



30 November 2021

ASX CODE: MTB

CHAIRMAN'S STATEMENT FOR AGM 30 NOVEMBER 2021

It is my pleasure to present to you our Annual Report for the year to 30 June 2021.

This has been a year which, because of COVID-19 restrictions, resulted in limited in-field project development. These restrictions allowed for time, however, to be applied to in-depth reviews of existing project data resulting in gaining a better understanding of what is now required to move this polymetallic Zn/Pb/Ag/Cu/V/Ge project forward.

One of the main achievements during the year was the success of milling test work being conducted which confirmed the ability to significantly reduce the power requirements previously estimated for the project. With the Nxuu Deposit being deeply oxidised, applying the Vertical Milling process developed by Energy and Densification Systems (EDS) South Africa, showed that there could be a saving of up to 40% of the originally estimated power required for the project. This reduction in power is as a result of not requiring the higher energy consuming, conventional Ball, SAG or ROD mills.

Of the two polymetallic sedimentary exhalative (SEDEX) style Kihabe and Nxuu deposits so far defined, the Company plans to develop the Nxuu Deposit first.

The Nxuu Deposit is a low risk, shallow basin shaped deposit. Mineralisation occurs to a maximum depth of 64m in a totally oxidised Quartz Wacke which is embedded in a barren dolostone basin. From 1,304m of drilling conducted to 2018, on average 54% of all drill hole lengths within the Quartz Wacke contain recoverable Zn/Pb/Ag/V mineralisation above the low grade cuts applied. Only 46% of the drill hole lengths within the Quartz Wacke were below low cut grades. On average, 17.50% of all drill hole lengths within the mineralised domain were drilled through Kalahari sand cover. Metallurgical test work conducted to date has shown that 93% of Zn metal can be recovered on site from Smithsonite, through solvent extraction and electro-winning (SX-EW). 81% of Vanadium Pentoxide (V₂O₅) can be recovered on site from the vanadate Descloizite, through the simple process of gravity separation followed by flotation using hydroxamate acid for recovery.

Some 2,500 – 3,000m of HQ diamond core in-fill drilling is required at the Nxuu Deposit to enable the Company to quote an Indicated/Measured resource compliant with the 2012 JORC Code. Drilling is currently being conducted, with some 786m so far completed to date. For more details please refer to the announcement released to the market on 29 November 2021. Drilling will continue in the New Year.

Core from this drilling will be used for assaying for Zinc, Lead, Silver, Copper, Vanadium and Germanium. Core will also be used for metallurgical test work to confirm the on-site recoveries of the individual metals involved. Results from assaying and metallurgical test work will be released to the market once available. It is envisaged that these results will then enable the Company to proceed to a Pre-feasibility study.

Since the release of its Annual Report, the Company has been able to courier 1/2 HQ diamond core to Australia from the Kihabe Deposit, 7 km West of the Nxuu Deposit. This core has been sent to the University of Tasmania where test work is currently being conducted to determine the host mineral for Germanium. Once the host mineral has been verified, metallurgical test work will be required to determine whether Germanium can be recovered on site. Germanium, currently trading at US \$2,156/kg (Kitco Strategic Metals), could represent a significant credit for the project.

Since the end of the financial year Chris Campbell-Hicks, Metallurgist, has resigned from the Board of the Company and its wholly owned subsidiary Mount Burgess (Botswana) Proprietary Ltd. The Company would like to thank Chris and his wife Galena Krylova, Metallurgist, for their contribution to the metallurgical test work conducted on the polymetallic Kihabe and Nxuu deposits. Robert Brougham, Metallurgist, has joined the Board of the Company. Robert has vast international experience in dealing with base metal deposits. He has in-depth knowledge of the Kihabe-Nxuu project, having been the principal metallurgist involved in all the metallurgical test work conducted on the project by ProMet Engineering.

In an effort to maintain project progress within Botswana during COVID-19 restrictions, Jacob Thamage, Mining Engineer, Motswana national, has joined the Board of Mount Burgess (Botswana) Pty Ltd. Jacob has an intimate knowledge of Botswana's mining industry, including all levels of government authorities. He was recently Chief Mining Officer for the African Development Bank in Abidjan, Cote D'Ivoire. Previous to that, he was Deputy Permanent Secretary, Ministry of Minerals, Energy and Water Resources, Botswana. This involved being coordinator of Botswana's Diamond Hub, overseeing Botswana's delegation in the Kimberley Process certification scheme and the relocation of DeBeers diamond sales functions from London to Gaborone, Botswana.

I extend my thanks to those shareholders who have continued to support the Company through funding during the year. I would also like to thank our fellow Directors for extending loan funding during the year and further thanks to those Executive Staff Members who have applied significant excess time to support the Company without being paid accordingly. For this, I am extremely grateful.

ACN: 009 067 476
8/800 Albany Hwy, East Victoria Park,
Western Australia 6101
Tel: (61 8) 9355 0123
Fax: (61 8) 9355 1484
mtb@mountburgess.com
www.mountburgess.com