

MOUNT BURGESS MINING N.L.

ACN: 009 067 476

Level 4, 109 St Georges Terrace, Perth, Western Australia, 6000
PO Box Z5301, St Georges Terrace, Perth, Western Australia, 6831
Telephone: (61 8) 9322 6311 Email: mtb@mountburgess.com
Facsimile: (61 8) 9322 4607 Website: www.mountburgess.com

ASX RELEASE

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KIHABE ZINC/LEAD/SILVER PROJECT, BOTSWANA - UPDATE

The Kihabe zinc/lead/silver project revised scoping study, released to the market in the June quarterly report, was compiled by ProMet Engineers, based on the following main parameters:

- Potential mine throughput of 2.5 million tonnes per annum
- Metal recoveries for both zinc and lead estimated @ 60%, from a mill grind size of 78 microns
- A zinc price of US\$1,228/t, a lead price of US\$1,176/t and a silver price of US\$11.11/troy oz.

Based on the above metal recoveries and metal prices at that time, the scoping study concluded.... "that the project would run at a loss at the current industry shake out commodity prices".

Since the compilation of that revised scoping study incorporating the above parameters, metal prices have improved to around US\$1,900/t for zinc, US\$2,100/t for lead and US\$16.60/troy oz for silver, showing an increase in prices of 55%, 79% and 50%, respectively.

In addition, further recent metallurgical test work has been conducted, aimed at improving metal recoveries. The results show that with a finer mill grind size of 38 microns and the utilisation of Controlled Potential Sulphidisation ("CPS"), **lead recoveries increase to 91.9%** and **zinc recoveries increase to 66.8%**. Zinc recoveries are expected to further improve to industry norms with the possible leaching of the tails. Further test work will be aimed at proving this concept. Bacterial leaching could be a possible alternative, worthy of investigation.

On successful completion of this testwork, the existing scoping study should be updated to incorporate the finer mill grind size of 38 microns, CPS and possibly leaching of the tails, as well as the alternative bacterial leaching, if its application is found to have merit.

Infill drilling is being conducted at the Nxuu deposit, seven kms to the east of the Kihabe deposit, for the purpose of applying a pit design to this resource.

In summary, Promet is of the opinion that, subject to the achievement of satisfactory results from the future test work programme, continued improvement in base metal prices and the selection of the optimum processing steps, the Kihabe base metals project has the potential to form the basis for an economically attractive business venture.

This section of the report has been approved for release by ProMet Engineers.

On the Botswana side of the border, the Company has, to date, defined at the Kihabe and Nxuu deposits combined resources of 27.4 million tonnes @2.32% zinc equivalent grade, applying a 0.5% zinc equivalent low grade cut. The Kihabe zinc/lead/silver deposit is a classic SEDEX type, some 2.6 km long, with an average width of 15m within a range of up to 50m in thickness. The Nxuu deposit, 7km east of Kihabe, is formed in a shallow syncline of quartz wacke, hosting oxidised zinc/lead mineralisation.

Kihabe Resource Model 17 July 2008

Zinc Equivalent Grade Tonnage In situ Resource JORC Report

Report Based on Zinc Equivalent values

Price: 17-Jul-08

US\$/t Zn \$1,810.00

US\$/t Pb \$1,955.00

US\$/toz Ag \$18.75

Indicated								
Cut Off Zn Equivalent (%)	Tonnes (t)	Zn (%)	Pb (%)	Ag (g/t)	Zn Eq (%)	Zn Metal (t)	Pb Metal (t)	Ag Ounces (toz)
0.30	16,800,000	1.4	0.6	6.2	2.3	240,000	100,000	3,400,000
0.50	16,400,000	1.5	0.6	6.3	2.3	240,000	100,000	3,300,000
0.80	15,100,000	1.6	0.6	6.8	2.5	230,000	100,000	3,300,000
1.00	14,100,000	1.6	0.7	7.1	2.6	230,000	100,000	3,200,000
1.20	13,000,000	1.7	0.7	7.4	2.7	220,000	90,000	3,100,000
1.50	11,400,000	1.8	0.8	8.0	2.9	210,000	90,000	2,900,000
2.00	8,400,000	2.0	0.9	9.3	3.3	170,000	80,000	2,500,000
3.00	4,000,000	2.5	1.2	12.4	4.3	100,000	50,000	1,600,000
5.00	800,000	3.6	1.8	20.7	6.2	27,000	14,000	500,000
Inferred								
Cut Off Zn Equivalent (%)	Tonnes (t)	Zn (%)	Pb (%)	Ag (g/t)	Zn Eq (%)	Zn Metal (t)	Pb Metal (t)	Ag Ounces (toz)
0.30	5,900,000	1.0	0.5	4.5	1.8	62,000	31,000	853,000
0.50	5,600,000	1.1	0.5	4.7	1.8	61,000	30,000	845,000
0.80	4,700,000	1.2	0.6	5.3	2.1	58,000	28,000	808,000
1.00	4,100,000	1.4	0.6	5.9	2.2	55,000	26,000	779,000
1.20	3,600,000	1.4	0.7	6.4	2.4	52,000	25,000	735,000
1.50	3,000,000	1.6	0.8	7.1	2.6	46,000	23,000	677,000
2.00	2,000,000	1.8	0.9	9.0	3.1	35,000	18,000	569,000
3.00	730,000	2.3	1.3	13.7	4.2	17,000	9,300	322,400
5.00	128,000	3.1	1.9	22.9	5.9	3,950	2,370	94,220
Total								
Cut Off Zn Equivalent (%)	Tonnes (t)	Zn (%)	Pb (%)	Ag (g/t)	Zn Eq (%)	Zn Metal (t)	Pb Metal (t)	Ag Ounces (toz)
0.30	22,700,000	1.3	0.6	5.8	2.1	302,000	131,000	4,253,000
0.50	22,000,000	1.4	0.6	5.9	2.2	301,000	130,000	4,145,000
0.80	19,800,000	1.5	0.6	6.5	2.4	288,000	128,000	4,108,000
1.00	18,200,000	1.6	0.7	6.8	2.5	285,000	126,000	3,979,000
1.20	16,600,000	1.6	0.7	7.2	2.6	272,000	115,000	3,835,000
1.50	14,400,000	1.8	0.8	7.7	2.8	256,000	113,000	3,577,000
2.00	10,400,000	2.0	0.9	9.2	3.3	205,000	98,000	3,069,000
3.00	4,730,000	2.5	1.3	12.6	4.2	117,000	59,300	1,922,400
5.00	928,000	3.3	1.8	19.9	5.9	30,950	16,370	594,220

Note: Due to rounding numbers may not sum correctly.

- Figures quoted are based on a nominal 0.5% Zn outline for Zinc and a 0.5% Pb for Lead geological model, Silver is based on material within the Zinc resource outline.
- Zinc equivalent cut offs are based on the following unit price: Zinc=US\$1810.00/t, Lead=US\$1955.00/t and Silver=US\$18.75/oz.
- Density measurements applied to the resource are based on the water immersion principle on diamond drill core.
- The average density applied to Fresh ore is 2.7t/m3 and for Transitional ore the average density applied was 2.5 t/m3.

Nxuu Resource Model 17 July 2008
Zinc Equivalent Grade Tonnage In situ Resource JORC Report

Report Based on Zinc Equivalent values

Price 17-Jul 08

US\$/t Zn \$1,810.00

US\$/t Pb \$1955.00

US\$/toz Ag \$18.75

The Inferred Resource of the Nxuu Pb-Zn deposit in northwestern Botswana is estimated at:

Inferred				
Drill Section External Cut-off	Tonnes (millions)	Zn Grade (%)	Pb Grade (%)	Equivalent Zinc Grade (%)
0.5% Zn	5.4	1.80	0.93	2.81
1.0% Zn	4.5	2.08	1.00	3.16
1.5% Zn	3.7	2.36	1.11	3.56

The Equivalent Zinc Grade is calculated using the refined metal prices ruling on 17th July 2008, namely Zn at US\$1,810/t and Pb at US\$1,955/t. These are the figures used by Ravensgate for their "Mt Burgess - Kihabe Resource Model 17 July 2008". Density values applied to the resource are based on specific gravity measurements taken at 1- 1.5 m intervals throughout the core.

Assaying methods used for the assay results incorporated into the resource revisions were OES (multi acid digest) for zinc and lead and MS (multi acid digest) for silver.

The information in this report that relates to the Kihabe and Nxuu resource calculation, together with any related assessments and interpretations, is based on information compiled by Mr Byron Dumbleton B.Sc, Member of AIG and Mr Murray Surtees, B.Sc, MDP, F.Aus.IMM. Mr Dumbleton is an Independent Consultant and at the time of compiling the Nxuu resource Mr Surtees was an Executive Director of the Company. Both have sufficient experience relevant to the style of mineralisation under consideration and to the activity which they have undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Both Mr Dumbleton and Mr Surtees consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.