



27 February 2015

APPEAL COURT - UPDATE RE PROSPECTING LICENCE PL/692003, THE KIHABE ZINC, LEAD, SILVER PROJECT, WESTERN NGAMILAND, BOTSWANA

Newly appointed Botswana Attorneys, representing Mount Burgess (Botswana) (Proprietary) Limited (MBB) attended an Appeal Court hearing on Thursday 26 February 2015. At the hearing the Appeal Court approved an Application for Condonation for late filing and payment of the Security of Costs and preparation of the Court record.

As a consequence of the approval of MBB's Application for Condonation for late payment of costs, the Appeal Court ordered that the matter be enrolled for hearing in the ordinary course. MBB's attorneys will liaise with the Registrar in an attempt to try and have the matter set down for hearing in the April 2015 session. This hearing is in regard to MBB's appeal against the decision of the Minister for Minerals Energy and Water Resources not to approve MBB's Application for Extension of PL69/2003.

BACKGROUND

With sufficient funds available in its trust account, MBB received confirmation by email on 24 September 2014 from its previous Attorney that Security for Costs and preparation of the Court record **had been filed and paid into the Appeal Court as required before 29 September 2014**. Consequently MBB relied upon being allocated a date for its hearing in the Appeal Court in January 2015. In January 2015, whilst attending the Appeal Court roll, MBB's Legal Counsel discovered that MBB's hearing was not on the January 2015 roll. On further investigation by Legal Counsel it was revealed that MBB's previous Attorney had **NOT**, as previously confirmed, paid the Appeal Court costs on 24 September 2014. These costs were paid late in October 2014 with the result that MBB's hearing was not on the January 2015 roll.

Legal Counsel's investigation in January 2015 further revealed that unbeknown to MBB and its Legal Counsel, MBB's previous Attorney had then filed on 31 October 2014 an Application for Condonation for late payment of costs in respect of the hearing scheduled for January 2015. This Application for Condonation contained spurious documents allegedly signed by Nigel Forrester as CEO of MBB, and sworn before a Commissioner of Oaths in Gaborone, Botswana, on the 31st October 2014. Nigel Forrester was actually in Perth, Australia on 31 October 2014.

As a consequence of the filing of this spurious Application for Condonation MBB terminated the engagement of its previous Attorneys and engaged new Attorneys. The spurious Application for Condonation filed in October 2014 then had to be withdrawn from the Appeal Court and a genuine Application for Condonation for late payment of costs was filed in early February 2015.

In regard to the spurious Application for Condonation for late payment of costs, filed with the Appeal Court on 31 October 2014, MBB has commenced enquiries of its previous Attorneys. It is also enquiring of the Commissioner of Oaths before whom it was alleged that Nigel Forrester, who at the time was in Australia, signed and swore under oath a Founding Affidavit in Gaborone, Botswana, on 31 October 2014.