

MOUNT BURGESS MINING N.L.

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QUARTERLY REPORT 30 September 2006

Highlights

AFRICA

BOTSWANA - KIHABE BASE METALS PROJECT

5,899 metres of RC resource infill drilling were conducted during the quarter on the 2.4km long Kihabe zone of zinc, lead, copper, silver and vanadium mineralisation.

The Company has commissioned Ravensgate, an independent firm of consultants, to compile a JORC compliant resource estimate for the project. An initial resource estimate is expected shortly.

NAMIBIA, TSUMKWE -BASE METALS EXPLORATION

During the quarter the Company conducted ground geochemical sampling over an area adjoining the Kihabe base metals project in Botswana.

AUSTRALIA

TELFER, WESTERN AUSTRALIA - GOLD EXPLORATION

The Company is in the process of negotiating a joint venture agreement on this project.

BOTSWANA, KIHABE BASE METALS PROJECT

PL 69/2003

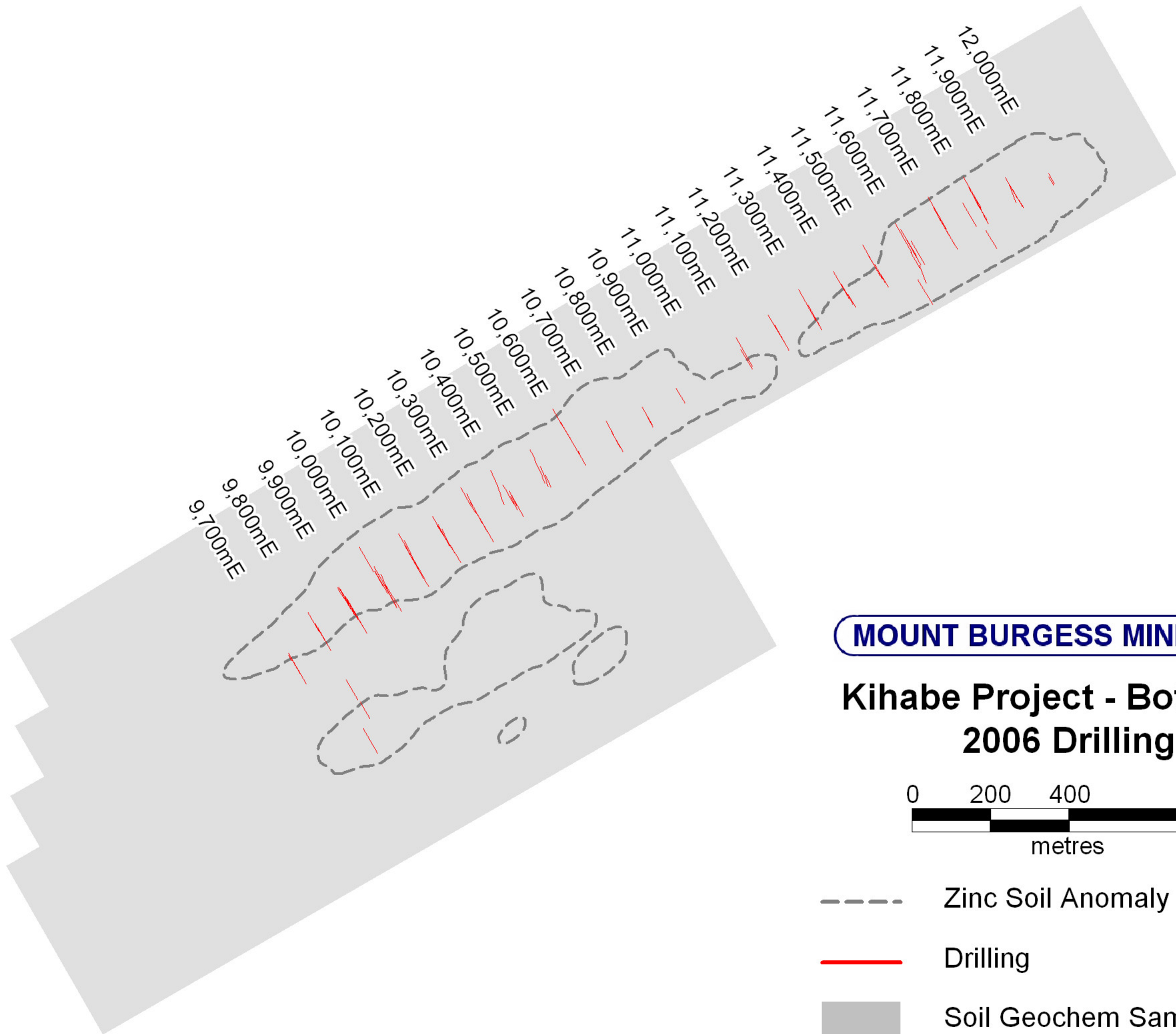
(Mount Burgess Mining N.L. 100%)

Resource Drilling

During the quarter, the Company conducted a further 5,899 metres of infill drilling at the Kihabe project in western Botswana, for the purpose of upgrading this 2.4km zone of zinc, lead, silver, copper and vanadium mineralization to a JORC compliant resource, down to a depth of 150m.

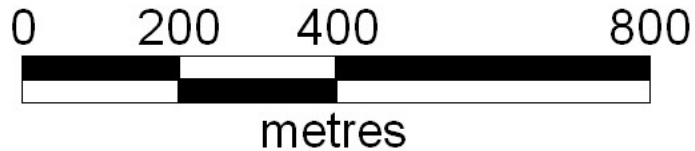
By the end of the quarter, a total of 1,100m of strike had been drilled on 100m line spacings in the south western portion of the mineralised zone between sections 9,700E and 10,800E and a total of 400m of strike had been drilled on 100m line spacings in the north eastern section of the mineralised zone between sections 11,500E and 11,900E, (refer to diagram attached).

ICP-OES assay results from 3,451m of the above 5,899m of drilling have subsequently been received and variously announced through the Australian Stock Exchange. These drill results are shown in local grid co-ordinates and are summarised as follows:



MOUNT BURGESS MINING N.L.

**Kihabe Project - Botswana
2006 Drilling**



- Zinc Soil Anomaly
- Drilling
- Soil Geochem Sampling Area

SECTION 9,800mE

KRC039

9,799E/9,976N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation down to 100m RL.

The hanging wall dolomite/quartzite contact was logged at 38m.

From	To	Zinc	Lead	Copper	Vanadium	Silver
55	56	2m 1.27%				
56	57					
59	60	8m 1.50%				
60	61					
61	62					
62	63					
63	64					
64	65					
65	66			1.43%		
66	67					
69	70	2.45%	1.87%			14.52g/t 0.47oz/t
75	76	3m 1.25%				
76	77					
77	78					

End of hole 105m

KRC040

9,798E/10,006N Dip -60deg Azimuth 339deg.

Drilled to test for mineralisation to 50m RL.

From	To	Zinc	Lead	Copper	Vanadium	Silver
46	47		1.38%			
49	50	2m 1.88%				
50	51					
52	53	1.14%				
54	55	1.09%	10m 1.44%			4m 10.72g/t 0.34oz/t
55	56					
56	57					
57	58					
58	59					
59	60					
60	61					
61	62					
62	63					
63	64					
68	69		2m			
69	70		1.30%			
74	75	1.77%				

End of hole 113m

KRC043

9,799E/9,947N Dip -60deg Azimuth 339deg.

Drilled to test for mineralization down to 100m RL.

The hanging wall dolomite/quartzite contact was logged at 76m.

From	To	Zinc	Lead	Copper	Vanadium	Silver	
87	88	4m 1.66%					
88	89						
89	90						
90	91						
102	103	7m 1.87%					
103	104						
104	105						
105	106						
106	107						
107	108			1.31%			
108	109						

End of hole 139m

SECTION 9,900mE

KRC 034

9,900E/9938N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation between 100m and 150m RL.

The hanging wall dolomite/quartzite contact was logged at 106m.

From	To	Zinc	Lead	Copper	Vanadium	Silver
118	119					
119	120					
120	121					
121	122					
122	123					
123	124					
124	125					
125	126					
126	127					
127	128					
128	129					
129	130					
130	131					
131	132					
132	133					
133	134					
134	135					
135	136					
136	137					
137	138					
138	139					
139	140		4m			4m
140	141		1.54%			16.8g/t
141	142					
142	143					
143	144					
144	145					
145	146					
146	147		2m			
147	148		1.21%			
148	149					
149	150					
150	151					
151	152					
152	153					
153	154					
154	155					
155	156					
156	157					
157	158					
158	159					
159	160					
160	161					
161	162					
162	163					
163	164					
164	165					
165	166					
166	167					
167	168					
168	169					
169	170					
170	171					
171	172					
172	173					
173	174					
174	175					
175	176					
176	177					
177	178					
178	179					
179	180					
180	181					
181	182					
182	183					
183	184					
184	185					
185	186					
186	187					
187	188					
188	189					
189	190					
190	191					
				0.17%		

End of hole 204m

KRC 035

9,897E/10,011N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation down to 100m RL.

From	To	Zinc	Lead	Copper	Vanadium	Silver	
62	63						
63	64						
64	65						
65	66						
66	67						
67	68						
68	69						
69	70						
70	71						
71	72						
72	73						
73	74						
74	75						
75	76						
76	77						
77	78						
78	79						
79	80						
80	81						
81	82						
82	83						
83	84						
84	85						
85	86						
86	87						
87	88						
88	89						
89	90						
90	91						
91	92						

End of hole 120m

KRC 036

9,898E/9,979N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation between 50m RL and 100m RL.

The hanging wall dolomite/quartzite contact was logged at 40m.

From	To	Zinc	Lead	Copper	Vanadium	Silver	
67	68						
68	69						
69	70						
70	71						
71	72						
72	73						
73	74						
74	75						
75	76						
76	77						
77	78						
78	79						
79	80						
80	81						
81	82						
82	83						
83	84						
84	85						
85	86						
86	87						
87	88						
88	89						
89	90						
90	91						
91	92						
92	93						
93	94						
94	95						
95	96						
96	97						
97	98						
98	99						
99	100						

(cont'd...)

100	101	incl. 6m 3.38%	6m 1.62%				3m 39.4g/t	1.27oz/t
101	102							
102	103							
103	104							
104	105							
105	106							
106	107							
107	108							
108	109							
109	110							
110	111							
111	112							
112	113							
118	119	2m						
119	120	2.06%						
158	159	12m 1.17%						
159	160							
160	161							
161	162							
162	163							
163	164							
164	165							
165	166							
166	167							
167	168							
168	169							
169	170							

End of hole 180m

SECTION 10,000mE

KRC 037

10,004E/9,940N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation down to 150m RL.

The hanging wall dolomite/quartzite contact was logged at 118m.

From	To	Zinc	Lead	Copper	Vanadium	Silver							
128	129	22m 2.42%				22m 26.2g/t	0.84oz/t						
129	130												
130	131												
131	132												
132	133												
133	134												
134	135												
135	136												
136	137												
137	138												
138	139												
139	140												
140	141	incl. 11m 3.21%	12m 2.57%			incl. 2m 40.5g/t	1.30oz/t						
141	142												
142	143												
143	144												
144	145												
145	146												
146	147												
147	148												
148	149												
149	150												
157	158							with 5m 4.05%		0.3%		incl. 8m 45.9g/t	1.48oz/t
158	159												
159	160												
160	161												
161	162												
162	163												
163	164												
164	165												
165	166												
166	167												
167	168												
168	169												
169	170												
171	172			0.1%									
161	162	4m 1.40%											
162	163												
163	164												
164	165												

End of hole 172m

KRC 038

9,998E/10,020N Dip -60deg Azimuth 339deg

Drilled to test for mineralization from surface to 50m RL and to test for mineralisation to the west of the known mineralised zone.

From	To	Zinc	Lead	Copper	Vanadium	Silver
11	12					
12	13					
13	14					
14	15					
15	16				5m 335ppm	
24	25					
25	26					
26	27					
27	28					
28	29					
29	30					
30	31	incl. 2m 2.65%	4m 2.16%		3m 545ppm	10m 31.1g/t 1.00oz/t
31	32					
32	33					
33	34					
34	35					
35	36					
36	37					
37	38	incl. 8m 2.04%				8m 71.8g/t 2.31 oz/t
38	39					
39	40					
40	41		6m 3.07%			incl. 5m 96.7g/t 3.11oz/t
41	42					
42	43					
43	44	28m 1.69%				
44	45					
45	46					
46	47					
47	48					
48	49	incl. 7m 2.03%				
49	50					
50	51					
51	52		6m 1.70%			5m 15.6g/t 0.50oz/t
52	53					
53	54					
54	55					
55	56	incl. 2m 2.15%				
56	57					
67	68					
68	69					
69	70					
70	71					
71	72					
72	73	11m 1.42%				
73	74					
74	75					
75	76		3m 1.40%			3m 16.6g/t 0.53oz/t
76	77					
77	78					

End of hole 90m

KRC041

10,001E/9,960N Dip 60deg Azimuth 339deg

Drilled to test for mineralisation down to 150m RL

The hanging wall dolomite/quartzite contact was logged at 80m.

From	To	Zinc	Lead	Copper	Vanadium	Silver
90	91					
91	92	3m 1.76%				3m 43.8g/t 1.41oz/t
92	93		3.95%			
113	114					
114	115					
115	116					
116	117					
117	118					
118	119		10m 2.21%			
119	120	9m 2.71%				8m 16.4g/t 0.53oz/t
120	121					
121	122					
122	123					
123	124					
134	135					
135	136					
136	137					
137	138					
138	139					
139	140	10m 2.25%	8m 1.90%			8m 13.0g/t 0.42oz/t
140	141					
141	142					
142	143					
143	144					
168	169		2m 1.80%			
169	170					

End of hole 186m

SECTION 10,100mE

KRC 042

10,099E/10,064N Dip -60deg Azimuth 339deg.

This hole was drilled too far west of the mineralised zone but did intersect some near surface vanadium.

From	To	Zinc	Lead	Copper	Vanadium	Silver
9	10					
10	11					
11	12					
12	13					
13	14					
14	15					
34	35				297ppm	
49	50					
50	51					
51	52				3m 426ppm	
58	59					
59	60				2m 360ppm	

End of hole 102m

KRC 044

10,097E/9,959N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation down to 100m RL.

The hanging wall dolomite/quartzite contact was logged at 14m.

From	To	Zinc	Lead	Copper	Vanadium	Silver
12	13					
13	14					
14	15					
18	19					
58	59	1.57%				
67	68					
68	69	14m				
69	70	2.95%				
70	71					
71	72		11m			
72	73		1.69%			
73	74					
74	75	incl.				
75	76	8m				
76	77	3.82%				
77	78					
78	79					
79	80					
80	81					
81	82					
82	83					
83	84	3m	2m			
84	85	2.05%	2.10%			
85	86					
86	87					
88	89					
128	129					
129	130					
130	131					
131	132		3m			
132	133		1.84%			
133	134					
134	135					
135	136					
136	137					
137	138		1.34%			
138	139					

End of hole 150m

KRC 046

10,096E/9,983N Dip -60deg Azimuth 339deg

Drilled to test for mineralisation down to 150m RL.

The hanging wall dolomite/quartzite contact was logged at 50m.

From	To	Zinc	Lead	Copper	Vanadium	Silver
58	59					
59	60					
60	61		2.48%	1.0%		21.0g/t 0.68oz/t
118	119					
119	120					
120	121	14m				
121	122	4.50%				
122	123					
123	124		14m			
124	125		2.38%			
125	126					
126	127	incl.				
127	128	6m				
128	129	6.30%				
129	130					
130	131					
131	132					
159	160	2m				
160	161	2.14%				

End of hole 163m

SECTION 10,200mE

KRC051

10,196E/10,020N Dip -60deg Azimuth 339deg

Drilled to test for any western extensions of mineralisation down to 100m RL

From	To	Zinc	Lead	Copper	Vanadium	Silver	
9	10				3m 549ppm		
10	11						
11	12						
35	36				255ppm		
81	82	3m 1.95%	1.38%				
82	83						
83	84						
84	85						
85	86	2m 1.27%					
86	87						
93	94	11m 1.88%					
94	95						
95	96						
96	97						
97	98						
98	99						
99	100						
100	101						
101	102						
102	103		2.39%			10.8g/t	0.35oz/t
103	104						

End of hole 127m

SECTION 11,500mE

KRC 048

11,494E/10,076N Dip -60deg Azimuth 159deg

Drilled to test for mineralisation down to 50m RL.

The hanging wall dolomite/quartzite contact was logged at 104m.

From	To	Zinc	Lead	Copper	Vanadium	Silver			
10	11								
11	12								
12	13								
13	14								
14	15								
16	17								
17	18								
18	19								
22	23			0.10%					
33	34								
34	35			2m 0.16%					
49	50	4m 1.87%				2m 23.9g/t	0.77oz/t		
50	51								
51	52								
52	53								
53	54								
54	55								
55	56	8m 2.08%	13m 2.14%						
56	57								
57	58								
58	59								
59	60								
60	61								
61	62							3m 39.3g/t	1.26oz/t
62	63								
70	71	1.12%							
71	72								
72	73		1.99%	0.27%					
73	74								
74	75	1.09%				120.9g/t	3.89oz/t		
91	92	1.31%							
92	93								
93	94								

End of hole 108m

From	To	Zinc	Lead	Copper	Vanadium	Silver
28	29					
29	30					
30	31					
31	32					
32	33					
33	34					
34	35					
35	36					
36	37					
37	38			incl. 2m 0.26%		
38	39					
39	40					
40	41					
41	42					
42	43					
43	44					
44	45			37m 0.20%		
45	46					
46	47					
47	48					
48	49					
49	50					
50	51					
51	52					
52	53					
53	54			incl. 5m 0.39%		
54	55					
55	56					
56	57					
57	58					
58	59					
59	60			incl. 2m 0.38%		
60	61					
61	62					
62	63					
63	64					
64	65					
68	69					
69	70			0.12%		
70	71					
71	72					
72	73					
73	74			0.17%		
74	75					
75	76					
76	77					
77	78		13m 2.14%			
78	79	45m 2.02%				13m 21.4g/t 0.69oz/t
79	80					
80	81					
81	82					
82	83					
83	84					
84	85					
85	86		3m 2.01%			3m 12.2g/t 0.39oz/t
86	87					
87	88					
88	89					
89	90					

(con't...)

90	91							
91	92							
92	93							
93	94							
94	95			7m				
95	96			1.91%				
96	97							
97	98							
98	99							
99	100							
100	101							
101	102							
102	103							
103	104							
104	105			2m				
105	106			1.78%			2m	
106	107						25.5g/t	0.82oz/t
107	108							
108	109							
109	110			1.03%				
110	111						3m	
111	112						13.3g/t	0.43oz/t
112	113							
122	123							
123	124		4m					
124	125		1.40%					
125	126							
136	137							
137	138							
138	139							
139	140							
140	141							

End of hole 146m

From	To	Zinc	Lead	Copper	Vanadium	Silver		
63	64			2m 0.12%				
64	65							
69	70			8m 0.13%				
70	71							
71	72							
72	73							
73	74							
74	75							
75	76							
76	77							
80	81			4m 0.11%				
81	82							
82	83							
83	84							
86	87			3m 0.15%				
87	88							
88	89							
92	93			2m 0.16%				
93	94							
113	114			0.11%				
114	115							
115	116							
116	117						11.8g/t	0.38oz/t
117	118							
118	119							
119	120							
120	121				25m 0.36%		2m	0.45oz/t
121	122						14.1g/t	
122	123							
123	124							
124	125							
125	126							
126	127	incl. 2m 4.54%						
127	128							
128	129			incl. 8m 0.63%		incl. 7m 47.1g/t	1.51 oz/t	
129	130							
130	131							
131	132							
132	133							
133	134							
134	135							
135	136	20m 2.09%						
136	137							
137	138							
138	139							
139	140		12m 2.62%					
140	141							
141	142							
142	143			0.14%	604ppm			
143	144							
144	145	incl. 4.01%+		0.15%		incl. 2m 45.3g/t	1.46 oz/t	
145	146							
152	153	2m 1.53%	1.40%			10.6g/t	0.34oz/t	
153	154							
157	158	1.47%						
164	165							
165	166							
166	167							
167	168							
168	169	10m 2.04%	3m 1.87%					
169	170							
170	171							
171	172							
172	173		2m 1.32%			16.3g/t	0.52oz/t	
173	174							
176	177	3.66%						

SECTION 11,600mE

KRC054

11,596E/10,090N Dip -60deg Azimuth 159deg

Drilled to test for mineralisation down to 100m RL

The hanging wall dolomite/quartzite contact was logged at 116m.

From	To	Zinc	Lead	Copper	Vanadium	Silver
65	66					
66	67					
67	68					
68	69					
69	70					
70	71	26m			5m	9m
71	72	3.34%			510ppm	43.5g/t
72	73					
73	74					
74	75					
75	76					
76	77					
77	78	incl. 5m	10m			incl. 4m
78	79	6.20%	1.42%			81.7g/t
79	80					
80	81					
81	82					
82	83					
83	84					
84	85					
85	86	incl. 2m	3m			3m
86	87	4.13%	1.27%			15.6g/t
87	88					
88	89					
89	90		1.03%			12.5g/t
90	91					
97	98					
98	99	4m				
99	100	1.54%				
100	101					
101	102					
102	103	2m	1.03%			2m
103	104	2.11%				16.1g/t
110	111					
111	112	4m	1.25%	2m		2m
112	113	2.20%		0.13%		20.2g/t
113	114					

End of hole 121m

KRC056

11,598E/10,118N Dip -60deg Azimuth 159deg

Drilled to test for mineralisation down to 150m RL, returned the following assays:

The hanging wall dolomite/quartzite contact was logged at 151m.

From	To	Zinc	Lead	Copper	Vanadium	Silver	
61	62						
62	63			3m 0.17%			
63	64						
64	65		1.36%			16.5g/t 0.53oz/t	
67	68			0.11%			
69	70			2m 0.13%			
70	71						
72	73						
73	74			3m 0.16%			
74	75						
99	100	22m 2.12%		2m 0.21%		5m 124.4g/t 4.00oz/t	
100	101						
101	102						
102	103						
103	104						
104	105						
105	106						
106	107						
107	108						
108	109			9m 1.51%			19.5g/t 0.63oz/t
109	110						
110	111						3m 12.7g/t 0.41oz/t
111	112						
112	113						
113	114						
114	115						
115	116						
116	117						
117	118						
118	119						
119	120						
120	121						
121	122		2.61%	0.10%		73.6g/t 2.37oz/t	
125	126	27m 1.60%				11.9g/t 0.38oz/t	
126	127						
127	128						
128	129						
129	130						
130	131						
131	132						
132	133						
133	134			1.17%			
134	135						
135	136						
136	137						
137	138						
138	139						
139	140						10.4g/t 0.33oz/t
140	141						
141	142						
142	143					3m 328ppm	
143	144						
144	145						
145	146						
146	147						
147	148						
148	149						
149	150					4m 808ppm	
150	151						
151	152						

End of hole 157m

KRC058

11,593E/10,137N Dip -60deg Azimuth 159deg

Drilled to test for mineralisation down to 150m RL

The hanging wall dolomite/quartzite contact was logged at 166m.

From	To	Zinc	Lead	Copper	Vanadium	Silver		
70	71				265ppm			
87	88			8m 0.32% incl 2m 0.70%				
88	89							
89	90							
90	91							
91	92							
92	93							
93	94							
94	95							
100	101			0.11%				
112	113			3m 0.19%				
113	114							
114	115							
116	117	7m 2.07%	5m 3.34%			5m 13.8g/t	0.44oz/t	
117	118							
118	119							
119	120							
120	121							
121	122							
122	123							
125	126	2m 1.29%						
126	127							
135	136	1.58%		0.27%		84.2g/t	2.71oz/t	
139	140	1.22%						
140	141					13.4g/t	0.43oz/t	
143	144	26m 1.68%						
144	145							
145	146							
146	147							
147	148							
148	149							
149	150							
150	151							
151	152							
152	153							
153	154							
154	155							
155	156			1.14%				
156	157							
157	158			1.35%				
158	159							
159	160							
160	161							
161	162			2m 2.12%	0.14%		2m 31.8g/t	1.02oz/t
162	163							
163	164							
164	165							
165	166			2m 1.71%			31.9g/t	1.03oz/t
166	167					4m 930ppm		
167	168							
168	169							
169	170							

End of hole 171m

KRC059

11,596E/10,060N Dip -60deg Azimuth 159deg

Drilled to confirm mineralisation in KIH010

The hanging wall dolomite/quartzite contact was logged at 91m.

From	To	Zinc	Lead	Copper	Vanadium	Silver	
25	26			2m			
26	27	1.70%		0.10%	478ppm	20.5g/t	0.66oz/t
30	31						
31	32						
32	33	4m 1.93%			4m 899ppm		
33	34		1.04%				
34	35						
44	45	1.20%				6m 34.5g/t	1.11oz/t
45	46		3m 2.49%				
46	47						
47	48						
48	49	21m 2.2%				7m 18.4g/t	0.59oz/t
49	50						
50	51						
51	52						
52	53						
53	54						
54	55						
55	56						
56	57						
57	58						
58	59						
59	60						
60	61						
61	62						
62	63						
63	64						
64	65						
65	66		1.04%			18.0g/t	0.58oz/t
66	67						
67	68						
79	80					14.7g/t	0.47oz/t
89	90				407ppm		

End of hole 97m

Section 11,700E (see section attached).

KRC067

11,697E/10,124N, Dip - 60 deg, Azimuth 159 deg.
 Drilled to test for mineralisation down to 100m RL.

From	To	Zinc	Lead	Vanadium	Silver
91	92				
92	93		1.26%		2m 15.4g/t 0.50oz/t
93	94				
94	95				
95	96				
96	97	incl 1m 4.60%			2m 18.1g/t 0.58oz/t
97	98				
98	99				
99	100				10.8g/t 0.35oz/t
100	101	incl 3m 3.16%			
101	102		14m 1.65%		
102	103				
103	104				
104	105				
105	106				
106	107				
107	108	33m 2.30%			
108	109				
109	110				
110	111		1.37%		
111	112				
112	113				
113	114				
114	115				
115	116		1.43%		
116	117				
117	118				
118	119				
119	120				
120	121				
121	122				
122	123				
123	124				
125	126	1.08%			
127	128				
128	129				
129	130	6m 1.36%			
130	131				
131	132				
132	133				
136	137	1.45%	1.18%		19.7g/t 0.63oz/t
141	142	2m 1.89%			
142	143		1.04%		
144	145	1.03%			
146	147	2m 1.47%			
147	148				

End of Hole 151m

KRC062

11,696E/10,094N, Dip - 60 deg, Azimuth 159 deg.
 Drilled to test for mineralisation down to 100m RL.

From	To	Zinc	Lead	Vanadium	Silver	
64	65	1.13%				
90	91	11m 1.61%	1.07%			
91	92					
92	93					
93	94					
94	95					
95	96			3m 1.89%		
96	97					22.5g/t
97	98					
98	99					
99	100					
100	101					
103	104	4m 1.53%				
104	105					
105	106					
106	107					
108	109	2.22%				
118	119			4m 498ppm		
119	120					
120	121					
121	122					
123	124			250ppm		

End of Hole 125m

KRC061

11,696E/10,064N, Dip - 60 deg, Azimuth 159 deg.
 Drilled to test for mineralisation between 50m and 100m RL.

From	To	Zinc	Lead	Vanadium	Silver	
38	39	2m				
39	40	1.14%				
40	41				10m 18.1g/t	
41	42					
42	43		4m 2.19%			
43	44					
44	45					
45	46					
46	47					
47	48					
48	49		3m 2.03%			
49	50					
50	51	5m		375ppm		
51	52	1.49%				
52	53					
56	57	1.11%				
70	71	4m				
71	72					
72	73		1.40%			
73	74					
76	77	8m				
77	78					
78	79					
79	80					
80	81		2.14%			
81	82					
82	83					
83	84					
93	94			3m 427ppm		
94	95					
95	96					

End of Hole 103m

KRC066

11,696E/10,024N, Dip - 60 deg, Azimuth159 deg.
Drilled to test for mineralisation down to 50m RL

From	To	Zinc	Lead	Vanadium	Silver	
16	17					
17	18					
18	19	4m 1.48%		9m 653ppm	10.0g/t	0.32oz/t
19	20					
20	21					
21	22					
22	23					
23	24					
24	25					
25	26	6m 1.42%				
26	27					
27	28					
28	29			1.14%		
29	30			2m 461ppm	2m 13.5g/t	0.43oz/t
30	31					
38	39					
39	40		1.33%	incl 1m 2201ppm		
40	41					
41	42			5m 1002ppm		
42	43					

End of Hole 49m

From	To	Zinc	Lead	Vanadium	Copper	Silver
125	126					
126	127				3m 0.21%	
127	128					
129	130				0.70%	
130	131					
131	132		8m 3.20%			12m 25.9g/t 0.83oz/t
132	133					
133	134	incl. 8m 2.90%				
134	135					
135	136		incl. 4m 3.91%			incl. 2m 52.8g/t 1.70oz/t
136	137					
137	138				0.39%	
138	139					
139	140				2m 0.19%	
140	141					
141	142					
142	143					
143	144					
144	145	61m 1.80%				
145	146					
146	147					
147	148					
148	149					
149	150					
150	151					
151	152					10.2g/t 0.33oz/t
152	153					
153	154		7m 2.44%			
154	155	incl. 4m 4.64%				13.7g/t 0.44oz/t
155	156					19.1g/t 0.61oz/t
156	157					
157	158					
158	159					
159	160					
160	161					
161	162					
162	163		1.05%			
163	164					
164	165					
165	166					
166	167					
167	168			720ppm		
168	169					15.3g/t 0.49oz/t
169	170					
170	171					
171	172					14.8g/t 0.48oz/t
172	173					
173	174					
174	175					
175	176		1.09%			17.9g/t 0.58oz/t
176	177					
177	178					
178	179					
179	180					
180	181					
181	182		1.01%			
182	183					
183	184		1.01%			
184	185			9m 2020ppm		
185	186					
186	187		2m 2.29%			
187	188					
188	189					
189	190					
190	191					

During the quarter, the Company commissioned Ravensgate, an independent firm of consultants, to commence resource modeling on the Kihabe zone of mineralisation. This modeling is currently in progress and it is hoped that with an orderly return of assays from the laboratory, the calculation of an initial resource will be available shortly.

Regional Exploration, Soil Geochemical Sampling

Results have now been received from a 200m x 200m soil geochemical sampling programme conducted over a copper anomaly about 12km east north east of the main Kihabe zone of mineralisation. Elevated values of up to 34ppm copper have outlined a target area which is now ready for drilling this quarter.

Two further anomalies north east of the main Kihabe zone of mineralisation were also delineated during the quarter from soil geochemical sampling programmes. It is intended that these will also be drill tested during this quarter.

NAMIBIA, TSUMKWE - BASE METAL EXPLORATION

During the quarter a base metal soil geochemical sampling programme was conducted north west of the Kihabe zone of mineralisation, within that portion of the Damaran stratigraphy on the Namibian side of the border.

An in depth review of the Damaran stratigraphy on the Namibian side of the border has revealed two further geological and geochemical signatures coincident with elevated zinc soil geochemical values that are along strike from and look very similar to the main Kihabe zone of mineralisation in Botswana.

AUSTRALIA, TELFER - WESTERN AUSTRALIA - GOLD EXPLORATION

The Company is following up on a number of potential joint venture proposals on its Telfer tenements.

The information in this report that relates to exploration results, together with any related assessments and interpretations, is based on information compiled by Mr Giles Rodney (Rod) Dale of GR Dale and Associates, who is a non executive Director of the Company. Mr Dale is a Fellow of The Australasian Institute of Mining and Metallurgy.

Mr Dale 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 Dale consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

CORPORATE

Board and Management Changes

During the quarter Mr Martin Lindsay Spence resigned from the Board of the Company as Director of Exploration.

The Company would like to welcome to the Board as Non-Executive Directors, **Mr Giles Rodney (Rod) Dale, FRMIT, FAusIMM**, Geologist and **Mr Allan Mulligan, NHD Dip Metalliferous Mining, MAusIMM, Mining Engineer** and Managing Director of RSV Australia (Pty) Ltd.

Mr Dale qualified in Melbourne as a Geologist in 1959 and has considerable experience in exploring for iron ore, tin, base metals, industrial minerals, gold and uranium. His work has given him extensive exposure in many parts of Australia, Indonesia, China, India, Brazil, Ghana, Zimbabwe and Namibia. Rod has considerable experience in directing mining operations and has held positions as Director and Managing Director of ASX listed exploration and mining companies.

Mr Mulligan qualified in South Africa (Wits Tech) as a mining engineer in 1985 and obtained his Mine Managers Certificate of Competency (RSA) in 1986. Allan has had over 20 years experience in mine management and production, including technical assessments, production economics, mine feasibilities and project design and costing. His previous assessments have included the Munni Munni and Panton platinum and palladium deposits in Australia and currently he consults to the Mibango and Luwumbu joint ventures in Tanzania. Allan has operated in a senior management role on all of Lonmin's large underground platinum mines and as mine manager for several mid sized diamond, gold and base metal mines in South Africa. Since migrating to Australia, Allan has had extensive exposure to the junior exploration sector and has held a Non-Executive Directorship with an ASX listed company.

Mr James Hickey, B Com, has been appointed **Project Development and Operations Manager for the Kihabe Base Metals Project**. James is the former Managing Director of Dowding Reynards and Associates Pacific (DRAP), the South African based process engineering and project management group of companies. James has extensive experience in the management of project feasibility studies for a wide variety of minerals, along with the design, engineering, construction and commissioning of mineral processing plants for base metals, iron ore, gold, diamonds, chromite, manganese, titanium and tungsten.

Mr Alexander Meyer, BSc, MAusIMM, currently the Company's Senior Project Geologist has been appointed Exploration Manager.

The expansion of the Company's Board at this point in time is necessary to acquire the expertise required to advance the Company's Kihabe Base Metals Project.

Share Placements

During the quarter the Company completed the following share placements

28 August 2006	Issue of 7,520,00 ordinary fully paid shares at 8 cents per share to raise the Company \$601,600
27 September 2006	Issue of 9,287,000 ordinary fully paid shares at 6 cents per share to raise the Company \$557,220

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 September 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for:		
(a) exploration and evaluation	(484)	(484)
(b) development	-	-
(c) production	-	-
(d) administration	(264)	(264)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	3	3
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(745)	(745)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	NIL	NIL
1.13 Total operating and investing cash flows (carried forward)	(745)	(745)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(745)	(745)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	602	602
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	(6)	(6)
	Other – Lease Liability repayments	(2)	(2)
Net financing cash flows		594	594
Net increase (decrease) in cash held		(151)	(151)
1.20	Cash at beginning of quarter/year to date	340	340
1.21	Exchange rate adjustments to item 1.20	4	4
1.22	Cash at end of quarter (See NOTE A)	193	193
NOTE A: On 27 September 2006 the Company completed a placement of 9,287,000 shares at an issue price of \$0.06 per share to raise \$557,220.			

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	106
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

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

N/A

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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	205	8

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
Total	300

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	42	52
5.2 Deposits at call	151	288
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	193	340

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	N/A		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	196,435,000	196,435,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	7,520,000 N/A	7,520,000 N/A		
7.5 +Convertible debt securities <i>(description)</i>	N/A	N/A		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options Employee Share Plans	400,000 50,000 1,850,000 3,000,000 2,800,000	Nil Nil Nil Nil Nil	<i>Exercise Price</i> 25 cents 25 cents 25 cents 25 cents 25 cents	<i>Expiry date</i> 31/12/06 31/12/07 31/12/09 31/12/10 31/12/11
7.8 Issued during quarter	N/A			
7.9 Exercised during quarter	N/A			
7.10 Cancelled during quarter	450,000 50,000 250,000	NIL NIL NIL	25 cents 25 cents 25 cents	31/12/06 31/12/07 31/12/09
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: 31 October 2006

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.