

MOUNT BURGESS MINING N.L.

ACN: 009 067 476

Level 5, 178 St Georges Terrace, Perth, Western Australia, 6000
PO Box 7200, Cloisters Square, Perth, Western Australia, 6850
Telephone: (61 8) 9322 6311 Email: mtb@mountburgess.com
Facsimile: (61 8) 9322 4607 Website: www.mountburgess.com

16 December 2003

The Australian Stock Exchange Limited
Company Announcements Office
10th Floor
20 Bond Street
Sydney NSW
Australia

Dear Sir,

DIAMOND EXPLORATION

TSUMKWE, Namibia

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

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

The Company is pleased to report that a coincident gravity and magnetic "low" geophysical anomaly has been discovered at the Tsumkwe diamond project (* see plan attached). The target is located on a subtle ENE - WSW trending structure which intersects a major ESE - WNW trending regional structure some 1.5 kilometres to the north. **The anomaly is interpreted to represent an intrusive body some 325 metres in width and is considered to be in an ideal structural setting for a kimberlite-type intrusion, however, only drilling will confirm whether or not the anomaly is a kimberlite.**

The geophysical anomaly was found from the assessment and interpretation of recent ground gravity surveys and aeromagnetic surveys over a 45 km long zone which is considered likely to host the primary source of previously discovered surface loam G10 garnets and the diamond/G10 garnet discovered in drillhole NAM 352 in September 2003.

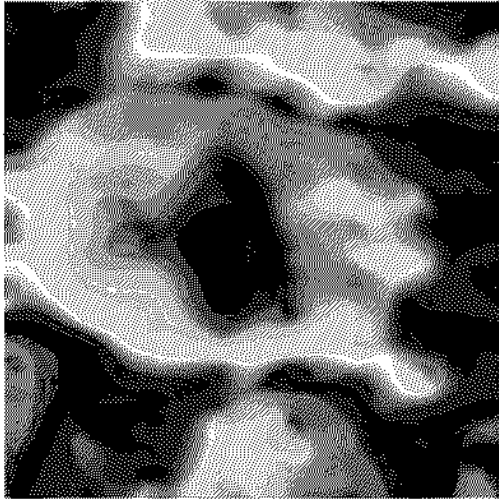
Although percussion drilling has now ceased at Tsumkwe for the Christmas period, drill testing of this anomaly and other high priority targets will recommence in early January 2004.

Yours faithfully,

J J Moore
Director

All information in this report pertaining to exploration results, together with any related assessments and interpretations, has been approved for release by Mr J J Moore, B (App) Sc., M.Aus.I.M.M., a qualified geologist and full-time employee of the Company, with more than five years experience in the field being reported on.

* *Plan*



Gravity

500m



Aeromag