

10 January 2008

ASX CODE: MZM
ISSUED SHARES: 36.9M
52 WEEK HIGH: \$0.36
52 WEEK LOW: \$0.16

CONTACT:

JUSTIN BROWN
Managing Director
+61 8 9228 4833

BOARD:

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

KEY PROJECTS:

PEAK HILL (100%)
Gold

MT PADBURY (90%)
Gold, Manganese

ROBINSON RANGE (70%)
Uranium, Gold

CALLAWA (100%)
Copper, Gold

TALGA (90%)
Gold, VMS

ENCOURAGING MANGANESE RESULTS AT MT PADBURY

- High grade manganese up to 55.8% in rock chips
- Two separate zones returned significant results to date
- 9 additional exploration targets identified from regional review

Montezuma is pleased to announce encouraging manganese results from reconnaissance rock chip sampling of two zones of manganese mineralisation within the Mt Padbury Project (MZM earning 90% from Independence Group NL) located approximately 30km west of Montezuma's Peak Hill gold mine.

The manganese occurs as secondary replacement/enrichment within volcanic metasediments of the Padbury Group and the tenor of the results from sampling to date gives a clear indication that the area has potential for significant tonnages of high grade mineralisation.

| Sample | Zone | Mn % | Fe % | Si % | P % | Al % |
|----------|------|------|------|------|-------|------|
| MPRK0006 | 1 | 55.8 | 3.8 | 0.21 | 0.009 | 0.89 |
| MPRK0005 | 1 | 48.8 | 8.68 | 0.36 | 0.048 | 1.68 |
| MPRK0003 | 2 | 40.8 | 5.47 | 4.86 | 0.058 | 4.55 |
| MPRK0001 | 2 | 31.9 | 20.6 | 3.03 | 0.121 | 1.97 |
| MPRK0004 | 2 | 30.8 | 20.4 | 3.56 | 0.064 | 2.86 |
| MPRK0002 | 2 | 27.5 | 20.4 | 4.48 | 0.031 | 3.98 |

The samples were collected to the south of the (excised) Mt Padbury manganese mine where previous workers successfully extracted manganese ore.

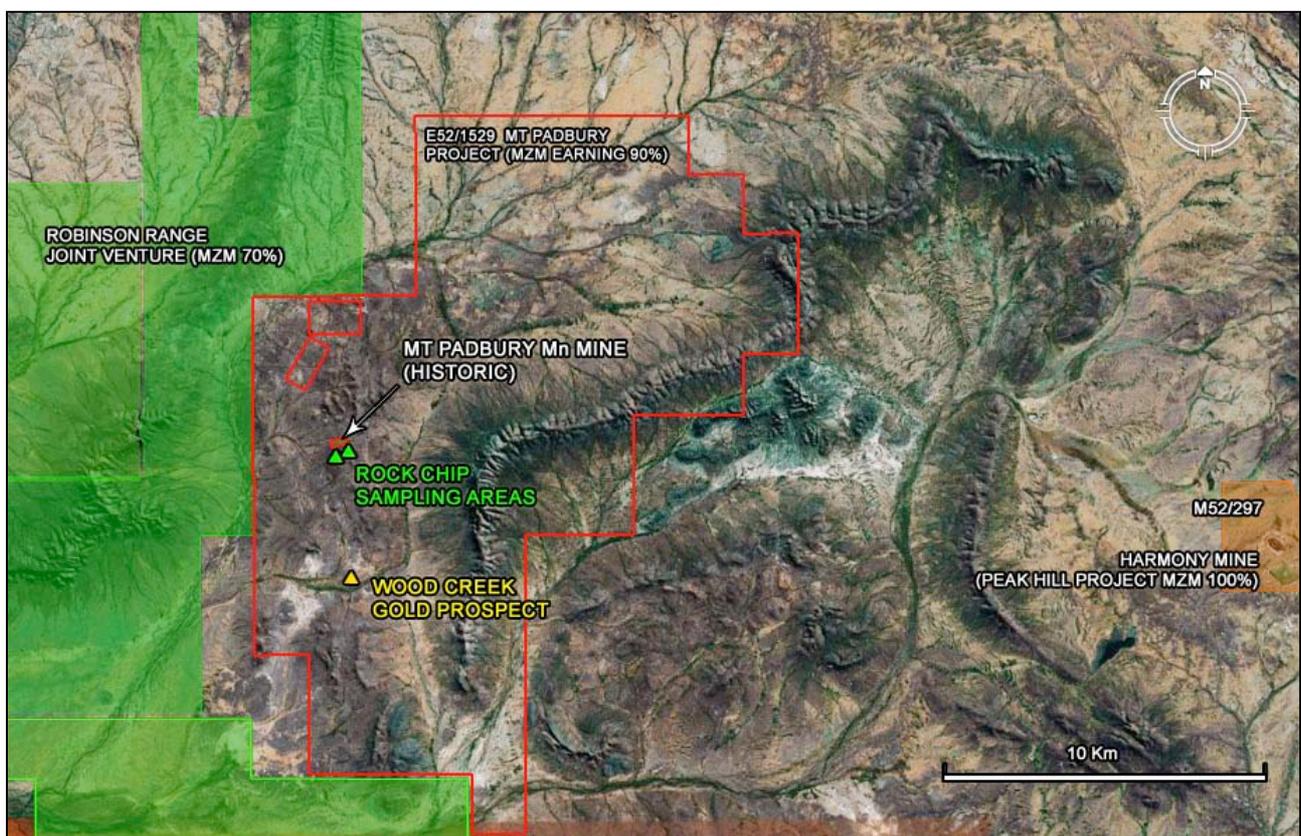
Regionally, the area has a history of manganese production, with mining occurring from several centres from the 1940's through to the late 1960's.



There has been little activity on manganese in the region since that period, however previous workers recorded 9 exploration targets within the Mt Padbury Project, in addition to the known mineralisation. Montezuma is of the view that with the prevailing strong manganese prices and renewed work using modern exploration techniques, the area has good potential to yield economic mineralisation.

The Company has entered into discussions with several parties to investigate opportunities to generate maximum value from the manganese mineralisation both within the Mt Padbury Project and more regionally with a dual strategy of early production supported by good exploration upside.

The Board believes that the manganese mineralisation within the Mt Padbury project, in conjunction with strategic partnerships with holders of other areas of known manganese mineralisation in the region represents a significant opportunity to generate early returns and ongoing revenues to underpin the Company's exploration activities for gold at the Peak Hill Mine and the surrounding >3000km² of regional exploration tenure.



Justin Brown

Managing Director

Montezuma Mining Company Ltd

The Information in this report that relates to exploration results is based on information compiled by Liam Cornelius, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Cornelius 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. Liam Cornelius is an Executive Officer of South Boulder Mines Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.