



## QUARTERLY REPORT FOR THE QUARTER ENDED 31 DECEMBER 2015

### KIHABE ZINC LEAD SILVER PROJECT BOTSWANA

On 11 November 2015, the Company received an email from the Assistant Permanent Secretary, Ministry of Minerals Energy and Water Resources, Botswana (MMEWR) advising ***“You are at liberty to submit a new application which obviously has to comply to the requirement of section 14 of Mines and Minerals (Act)”. “ . . .Our undertaking is that we will receive your application and process it if it meets the requirements of section 14 . . . ”***

On 7 December 2014, Mount Burgess (Botswana) (Proprietary) Ltd (MBB), a wholly owned subsidiary of the Company, lodged with the Director of the Department of Mines, Botswana, an application for a new Prospecting Licence to cover the Kihabe Zn/Pb/Ag project which it previously owned in Western Ngamiland, Botswana. This application was accepted for review by MMEWR, which review process is shown on the MMEWR website as taking 60 days.

On 25 January 2016 the Company was advised that it had been granted a new Prospecting Licence, the details of which will be advised in a following announcement.

On 30 October 2015, the Company was approached by the Chamber of Mines Botswana and asked if, in the event of securing title to the Kihabe project, it would be prepared for the project to be included in a study currently being conducted relative to the beneficiation of base metals within Botswana.

The Company agreed that it would be beneficial for the Kihabe project to be included in such a study. Accordingly, relevant information has been provided to Advisian, South Africa, a subsidiary of Worley Parsons, conducting the study. This study is being conducted as decided at a Base Metals Beneficiation Forum held in Francistown, Botswana, in October 2015, at which Minister Mokaila MMEWR was quoted as saying:

***“The Government continues with its commitment to support the mining industry and paving way for a sustainable base metals beneficiation industry through provision of the necessary infrastructure like grid power, roads and water, to name a few”.*** (Daily News Botswana 1<sup>st</sup> November 2015).

As the Company has now been informed that the application for a new Prospecting Licence has been granted, it will withdraw from litigation in the matter.

## **CORPORATE**

### **FUNDING**

During the quarter the Company issued 16,000,000 (16 million) shares by way of placements to professional investors at 0.2 of 1c to raise the Company \$32,000.

During the quarter Jan and Nigel Forrester lent the Company a further \$23,300.

The Company had available funds of \$19,000 at the end of the quarter.

Since the end of the quarter Jan and Nigel Forrester have lent the Company a further \$23,000.

### **RESOLUTIONS APPROVED AT THE COMPANY'S ANNUAL GENERAL MEETING**

At the Company's Annual General Meeting held on 26 November 2015, the following resolutions were approved:

- Approval was granted allowing the Company to issue an additional 10% of its issued share capital for the purpose of raising funds under ASX Listing Rule 7.1A. This is additional to the standard 15% allowed under Listing Rule 7.1.
- Approval was granted for the re-appointment of Ms Karen Clark as a Director of the Company having been appointed within the year prior to the Annual General Meeting.
- Approval was granted for the re-appointment of Mr Chris Campbell-Hicks who retired by rotation, offering himself for re-election.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

MOUNT BURGESS MINING N.L.
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ABN

31009067476
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Quarter ended ("current quarter")

31 December 2015
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### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months ) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) administration	(48)	(134)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes refund	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(48)</b>	<b>(135)</b>
<b>Cash flows related to investing activities</b>		
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)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(48)</b>	<b>(135)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(48)	(135)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	25	32
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	23	107
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Lease liability repayments	-	-
	Other – Placement fees	-	-
	<b>Net financing cash flows</b>	48	139
	<b>Net increase / decrease in cash held</b>	-	4
1.20	Cash at beginning of quarter/year to date	19	15
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	19	19

**\*\* The Company currently has an overdraft facility of \$NIL**

**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	-
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

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

+ See chapter 19 for defined terms.

### Financing facilities available

**\*\* The Company currently has an overdraft facility of \$NIL**

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	2	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	50
<b>Total</b>	50

### 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	19	19
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)		-
<b>Total: cash at end of quarter</b> (item 1.22)	19	19

**\*\* The Company currently has an overdraft facility of \$NIL**

### Changes in interest 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.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted share securities at the end of current quarter**

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <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 <b>+Ordinary securities</b> (Note 1)	169,227,958	156,727,958		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	12,500,000  N/A	12,500,000  N/A		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	N/A	N/A		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>Employee Share Plans (note 1)</i>	71,430	NIL	35 cents	31/12/16
7.8 Issued during quarter	NIL			
7.9 Exercised during quarter	NIL			
7.10 Expired / Cancelled	1,907,149	NIL	35 cents	31/12/15
7.11 <b>Debentures</b> <i>(totals only)</i>	NIL			
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	NIL			

Note 1 Post consolidation

+ See chapter 19 for defined terms.

## Compliance statement<sup>7</sup>

- 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:            *Serene Chau*  
                              (Director/Company secretary)

Date: 28 January 2016

Print name:         Serene Chau

## 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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