5 May 2016

POSITIVE ASSAY RESULTS SHOW POTENTIAL TO UPGRADE MINERAL RESOURCE ESTIMATES AT KIHABE-NXUU PROJECT

- **Recent diamond core assays confirm significant Germanium credits**
- **Germanium currently trading at US $2,350/kg** (Rotometals on line prices – 29 April 2016)
- **Zinc equivalent grades increase by an average of 11%**
- **97% Zinc recovered through SX-EW and 92% Lead recovered through conventional flotation and concentration methods, previously confirmed through bench scale metallurgical test work by AMMTEC**
- **Drilling program required to confirm additional metal credits and update Mineral Resource estimates under JORC (2012) guidelines**

The Company recently submitted split core samples for assaying from three diamond drill (DD) holes from the **Kihabe-Nxuu Zinc/Lead/Silver Project**. The three DD holes previously drilled into the Kihabe resource and assayed for **Zinc (Zn), Lead (Pb)** and **Silver (Ag)** were reported to the ASX on 23 August 2007 and 11 March 2008. Assays for **Germanium (Ge**) and **Gallium (Ga)** were reported to ASX on 28 April 2011. All these reports were under JORC (2004) guidelines.

These core samples were submitted as part of the Company's ongoing metallurgical investigations to verify credits for **Ge** and **Ga,** as well as to check assay grades for **Zn, Pb** and **Ag** through an alternative assay laboratory. **Germanium is classified as a strategic metal by the US Department of Homeland Security.**

For a summary of comparative assay results and polymetallic **Zn equivalent grades**, calculated as at 29 April 2016, please refer to the comparative table below. (**Note: LME Zn stocks on 29 April 2016 amounted to 404,275 tonnes, the lowest level since 31 July 2009).**

KDD 115
Drilled on section 11,600 E at 9,990 N, Dip – 60 deg. Azimuth 339 deg., results from this hole were reported to ASX on 22 August 2007. The DD hole was intentionally drilled down dip of the mineralised zone in order to obtain sample for metallurgical test work.

Within a mineralised zone with a true width of **25m,** an **8m** HQ core (63.5 mm diameter) intersection from **53m to 61m** down hole, when assayed in August 2007 by AX/OES, returned values of **8m @ 2.85% Zn, 1.47% Pb** and **30.63 g/t Ag.**

Recently selected split core from the same **8m** intersection assayed by four acid digest returned values of **3.06% Zn, 1.46% Pb** and **33 g/t Ag**, as well as **7.39 g/t Ge** and **1.54 g/t Ga.**

KDD 125
Drilled on section 10,050 E at 10,025 N, Dip – 60 deg. Azimuth 339 deg., results from this hole were reported to ASX on 11 March 2008. The DD hole was drilled into a vertical zone of mineralisation for resource delineation.

Within a mineralised zone with a true width of **11m**, a **5m** NQ core (47.6 mm diameter) intersection from **56m to 61m** down hole, when assayed in March 2008 by XRF, returned values of **5m @ 2.69% Zn, 2.25% Pb,** and **20 g/t Ag**.

Recently selected split core from the same 5m intersection assayed by four acid digest returned values of **2.89 % Zn, 1.68% Pb** and **25.4 g/t Ag**, as well as **5.84 g/t Ge** and **0.74 g/t Ga.**

KDD 143
Drilled on section 11,600 E at 10,009 N, Dip – 60 deg. Azimuth 339 deg, results from this hole were previously reported to ASX on 11 March 2008. The DD hole was intentionally drilled down dip of the mineralised zone to twin a neighbouring RC hole in order to compare DD hole assay results with RC hole assay results. As reported there was an overall increment in grade of **26.8%** from all the DD assay results compared to the assay results from the twinned RC hole.

Initial assaying to test for **Ge** and **Ga** was conducted on this hole and reported to ASX on 28 April 2011. Within a mineralised zone with a true width of **25m**, **a 5m** intersection from **35m** to **40m** down hole, when assayed in March 2008, returned values of **0.29% Zn, 5.77% Pb** and **9.00 g/t Ag**. The same 5m intersection when assayed for **Ge** and **Ga** in April 2011 returned values of **4.93 g/t Ge** and **8.79 g/t Ga**.

Within the same mineralised zone with a true width of **25m,** an **11m** HQ core (63.5 mm diameter) intersection from **49m** to **60m** down hole, when assayed in March 2008 by XRF returned values of **11m @ 3.96% Zn, 4.47% Pb** and **49.68 g/t Ag.**

Recently selected split core from the same **11m** intersection assayed by four acid digest returned values of **3.74%Zn, 2.71% Pb** and **106.55 g/t Ag**, as well as **7.82 g/t Ge** and **0.98 g/t Ga.**

Figure 1: Mineralisation in core from KDD 143

SUMMARY OF RESULTS

The weighted average of the above 2007/2008 results, applying a value for **Zn @ US$19.43 per each 1%,** amounts to a **Zn equivalent grade** of **7.27%**, representing a value of **US$141.26.**

The weighted average of the above 2016 results, which include credits for **Ge** and **Ga,** applying a value for **Zn @ US$19.43 per each 1%,** amounts to a **Zn equivalent grade** of **8.08%**, representing a value of **US$156.99.**

This results in a weighted average value increment of **US$15.73** between the 2007/2008 results and the 2016 assay results as presented in Table 1.

Table 1: Comparative Assay Results – 2007/8 vs. 2016

Hole Number	Interval	Depth (m)	Metal	2007/2008 Assays	2011 Assays	2016 Assays
KDD 115	8m	53-61	Zn	2.85%		3.06%
			Pb	1.47%		1.46%
			Ag	30.63g/t		33.00g/t
			Ga	11.00g/t		1.54g/t
			Ge	-		7.39g/t
			Zn equiv:	5.32%*		6.30%*
KDD 125	5m	56-61	Zn	2.69%		2.89%
			Pb	2.25%		1.68%
			Ag	20.00g/t		25.40g/t
			Ga	-		0.74g/t
			Ge	-		5.84g/t
			Zn equiv:	5.36%*		5.91%*
KDD 143	5m	35-40	Zn	0.29%	0.29%	
			Pb	5.77%	5.77%	
			Ag	9.00g/t	9.00g/t	
			Ga	-	8.79g/t	
			Ge	-	4.93g/t	
			Zn equiv:		6.63%*	
KDD 143	11m	48-59	Zn	3.96%		3.74%
			Pb	4.47%		2.71%
			Ag	49.68g/t		106.55g/t
			Ga	-		0.98g/t
			Ge	-		7.82g/t
			Zinc equiv:	9.55%*		10.35%*

***LME Base Metals Prices 29 April 2016 used to calculate Zn equivalent grade (Zn** US$ 1,943 /t and **Pb** US$ 1,795 /t).

***Precious Metals prices 29 April 2016 used to calculate Zn equivalent grade (Ag** US$ 17.82/oz)

***Rotometals online Minor Metals Prices 29 April 2016 used to calculate Zn equivalent grade (99.99% Ge** US $ 2,350 / Kg or US $ 2.35 / gram/ppm), (**99.99% Ga** US$339 / kg or US $ 0.34 / gram/ppm))

PREVIOUS AND PROPOSED METALLURGICAL TEST WORK

The above assayed intervals were all from the oxide zone of the Kihabe resource. Bench scale metallurgical test work conducted to date by AMMTEC shows that **97%** of **Zn** can be recovered from the host **Zn** oxide mineral Baileychlore through solvent extraction and electro winning (SX/EW) to produce **Zn** metal on site. The **Pb** is hosted in Galena, **92%** of which can be recovered through conventional flotation and concentration to achieve a **76% Pb** concentrate that can then be exported from site.

At current prices the grades of **Ge** as shown above could contribute to the resource yield as a significant credit. **Ge** is known to be amenable to extraction through SX/EW**. Metallurgical test work is currently being undertaken to test for recovery of Ge for the Kihabe-Nxuu project**.

GERMANIUM METAL – APPLICATIONS AND USES

Germanium is used for:

- Semiconductors
- The manufacture of fibre optic systems
- Catalysts to speed up or slow down chemical reaction
- Catalysts used in the production of plastics
- Specialised glass for military applications such as night time weapons sighting systems
- Infra-red optics
- Night vision
- Satellite systems
- Solar electric applications
- Fire alarms

ONGOING DATA & RESULTS

Table 2 presents a summary of the assay results received from the April 2016 submission. Table 3 presents the drill hole collar information relating to the re-assayed diamond core intervals. Figure 3 presents the drill collar location in plan view and representative cross sections are presented in Figures 3 and 4. As the Company completes the planning and initiation of the proposed diamond drilling campaign further data and assay results will be reported. It is anticipated that the additional data will:

- Add further to the Company's understanding of the existing Mineral Resource
- Expand on the Company's knowledge and understanding of the mineralisation including the grades, the controls on mineralisation, and the technical marketing and investment opportunities arising from the Project.
- As assay results are received and as results are considered and interpreted Mount Burgess reasonably anticipates that grade and tonnage of a revised Mineral Resource estimate will change.

Table 2 Assay Results – April 2016 Submission (Kihabe-Nxuu 100% MTB)

Hole ID	Depth	Ag	Pb	V	Zn	Ga	Ge	In
		PPM	%	PPM	%	PPM	PPM	PPM
KDD115	53-54m	80	2.42	42	1.45	0.9	5.4	<0.5
KDD115	54-55m	27	1.18	31	1.24	1.1	5.5	<0.5
KDD115	55-56m	17	0.96	45	2.18	1.3	6.7	<0.5
KDD115	56-57m	9	0.56	103	1.95	1.4	8	<0.5
KDD115	57-58m	34	2.43	127	3.28	1.5	9.8	<0.5
KDD115	58-59m	59	1.98	64	7.51	2.6	10	<0.5
KDD115	59-60m	19	1.32	32	4.08	1.8	9.1	<0.5
KDD115	60-61m	19	0.80	38	2.81	1.7	4.6	<0.5
KDD125	56-57m	27	1.51	23	3.82	0.6	5.5	<0.5
KDD125	57-58m	30	1.72	30	2.23	0.7	6	<0.5
KDD125	58-59m	30	2.65	31	5.25	0.8	5.3	<0.5
KDD125	59-60m	19	1.07	25	1.48	0.7	6.5	<0.5
KDD125	60-61m	21	1.46	23	1.69	0.9	5.9	<0.5
KDD143	49-50m	23	1.32	75	3.54	0.6	6.6	<0.5
KDD143	50-51m	19	1.17	54	3.13	0.9	6.5	<0.5
KDD143	51-52m	14	0.79	28	4.27	1	5.8	<0.5
KDD143	52-53m	82	3.05	27	7.73	1.2	6.3	<0.5
KDD143	53-54m	26	0.64	27	2.03	0.9	5.4	<0.5
KDD143	54-55m	82	1.80	21	2.10	0.7	6	<0.5
KDD143	55-56m	257	6.86	23	0.81	0.5	7.6	<0.5
KDD143	56-57m	437	6.64	28	4.50	1.2	9.8	<0.5
KDD143	57-58m	106	3.64	27	2.55	0.8	12	<0.5
KDD143	58-59m	82	2.84	38	6.03	1.5	12.1	<0.5
KDD143	59-60m	44	1.07	37	4.42	1.5	9	<0.5

Table 3 Drill Collar Locations

Hole ID	Easting	Northing	Easting	Northing	Depth	Dip	Azimuth
	Local grid	Local grid	WGS 34 South	WGS 34 South			
KDD 115	11,600	9,990	502,208	7,822,372	181	-60°	339°
KDD 125	10,050	10,025	500,866	7,821,599	125.1	-60°	339°
KDD 143	11,600	10,009	502,202	7,822,383	140.5	-60°	339°

Figure 2: Drill Collar Locations in Plan View

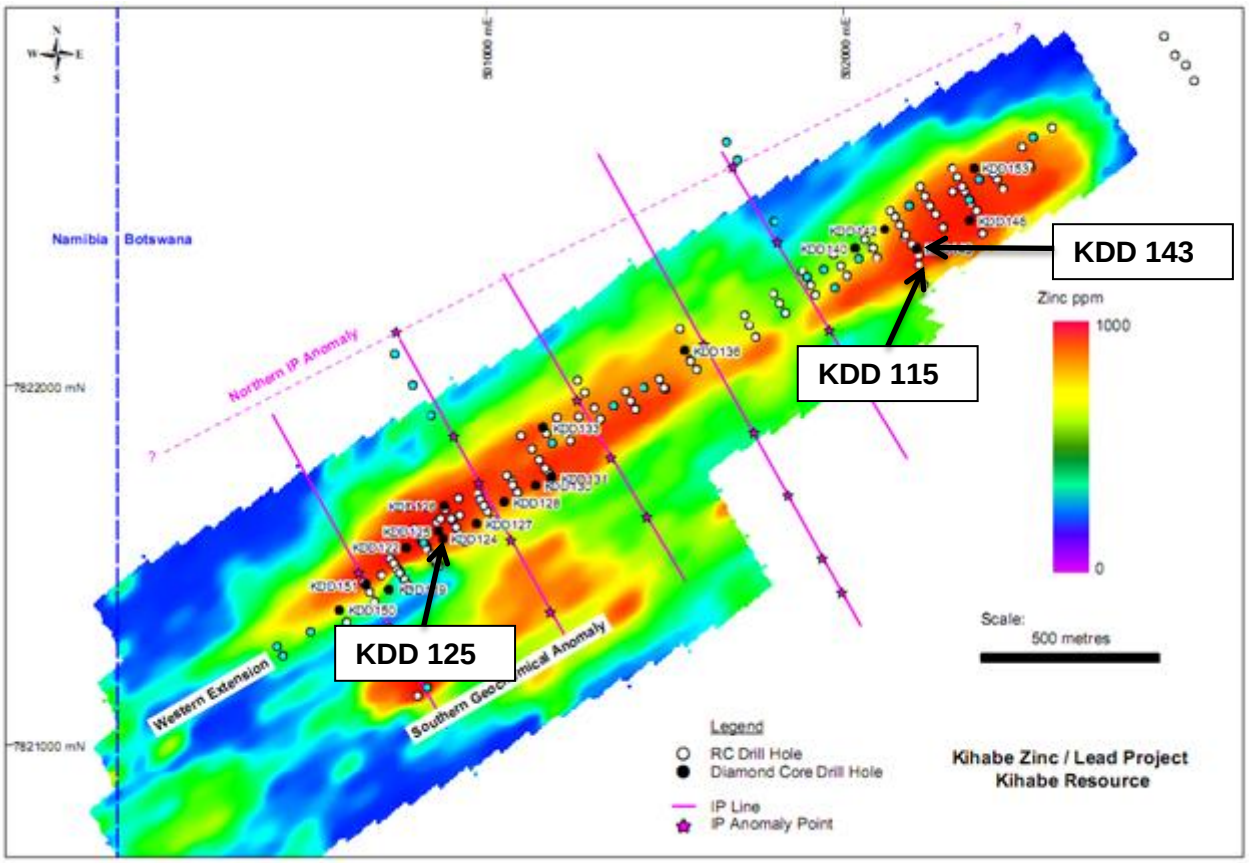


Figure 3 Cross section 11,600mE

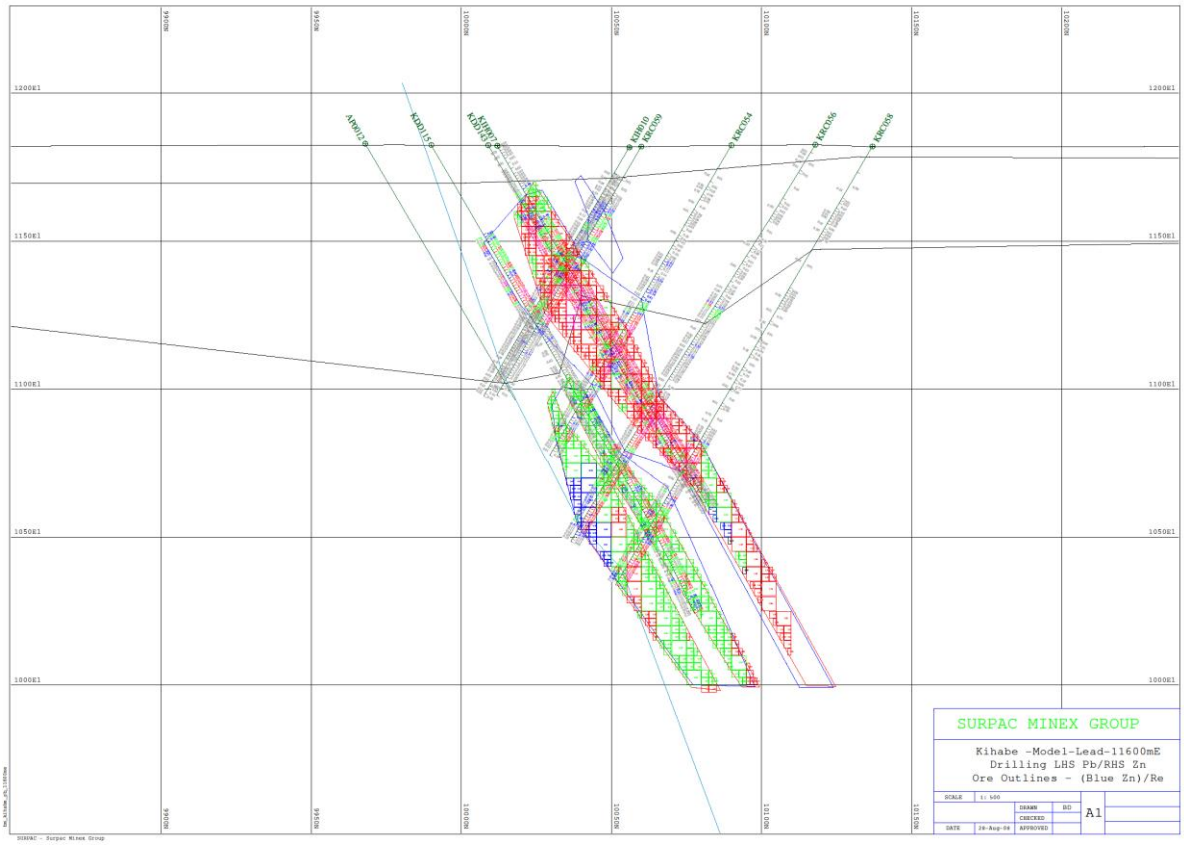
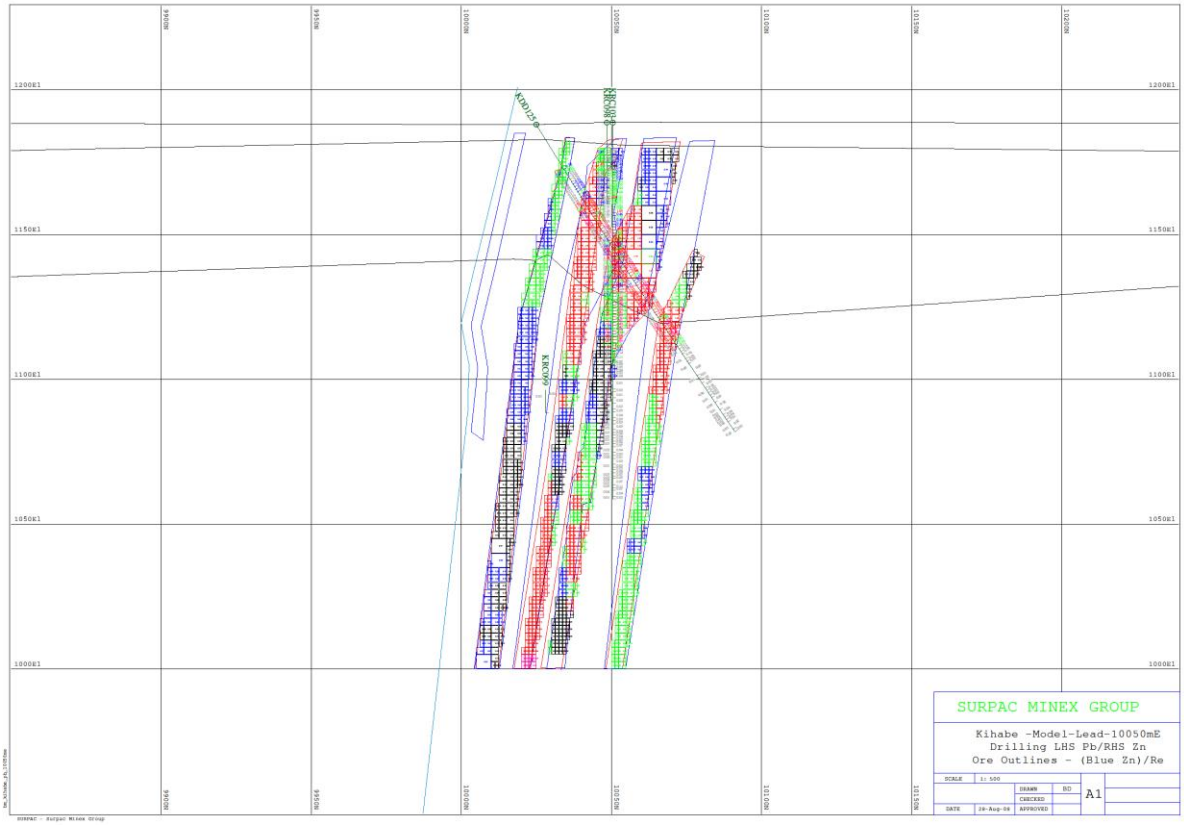


Figure 4 Cross section 10050mE



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).

Table 4 – Extract of JORC Code 2012 Table 1

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.	Sampling data was derived from historical diamond drilling completed by Mount Burgess in 2008 Quarter core HQ (63.5mm) was derived from Holes KDD115 and KDD143 Quarter core NQ (47.6..) was derived from Hole KDD125 Quarter core samples were collected using a diamond saw with a quarter of the core being dispatched to the laboratory, and a quarter retained. Individual samples were taken one metre intervals. Half of the core was utilized for assaying purposes historically and was not available for sampling.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The core cuts well with little material loss or contamination and is cut perpendicular to the prevailing structure (mostly bedding) observed in the core.

Criteria	JORC Code Explanation	Commentary
	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 1m samples from which 3kg was pulverised to produce a 30g 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.	Cut core samples from the Mount Burgess drilling were dispatched using a reputable local contract courier from site to the laboratory where quarter core was dried, then crushed and pulverised to allow 100% to pass -75 microns. Mount Burgess inserted duplicates, blanks and certified reference materials into sample series collectively at a rate of approximately 1 in 20. Mineralisation is contained in both oxide and sulphide material. Studies and recent observations have shown very low levels of deleterious elements in both material types. Mount Burgess has comprehensive procedures and protocols in place to ensure that 'Industry Standard' sampling processes are employed as a minimum.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	The diamond drilling was undertaken using non-orientated HQ Standard Tube and NQ Standard Tube diamond drilling techniques.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Core recovery has been logged for all of the Mount Burgess drilling, averaging 95% in both waste and mineralised material. Core blocks are inserted by the drillers at the end of each drilling run, noting the run length, and downhole depth. This data is then compared to the measured recovered core length and recoveries for each run and the entire hole are calculated. Given the nature of the drilling, and the type of mineralisation encountered to date the sampling is judged as being representative.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The core collected by Mount Burgess is largely very competent with routine core run lengths of approximately 1.5m. Run lengths were reduced accordingly in fractured or broken ground.
	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.	There is no evidence of bias exists due to preferential loss/gain of fine/coarse material from the Mount Burgess drill core. Core recovery averages 95% in both waste and mineralised rock.
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.	All Mount Burgess drill holes have been geologically logged on geological intervals recording lithology, grain size and distribution, alteration, mineralisation, veining, structure, oxidation state, colour and geotechnical data noted and stored in the database. All holes were logged to a level of detail sufficient to support future mineral resource estimation, and studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Oxidation, colour, alteration and mineralisation are logged qualitatively. All other values are logged quantitatively. All holes have been photographed and are stored in a database.

Criteria	JORC Code Explanation	Commentary
	The total length and percentage of the relevant intersections logged.	All drill holes have been logged over their entire length (100%) including any mineralised intersections. To date the average core loss is less than 5%
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	All Mount Burgess core was quarter cut using a table diamond saw, typically producing samples for lab submission of approximately 1kg weight.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No non-core drilling techniques have been employed by Mount Burgess.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	1m sampling intervals were selected for re-assay, the core was then quarter cut and inserted into pre numbered calico bags. Cut core samples were dispatched from site to the laboratory where quarter core was dried, then crushed to -2mm, riffle-split to obtain a 100g sub-sample and pulverised to allow 100% to pass -75µm. The sample preparation technique is deemed appropriate.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Mount Burgess quality control procedures include following standard procedures when sampling, including sampling on geological intervals, and reviews of sampling techniques in the field. Mount Burgess core was typically cut at the maximum angle to the prevailing penetrative structure in the core. The laboratory procedures applied to the Mount Burgess sample preparation included the use of cleaning lab equip. w/ compressed air between samples, quartz flushes between high grade samples, insertion of crusher duplicate QAQC samples, periodic pulverised sample particle size (QAQC) testing and insertion of laboratory pulp duplicates QAQC samples. Quality control procedures employed for sub-sampling of the historical drilling are not documented in reports.
	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.	As half of the core was utilized for historical assay purposes, ½ core was available for sampling. As such, no field duplicates were taken. Duplicate sub-samples were derived from riffle splitting in the laboratory from the ¼ core submissions to allow retention of ¼ core in the field .
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The expected sample weight for 1m of quarter core is approximately 1kg. This sample weight should be sufficient to appropriately describe base metal mineralisation grades from mineral particle sizes up to 5mm.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	The laboratory has used a four acid digestion process that is able to dissolve most minerals; however, although the term “near-total” is used, depending on the sample matrix, all elements may not be quantitatively extracted. The analysis techniques employed are ICP-AES (Atomic Emission Spectroscopy), with ICP-AAS (Atomic Absorption Spectroscopy typically used to quantify higher grade base metal mineralisation. The digestion method and analysis techniques are deemed appropriate for the nature of the mineralisation.

Criteria	JORC Code Explanation	Commentary
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Hand held XRF equipment has been used historically to determine preliminary Zn and Pb concentrations in Mount Burgess core. No geophysical or other tools were used to assess grade concentrations in samples from the re-assayed core results reported here.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Mount Burgess 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.
Ver**ification of sampling and assaying**	The verification of significant intersections by either independent or alternative company personnel.	Significant mineralised intersections from the Mount Burgess drilling have been routinely checked by Mount Burgess personnel, and independent consultants in April 2106.
	The use of twinned holes.	No information from twinned drill holes is reported. The assay results reported are check assays utilizing remnant half core from historical drilling.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All Mount Burgess geological, sampling, and spatial data generated and captured in the field is entered into a field notebook on standard Excel templates. This information is then sent to Mount Burgess's in house database manager for further validation. Once complete and validated the data is then compiled into a Microsoft managed by an external consultant.
	Discuss any adjustment to assay data.	No adjustments or calibrations have been made to any assay data.
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.	Downhole surveys of the Mount Burgess drill holes show no significant down hole deviations. It is therefore assumed that the orientations of the diamond drill holes are adequately defined based on the logged collar orientation data.
	Specification of the grid system used.	Two grid systems are used at Kihabe-Nxuu: 1) WGS 84, Zone 34 South and 2) Local grid 10000E/10000N = WGS 500,835E/7,821,551N bearing 330 degrees All spatial information is reported in both co-ordinate systems to allow data to be easily utilized in a range of GIS and mine planning software.
	Quality and adequacy of topographic control.	Topographic control was derived using the Digital Ground Penetrating radar technique and was supplied by a local licensed surveyor. The information is of sufficient accuracy to confirm the location of the drill collars.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Drill hole orientation and spacing is non-uniform as samples were selected for re-assay on a representivity basis using metallurgical domaining as a guide for sample selection.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity	The data spacing and distribution is not considered sufficient to establish an appropriate degree of geological and grade continuity appropriate for classification of Indicated and

Criteria	JORC Code Explanation	Commentary
	appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Inferred Mineral Resources. Assay results have been used for drill hole planning purposes and metallurgical test work only.
	Whether sample compositing has been applied.	No sample compositing was applied as samples were used for metallurgical test work within discrete domains.
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.	Drilling orientations were chosen to achieve sample representivity on true thickness intervals, normal, or near normal to known geological controls.
	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.	The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias
Sample security	The measures taken to ensure sample security.	Samples from the Mount Burgess drilling are dispatched from the drilling using a single reputable contracted courier service to deliver samples directly to the analytical laboratory where further sample preparation and analysis occurs.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Mount Burgess conducts regularly reviews of sampling techniques and material sampled to ensure any change in geological conditions is adequately accounted for in sample preparation. Reviews of assay results and QA/QC results occur for each batch. 1 in 20 checks on all compiled and entered data are completed by Mount Burgess. Jorvik Resources was retained to undertake a review of the sampling techniques and data in April 2016. Jorvik considers the sampling procedures used by Mount Burgess and resulting data to be appropriate, and aligned with industry standard methodologies

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. This licence is100% owned and operated by Mount Burgess. The title is current at the time of release of this report.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The licence is in good standing and no impediments to operating are currently known to exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The geological survey of Botswana undertook a program of soil geochemical sampling in 1998. As a result of this program, Billiton was invited to undertake exploration and drilling activities in and around the project area. Mount Burgess first took ownership of the project

Criteria	JORC Code Explanation	Commentary
		in 2003 and has undertaken exploration activities on a continual basis since then.
Geology	Deposit type, geological setting and style of mineralisation.	The Kihabe Base Metal prospect lies in the NW part of Botswana at the southern margin of the Congo craton The Kihabe prospect is centred on the sedimentary rocks of the Xaudum Group. To the north of Kihabe are granitoids, ironstones, quartzites and mica schists of the Tsodilo Hills Group covered by extensive recent Cainozoic sediments of the Kalahari Group. Below the extensive Kalahari sediments are siliciclastic sediments and igneous rocks of the Karoo Supergroup in fault bounded blocks. The mineralization in the Kihabe project is hosted in feldsparthic quartzites and grey wacke sedimentary sequences with minor mineralization in the hanging wall dolomites and cherts and is thought to be of hydrothermal origin. The mineralized zone is typically extensively altered to both sericite and chlorite with sulphides found parallel to shear zones and foliation/bedding. There has been remobilization along late shears and quartz veins; however the mineralization along these late structures is minor. The lithological units display a strong complex bedding/foliation trending on average NE-SW with minor trends to the ESE-WSW, NNE-SSE, and NW-SE and with steep and shallow dips indicating tight to isoclinal folding of geological units in the region.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	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.
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	No weighted average techniques were employed in the reporting of assay results. Laboratory lower and top cut detection limited were:

<table>
<tr><th>Criteria</th><th>JORC Code Explanation</th><th>Commentary</th></tr>
<tr><td></td><td>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.</td><td>
<table>
<tr><th>Element</th><th>Lower Detection Limit (ppm)</th><th>Upper Detection Limit (ppm)</th></tr>
<tr><td>Ag</td><td>5</td><td>500</td></tr>
<tr><td>Pb</td><td>25</td><td>25000</td></tr>
<tr><td>V</td><td>5</td><td>50000</td></tr>
<tr><td>Zn</td><td>25</td><td>50000</td></tr>
<tr><td>Ga</td><td>0.2</td><td>1000</td></tr>
<tr><td>Hg</td><td>0.1</td><td>1000</td></tr>
<tr><td>Ge</td><td>0.5</td><td>1000</td></tr>
<tr><td>In</td><td>0.5</td><td>1000</td></tr>
</table>
Metal equivalent grades have been reported using the following prices:

LME Base Metals Prices at 29 April 2016 used to calculate Zn equivalent grades (Zn US$ 1,943 /t and Pb US$ 1,795 /t

Precious Metals prices at 29 April 2016 used to calculate Zn equivalent grades (Ag US$ 17.82 /oz)

Rotometals online Minor Metals Prices 29 April 2016 used to calculate Zn equivalent grades: (Ge (99.99%) US $ 2,350 / Kg (US $ 2.35 / gram/ppm)), (Ga (99.99%) US$ 339 / kg (US $ 0.34 / gram/ppm))</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>These relationships are particularly important in the reporting of Exploration Results.

If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.

If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</td><td>The geometry of the mineralisation with respect to the drill hole angle is typically between 60 and 80 degrees</td></tr>
<tr><td>Diagrams</td><td>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.</td><td>Appropriate maps, sections and mineralised drill intersection details are provided in public announcements released to the ASX. Similar diagrams accompany this report.</td></tr>
<tr><td>Balanced reporting</td><td>Where comprehensive reporting of all Exploration Results is not practicable,</td><td>Exploration results reported in Mount Burgess public announcements and this report are comprehensively reported in a balance manner.</td></tr>
</table>

Criteria	JORC Code Explanation	Commentary
	representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
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.	Metallurgical testwork has been initiated by Mount Burgess with results from this work expected to be reported by the metallurgical lab on a periodic basis Bulk density measurements have been completed on quarter core samples of from the Mount Burgess drilling. The measurements were completed at a commercial laboratory facility using an industry standard methodology measuring sample weights in air and suspended in water, and calculating bulk density values using the following equation: $\text{Specific Gravity} = \frac{\text{Weight of sample(g)}}{\text{Weight in air (g)} - \text{Weight in water (g)}}$
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 a diamond drilling program to re-estimate the mineral resource under JORC (2012) guidelines.

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THE KIHABE PROJECT

The Kihabe – Nxuu Zn/Pb/Ag project currently held under Prospecting Licence 43/2016 is situated in Western Ngamiland, Botswana, adjoining the Namibian border. PL 43/2016 consists of an area of 997 square kilometres which covers that portion of a Neo-proterozoic belt which is prospective for base metals and situated on the Botswana side of the border. To date Mount Burgess Mining NL and its wholly owned subsidiary Company Mount Burgess (Botswana) (Proprietary) Ltd have developed the two Kihabe and Nxuu 2004 JORC compliant SEDEX mineralised resources totalling 25 million tonnes @ 3% Zn/Pb including 3,3 million ozs Ag (Ref Resource Statement attached). Zn/Pb/Ag/Cu/Ge mineralisation occurs in a quartz wacke right at the contact with the regional dolostone. Through geochemical soil sampling a further six Zn/Pb anomalies and one Cu/Co anomaly have been delineated, now ready for drill testing. Four of these anomalies are known to be situated at the point of contact between a quartz wacke and the regional dolostone.

The information in this announcement that relates to the in situ Mineral Resources is based on and fairly represents the Mineral Resources and information and supporting documentation extracted from the report which was prepared by competent persons and first disclosed under JORC Code (2004) guidelines and released to ASX by the Company on 29 June 2010. 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.

Competent Persons Statement – Re-assay Campaign

The information in this announcement that relates to the Company's re-assay campaign results is based on information compiled by Ms Karen Lloyd, who is a full-time Director at Jorvik Resources and has been engaged as a consultant to the Company. Ms Lloyd is a Member of the Australian Institute of Mining and Metallurgy. Ms Lloyd has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms Lloyd consents to the inclusion in this release of the matters based on their information in the form and context as it appears.

Cautionary Statement

Certain statements made in this announcement, including, without limitation, those concerning metallurgical recoveries and metal prices, contain or comprise certain forward-looking statements regarding Mount Burgess strategy and operations. Although Mount Burgess believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking Page statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices, exchange rates and business and operational risk management. Mount Burgess undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events

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KIHABE- NXUU RESOURCE STATEMENT REPORTED 15 MAY 2013

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

***Zinc Equivalent Grade**

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

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 is a Technical Director of the Company. Both Mr Dumpleton and Mr Mosigi have sufficient experience relevant to the style of mineralisation under consideration and to the activity to which they have undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of 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.

KIHABE-NXUU METAL RECOVERIES

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

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

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

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.