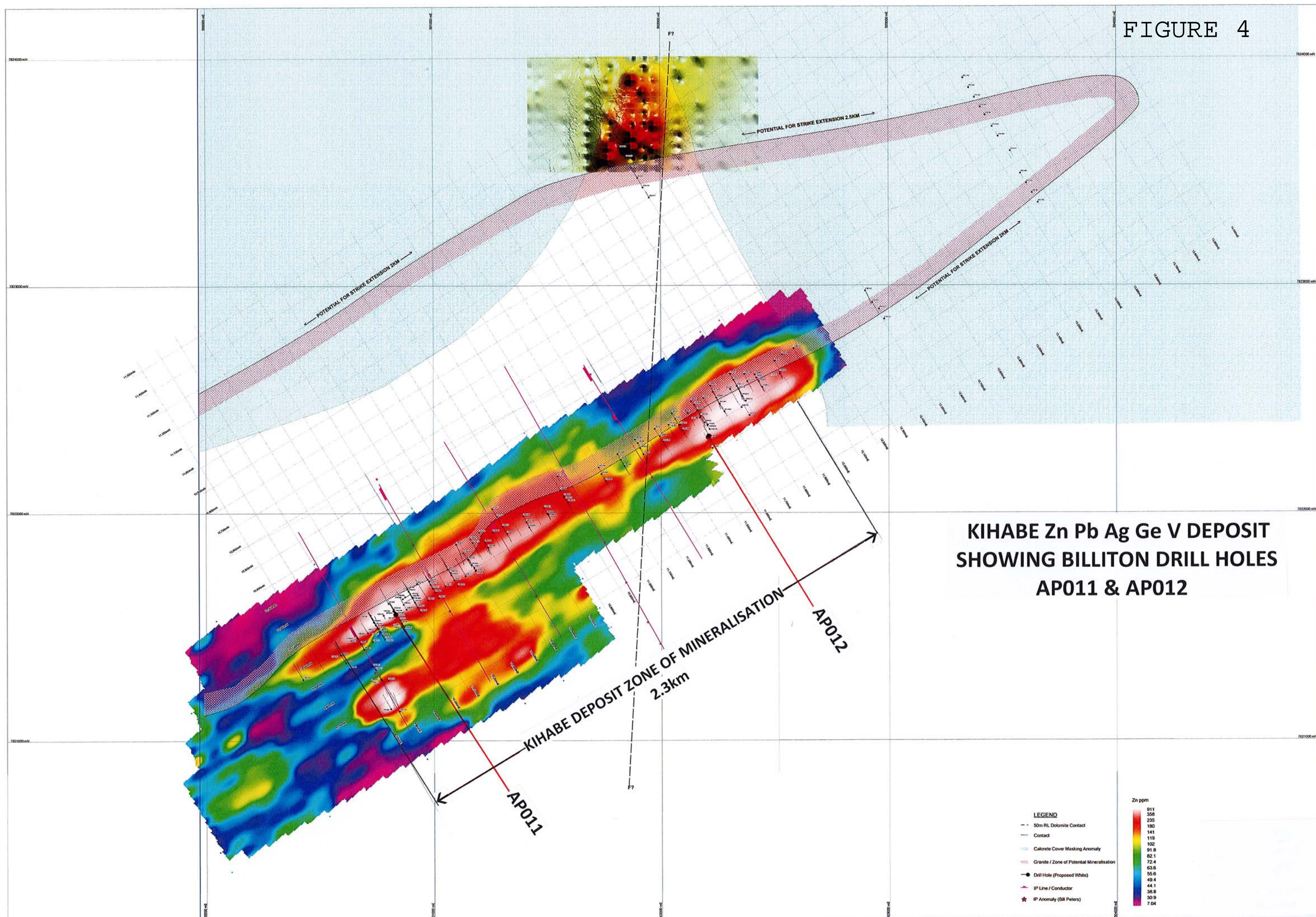


FIGURE 4



**KIHABE Zn Pb Ag Ge V DEPOSIT
SHOWING BILLITON DRILL HOLES
AP011 & AP012**

KIHABE DRILL HOLE SECTION SHOWING BILLITON DRILL HOLE AP0011

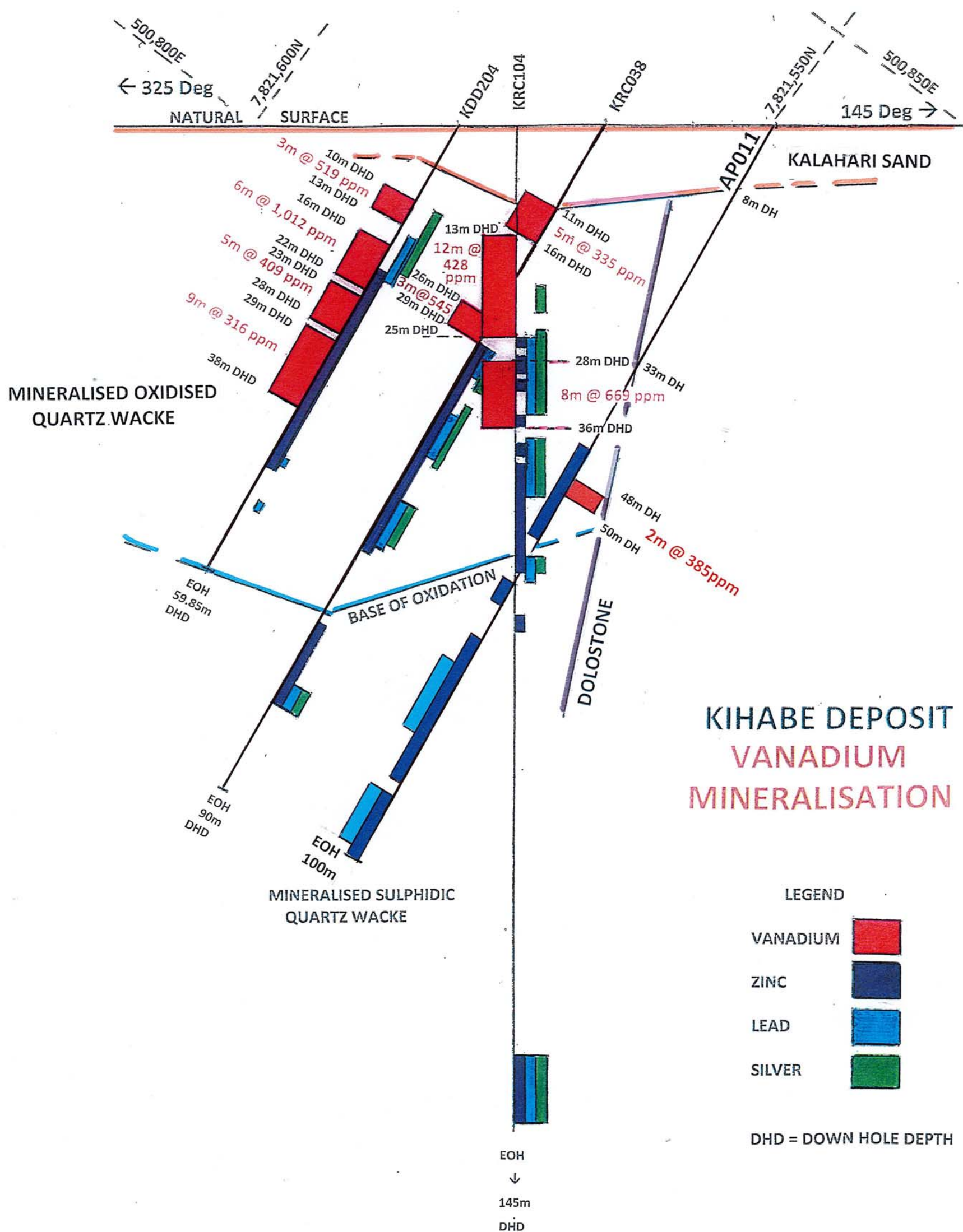
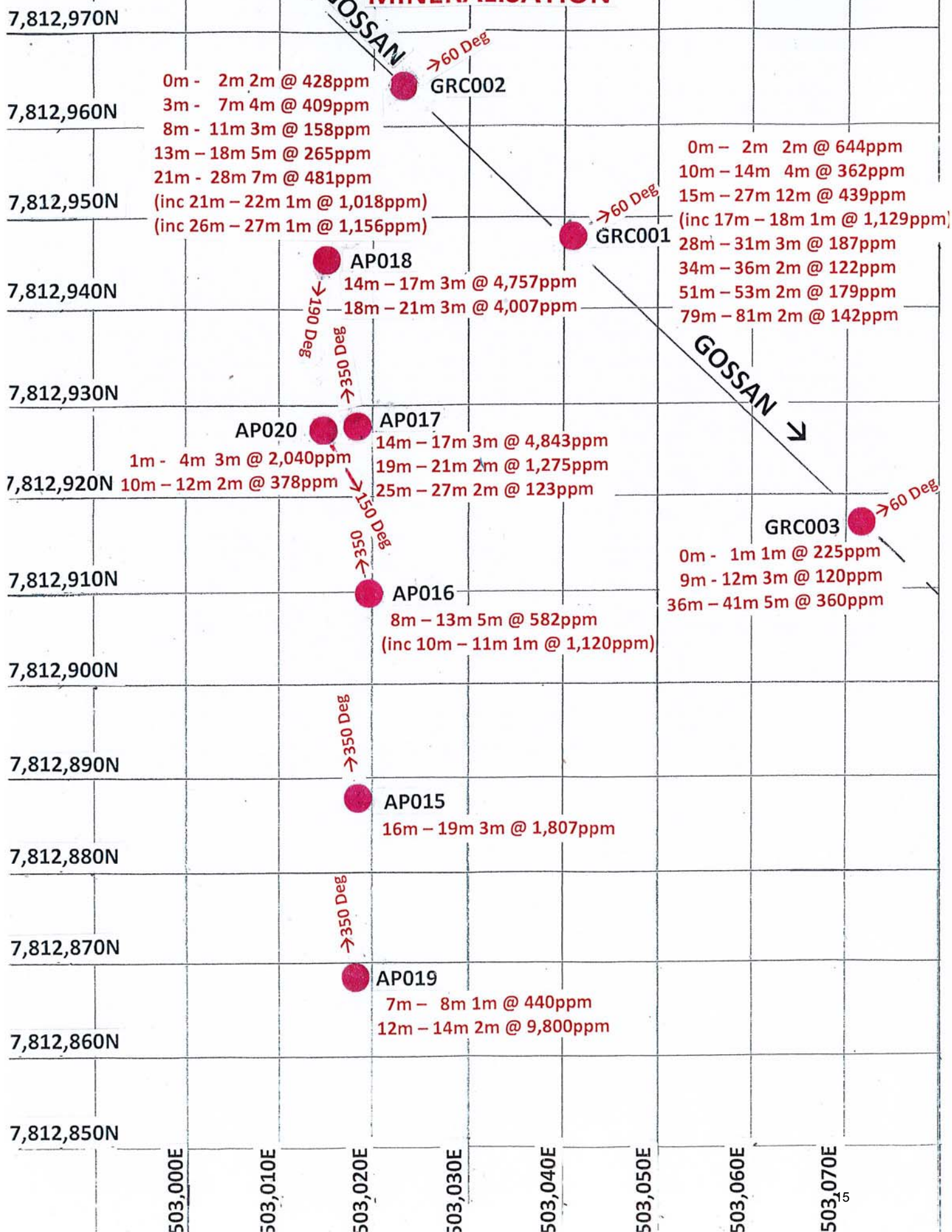


FIGURE 6



FIGURE 7

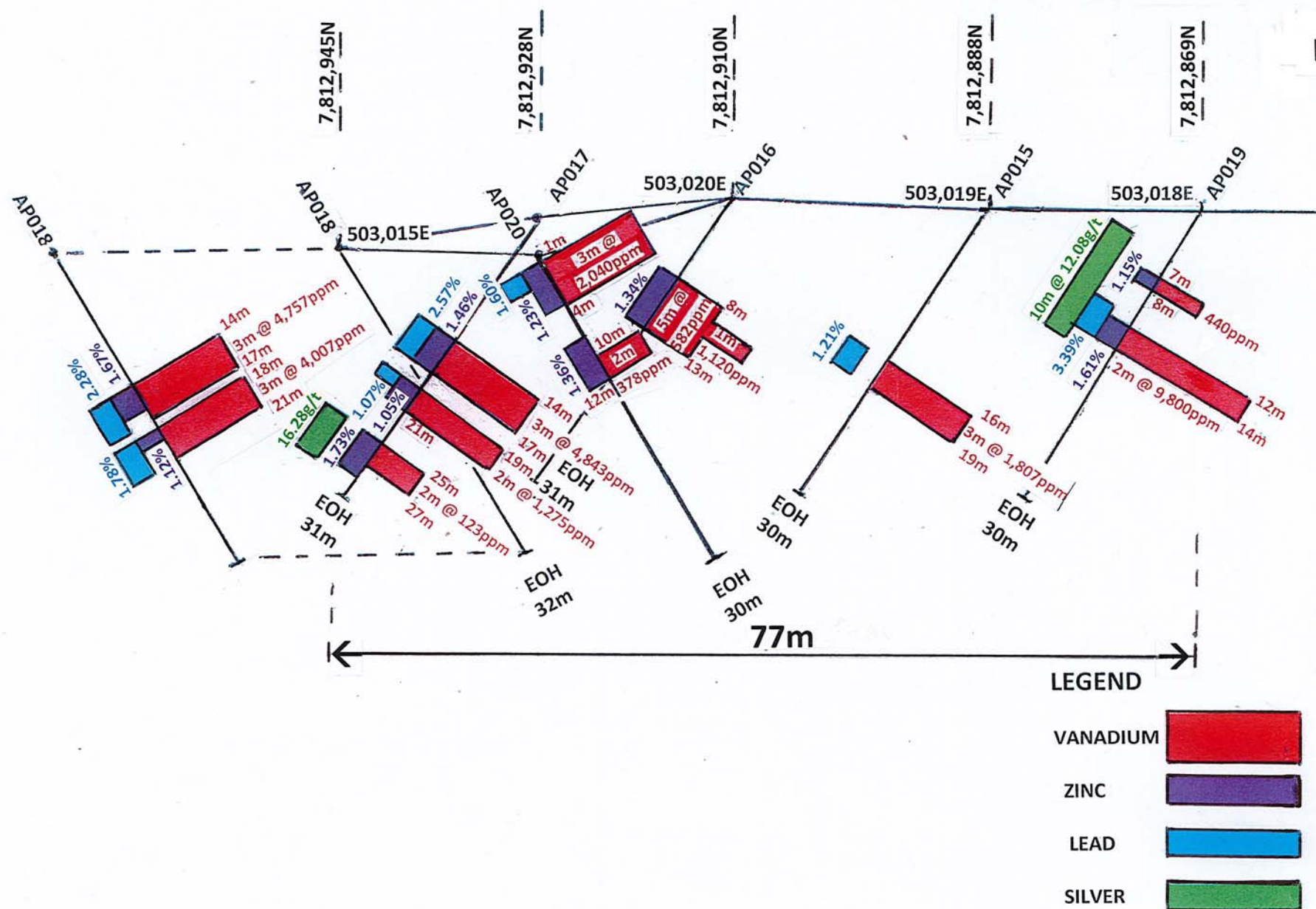
MI
GOSSAN



VANADIUM MINERALISATION

THE GOSSAN ANOMALY BILLITON PERCUSSION DRILL HOLES

FIGURE 8



VANADIUM MINERALISATION

LEGEND

SILVER



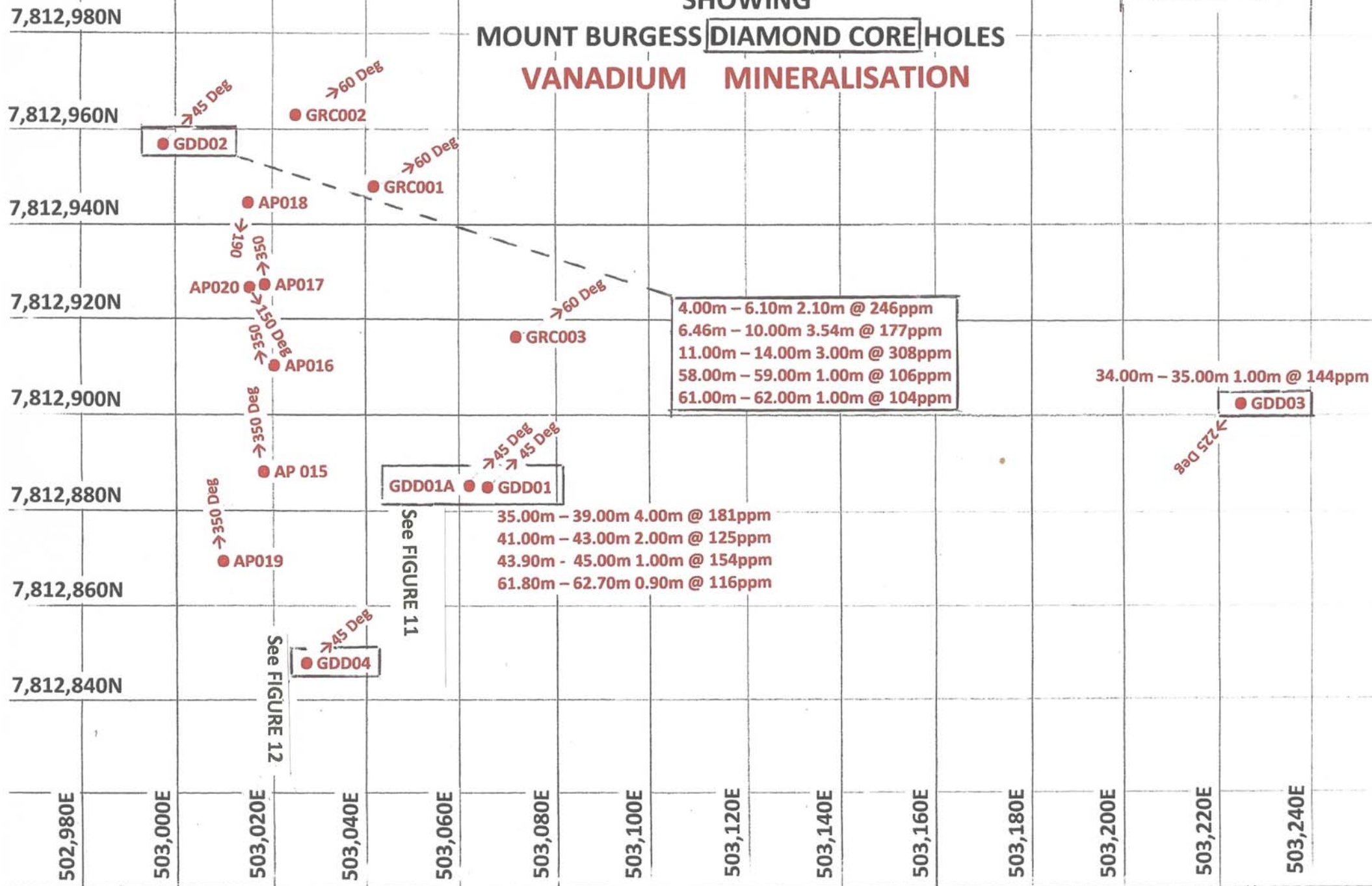
EOH
86m

EOH
80m

50m

THE GOSSAN ANOMALY SHOWING MOUNT BURGESS **DIAMOND CORE** HOLES **VANADIUM MINERALISATION**

FIGURE 10



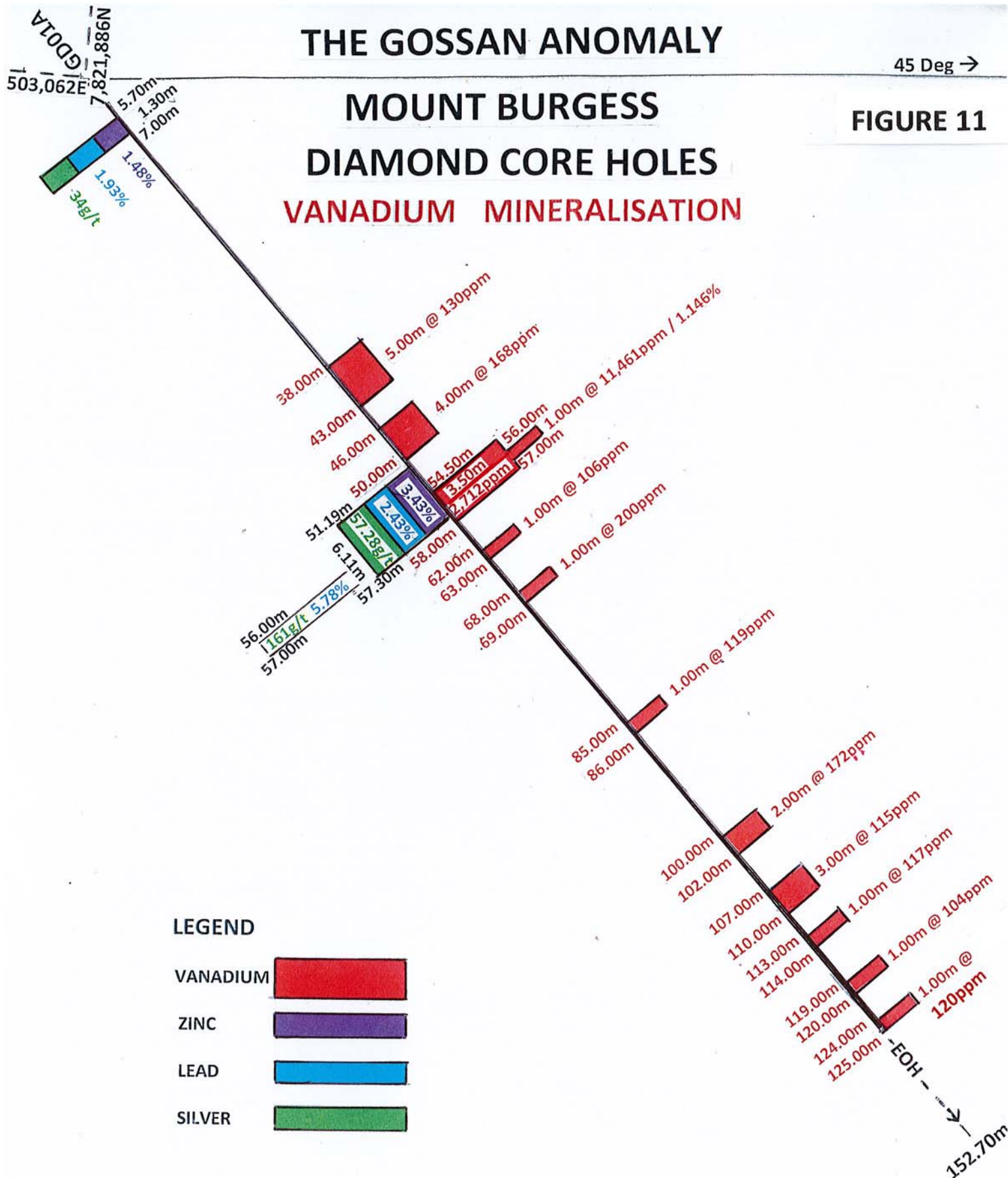
THE GOSSAN ANOMALY

45 Deg →

FIGURE 11

MOUNT BURGESS DIAMOND CORE HOLES

VANADIUM MINERALISATION



THE GOSSAN ANOMALY MOUNT BURGESS DIAMOND CORE HOLES

45 Deg →

VANADIUM MINERALISATION

FIGURE 12

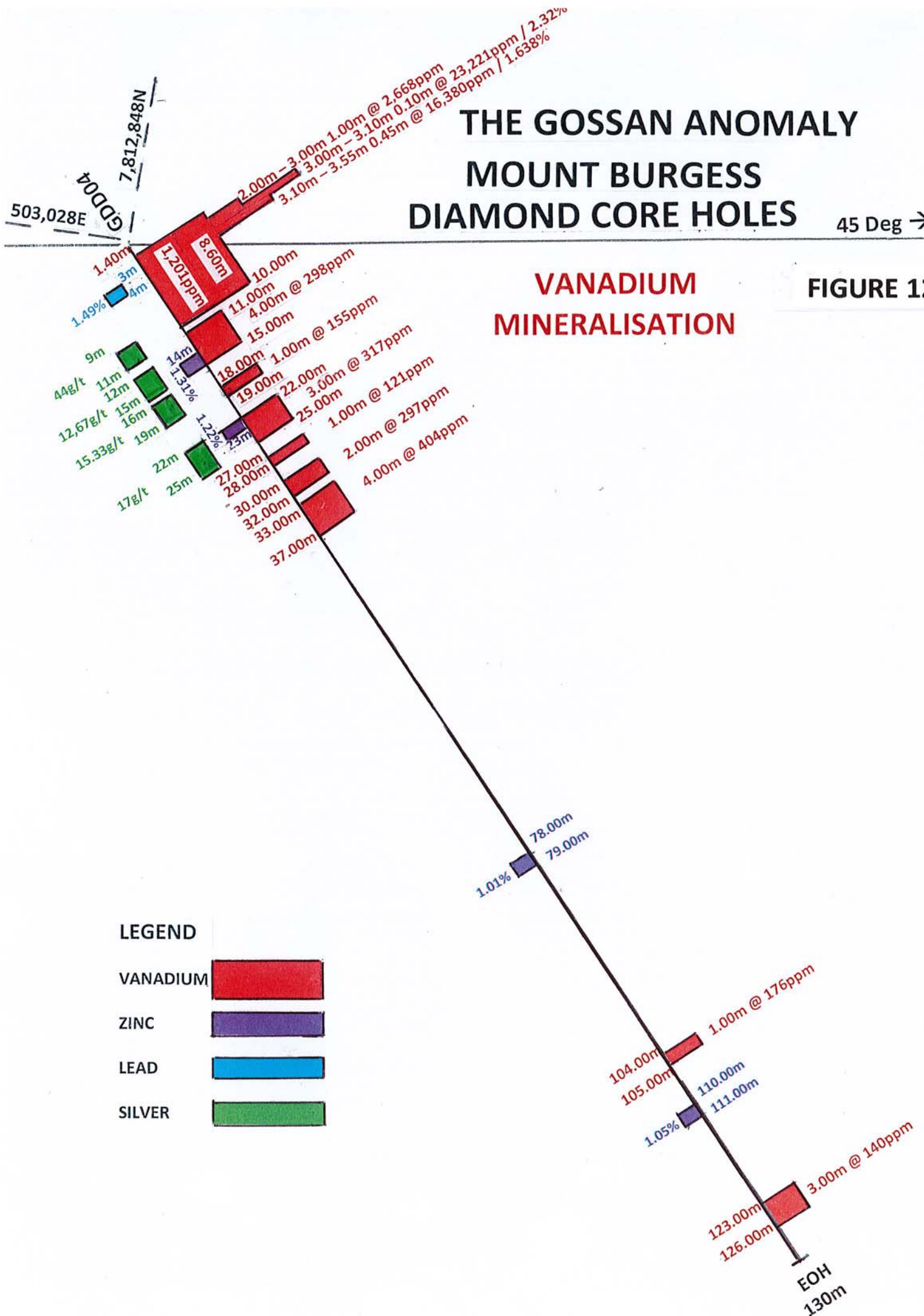
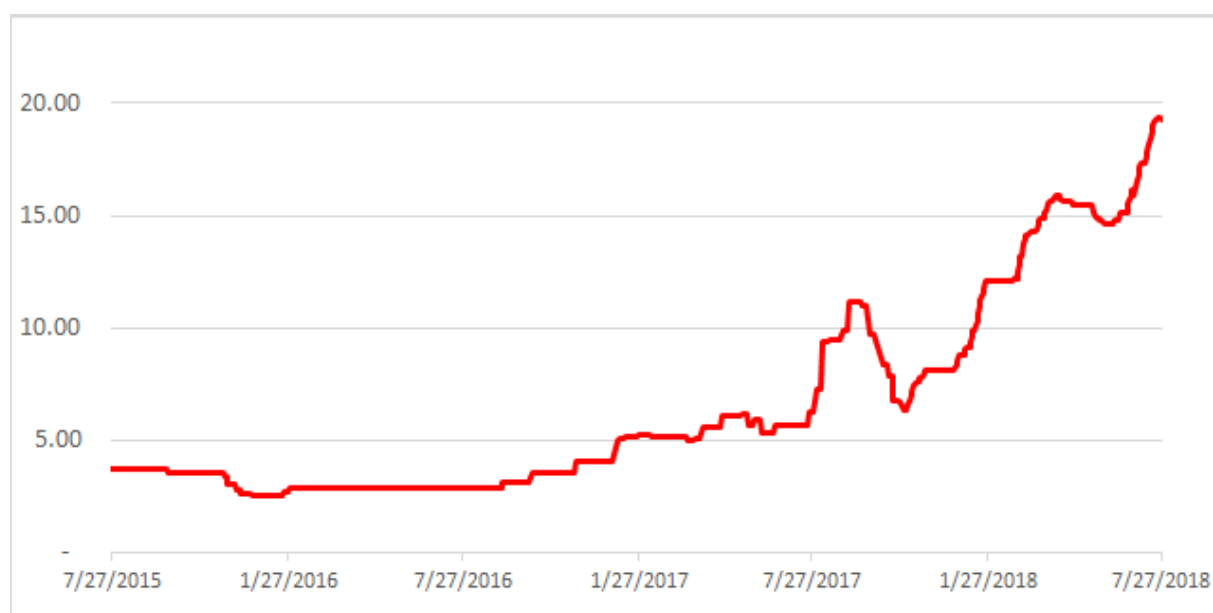


FIGURE 13

Vanadium Pentoxide 98% min Europe US\$/lb for 3 Years



thanks to www.vanadiumprice.com – July 30 2018

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

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Competent Person's Statements:

The information in this report that relates to the geological data and modelling 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>Billiton Percussion Holes According to available reports Billiton conducted percussion drilling, samples from which were assayed for Zn/Pb/Ag/V at 1m intervals. With the significant recent increase in Vanadium prices the Company believes the Vanadium results obtained by Billiton need to be accounted for in conjunction with Vanadium results obtained from recent drilling conducted by the Company.</p> <p>Mount Burgess Mining RC Holes Reverse circulation drilling was undertaken to obtain 1m samples. Two-stage riffle splitting was undertaken to obtain a 2kg sample. All samples were pulverised to p80 75um and assayed via ICPMS/OES.</p> <p>Mount Burgess Mining Diamond Holes Core was 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. All 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>Billiton Percussion Holes The only information available re drilling techniques is that Billiton conducted percussion drilling.</p> <p>Mount Burgess Mining RC Holes Reverse circulation drilling was undertaken using a 5.5 inch hammer</p> <p>Mount Burgess Mining Diamond Holes HQ diameter triple tube was used for diamond core drilling. The diamond core was not orientated.</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	<p>Billiton Percussion Holes The only information available is that Billiton recovered percussion drill samples at 1m intervals</p> <p>Mount Burgess Mining RC Holes 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.</p> <p>Mount Burgess Mining Diamond Holes 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.</p>
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.	<p>Billiton Percussion Holes Billiton logged percussion drill holes at 1m intervals, according to lithological description. All logging was conducted by a qualified geologist..</p> <p>Mount Burgess Mining RC Holes 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 were not undertaken on the RC holes. All holes were</p>

		<p>logged for the entire length of hole. Logs are entered into MTBs GIS database managed by MTB in Perth.</p> <p>Mount Burgess Mining Diamond Holes</p> <p>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.</p>
Sub-sampling techniques and sample preparation	<p>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 the grain size of the material being sampled.</p>	<p>Billiton Percussion Holes</p> <p>Percussion drill samples were collected over 1m intervals and submitted for assaying at McLachlan and Lazar (Pty) Ltd, a commercial laboratory in South Africa, for assaying for lead zinc copper vanadium and molybdenum.</p> <p>Mount Burgess Mining RC Holes</p> <p>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>Mount Burgess Mining Diamond Holes</p> <p>HQ 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 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 Mount Burgess 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	<p>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.</p>	<p>Billiton Percussion Holes</p> <p>The Company does not have any information to confirm verification of significant intersections. There are no independent reports in the available data.</p> <p>All Mount Burgess Samples</p> <p>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.</p>
Location of data points	<p>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.</p>	<p>Billiton Percussion Holes</p> <p>All holes drilled by Billiton have subsequently been surveyed by MTB by hand held Garmin 625 GPS.</p> <p>All Mount Burgess Holes</p> <p>Drill hole collar locations were recorded at the completion of each hole by hand held Garmin 625 GPS with horizontal</p>

		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.	<p>Billiton Percussion Holes Holes drilled by Billiton which were initial exploration holes are insufficient for the purpose of data spacing and determining grade continuity sufficient for mineral resource estimation.</p> <p>All Mount Burgess Holes The two Mount Burgess drilling campaigns were undertaken to validate historical drilling only. The data spacing and distribution is insufficient to establish the degree of geological and grade continuity appropriate for the estimation of a Mineral Resource. It is anticipated that additional drilling will be planned to determine the extent of mineralisation and estimate a Mineral Resource. No sample compositing was conducted.</p>
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.	<p>Billiton Percussion Holes As most of the holes being reported on are vertical holes drilled into a basin shaped deposit at Nxuu it is believed that there is little chance of sampling bias. The Company has confirmed, by subsequent drilling, the orientation of mineralisation in the angle holes drilled by Billiton at Kihabe.</p> <p>All Mount Burgess Holes Mineralisation was typically intercepted between 70 and 80 degrees to the drilling angle and the Company believes that unbiased sampling was achieved.</p>
Sample security	The measures taken to ensure sample security.	<p>Billiton Percussion Holes The Company does not have any record of measures taken by Billiton for sample security.</p> <p>All Mount Burgess Holes 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.</p>
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	<p>Billiton Percussion Holes The Company does not have any record of audits or reviews of sampling techniques and data applied by Billiton in this exploratory drilling conducted in 1982.</p> <p>All Mount Burgess Holes An independent Geologist was engaged to review sampling and logging methods on site at the commencement of the program.</p>

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 Nxuu Deposit, the Kihabe Deposit and the Gossan Anomaly make up part of the Kihabe Project which 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 1980. As a result of this program, Billiton was invited to undertake exploration and drilling activities in and around the project area. Mount Burgess first took ownership of the project in 2003 and has undertaken exploration activities on a continual basis since then.
Geology	Deposit type, geological setting and style of mineralisation.	The Kihabe-Nxuu Project lies in the NW part of Botswana at the southern margin of the Congo craton. To the north of the project are granitoids, ironstones, quartzites and mica schists of the Tsodilo Hills Group covered by extensive recent Cainozoic sediments of the Kalahari Group. Below the extensive Kalahari sediments are siliciclastic sediments and igneous rocks of the Karoo Supergroup in fault bounded blocks. The geological controls on mineralisation at the Gossan Anomaly are largely unknown. The Company will focus future exploration efforts on understanding these controls and will inform the market as new information comes to hand.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	Billiton Percussion Holes From available records it appears that Billiton only assayed for Vanadium in zones containing in excess of 1% Zn. All Mount Burgess Holes 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	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its	Billiton Percussion Holes As most of the holes being reported on were vertical holes drilled into a horizontally bedded basin shaped deposit (now called Nxuu Deposit), the geometry of the mineralisation is considered representative from a geological modelling perspective. The Company has confirmed, by subsequent drilling, the orientation of mineralisation in the angle holes drilled by Billiton at the

Criteria	JORC Code Explanation	Commentary
	nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Kihabe Deposit. All Mount Burgess Holes The geometry of the mineralisation with respect to the drill hole angle is typically between - 70 and -80 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 reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Billiton Percussion Holes Relevant maps/sections are attached in this announcement. All Mount Burgess Holes Appropriate maps, sections and mineralised drill intersection details are provided in public announcements released to the ASX. Similar diagrams accompany this report.
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.	Billiton Percussion Holes The Company has no available information for these holes other than collar and survey data and assay results All Mount Burgess Holes 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 Kihabe-Nxuu Project include additional drilling and mineralogical and metallurgical test work.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

MOUNT BURGESS MINING N.L.

ABN

31009067476

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	20
1.2 Payments for		
(a) exploration & evaluation	(32)	(541)
(b) development	-	-
(c) production	-	-
(d) staff costs	(17)	(72)
(e) administration and corporate costs	(41)	(235)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	94
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(90)	(734)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(4)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(4)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	95	712
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(13)	(74)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	82	638

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	35	126
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(90)	(734)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	82	638
4.5	Effect of movement in exchange rates on cash held	(1)	-
4.6	Cash and cash equivalents at end of period	26	26

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	26	35
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	26	35

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
1
-

n/a

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

n/a

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Add notes as necessary for an understanding of the position</i>		
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	10	3
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

n/a

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	20
9.2 Development	-
9.3 Production	-
9.4 Staff costs	17
9.5 Administration and corporate costs	30
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	67

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Mining exploration entity and oil and gas exploration entity quarterly report

- 1 This statement has been prepared in accordance with accounting standards and
policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Serene Chau Date: 30 July 2018
(Director/Company secretary)

Print name: Serene Chau

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.