

MOUNT BURGESS MINING N.L.

ACN 009 067 476

FINANCIAL REPORT FOR THE HALF YEAR

ENDED 31 DECEMBER 2001

REPORT OF DIRECTORS - 31ST DECEMBER 2001

The Directors of Mount Burgess Mining N.L. herewith submit the financial report for the half year ended 31 December 2001. In order to comply with the provisions of the Corporations Act, the directors report as follows:

The names of the Directors of the Company who have held office during the whole of the half year and up to the date of this report are:

Nigel Raymond Forrester (Chairman and Managing Director)
Jeffrey John Moore
Godfrey Edward Taylor
Ronald William O'Regan

RESULTS AND REVIEW OF OPERATIONS

Exploration

During the six months to 31 December 2001, the Company conducted exploration at Telfer in Australia and at Tsumkwe in Namibia as follows:

At Telfer, the Company conducted a programme of aircore and RC drilling. Significant drilling results from intersections of up to 15m in true width have been returned from the Tim's Dome prospect where drillholes were oriented at right angles to previous drilling as follows:

12m @ 1.60 g/t Au
12m @ 1.28 g/t Au
7m @ 4.89 g/t Au
1m @ 11.20 g/t Au

At Tsumkwe, a diamond project in Namibia in which the Company has a 90% interest in the project, the Company conducted aeromagnetics, ground magnetics, loam sampling and drilling in the search for kimberlites. On 23 November 2001, the Company announced the discovery of the Gura-1 kimberlite.

Corporate

The loss for the six months to 31 December 2001 amounted to \$1,297,205 after including the write-off of the Southern Yilgarn tenements of \$865,842.

SUBSEQUENT EVENTS

No matters or circumstances of which the Directors are aware, other than those referred to in the accounts or notes, have arisen since the end of the year which significantly affect, or may significantly affect, the operations, results or state of affairs of the consolidated entity in financial years after the financial year.

REPORT OF DIRECTORS - 31ST DECEMBER 2001

CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There have been no changes in contingent assets or contingent liabilities since 30 June 2001 annual report.

Signed in accordance with a resolution of directors.

**N R Forrester
Chairman and Managing
Director**

Signed at Perth this day of 2002.

DIRECTORS' DECLARATION - 31 DECEMBER 2001

The Directors declare that:

- a) The attached financial statements in the form of the appendix 4B and notes thereto comply with accounting standards;
- b) The attached financial statements in the form of the appendix 4B and notes thereto give a true and fair view of the financial position and performance of the Company;
- c) In the Directors' opinion, the attached financial statements in the form of the appendix 4B and notes thereto are in accordance with the Corporations Act 2001; and
- d) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

N R Forrester
Chairman and Managing
Director

Signed at Perth this day of 2002.

INDEPENDENT REVIEW REPORT TO THE MEMBERS OF MOUNT BURGESS MINING N.L.

Scope

We have reviewed the attached financial report of Mount Burgess Mining NL in the form of Appendix 4B of the Australian Stock Exchange (ASX) Listing Rules, including the directors' declaration, for the half-year ended 31 December 2001, but excluding the following sections:

- a) material factors affecting the revenues and expenses of the entity for the current period (page 16); and
- b) compliance statement (page 18).

The financial report includes the consolidated financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" issued in Australia and other mandatory professional reporting requirements, statutory requirements and ASX Listing Rules as they relate to Appendix 4B, so as to present a view which is consistent with our understanding of the disclosing entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to meet its obligations to lodge the financial report with the Australian Securities and Investments Commission and the ASX.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mount Burgess Mining NL is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2001 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements and ASX Listing Rules as they relate to Appendix 4B.

DELOITTE TOUCHE TOHMATSU

G McHarrie

Partner

Chartered Accountants

Perth, 2002