

MOUNT BURGESS MINING N.L.

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QUARTERLY REPORT

30 JUNE 2005

Highlights

AUSTRALIA

TELFER, WESTERN AUSTRALIA - GOLD EXPLORATION

Deep diamond drill holes at Tim's Dome and East Thompson's Dome have now been completed.

AFRICA

DIAMOND EXPLORATION - TSUMKWE, NAMIBIA

Further high counts of fresh kimberlitic garnets have been recovered from sampling drill intersected basal gravels on the downthrown western portion of the project area. One drill hole returned 66 kimberlitic garnets.

SILVER AND BASE METALS EXPLORATION - NAMIBIA AND BOTSWANA

In Namibia an Inverse Polarisation (IP) Gradient Array survey was conducted over an IP dipole-dipole anomaly delineated in the previous quarter.

In Botswana it is intended to conduct further IP Gradient Array surveys over IP dipole-dipole anomalies delineated in the previous quarter.

MOUNT BURGESS MINING N.L.

REPORT FOR THE QUARTER ENDED 31 MARCH 2005

AUSTRALIA

TELFER GOLD PROJECT

(Mount Burgess Mining N.L 100%, Barrick Gold of Australia Limited has the right to initially earn 51%)

Barrick Gold of Australia Limited has now completed five diamond drill holes at Telfer. Three holes were drilled at Tim's Dome and two were drilled at East Thompson's Dome.

During the quarter diamond drill hole BTDD003 was completed at Tim's Dome to a depth of 1,165 metres. BTDD004 was completed at East Thompson's Dome to a depth of 1,011.3 metres. Assay results from this hole have only been received for the first 325 metres.

A summary of results from this programme is as follows:

Tim's Dome	Depth of Hole (metres)	Mineralised Intersection (metres)	
Hole No.			
BTDD0001	338.3	Hole abandoned due to broken ground	
BTDD0002	1,170.7	220-223	3m @ 1.08 g/t Au
BTDD0003	1,165.0	170-171	1m @ 1.01 g/t Au
		173-175	2m @ 2.64 g/t Au
		210-211	1m @ 1.07 g/t Au
		311-313	2m @ 1.88 g/t Au
East Thompson's Dome			
Hole No.			
BTRCD0003	1,041.3	243-246	3m @ 8.04 g/t Au
BTDD0004	1,011.3	60-61	1m @ 11.47 g/t Au
		710-711	1m @ 2.03 g/t Au

The above results were obtained from Fire Assays.

AFRICA

DIAMOND EXPLORATION

TSUMKWE, Namibia

EPL's 2012, 2014, 2818, 2817, 2819, 3019 and 3020

(In joint venture between MTB (Namibia) (Proprietary) Ltd 90% and Kimberlite Resources (Pty) Ltd 10%)

EPL's 3021 and 3022 MTB (Namibia)(Proprietary) Ltd 100%

Drilling

During this quarter 56 RAB holes were drilled for 3189 metres. These holes were drilled to follow up previously reported high-count fresh kimberlite indicator minerals¹ recovered from the 0.4-0.8mm fraction of drill concentrate obtained from holes drilled in the western portion of the project area.

The indicator minerals are associated with the grits and gravels immediately overlying the Karoo volcanic lavas which would confirm a post Karoo intrusive source and are invariably accompanied by heavy mineral concentrate specific to the granite/gneiss suite to the east and south.

The following RAB drill hole results are significant as they contain either very fresh Class 4 garnets or very high counts of garnets

Hole Number	Total number of garnets recovered	Class 4 garnets (see Glossary Note 2)	Class 5 garnets (see Glossary Note 2)	Class 6 garnets (see Glossary Note 2)
NAM 703	9	1	7	1
NAM 708	2	1	1	-
NAM 741	2	2	-	-
NAM 754	66	-	60	6
NAM 755	3	1	-	2

NAM 754 has produced the highest count (off kimberlite) of pyrope garnets to date. The combination of such high counts of garnets with the recovery of fresh Class 4 garnets could indicate the presence of a local kimberlite source. A concerted effort will be made to trace this source during this coming quarter.

Loam Sampling (See Glossary Note 3)

78 loam samples were collected and treated during this quarter.

Loam sample concentrates examined during the quarter returned a total of 9 Class 6 pyrope garnets.

BASE METAL EXPLORATION

Tsumkwe, Namibia

EPL 3022

(Mount Burgess Mining N.L. 100%)

Geology

The predominantly silver, lead, zinc mineralisation on the Namibian side of the project is hosted by the meta-quartzites within the limestone/dolomites comprising the 1000-600Ma Damaran rock sequence.

These rocks have been subject to intense east north east folding and faulting with a later thrust event probably co-incident with hydrothermal fluids that resulted in a further mineralising event. Although the stratigraphy is highly disrupted, the zones of mineralisation appear to be stratiform and can be correlated along its disrupted length.

Drilling and Geophysics

A total of ten percussion drill holes were drilled in an attempt to intersect an anomaly delineated by an Induced Polarisation⁴ (IP) dipole-dipole programme conducted in the previous quarter. None of these holes intersected anything that could explain this anomaly.

Consequently, the Company conducted a further IP survey, consisting of a Gradient Array survey as opposed to a dipole-dipole survey. The Gradient Array survey significantly redefined the target position.

An attempt was then made to drill a further four percussion holes into the redefined anomaly. However, because of exceptionally broken (faulted) ground all four holes were abandoned prior to reaching target depth.

A more powerful drill rig has now been sourced and further drilling will be attempted this quarter.

BASE METAL EXPLORATION

KIHABE, BOTSWANA

PL 69/2003

(Mount Burgess Mining N.L. 100%)

Because of problems experienced in pin-pointing the base metal targets generated by IP dipole-dipole surveys on the Botswana side of the project, IP Gradient Array Surveys will be undertaken over the Botswana dipole-dipole IP anomalies prior to drill testing.

GLOSSARY

1. *Kimberlitic indicators are minerals that are found in kimberlites; such as pyrope garnet, ilmenite and chrome diopside. When kimberlites weather and break down the indicator minerals shed from the kimberlites and can then be found in areas that have drained from the kimberlites.*

The amount of wear the kimberlitic mineral grains display is used as a guide in determining the distance those grains have travelled from their kimberlite source. In determining the amount of wear to the mineral grains they are categorised as outlined below:

2. *Classification of Indicator Mineral Grains to determine the Distance they have travelled*

	<i>Mineral grains with remnants of their original surface</i>	<i>Mineral grains without remnants of their original surface</i>
<i>Grains that do not show any signs of wear indicating that they are either on kimberlite or have travelled only a short distance from a kimberlite source</i>	<i>Class 1</i>	<i>Class 4</i>
<i>Grains that show a slight amount of wear indicating that they have travelled a short to moderate distance from a kimberlite source</i>	<i>Class 2</i>	<i>Class 5</i>
<i>Grains that show moderate to extensive amounts of wear indicating that they could have travelled a moderate to a long distance from a kimberlite source</i>	<i>Class 3</i>	<i>Class 6</i>

3. *One of the methods applied in exploring for kimberlites is to collect loam samples from the surface of the ground and determine whether they contain kimberlitic indicator minerals. If loam samples are found to contain kimberlitic indicator minerals, it is possible that a kimberlite could be within or close to the area being sampled.*

4. *Induced Polarisation Survey*

A survey to determine the electrical chargeability of underlying rocks. Certain minerals such as sulphides and graphites have a high chargeability which should be detected by such a survey. Certain sulphides can contain gold, nickel, base metal and many other forms of mineralisation.

The information in this report that relates to exploration results, together with any related assessments and interpretations, is based on information compiled by Martin Spence, B.Sc., who is a Member of The Australasian Institute of Mining and Metallurgy.

Mr Spence is a full time employee of the Company.

Mr Spence has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Spence consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

CORPORATE

Share Placements

During the quarter the following share placements were made.

4,850,000 shares at A\$0.08 per share as announced on 6 May 2005 to raise an additional A\$388,000.

7,150,000 shares at A\$0.07 per share as announced on 23 June 2005 to raise an additional A\$500,500.

Assignment of Royalty Agreements

During the quarter the obligations to the Company under the three royalty agreements in respect of the Red October and Butcher Well Mining Leases were assigned from Sons of Gwalia Limited to St Barbara Mines Limited.

At Red October the Company has a 1.75% net smelter royalty of all gold produced after the first 160,000 ozs. To date 103,634 ozs have been produced from this deposit.

Change of Registered Office and Principal Place of Business

On 23 July the Company relocated its Registered Office and Principal Place of Business to:

Level 4
109 St Georges Terrace
Perth
6000

Phone and fax numbers, email and website address all remain unchanged.

Company Website/Email announcements

As soon as any Company announcements are made and then released to the market via the ASX, they are placed on the Company's Website at www.mountburgess.com. Shareholders wishing to receive an email copy of announcements as they are made can email mtb@mountburgess.com with a request to be put on the Company's mailing list.

Appendix 5B Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

MOUNT BURGESS MINING N.L.

ABN

31009067476

Quarter ended ("current quarter")

30 June 2005

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for:		
(a) exploration and evaluation	(435)	(1644)
(b) development	-	-
(c) production	-	-
(d) administration	(170)	(837)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	12
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(603)	(2,471)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(32)	(36)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	5
(c) other fixed assets	22	22
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(10)	(9)
1.13 Total operating and investing cash flows (carried forward)	(613)	(2,480)
1.13 Total operating and investing cash flows (brought forward)	(613)	(2,480)

+ See chapter 19 for defined terms.

Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	889	2,991
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Placement Fees	(1)	(59)
	Other – Lease repayments	(3)	(9)
Net financing cash flows		885	2,923
Net increase (decrease) in cash held		272	443
1.20	Cash at beginning of quarter/year to date	264	93
1.21	Exchange rate adjustments to item 1.20	2	2
1.22	Cash at end of quarter	538	538

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	117
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

n/a

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Purchase of Head Office computer network on lease. \$17,430.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Barrick Gold of Australia Limited/Mount Burgess Mining N.L. Telfer Joint Venture
Barrick has spent \$948,898 in the June quarter and \$3,467,269 in total as per their obligation in the JV Agreement

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	221	3

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
Total	250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	57	13
5.2 Deposits at call	411	223
5.3 Bank overdraft	-	-
5.4 Other (cash in transit)	70	28
Total: cash at end of quarter (item 1.22)	538	264

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities <i>(description)</i>	N/A			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	164,040,000	164,040,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	12,000,000	12,000,000		
7.5 +Convertible debt securities <i>(description)</i>	N/A			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options Employee Share Plans	1,750,000 850,000 100,000 2,200,000	Nil Nil Nil Nil	<i>Exercise Price</i> 25 cents 25 cents 25 cents 25 cents	<i>Expiry date</i> 31/12/05 31/12/06 31/12/07 31/12/09
7.8 Issued during quarter	Nil			
7.9 Exercised during quarter	Nil			
7.10 CANCELLED during quarter	200,000	NIL	25 cents	
7.11 Debentures <i>(totals only)</i>	N/A			
7.12 Unsecured notes <i>(totals only)</i>	N/A			

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: *Dean Scarparolo*
(Company Secretary)

Date: 28 July 2005

Print name: DEAN A SCARPAROLO

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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