

ASX RELEASE

MONTEZUMA MINING COMPANY LTD

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ASX CODE: MZM
ISSUED SHARES: 41.69M
52 WEEK HIGH: \$0.36
52 WEEK LOW: \$0.10

CONTACT:

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BOARD:

Denis O'Meara: Chairman
Justin Brown: MD
Terry Grammer: Non-Exec
Ian Cornelius: Non-Exec

KEY PROJECTS:

PEAK HILL (100%)
Gold

MT PADBURY (100%)
Gold, Manganese, Iron

CALLAWA (100%)
Copper, Gold

TALGA (90%)
Gold, VMS

ROBINSON RANGE (70%)
Uranium, Gold

KEY SHARE POSITIONS:

AUVEX RESOURCES LTD
10,000,000 FPO Shares

BUXTON RESOURCES LTD
2,000,000 FPO Shares

AIRCORE DRILLING PROGRAMME COMMENCED AT CALLAWA TO TEST HIGH GRADE COPPER TARGET

- Aircore drilling has commenced to test high grade (up to 29%) copper mineralisation.
- Previous surface samples averaged 11.1% over 100m.
- Significant gold and silver anomalism associated with copper.
- Initial programme of approximately 1000m will provide first-pass testing of target potential.
- Several additional geophysical targets will be drill tested at the same time.

Previous sampling at the Callawa Project highlighted high grade copper mineralisation over a strike length of at least 100m, with the surrounding extensions of the system masked by a thin layer of transported cover. A total of five samples taken along the exposed interval returned an average 11.1% copper with moderate to strong associated gold and silver mineralisation up to 102 ppb and 46 g/t respectively.



The mineralisation occurs near the margin of an ultramafic xenolith within granites of the Warrawagine complex.



Rockchip sample showing high-grade malachite mineralisation

The surface mineralisation comprises secondary copper dominated by malachite within highly altered quartz mineralised and sheared / brecciated host rock. The degree of alteration observed in the samples is indicative of the potential for this to be a part of a major mineralised system.

Given the very high grade copper values, and the potential for the mineralised zone to be

significantly expanded through low cost follow up work, the Company is pleased to announce the commencement of first pass drilling over the target. The initial programme will comprise approximately 1000m of aircore drilling to provide information on the depth continuation of the surface mineralisation, as well as to provide multi-element geochemistry of the host rocks to assist in determining the likely genesis of the system.

While the rig is onsite, several additional areas of interest identified from remote sensing data will also be tested.

More Information

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The Information in this report that relates to exploration results is based on information compiled by Justin Brown, who is a member of the Australian Institute of Mining & Metallurgy. Mr Brown is a geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Justin Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.