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ZIG ZAG GEOCHEMISTRY INDICATES POTENTIAL FOR IRGS

Highlights

- **Results of diamond drilling at Zig Zag indicate anomalous geochemistry consistent with an intrusive related gold system (IRGS)**
- **Further work ongoing, including petrological analysis, to assess the IRGS potential**

Monto Minerals Limited (Monto or the Company) is pleased to announce results from diamond drilling at the Zig Zag prospect within Monto's 100%-owned Herberton Tin Project. The Zig Zag hole (MORC0018) comprised a reverse circulation (RC) pre-collar to 198m followed by a diamond tail to 373m.

Several zones of elevated base metals and arsenic were intersected that can be related to discrete quartz veining or fracture mineralisation. These veins/fractures include copper to 0.84%, lead to 0.54%, zinc to 0.44% and arsenic to 0.68%. Bismuth (to 0.56%) and tellurium (to 5.34ppm) is elevated in most veins. Elevated arsenic correlates with higher copper, including a few broad zones where disseminated chalcopyrite and arsenopyrite is recognisable within the silicified sediments.

A zone of quartz veining and intense silica alteration occurs over 12m, from 333m and is interpreted to be vertically below the Zig Zag Mine mineralisation.

The twelve metre zone of quartz veining and silicification from 333m contains elevated tungsten, bismuth and tellurium with a decrease in arsenic, zinc and copper values. The highest gold grades of 0.56g/t and 0.13g/t are within this zone.

There is a general distal zonation of copper, zinc and arsenic that diminishes with proximity to the intrusive zone. Indicators for proximity to gold mineralisation, (ie. bismuth, tungsten and tellurium) increase in the intrusive zone, as does gold. Lead and zinc values are uniformly low throughout the hole, indicating proximity to the main intrusive zone.

IRGS-style mineralisation is distinguished by a number of key features including the presence of a discrete granitic stock that will be present as a magnetic low in regional aeromagnetic data due to depleted magnetite. Sheeted veins are the most distinctive style of IRGS gold mineralisation, comprising arrays of parallel quartz veins found over 10's to 100's of metres preferentially located in the granitic pluton's cupola. Concentric metal zonation develops outward from the central mineralising pluton with the intrusion-hosted sheeted veins having a general gold-bismuth-tungsten-tellurium signature and fissure veins varying outward from the pluton from gold-arsenic-antimony to distal lead-zinc-silver signatures. Zonation occurs laterally and vertically. Mineralising fluids from cooling plutons are opportunistic and cool quickly, depositing metals in numerous available geological settings resulting in veins, stockworks, skarns, and replacements characterised by a wide range of gold grades.

The magnetic low geophysical signature of the discrete 300m by 600m Zig Zag pluton combined with the metal zonation and signature of the main zone of veining intersected by MORC0018 indicates IRGS-style mineralisation associated with the Zig Zag pluton.

Further work at Zig Zag is continuing, including petrological studies to determine the precise mineralogical and textural characteristics of anomalous zones within MORC0018, with a view to assessing the presence of an IRGS-style deposit related to the Zig Zag pluton. Ground geophysics may be required to determine the location of the pluton's cupola and hence whether the Zig Zag mineralisation represents the central portion of the system or a small portion of a larger system.

Managing Director James Allchurch commented, 'the Zig Zag diamond hole has returned some very interesting geochemical results that indicate the potential presence of an IRGS-style deposit in the immediate vicinity of the former Zig Zag mine. Monto will continue to evaluate Zig Zag whilst concurrently remaining focussed on the existing high grade tin targets as well as further tin prospects identified by ongoing methodical fieldwork.'

Zig Zag Prospect – Background Information

Zig Zag is one of several mines in the Mt Ormonde area that were worked for tin by Great Northern Mining Corporation (GNMC) during the late 1970's and early 1980's.

The Zig Zag ore body consists of a single lens of intensely altered siltstone and semi-massive to massive sulphide-garnet material. As reported by GNMC, the ore lens trends 320°, dips 70°W and plunges 60°SE. Two major ore types occur at Zig Zag: (i) a quartz–chlorite-pyrite rock, commonly representing an intensely altered brecciated siltstone. (ii) a complex semi-massive pyrrhotite–garnet±chlorite± pyrite±magnetite rock. The tin mineral cassiterite is erratically distributed in both ore types and is generally very fine grained. Small zones of greater than 5% tin occur locally, often associated with high sulphide content in the ore. Petrological studies described the Zig Zag ore as a garnet skarn with a high temperature mineralogical assemblage compared with most other tin occurrences in the district.

GNMC completed several shallow (to 80m vertical depth) open percussion holes to define the Zig Zag tin orebody. No multielement analysis of drill hole samples was undertaken prior to Monto's drilling therefore there was no information regarding multielement metal signature and potential depth to an intrusive mineralising source pluton.

Three samples were collected by Monto from a dump outside the Zig Zag portal. Two were of massive sulphide ore (ZZRK000001 and ZZRK000003), the other a garnet magnetite quartz rock (ZZRK000002). Results for the samples are summarised in Table 1.

Table 1. Zig Zag Dump Sample Results (SGS)

	Ag	As	Bi	Cu	In	Pb	Sb	Te	Zn	Au	Sn
	(ppm)	(%)	(ppm)	(%)	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(ppm)	(%)
ZZRK000001	0.6	0.10	13.9	0.10	2.04	9	10	X	188	0.03	3.8
ZZRK000002	6.9	0	14.9	127	1.44	415	11	X	215	0.06	0
ZZRK000003	3.1	34.2	987	0.3	17.5	9	284	0.3	122	0.85	0

X – below detection

The Zig Zag ore body is coincident with a discrete magnetic low, readily distinguishable on aeromagnetic imagery. The magnetics, along with the massive sulphide style ore containing arsenic, bismuth, antimony and copper as well as presence of gold sourced from the Zig Zag Mine indicate the potential for intrusive-style mineralisation. Furthermore, tungsten and minor

amounts of base metals are known to be present in small vein hosted workings in the Mt Ormonde area.

To test the potential for down plunge tin mineralisation below the Zig Zag workings and to obtain multielement geochemical information, a steep dipping RC hole (MORC0012) was attempted in May 2013. Underground workings were intersected twice by the hole, the lower workings causing the abandonment of the hole at 75m, short of the projected down plunge mineralisation target. The hole was oriented to the north, potentially drilling obliquely along strike of the general N-S structures in the area.

Significant results for MORC0012 include:

MORC0012 - 69m @ 0.20% copper from 6m to 75m (end of hole)

- 75m @ 2.2g/t silver from 0m to 75m (end of hole)

- 3m @ 0.12% tin from 9m to 12m

Although no ore grade results were returned, the multielement results obtained for MORC0012 were of enough encouragement to undertake a further attempt at testing below the Zig Zag workings. The steep and rugged terrain at Mt Ormonde limits the available locations for drilling. MORC0018 was drilled from an existing pad at the Mt Ormonde mine to test below the Zig Zag workings from the west.

Previously released results from the RC pre-collar are summarized below. No significant sulphide mineralisation was encountered.

MORC0018 - 2m @ 0.78% tin from 49m depth;

- 2m @ 0.32% tin from 54m depth;

- 1m @ 1.38% tin from 78m depth;

- 4m @ 0.15% tin from 95m depth; and

- 3m @ 0.17% tin from 102m depth

Competent Persons Statement

The information in this report which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Erik Norum, Exploration Manager, who is a Member of the Australian Institute of Geoscientists. Mr Norum 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 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Mr Norum consents to the inclusion in this announcement of the statements based on this information in the form and context in which it appears.

Contact Information:

James Allchurch - +61 8 9420 9300

www.montominerals.com

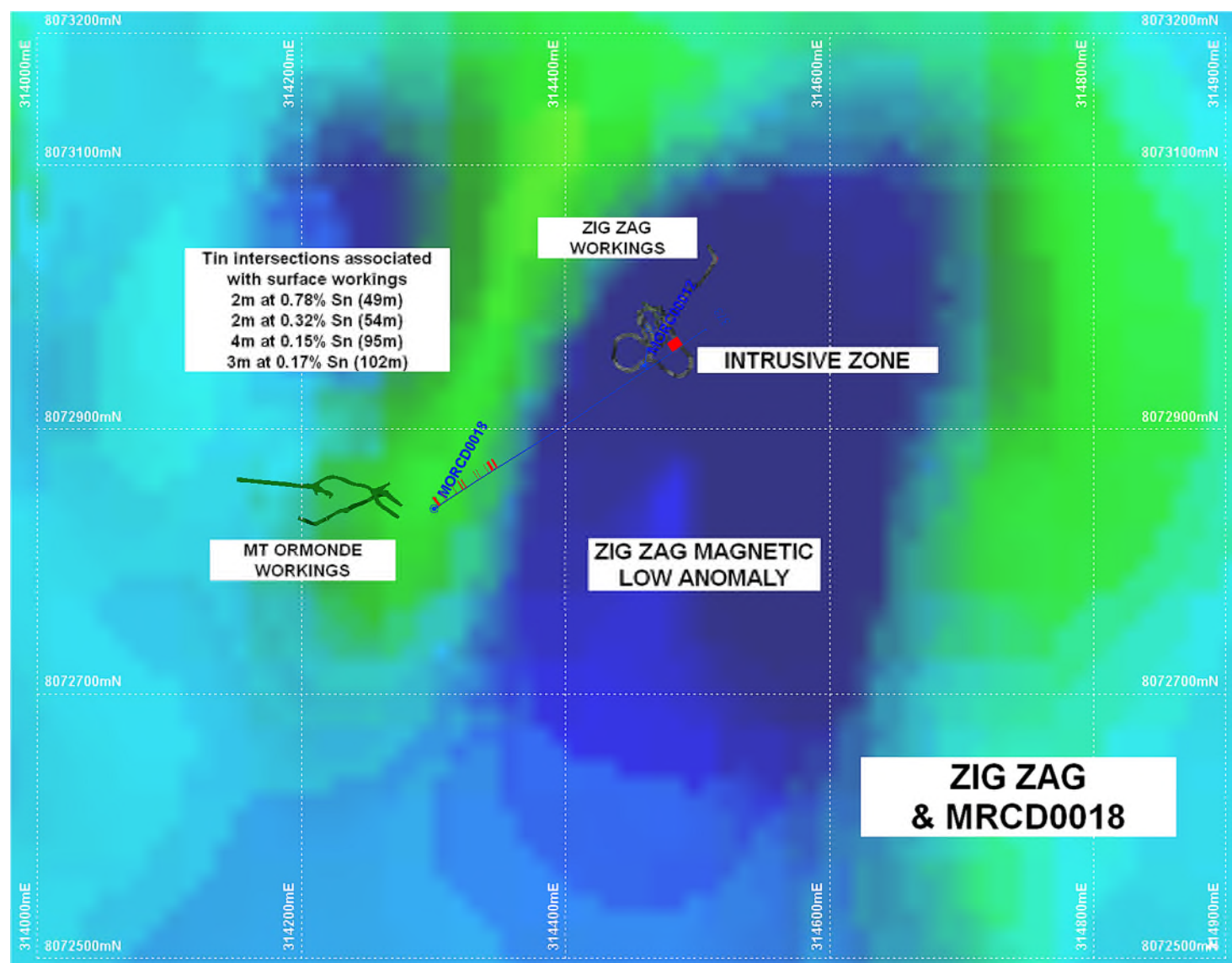


Figure 1: Zig Zag Drill Holes on RTP 1VD Aeromag