



4 August 2015

APPEAL COURT HEARING REGARDING THE KIHABE Zn, Pb, Ag PROJECT, BOTSWANA

Mount Burgess (Botswana) (Proprietary) Ltd (MBB), a wholly owned subsidiary of the Company appealed against the decision of the Minister for Minerals Energy and Water Resources (MMEWR), Botswana, not to renew MBB's Prospecting Licence, PL69/2003, the Kihabe project.

The judgement of the Appeal Court of Botswana, handed down on 30 July 2015, did not take into account any merits of the case. It was based entirely on two technical issues resulting in the need for the case to be taken back to the High Court.

The two technical issues related to the non-joinder of the Minister and the late filing of the case in the High Court.

Firstly, based on precedent, the Attorney General was cited as a party to the proceedings representing the Minister. However in this instance the Appeal Court found the previous case determining such precedent was incorrectly decided.

Secondly, within its right, MBB appealed the decision of the Minister MMEWR to the Vice President. It then filed its case in the High Court within the required time of its appeal to the Vice President (which appeal was rejected by the Minister MMEWR). The Appeal Court found that the time involved in MBB's appeal to the Vice President did not have any effect in staying the period within which an application for review should have been filed in the High Court.

The Company is still awaiting the full Appeal Court Judgement. However it has been advised that the Appeal Court concluded the findings were **"not the end of the matter"** and **"that it remains open for the appellant, should it be advised, to start afresh by seeking leave to bring late review proceedings and if successful to launch its review afresh complying with all the requirements of the rules. Only then would the merits of its application be considered"**.

Counsel will commence drafting a fresh application ready for signing later this week or early next week.

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