



REPORT FOR THE QUARTER ENDED 31 MARCH 2012

KIHABE-NXUU ZN/PB/AG PROJECT BOTSWANA (100%)

Continuing Soil Geochemical Sampling Generates further Zn/Pb Anomalies

During the quarter field work was limited to the drier periods, which fall within the normal annual rainfall months between November and April. Accordingly some 450 soil geochemical samples were collected and analysed on site with the Company's XRF machine.

A total of 9,200 soil geochemical samples have been analysed on site over the last twelve months, generating a number of groups of Zn/Pb anomalies and a copper/cobalt anomaly.

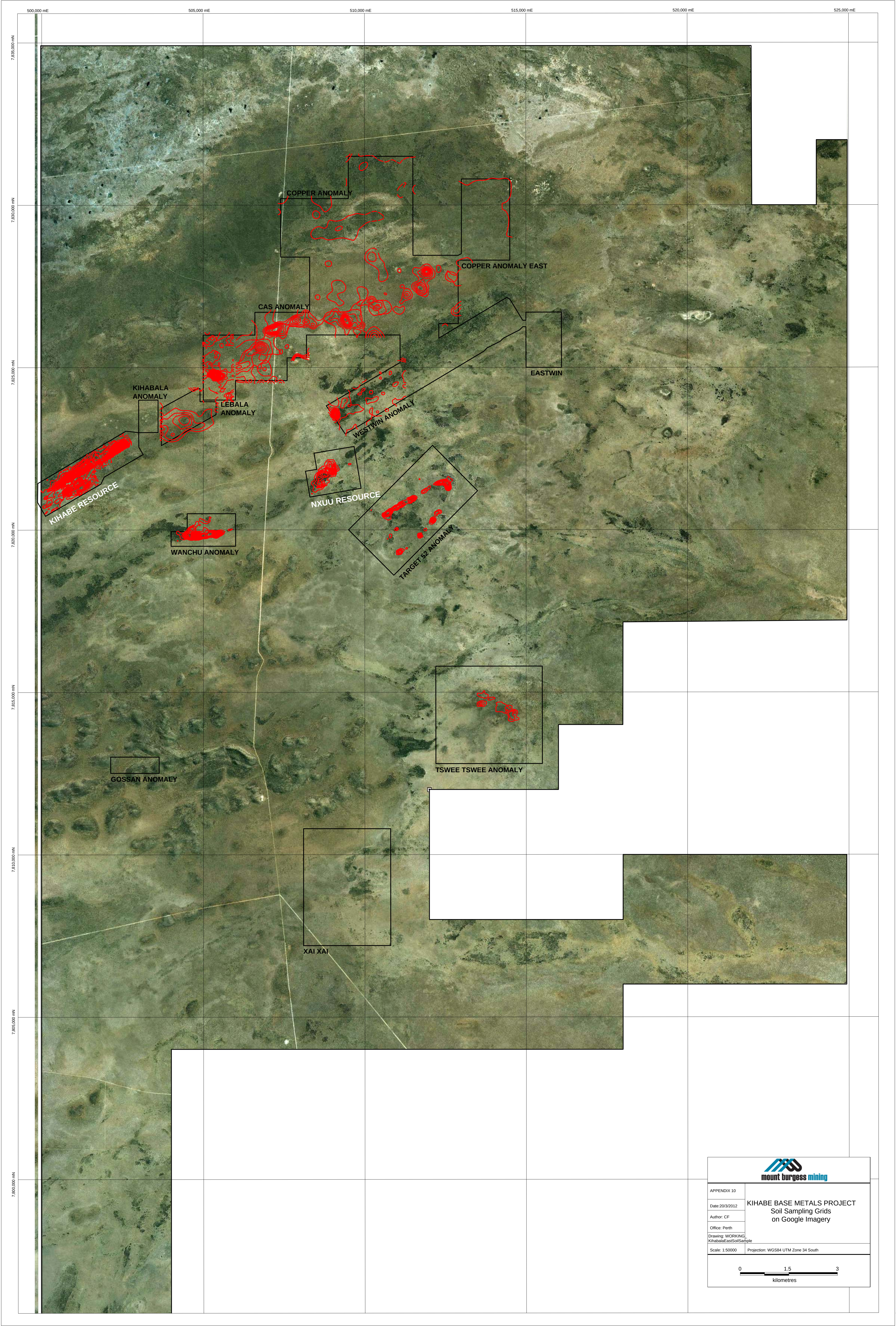
Attached is a Google imagery map covering some 623 square kilometres of the Company's Kihabe – Nxuu Zn/Pb/Ag project in North Western Ngamiland, Botswana.

The red coloured contours depict soil geochemical sampling signatures for Zn anomalies generated in the project area to date. The Zn anomalies for the Kihabe and Nxuu resources were generated from historical data. **All the other Zn anomalies have been generated over the last 12 months and are shown as follows: Kihabala, Lebala, CAS, Wanchu, WestWin, Target 52 and Tswee Tswee.**

The most western signature is that of the Kihabe deposit, which has now been developed into a resource (refer attached resource statement). Further Zn anomalies generated along strike from and to the NE of the Kihabe resource are the Kihabala, Lebala and CAS anomalies, which intermittently cover a strike length of 9 km.

Four kilometres to the SE of the Kihabe resource is the Wanchu Zn anomaly, which the Company now believes could be part of the same system that hosts the Nxuu Zn/Pb resource 4.5 km to the NE (refer attached resource statement). **Soil geochemical sampling is currently being conducted between these two anomalies to determine whether further Zn mineralisation can be detected.** Of interest is the vegetation anomaly depicted in the Google imagery, which is associated with the Zn anomalies generated to date in the Wanchu and Nxuu areas that have been covered by sampling. This vegetation anomaly extends into the area currently being sampled.

One and a half kilometres north of the Nxuu Deposit is the WestWin anomaly. Soil geochemical sampling is planned to the south and southwest of WestWin anomaly to confirm whether it could also be associated with the Nxuu resource.





mount burgess mining

APPENDIX 10	KIHABE BASE METALS PROJECT Soil Sampling Grids on Google Imagery
Date: 20/3/2012	
Author: CF	
Office: Perth	
Drawing: WORKING KihabeEastSoilSample	
Scale: 1:50000	Projection: WGS84 UTM Zone 34 South

01.53

kilometres

Two and a half kilometres to the SE of the Nxuu resource is the Target 52 anomaly some 4.5km long, associated with a fold closure and coincident vegetation anomaly. The Company believes that this anomalous Zn signature depicts the zone of contact between a quartz wacke and the regional dolomite. Mineralisation at both the Kihabe and Nxuu resources is associated with such quartz wacke/dolomite contacts.

Six kilometres SSE of the Target 52 anomaly, the Tswee Tswee Zn anomaly is associated with a vegetation anomaly.

The Company controls 100% of some 3,000 sq km of a neo-Proterozoic belt spanning the border between Namibia and Botswana, which is highly prospective for copper, zinc, lead, silver and vanadium mineralization. Limited assaying at the Kihabe and Nxuu resources has also revealed the presence of gallium and germanium. To date the Company has delineated the Kihabe and Nxuu Zn/Pb/Ag resources, situated 7kms apart, with a combined total resource of **25 million tons @ 3% Zn/Pb, together with 3.3 million oz of silver**. (Refer attached resource statement).

The Nxuu resource is totally oxidised to its full depth of 60m. The Kihabe resource is oxidised in the top 35m – 50m. Below this, the resource is in sulphide mineralisation. Metallurgical test work to date has confirmed the following metal recoveries:

Nxuu Resource – totally oxidised

Zn recoveries 93%, Pb recoveries 93% through acid leaching in 12 hours @ 25 deg C.

Kihabe Resource - oxide zone

Zn recoveries 97%, Pb recoveries 92% through acid leaching in 24 hours @ 40 deg C.

Kihabe resource – sulphide zone

Recoveries Zn 94%, Pb 88% and Ag 96% within 15 minutes, through flotation and concentration.

Continuous Vat leach test-work planned for the Oxide zones of Zn mineralisation

With regard to the zones of oxide zones of mineralisation in both the Nxuu and Kihabe resources, the Company is investigating the metallurgical process of continuous VAT leaching which could significantly reduce power costs, acid consumption and project capital costs.

Interest from Independent Parties

The Company has recently been approached by a number of parties expressing interest in involvement in the Kihabe - Nxuu project. Discussions are taking place.

The information in this release that relates to exploration results, together with any related assessments and interpretations, is based on information approved for release by Mr. Giles Rodney Dale of GR Dale and Associates. Mr. Dale is a Fellow of the Australian Institute of Mining and Metallurgy. Mr. Dale has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he has undertaken 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 this release of matters based on this information in the form and context to which it appears.

CORPORATE

Available Funding

As at 31st March 2012 the Company had the following funding available:

Unused loan facilities	\$ 55,000
Overdraft/unused credit standby arrangements	<u>\$120,000</u>
TOTAL	<u>\$175,000</u>

ACN: 009 067 476
Level 4, 109 St Georges Terrace
Perth, Western Australia 6000
PO Box Z5301 St Georges Terrace
Perth Western Australia 6831
Tel: (61 8) 9322 6311
Fax: (61 8) 9322 4607
mtb@mountburgess.com
www.mountburgess.com

KIHABE- NXUU RESOURCE STATEMENT

Deposit	External Cut %	Indicated M Tonnes %	Inferred M Tonnes %	Total M Tonnes %
Kihabe	1.5%	11.4 @ 2.90%*	3.0 @ 2.60%*	14.4 @ 2.84%*
Nxuu	0.3%	-	10.9 @ 3.20%*	10.9 @ 3.20%*
		11.4 @ 2.90%*	13.9 @ 3.07%*	25.3 @ 3.00%*

*Zinc Equivalent Grade

Kihabe resource calculated on metal Zn US\$1,810/t Pb US\$1,955/t Ag US\$18.75/oz prices as at 17 July 2008:

Grades applied: Zn 1.75% Pb 0.76% Ag 6.93 g/t

Nxuu resource calculated on zinc and lead at US\$ par

Grades applied: Zn 1.8% Pb 1.4%

The information in the resource statement that relates to the Kihabe Resource is compiled by Byron Dumbleton, B.Sc., a member of the Australasian Institute of Geoscientists. The information that relates to the Nxuu Resource is compiled by Mr Ben Mosigi, M.Sc., (Leicester University – UK), B.Sc., (University of New Brunswick – Canada), Diploma Mining Tech (Haileybury School of Mines – Canada), a member of the Geological Society of South Africa.

Mr Dumbleton is an independent qualified person and Mr Mosigi is a Technical Director of the Company. Both Mr Dumbleton and Mr Mosigi have sufficient experience relevant to the style of mineralisation under consideration and to the activity to which they have undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code of Reporting of Mineral Resources and Ore Reserves”. Both Mr Dumbleton and Mr Mosigi consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

KIHABE-NXUU METAL RECOVERIES

Independent metallurgical testwork has confirmed the metal recoveries shown in the table below. Accordingly the Company believes these recoveries are achievable. Zinc recovered from acid leaching oxide zones will enable Zn metal to be recovered on site from electro-winning.

DEPOSIT	Zone	Time	Zinc	Lead	Silver
Kihabe					
Oxide Zone					
Acid leaching @40°C 30 kg/t acid	Oxide *	24 hrs	96.9%	91.9%	n/a
Sulphide Zone					
Rougher flot	Sulphide	90 seconds	91.9%	84.8%	94%
	Sulphide	15.5 mins	93.8%	88.1%	96.4%
Nxuu					
All Oxide					
Acid leaching @25°C 30 kg/t acid	Oxide *	12 hrs	93%	93%	n/a

* Note: Zn mineralisation in the oxidised zones is hosted within Smithsonite and Baileychlore and independent test work has confirmed both of these are amenable to acid leaching.

LME¹ AND SFE² ZINC/LEAD/SILVER STOCKS AND PRICES

(as at 26 April 2012)

METAL	Stocks/Ton		Price/Ton (US\$)	Price/oz (US\$)
	LME	SFE	LME	
Zinc	910,675	366,610	2,012.50	
Lead	365,475	25,884	2,113.00	
Silver	n/a	n/a	-	31.06

¹London Metal Exchange – Source LME

²Shanghai Futures Exchange – Source Bloomberg

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

MOUNT BURGESS MINING N.L.

ABN

31009067476

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(132)	(492)
(b) development	-	-
(c) production	-	-
(d) administration	(189)	(554)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	(2)	(23)
1.6 Income taxes refund	-	91
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(323)	(978)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(323)	(978)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(323)	(978)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	250	768
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	82	213
1.17	Repayment of borrowings	(40)	(63)
1.18	Dividends paid	-	-
1.19	Other – Lease liability repayments	(1)	(2)
	Other – Placement fees	(8)	(25)
	Net financing cash flows	283	891
	Net increase / decrease in cash held	(40)	(87)
1.20	Cash at beginning of quarter/year to date	(245)	(197)
1.21	Exchange rate adjustments to item 1.20	-	(1)
1.22	Cash at end of quarter	(285)	(285)

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	52
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

**** The Company maintains a seasonal overdraft facility of \$350,000.**

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	589	534
3.2 Credit standby arrangements	415	295

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10	13
5.2 Deposits at call	-	-
5.3 Bank overdraft	(295)	(258)
5.4 Other (provide details)		-
Total: cash at end of quarter (item 1.22)	(285)	(245)

Changes in interest in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

Issued and quoted share securities at the end of current quarter

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)	N/A			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	543,838,604	543,838,604		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	41,666,667 N/A	41,666,667 N/A		
7.5	*Convertible debt securities (description)	N/A	N/A		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>Employee Share Plans</i>	16,350,000 500,000	NIL NIL	5 cents 5 cents	31/12/15 31/12/16
7.8	Issued during quarter	NIL			
7.9	Exercised during quarter	NIL			
7.10	Expired	NIL			
7.11	Debentures (totals only)	NIL			
7.12	Unsecured notes (totals only)	NIL			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Serene Chau
(~~Director~~/Company secretary)

Date: 30 April 2012

Print name: Serene Chau

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 Issued and quoted securities The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 [Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic \(if any\) must be complied with.](#)

[== == == == ==](#)

+ See chapter 19 for defined terms.