

MOUNT BURGESS MINING N.L.

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Our Ref: ASX2005 Announcements

3 June 2005

To: The Australian Stock Exchange Limited
Company Announcements Office

Tsumkwe Diamond Exploration Project, Namibia

The Company is pleased to announce the recovery of further fresh kimberlite indicator minerals from RAB drilling in the western portion of the project area.

On 1 March 2005 the Company announced that RAB Drill Hole Nam 665 had returned 25 kimberlitic pyrope garnets which included 17 fresh garnets indicative of a local kimberlite source. The Company believes that because of the depositional relationship of this area, this same kimberlite source yielded 29 kimberlitic garnets found in RAB Drill Hole Nam 516 and 23 kimberlitic garnets found in RAB Drill Hole Nam 395, which were respectively drilled 4 km to the northeast and 7 km to the north west of Nam 665. (See attached diagram)

Results have now been received from further recent RAB drilling conducted in this area. Nam 708 drilled 1 km to the south east of Nam 665 returned 2 kimberlitic garnets, 1 of which is a class 4 garnet described as having travelled very little distance. Nam 703, drilled 2 kms to the south east of Nam 665 returned 9 kimberlitic garnets, 8 of which are fresh and 1 of which is a class 4 garnet without any signs of wear.

Higher garnet counts (Nam 665, Nam 516 and NAM 395) are associated with gravels within palaeo drainages which the Company believes are generally small rills cutting down slope. The smaller counts (NAM703 and Nam 708), whilst containing the freshest Class 4 garnets, are believed to be from the surficial spread of indicators shedding from the kimberlite source.

The Company believes that the palaeo drainage shed in this area was in a northerly direction. Consequently, there is potential for a kimberlite source on a higher basement to the south of Nam 665, Nam 708 and Nam 703. From current drilling information the basement in this area has about 45-50 metres of Kalahari sand cover.

Further drilling will be conducted in this area, over selected magnetic targets, one of which falls within an area recently covered by a ground gravity survey which has a coincident magnetic low and intense gravity low signature.

Classification of Indicator Mineral Grains to determine the Distance they have travelled

	<i>Mineral grains with remnants of their original surface</i>	<i>Mineral grains without remnants of their original surface</i>
<i>Grains that do not show any signs of wear indicating that they are either on kimberlite or have travelled only a short distance from a kimberlite source</i>	<i>Class 1</i>	<i>Class 4</i>
<i>Grains that show a slight amount of wear indicating that they have travelled a short to moderate distance from a kimberlite source</i>	<i>Class 2</i>	<i>Class 5</i>
<i>Grains that show moderate to extensive amounts of wear indicating that they could have travelled a moderate to a long distance from a kimberlite source</i>	<i>Class 3</i>	<i>Class 6</i>

All information in this report pertaining to exploration results, together with any related assessments and interpretations, has been approved for release by Mr. M Spence, BSc., 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.

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AREA OF FRESH
KIMBERLITIC GARNETS



Legend

Drill Hole ID

● Basement (m)

Garnets (Fresh garnets)

Diamond ♦

NAM395 ● 94m
23 (7)

KIMBERLITE MINERAL SHED

PALAEO BASEMENT
80m-100m

NAM516 ● 79m
29 (5)

NAM665 ● 85m
25 (17)

NAM708 ● 71m
2 (1)

NAM703 ● 65m
9 (1)

NAM523 ● 49m

Coincident Magnetic
and Gravity Anomaly

PALAEO BASEMENT 50m?

POTENTIAL KIMBERLITE
SOURCE AREA?

NAM522 ● 49m

KIMBERLITE MINERAL SHED

▲ Class 1 Kimberlitic Spinel

♦ Diamond

