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11 March 2022

**ASX CODE: MTB**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN MOUNT BURGESS MINING NL AND BOTALA ENERGY LTD**

Mount Burgess Mining (MTB) has signed a Memorandum of Understanding (MOU) with Botala Energy Ltd (BTE).

**Purpose of MOU**

The MOU concerns the potential for the supply by BTE of an energy solution consisting of solar / battery hybrid potentially backed by Liquefied Natural Gas (LNG), in the event MTB adopts this potential power supply for its Kihabe-Nxuu Zn/Pb/Ag/V/Ge/Ga polymetallic project.

BTE is currently developing a coal bed methane (CBM) gas project in the Serowe District of Botswana.

With both companies operating in Botswana, where BTE has the potential to provide a power supply and MTB is requiring a power supply, discussions have commenced for the purpose of achieving a mutually beneficial solution.

At this point in time neither party has determined:

- a time frame for the production or supply of LNG
- the quantity of LNG required for the Kihabe-Nxuu Project
- a price for the supply of LNG for the Kihabe-Nxuu Project

**MTB's Kihabe-Nxuu Polymetallic Project**

MTB's Kihabe-Nxuu project, is situated in Prospecting Licence PL43/2016, which covers an area of 1,000 sq/km. PL43/2016 is situated right up against the Namibian border in Western Ngamiland, Botswana.

MTB is currently awaiting assay results from recent drilling conducted at its shallow basin shaped, totally oxidised Nxuu Deposit. Some further 1,500m of drilling is required to then enable MTB to quote an Indicated/Measured Resource compliant with the 2012 JORC Code, whereupon MTB can then proceed to a Pre-feasibility Study. Once having evaluated a commercial power supply, MTB can then proceed to a Definitive Feasibility Study.

## **BTE's Coalbed Methane Gas Project**

BTE is the operator of Prospecting Licences PL2018/16, PL2018/18, PL2018/19, PL2018/356, PL2018/357 and PL2018/400. BTE owns 49% of the project as part of a \$6.1m farm-in agreement with Pure Hydrogen Corporation (ASX: **PH2**) owning the remaining 51%. BTE have the right to earn up to 70% upon listing on the ASX. The Serowe project covers an area of 413,080 hectares in the Serowe district of Botswana. These Prospecting Licences cover the right to explore for coal bed methane (CBM) gas.

The BTE operated fields have been independently certified to contain an estimated 10 trillion cubic feet of a prospective CBM resource across the PLs, and an estimated contingent 2C<sup>1</sup> resource of 160 billion cubic feet<sup>2</sup> occurring within the vicinity of three of the five drilled wells. Results from the remaining two wells are currently with the independent certifier and 2C reserve estimates will be revised.

A testing program is currently being designed to test commercial production rate of the coals encountered. This information will determine gas deliverability, which is a key factor in project economics. BTE is currently planning an additional four exploration wells for 2022.

BTE's long term view is to convert CBM gas to compressed natural gas (CNG) and ultimately to LNG. Conversion to LNG could enable BTE to supply potential users within a radius of 1,000 km.

The Kihabe-Nxuu project is some 880 km from the Serowe CBM gas fields.

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This announcement has been approved for release by the Board of Mount Burgess Mining NL, the Chairman of Botala Energy Ltd and Pure Hydrogen Corporation (ASX Code: PH2)

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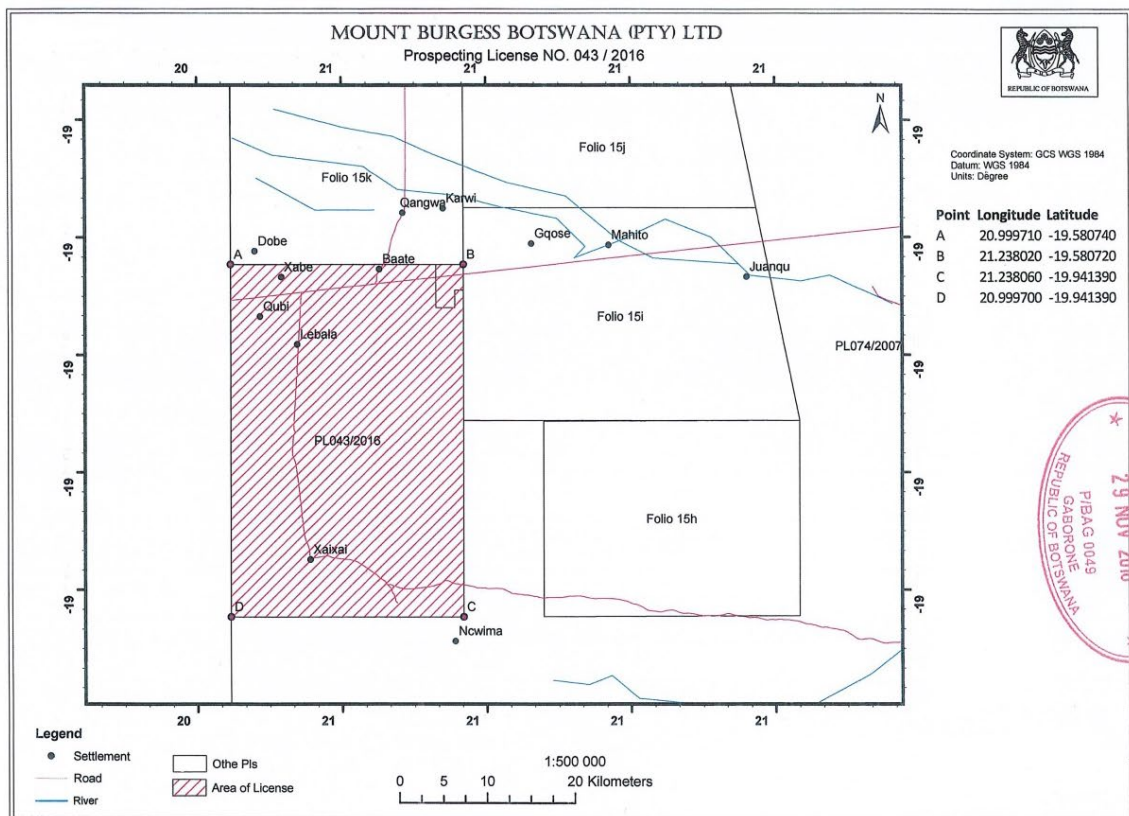
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<sup>1</sup> Contingent resources are quantities of petroleum estimated to be potentially recoverable from known accumulations using established technology or technology under development.

<sup>2</sup> ASX announcement Pure Hydrogen (ASX:PH2) 18/11/2021 – 'Upgrade – Serowe CSG Project – 2C Resources to 160Bcf'

# APPENDIX A

## TENEMENT HOLDING



Location	Project	Licence Number	Licence Size	Registered Holder	Nature of Interest
Western Ngamiland, Botswana	Kihabe/Nxuu Polymetallic Project	PL 043/2016	1,000 sq km	Mount Burgess Botswana (Pty) Ltd	100%

## **Forward Looking Statement**

This report contains forward looking statements in respect of the projects being reported on by the Company. Forward looking statements are based on beliefs, opinions, assessments and estimates based on facts and information available to management and/or professional consultants at the time they are formed or made and are, in the opinion of management and/or consultants, applied as reasonably and responsibly as possible as at the time that they are applied.

Any statements in respect of Ore Reserves, Mineral Resources and zones of mineralisation may also be deemed to be forward looking statements in that they contain estimates that the Company believes have been based on reasonable assumptions with respect to the mineralisation that has been found thus far. Exploration targets are conceptual in nature and are formed from projection of the known resource dimensions along strike. The quantity and grade of an exploration target is insufficient to define a Mineral Resource. Forward looking statements are not statements of historical fact, they are based on reasonable projections and calculations, the ultimate results or outcomes of which may differ materially from those described or incorporated in the forward-looking statements. Such differences or changes in circumstances to those described or incorporated in the forward-looking statements may arise as a consequence of the variety of risks, uncertainties and other factors relative to the exploration and mining industry and the particular properties in which the Company has an interest.

Such risks, uncertainties and other factors could include but would not necessarily be limited to fluctuations in metals and minerals prices, fluctuations in rates of exchange, changes in government policy and political instability in the countries in which the Company operates.

## **Other important Information**

**Purpose of document:** This document has been prepared by Mount Burgess Mining NL (MTB). It is intended only for the purpose of providing information on MTB, its project and its proposed operations. This document is neither of an investment advice, a prospectus nor a product disclosure statement. It does not represent an investment disclosure document. It does not purport to contain all the information that a prospective investor may require to make an evaluated investment decision. MTB does not purport to give financial or investment advice.

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**Forward looking statements:** This document contains forward looking statements which should be reviewed and considered as part of the overall disclosure relative to this report.

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