

# MOUNT BURGESS MINING N.L.

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## ASX RELEASE

11 March 2008

## MANAGEMENT

The Company has engaged the services of Mr Murray Surtees, B.Sc, MDP, F.Aus.IMM, to oversee its day to day geological operations. Mr Surtees is an experienced exploration geologist, having worked in a management capacity for many years in Africa, South America, Australia and the Near East, exploring for base metals and gold. Latterly he was Exploration Manager Eastern Africa, in charge of 12 countries, for Anglo American plc. Additionally, he has worked in large underground mining operations, as well managing the mining of an exploration adit into a SEDEX deposit, similar to that at Kihabe. . He is experienced in the evaluation and assessment of the economic viability of mineral properties and projects.

## POTENTIAL OPEN CUT RESOURCE - KIHABE ZINC PROJECT, BOTSWANA

(Mount Burgess Mining NL. 100%)

Further final diamond drill core (DD) assay results have now been received from drilling conducted at the Company's Kihabe Zinc Project in Botswana. These holes were drilled to test for extensions to the resource, to test the continuity of the mineralisation between previously drilled sections and to test for a grade increment expected from diamond core drill results, over and above the reverse circulation (RC) drill results which were used in the initial resource estimation. A number of final assays have yet to be received. These will be reported, when available.

The initial resource, based only on RC drill results, was estimated at 11 million tonnes of 2.55% zinc equivalent, with in excess of 95% of the resource in the Indicated Category. (Refer to the Company's ASX announcement of 12<sup>th</sup> April 2007).

Detailed results of individual holes are attached. However, a summary of these holes, highlighting the MAIN zones of mineralisation, shown in zinc equivalent grades, is as follows:

SECTION	DIAMOND DRILL HOLE NO.	MAIN MINERALISED ZONES (Zinc Equivalent Grades)*
9700E	KDD150	10m @ 5.76% zinc equivalent from 79m to 89m 12m @ 4.36% zinc equivalent from 91m to 103m
9950E	KDD122	16m @ 3.54% zinc equivalent from 12m to 28m (Within the same zone 13m @ 15.4g/t silver from 15m to 28m)
		50m @ 4.39% zinc equivalent from 81m to 131m
10,050E	KDD125	31m @ 3.75% zinc equivalent from 30m to 61m (Within the same zone 14m @ 101.6g/t silver from 47m to 61m) 23m @ 4.01% zinc equivalent from 64m to 97m
10,100E	KDD126	23m @ 9.06% zinc equivalent from 39m to 62m (This includes 9m @ 15.00% Zinc only from 44m to 53m) 4m @ 448g/t silver from 98m to 102m 9m @ 3.06% zinc equivalent from 104m to 113m
10,350E	KDD130	12m @ 3.75% zinc equivalent from 87m to 99m 6m @ 3.88% zinc equivalent from 158m to 164m
10,400E	KDD131	24m @ 2.34% zinc equivalent from 92m to 116m 17m @ 3.29% zinc equivalent from 123m to 140m
11,500E	KDD142	33m @ 3.77% zinc equivalent from 78m to 111m
11,600E	KDD143	98m @ 5.47% zinc equivalent from 28m to 126m (Within the same zone 14m @ 44.34g/t silver from 52m to 66m)
11,770E	KDD146	10m @ 3.15% zinc equivalent from 42m to 52m 8m @ 3.82% zinc equivalent from 62m to 70m

\*In this Summary, only zinc and lead grades are shown as a zinc equivalent grade. Silver is shown separately. Zinc equivalent grades were calculated on closing LME spot prices on 7 March of US\$2640/t for Zinc and US\$3,150/t for lead.

**OBSERVATION**

The overall average zinc equivalent grade of the above diamond drill core intersections, including silver, amounts to 4.63% zinc equivalent. In contrast, the average zinc equivalent grade estimated from the RC drilling used for the Resource Estimate was 2.55%. However, a revised resource calculation will be necessary to determine any overall increment in resource grade and tonnes.

**ASSAYING PROCESS**

Lead and silver values are determined by the process of XRF pressed pellet. Zinc values are determined initially by the process of XRF pressed pellet and secondly by ICP for any values in excess of 1% zinc.

**EXTENSIONS TO THE RESOURCE**

The final results for KDD150 show that a previously unknown zone of mineralisation was discovered in the Kihabe Prospect, resulting in the potential to extend the known resource to the west. (Provisional results from this hole were previously announced to the market on 24 December 2007). Drilling for depth extensions to the resource is planned in this forthcoming programme, as well as testing for extensions to the north, around what may be a much tighter fold closure than previously believed. This zone has previously generated an IP anomaly, similar to that generated within the zone of the main resource. Further eastern extensions tested last year, around a possible wider fold closure have so far, from results received to date, not yielded any significant mineralisation.

**COMPARISON OF TWINNED DIAMOND CORE / RC DRILL HOLE RESULTS**

Both KDD131 and KDD143 were drilled to twin the previously drilled RC drill holes, KIH005 and KIH007, respectively, for the purpose of determining whether the diamond drill core results produce a higher grade compared to that from RC drilling.

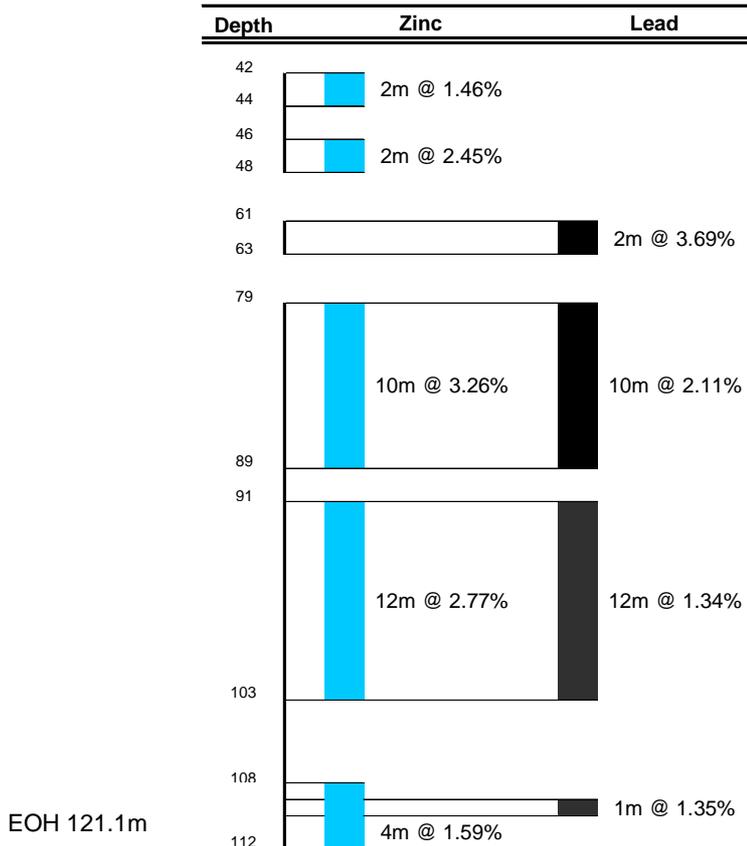
A comparison between KDD143 and KIH007 showed that KDD143 intersected a 98m zone from 28m to 126m, grading 5.54% zinc equivalent. In contrast the previously drilled RC hole, KIH007, intersected a 126m zone from 27m to 133m, grading 4.37% zinc equivalent, resulting in a 26.8% increase in grade in KDD143. Both KDD143 and KIH007 were drilled down dip of the mineralised zone, which has a true width in the order of 40m.

Because of poor correlation between the zones of mineralisation found in drill holes KDD131 and KIH005, an accurate comparison of grade was not possible.

**DETAILED INTERSECTIONS OF INDIVIDUAL DRILL HOLES**

**SECTION 9,700E**

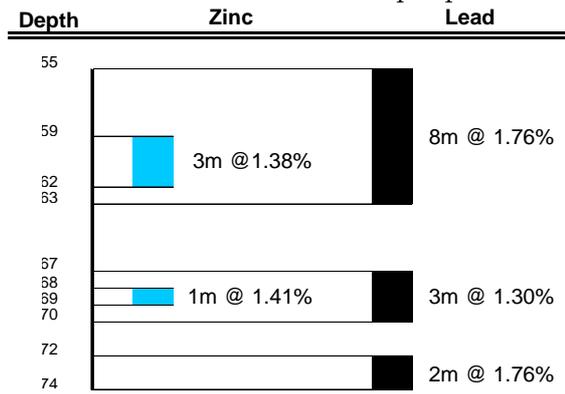
**KDD 150**      9,699E/9,976N      Dip -60 degrees, Azimuth 339 degrees  
 This hole was drilled to test for potential extensions to the west of the known resource.



**SECTION 9,800E**

**KDD 151**

9,800E/10,000N Dip -60 degrees, Azimuth 339 degrees  
 This hole was drilled to test for up-dip continuity of mineralisation on this section.

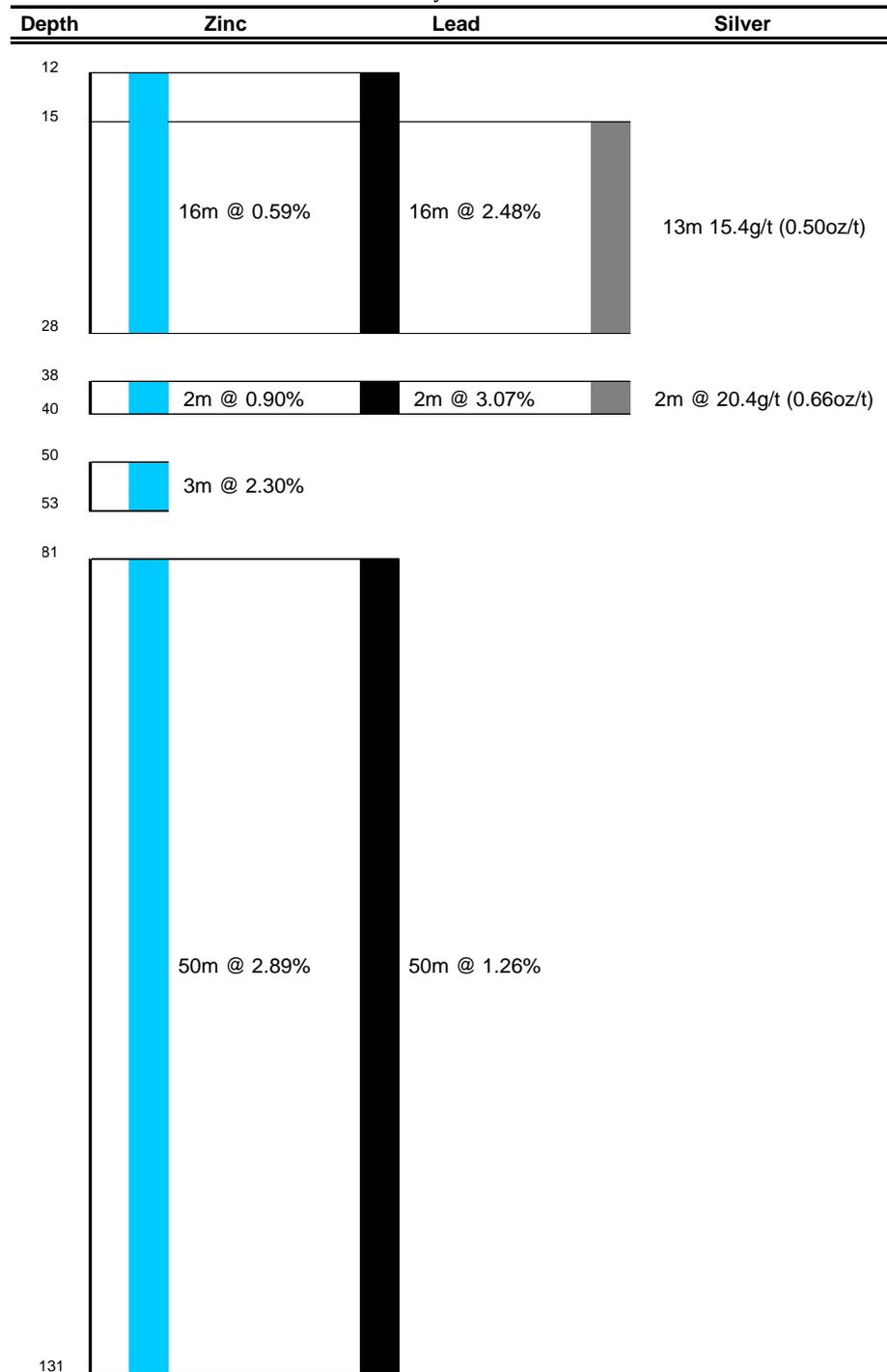


EOH 112.1m

**SECTION 9,950E**

**KDD 122**

9,950E/10,030N Dip -85 degrees, Azimuth 159 degrees  
 This hole was drilled to test continuity of mineralisation between sections 9,900E and 10,000E.

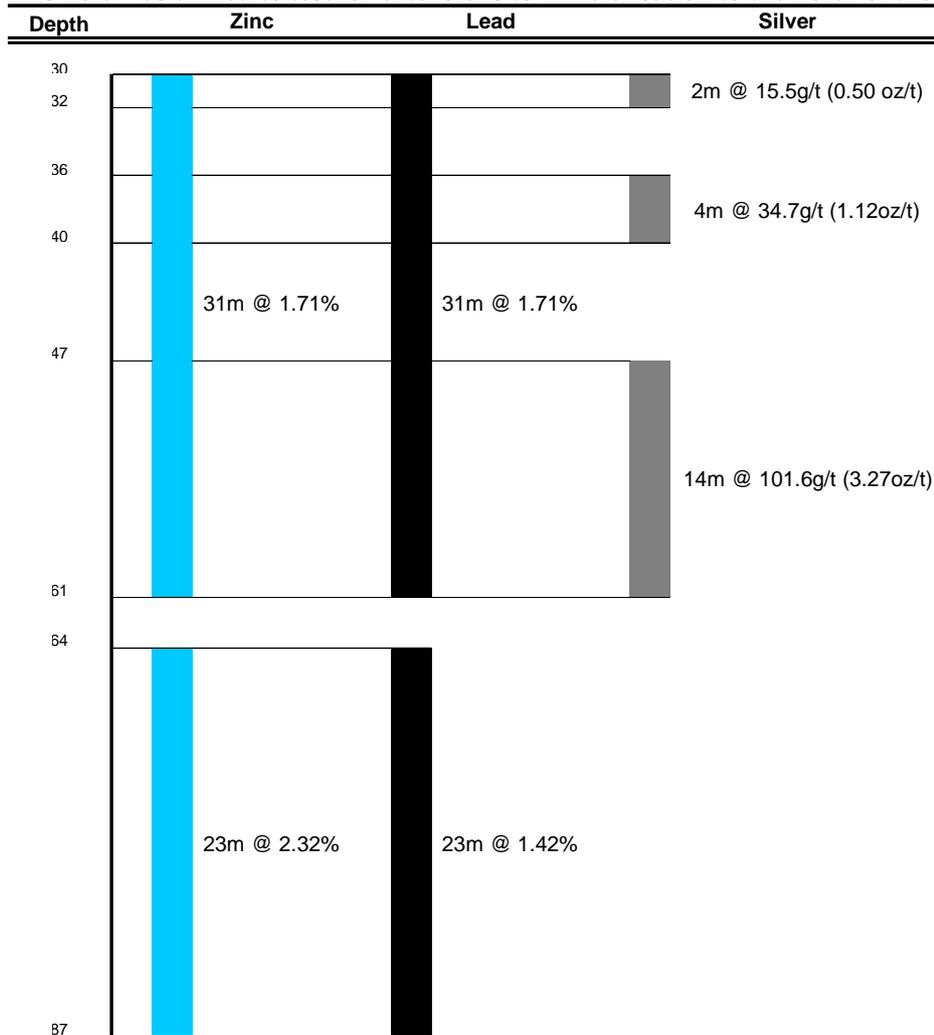


EOH 184m

**SECTION 10,050E**

**KDD 125**

10,050E/10,025N Dip -60 degrees, Azimuth 339 degrees  
 This hole was drilled to test for extensions to mineralisation to the north of the known zone.

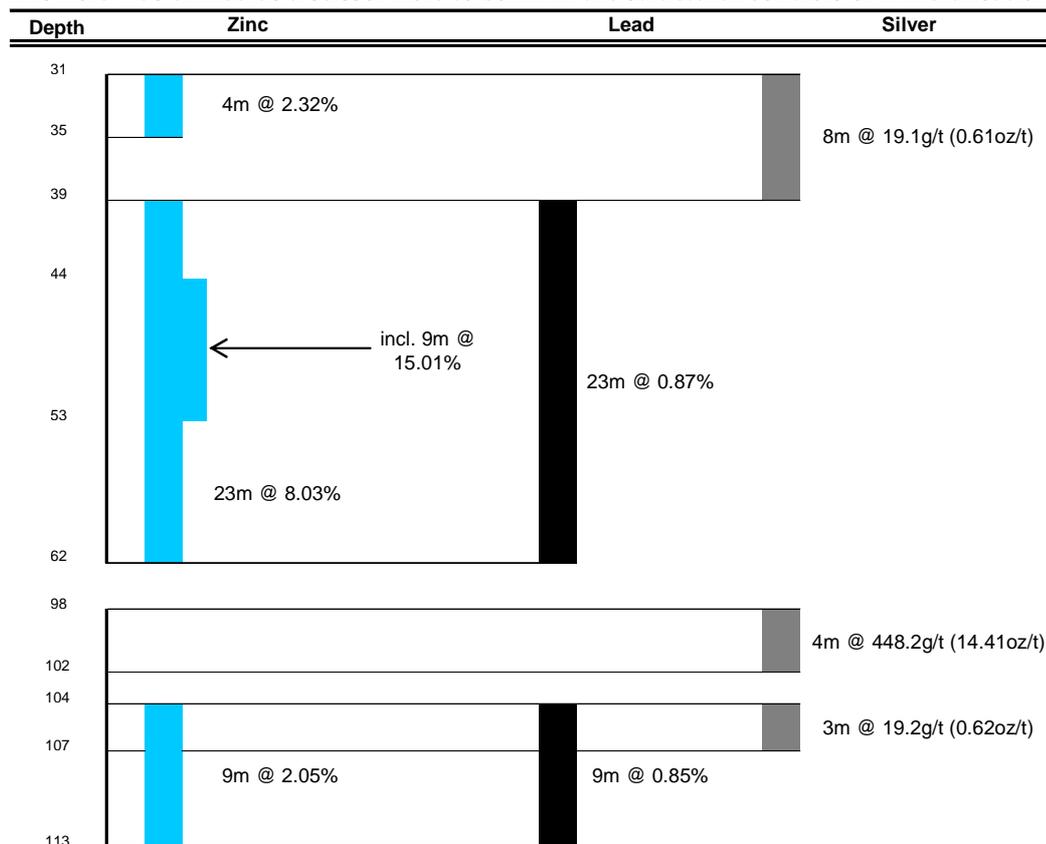


EOH 125.1m

**SECTION 10,100E**

**KDD 126**

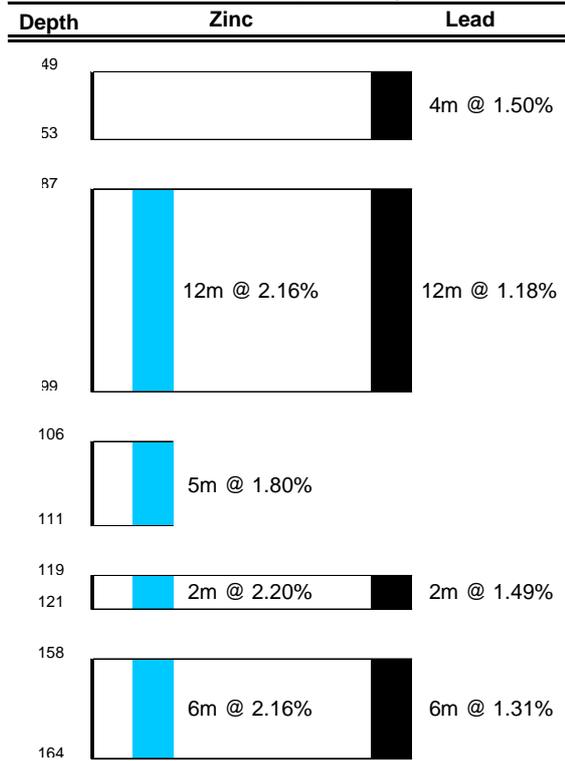
10,100E/10,075N Dip -78 degrees, Azimuth 159 degrees  
 This hole was drilled as a scissor hole to confirm the structural controls of mineralisation.



EOH 132.4m

**SECTION 10,350E**

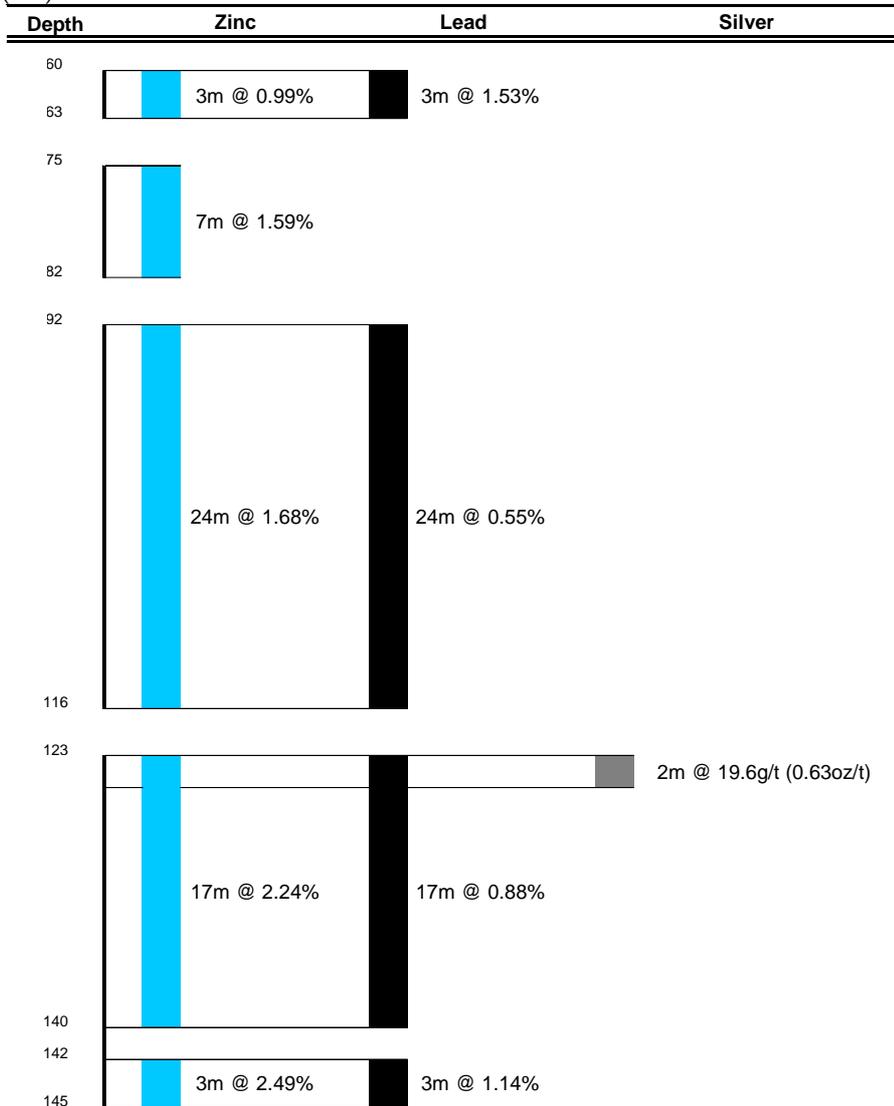
**KDD 130** 10,350E/9,990N Dip -60 degrees, Azimuth 339 degrees



EOH 175.9m

**SECTION 10,400E**

**KDD 131** 10,400E/9,990N Dip -60 degrees, Azimuth 339 degrees  
 This diamond drill hole (DD) was drilled to twin a previously drilled reverse circulation drill hole (RC) KIH005.



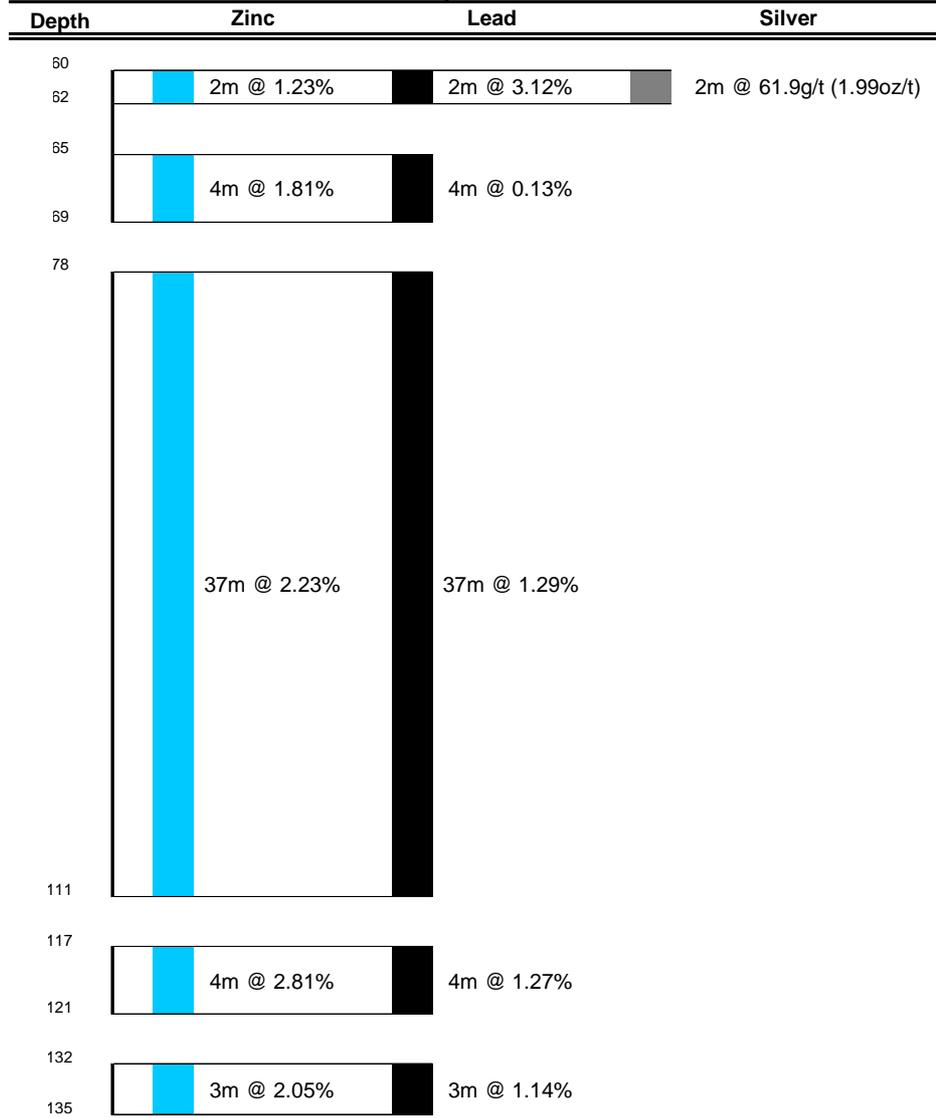
EOH 158.7m

**SECTION 11,550E**

**KDD 142**

11,553E/10,101N Dip -60 degrees, Azimuth 159 degrees

This hole was drilled to test continuity of mineralisation between sections 11,500E and 11,600E.

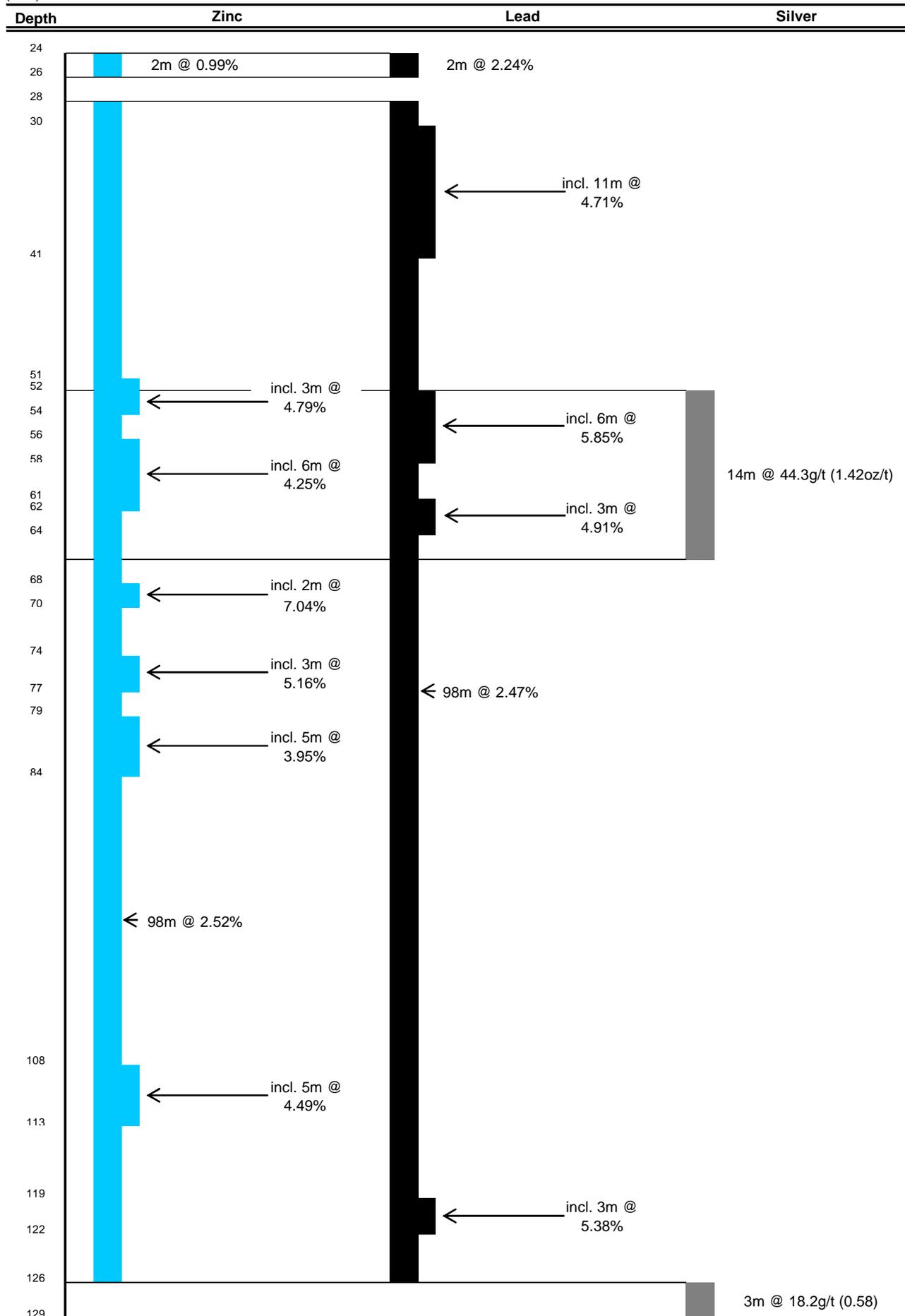


EOH 138.1m

**SECTION 11,600E**

**KDD 143**

11,600E/10,009N Dip -60 degrees, Azimuth 339 degrees  
 This diamond drill hole (DD) was drilled to twin a previously drilled reverse circulation drill hole (RC) KIH007.



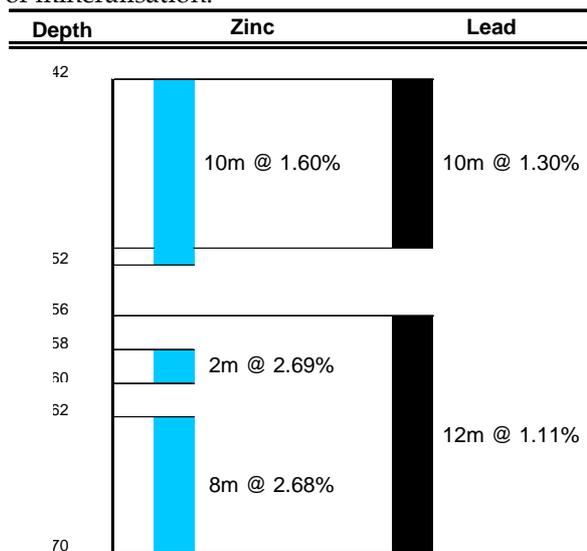
EOH 140.5m

**SECTION 11,770E**

**KDD 146**

11,770E/10,000N Dip -60 degrees, Azimuth 330 degrees

This hole was drilled as a scissor hole to confirm the structural controls of mineralisation. Unfortunately, this hole had to be abandoned with loss of drill rods before reaching the main zone of mineralisation.



EOH 74m

(For drill hole locations, see attached map.)

**THE GOSSAN ANOMALY**

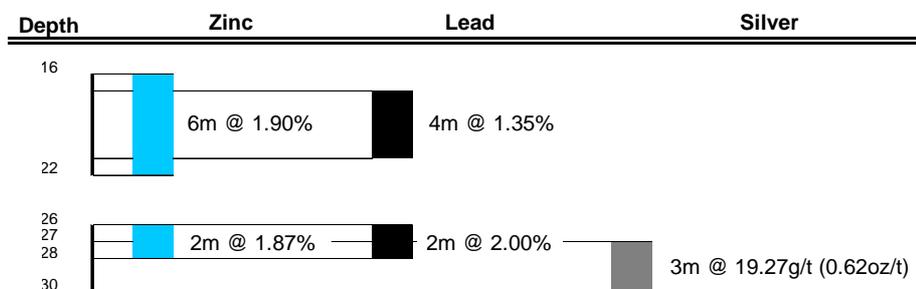
Ten km south of the Kihabe Resource, the Company drilled three RC holes into a gossan containing high zinc, lead and silver grades located by rock grab sampling. The peak grab sample grades were 21.95% zinc, 7.63% lead and 6.6 oz/t silver.

Final results using XRF for silver and lead and ICP for zinc have now been received for the three holes drilled into the eastern gossan and are as follows:

**GRC001**

503,041E/7,812,948N

Dip -60 degrees, Azimuth 60 degrees

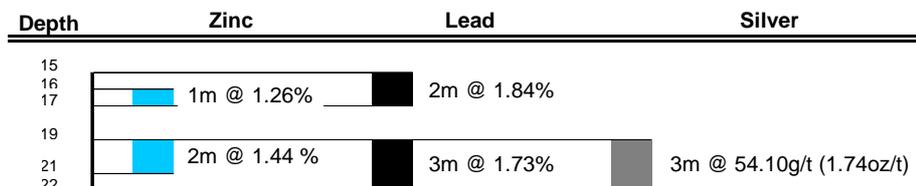


EOH 86m

**GRC002**

503,023E/7,812,964N

Dip -55 degrees, Azimuth 60 degrees

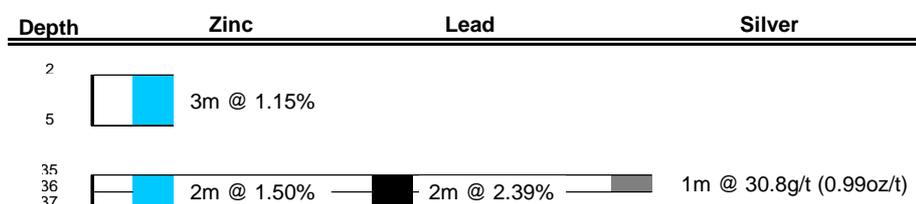


EOH 76m

**GRC003**

503,071E/7,812,917N

Dip -55 degrees, Azimuth 60 degrees



EOH 80m

As can be seen from these results, the gossan was intersected at 37m, which is believed to be within a possible depleted zone (which can be seen by comparing these grades with the higher grades at surface). Consequently, it is planned to test this gossan at greater depth with diamond core drilling to determine whether the grade increases at depth.

Trenching is currently being conducted in the gossan area to trace its full extent. This has resulted in more gossan being exposed beneath the Kalahari sand cover around 125m to the south west of where the above drilling took place (see photograph attached).



#### **Gossan from end of Trench KT0004**

A fourth hole was drilled into another area of gossan outcrop some 400m to the west. This hole, believed to be collared too far from the target, failed to intersect the gossan as planned. This gossan will again be tested with a closer positioned drill hole.

In summary, the Company will be conducting further diamond core drilling at Kihabe to increase the current resource by:

- extending it to the west,
- drill testing at depth to 200m RL
- drill testing what may be a tighter fold closure with a coincident IP anomaly to the north (see attached map), and
- drilling on a soil geochemical anomaly to the south of the main Kihabe zone (see attached map).

Diamond core drilling will also be conducted at the Nxuu Anomaly, 7km east of the Kihabe Resource, for the purpose of developing a resource in this area.

Diamond core drilling is also planned at the Gossan Anomaly to test for higher grade mineralisation at greater depths.

*The information in this report that relates to exploration results, together with any related assessments and interpretations, is based on information compiled by Mr Murray Surtees, B.Sc, MDP, F.Aus.IMM. Mr Surtees is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Surtees 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.*

For further information please contact:

**Nigel Forrester** or **Murray Surtees**  
CEO

