MONTEZUMA
MINING COMPANY LTD

Highlights:

BUTCHERBIRD HIGH PURITY MANGANESE

- CSIRO completed Stage I (leach optimisation stage) of hydrometallurgical processing studies to produce high value battery materials from the Butcherbird Manganese Deposit.
- Final leaching results produce a Pregnant Leach Solution ("PLS") with >91% purity and >95% Mn extraction in a rapid single stage leach under benign conditions;
  - atmospheric pressure and ambient temperature.
  - leaching rates unaffected by grind size up to 1mm. Coarser particle size tests pending.
  - leach kinetics are very rapid with optimal residence times between thirty and sixty minutes.
  - reaction is exothermic, producing heat energy for use in purification processing stage - no additional energy required.
- Stage II leach purification study results expected fourth quarter.
- Butcherbird Manganese Project global resource upgraded to JORC 2012 from JORC 2004.
- Butcherbird is Australia's **largest onshore manganese resource** at >180 million tonnes of manganiferous ore[1].
- Includes a Maiden Indicated Resource at Yanneri Ridge of 22.4 million tonnes at 12.0% Mn.
- Indicated Resources at Yanneri Ridge to be the focus of initial scoping studies on completion of metallurgical flowsheet design programme being conducted by CSIRO.

HOLLETON GOLD

- Strong IP anomaly up to 33 mV/V defined by single line orientation survey at the Brahma Prospect.
- Inversion modelling of step-out lines confirms strong west plunging chargeability anomaly over 300m in strike.
- Anomaly is coincident with surface geochemical gold signature interpreted to be 'bleeding' through transported cover.

PINNACLES

- High grade cobalt mineralistion up to 0.45% Co within a broad downhole intercept of 14m @ 0.15% Co.

LAKE JOHNSTON

- Assays pending for field samples from target areas.

Level 2, 45 Richardson Street, WEST PERTH WA 6005 | Phone +61 8 6315 1400

QUARTERLY OPERATIONS REPORT 30 SEPTEMBER 2017

ABOUT MONTEZUMA

Montezuma Mining Company Ltd (ASX: MZM) is a diversified explorer focused on manganese, cobalt, lithium and gold. Our objective is to achieve shareholrder return through selected strategic acquisitions and targeted exploration.

Montezuma is currently working to develop a flowsheet to produce high purity manganese products for use in the Li-Ion battery industry.

Montezuma also has 100% interests in the Holleton and Green Dam Gold Projects, the Pinnacles Cobalt Project and the Lake Johnson Lithium Project, all in Western Australia.

MARKET DATA

ASX code:	MZM
Shares on issue:	83,464,350

BOARD AND MANAGEMENT

Chairman	Seamus Cornelius
Executive Director	Justin Brown
Non-Executive Director	John Ribbons
Exploration Manager	Dave O'Neill

Company information, ASX announcements, investor presentations, corporate videos and other investor material on the Company's projects can be viewed at: http://www.montezuma.com.au

BUTCHERBIRD MANGANESE PROJECT: (MZM 100%)

ABOUT THE BUTCHERBIRD PROJECT

The Butcherbird Manganese Deposit is Australia's **largest onshore manganese resource**[1] comprising large tonnages of near surface manganese oxide ore in seven deposits. The Project also has some **excellent infrastructure advantages** with a gas pipeline and main bitumen highway passing directly adjacent to and through the mineralised envelope.

The mineralisation occurs as supergene enrichment of a regional scale basal manganese shale which underlies much of the Project area. The shale beds are gently folded and where the folds approach the surface topography, supergene processes have significantly upgraded the manganese content to form a potential feedstock for further upstream processing.

CSIRO Processing Studies

During the quarter the Commonwealth Scientific and Industrial Research Organisation ("CSIRO") Process Science and Technology Group successfully completed Stage I of the research and development studies into the production of high purity manganese products from ores sourced from the project. Results to date have exceeded expectations.

HIGH PURITY MANGANESE TEST WORK SUCCESS

Early test work involving a range of hydrometallurgical options, including impurity leaching to generate a concentrate, and direct leaching of manganese, showed very encouraging results. In particular, the first tests using selected reductive leaching, designed by CSIRO scientists, yielded excellent manganese leaching results, rapid leach kinetics **(>95% Mn extraction in 30 minutes**), and impressive selectivity over key impurities[2]. Subsequent work focussed on optimising the leach protocols and confirmed that it is possible to achieve these results at atmospheric pressure and ambient temperature at coarse grind sizes without the need to add sulphuric acid for pH control.

Importantly the successful leach was undertaken using benign conditions:

- Final leaching results produce a PLS with >90% purity and >95% Mn extraction in a rapid single stage leach;
- atmospheric pressure and ambient temperature;
- leaching rates unaffected by grind size up to 1mm. Coarser particle size tests pending;
- leach kinetics are very rapid with optimal residence times between thirty and sixty minutes; and
- reaction is exothermic, producing heat energy for use in purification processing stage - no additional energy required.

[1] Montezuma Mining Company Ltd ASX release dated 16 October 2017
[2] Montezuma Mining Company Ltd ASX release dated 31 July 2017

ABOUT BATTERY GRADE MANGANESE

Growth in demand from the battery manufacturing industry is expected to drive projected demand curves as technological advancements in **wind and solar power generation** and the need for associated grid electrical storage systems expands.

Market research has also identified a range of other products with high value in use which may be considered for the processing of Butcherbird ores. These include:

- Electrolytic Manganese Dioxide ("EMD");
- Chemical Manganese Dioxide ("CMM");
- Electrolytic Manganese Metal ("EMM"); and
- Manganese Sulphate as a fertilizer and feed additive.

On a theoretical chemistry basis, all of these end products should be able to be produced from the PLS that resulted from the Stage I test work.

The Company has initiated Stage II investigations focussed on purification options for the PLS and subsequent production of end products for marketing and commercial studies.

Time	Concentration (mg/L)									
(min)	Mn	Fe	K	Al	Ni	Co	Cu	Zn	Cd	Cr
0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	74646	1560	3517	1629	33	58	27	45	<0.2	8
15	117866	2455	5103	2431	60	90	41	65	<0.2	11
30	136891	2898	5911	2732	86	101	41	82	<0.4	12

Time	Concentration (mg/L)								
(min)	Na	Mg	Li	Pb	As	Ba	Mo	Se	Ca
0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	664	286	6	7	5	1	<0.2	17	673
15	964	379	13	10	5	<0.2	<0.2	22	458
30	1099	394	18	10	7	<0.2	<0.4	27	949

Table 1. Assay of typical PLS sample (500 µm, 40% pulp density, controlled pH ~1.2).

Time	Concentration (mg/L)									
(min)	Mn	Fe	K	Al	Ni	Co	Cu	Zn	Cd	Cr
0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	55039	499	2690	482	21	43	11	33	<0.2	3
15	77064	1077	3859	1107	33	64	22	47	<0.2	4
30	112202	1819	5556	2062	33	55	22	42	<0.2	6
60	139705	2385	5990	2473	61	103	38	81	<0.4	8

Time	Concentration (mg/L)								
(min)	Na	Mg	Li	Pb	As	Ba	Mo	Se	Ca
0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5	501	228	2	6	2	<0.2	<0.2	13	523
15	711	284	4	7	6	8	<0.2	17	656
30	557	210	8	6	4	<0.2	<0.2	14	552
60	1124	401	17	14	8	2	<0.4	26	890

Table 2. Assay of typical PLS sample (500 µm, 40% pulp density, no pH control).

The Department of Industry, Innovation and Science have agreed to co-fund the work up to $50,000 as part of the Innovations Connections Programme. Results for this second stage of work are expected in the he fourth quarter.

MINERAL RESOURCE ESTIMATE UPGRADE

REGIONAL GEOLOGY

The Butcherbird Manganese Project is located approximately 120km south of Newman, 40km north of Kumarina Roadhouse, and accessed via the Great Northern Highway. The project is situated on portions of Bulloo Down and Kumarina Pastoral Leases.

Manganese mineralisation is hosted within the supergene weathered portions of the Ilgarari Formation, which consist of grey/whitish shales (red/brownish weathered), manganiferous shales, mudrocks and minor siltstone layers and dolerite sills. Its stratigraphic thickness is considered to be in excess of 650 metres. The Ilgarari Formation is part of the Collier Subgroup which was deposited on a platform domain in the eastern part of the Bangemall Basin (Bullen Platform).

Prospect	Tonnes (Mt)	Mn (%)	SiO_2 (%)	Fe (%)	P_2O_5 (%)	Al_2O_3 (%)
Yanneri Ridge						
Inferred	48.0	10.7	43.0	11.1	0.262	10.7
Indicated	22.5	12.0	43.8	11.6	0.297	10.6
Richies Find	22.7	10.9	44.8	11.6	0.24	11.2
Coodamudgi	16.5	11.0	42.9	12.5	0.28	11.0
Mundawindi	16.3	11.9	40.3	11.7	0.30	9.9
Ilgarrarie Ridge	35.6	9.94	46.0	12.5	0.31	11.1
Bindi Bindi Hill	14.4	10.4	45.5	10.1	0.22	11.9
Bugdie Hill	4.50	9.34	45.4	13.2	0.35	11.2
Cadgies Flat	0.291	10.0	46.2	11.1	0.29	12.3
Total	**180.8**	**10.8**	**43.9**	**11.7**	**0.3**	**10.9**

Table 3. Butcherbird Manganese project Mineral Resource Classification

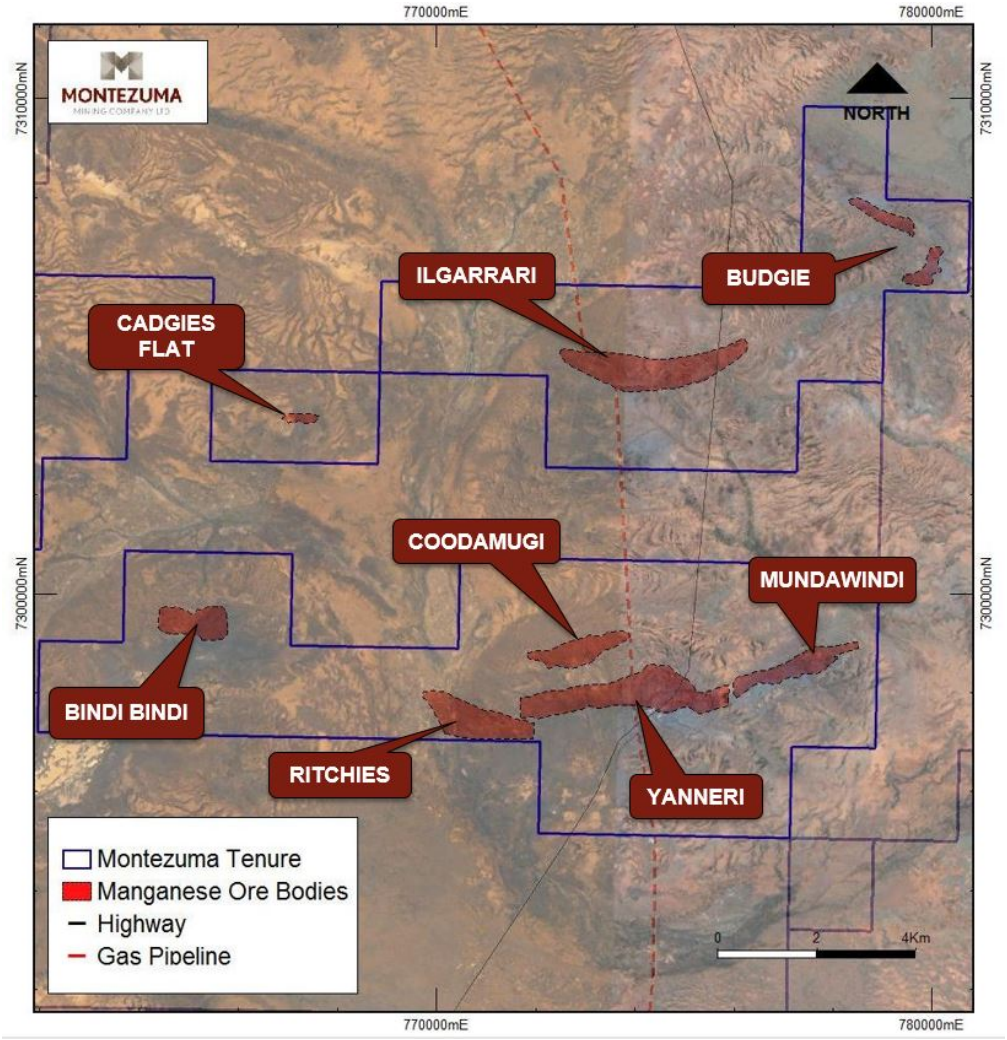


Figure 1: Butcherbird Manganese Project Resource outlines and location

RESOURCE ESTIMATION

The existing Snowden December 2011 JORC 2004 Butcherbird Manganese Deposit Resource was reviewed and re-reported updating the existing resource to JORC 2012 as the resource confidence category. The 2011 Resource reported a total inferred resource of 70.2 Mt @ 11.4 % Mn at a cut off of 10% Mn and 110.3 Mt @ 10.6 % Mn at a cut off of 8 % Mn.

Drill samples used in the resource are from Reverse Circulation (RC) Drilling with Drill-Rig mounted riffle splitters and collected at one-meter intervals. All drilling is vertical with the average depth of 30m. The manganese ore zones are close to flat lying and therefore drillhole intersections approximate true width. All drilling is dry and above the water table. Diamond holes are drilled primarily for metallurgy and have been used to aid interpretation.

All data is captured electronically and has to pass extensive quality assurance and quality control (QAQC) procedures to be used. QAQC processes include validation of hole coordinates, field standards, lab standards, field duplicates. This estimation incorporates all of the validated RC holes drilled at Butcherbird Manganese Deposit by Montezuma from 2010 to 2011. All data is stored in the Company's GBIS database, now GEOBANK.

Density has been calculated from down hole gamma gamma geophysical density. Average densities have been applied globally to the model. No account has been made for moisture and reported tonnes are wet tonnes.

The main mineralised units, cut to the regolith boundaries the base of hard capping and the base of oxidisation, were modelled in 3D by Montezuma. These were passed on to Snowden and validated for the resources.

KNA, variography and detailed statistics was performed on the mineralised domains. This KNA and variography was used to determine the block size and estimation parameters for grade modelling.

Block models were constructed for use in grade estimation with block dimensions based on the KNA. Blocks ranged from 10 to 100 metres in x and y, and 2 to 4 metres in z, with sub blocking down to 12.5m by 12.5m by 0.625m x y z.

The deposit was estimated using ordinary kriging ("OK") grade interpolation of 1m composited data within domained boundaries. Grades were estimated for Mn, Fe, SiO_2, Al_2O_3 and P_2O_5.

Interpolation parameters were based on the geometry of geology and geostatistical parameters determined by variography and KNA.

A detailed validation of the block models was completed, which included both visual and statistical reviews. The models are considered to be globally robust.

The resource has been categorised Inferred in accordance with JORC requirements (2012). The resource has been classified as inferred and has been drilled at nominal spacing of 400 x 100 metres, with some areas drilled down to 20 x 40m, and up to 800 x 100m. Good geological and statistical continuity is seen at all drill spacing's.

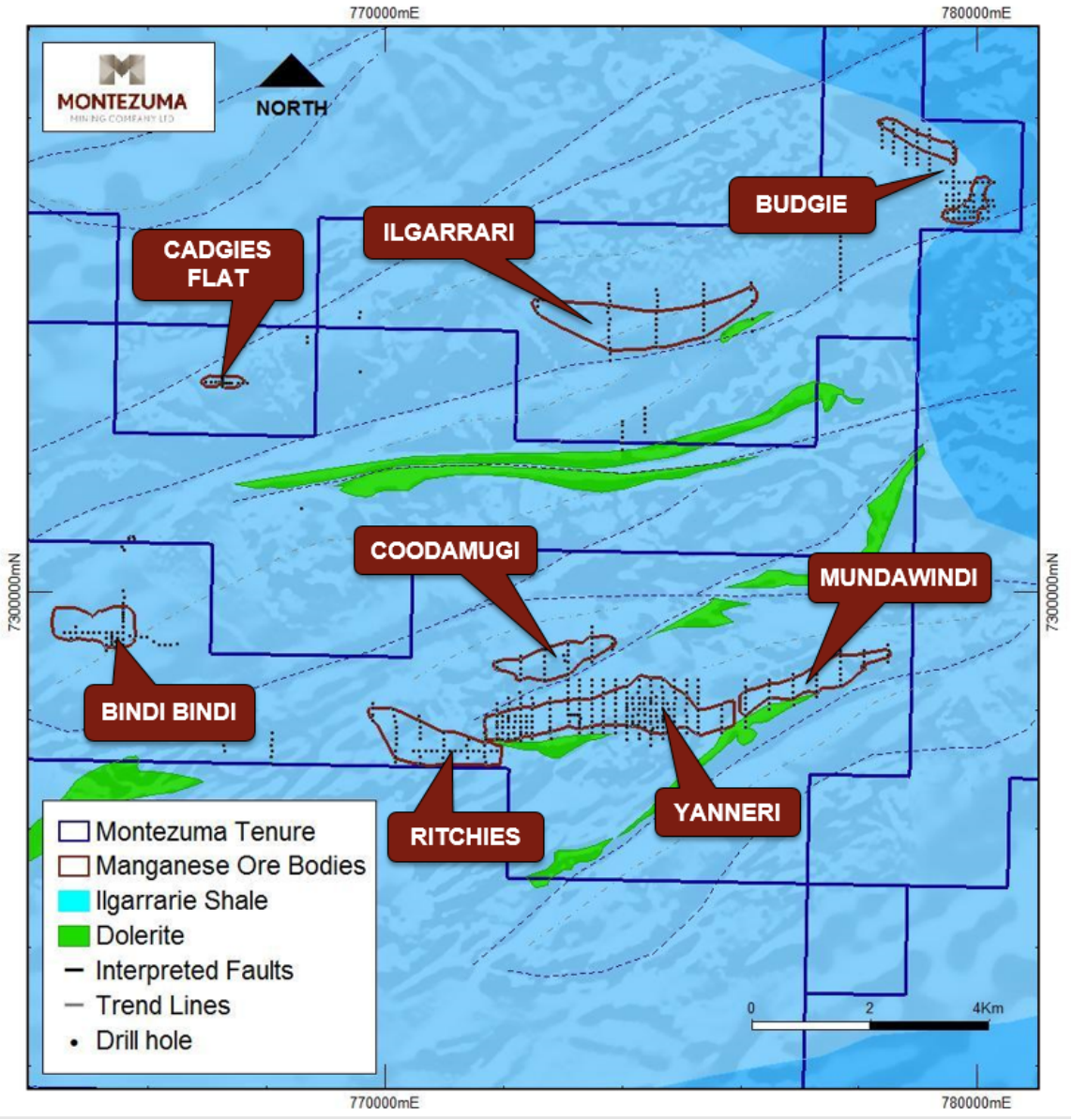


Figure 2: Butcherbird Manganese Project drill collar and Mn orebody outlines overlaying local geology

YANNERI RIDGE RESOURCE ESTIMATION

A new resource estimation has been produced for the Yanneri Ridge Manganese Deposit. This estimation was completed with the intention of updating the existing resource to JORC 2012 as the resource confidence category.

This resource is an update from the 2011 Yanneri Ridge Resource, classified as inferred. The 2011 Resource reported a total resource of 48.8 Mt @ 11.8 % Mn at a cut off of 10% Mn and 64.7 Mt @ 11.2 % Mn at a cut off of 8 % Mn.

Drill samples used in the resource are from Reverse Circulation (RC) Drilling with Drill-Rig mounted riffle splitters and collected at one-meter intervals. All drilling is vertical with the average depth of 30m. The manganese ore zones are close to flat lying and therefore drillhole intersections approximate true width. All drilling is dry and above the water table. Additional diamond holes are drilled primarily for metallurgy and have been used to aid interpretation.

All data is captured electronically and has to pass extensive quality assurance and quality control (QAQC) procedures to be used. QAQC processes include validation of hole coordinates, field standards, lab standards, field duplicates. This estimation incorporates all of the validated RC holes drilled in the Yanneri Ridge by Montezuma from 2010 to 2011. All data is stored in the Company's GBIS database.

Density has been calculated from down hole gamma gamma geophysical density. Average densities by geological unit and mineralisation have been applied globally to the model. No account has been made for moisture and reported tonnes are wet tonnes.

The main mineralised shale unit along with regolith boundaries for the base of hard capping and the base of oxidisation were modelled in 3D using Micromine.

Variography and detailed statistics were performed on the modelled domains. This variography was used to determine the estimation parameters for the grade modelling.

A block model was constructed for use in grade estimation with block dimensions of 50m NS by 50m EW and 2.5m in the vertically with sub blocking 12.5m by 12.5m by 0.625m. The deposit was estimated using ordinary kriging ("OK") grade interpolation of 1m composited data within domained hard boundaries. Grades were estimated are Mn, Fe, SiO_2, Al_2O_3, P_2O_5, MgO, CaO, TiO_2, Na_2O, CaO, S, K_2O, LOI total, Cr_2O_3, Ba, Cu, Pb and Zn.

Interpolation parameters were based on the geometry of geology and geostatistical parameters determined by variography.

A detailed validation of the block model was completed, which included both visual and statistical reviews. The model is considered to be globally robust.

The resource has been categorised as Indicated, and Inferred in accordance with JORC requirements (2012). The portion of the resource drilled at a spacing of 100m x 100m or better displayed good continuity of mineralisation and was classified as indicated. The remaining areas have been classified as inferred and have been drilled at 200m x 100m and at 400m x 100m, showing good geological and statistical continuity.

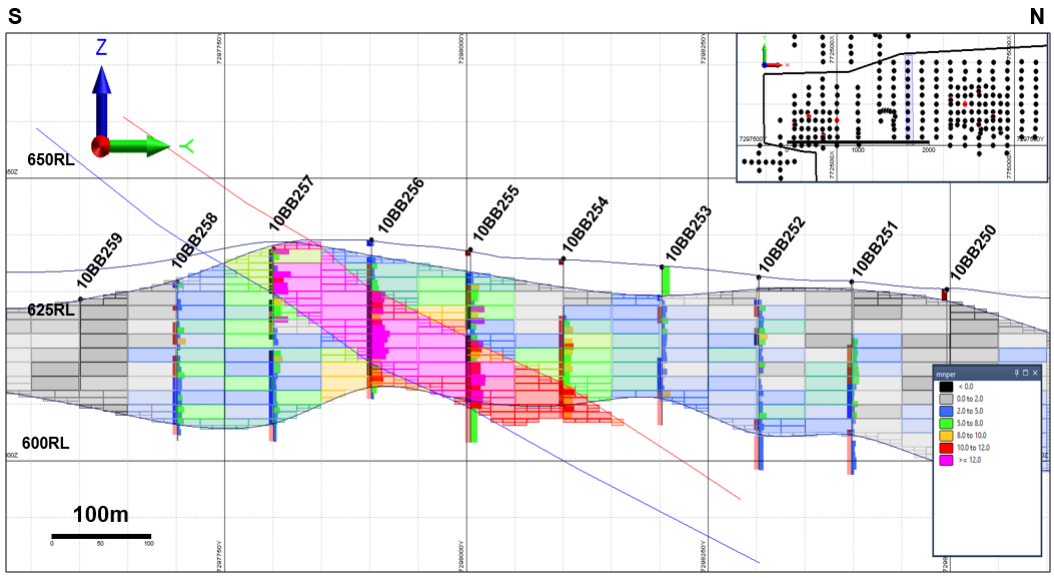


Figure 3: N-S Section through the Yanneri Ridge resource area (773,500E) showing Manganese Resoruce Blocks (Note – vertical exaggeration 5:1)

HOLLETON GOLD PROJECT (MZM 100%)

A successful dipole-dipole array induced polarisation ("IP") survey has been completed at the Company's 100% owned Holleton Gold Project to follow up the encouraging results from an earlier single line orientation survey[3].

The purpose of the IP survey was to test whether the technique can be used to target areas with higher sulphide concentrations along the 2km long basement gold anomaly at the Brahma Prospect. Two lines were completed parallel to the orientation line at 150m spacings, with the remainder of the strike of the basement geochemical anomaly tested at 300m line spacing.

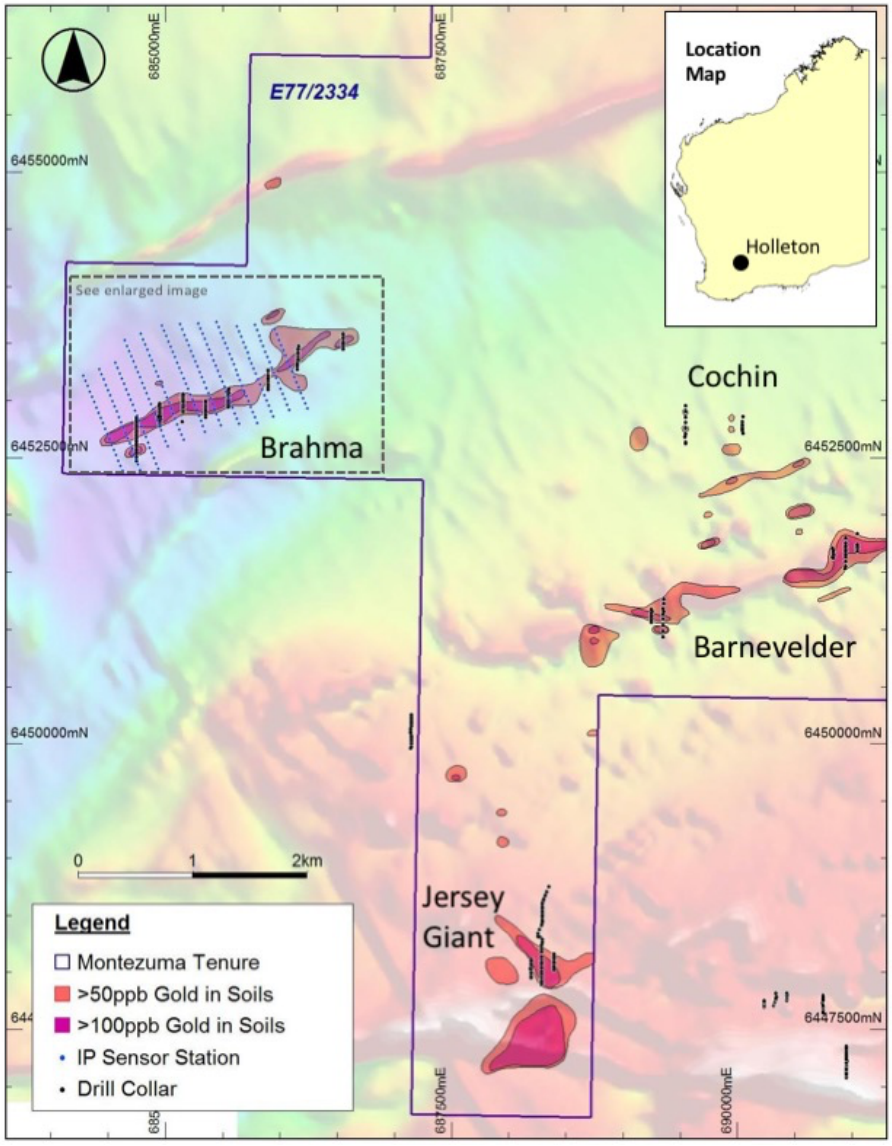


Figure 4: Plan view of the Holleton Gold Prend showing basement gold anomalies and the location of the IP survey stations at the Brahma Prospect overlaying magnetics (RTP 1VD).

Limited historical drilling, where only three holes have been drilled deeper than 40m, returned a best intersection of 73m @ 0.3 g/t Au (including 4m @ 1.6 g/t Au and 1m @ 7.6 g/t Au)[1] , with all three diamond holes returning broad mineralised intervals. The higher grade gold zones are typically associated with a higher sulphide content.

The results of the survey confirmed a high amplitude (33 mV/V) chargeability anomaly located to the north of the basement geochemical signature. The anomaly plunges to the west and is located under approximately 60m of interpreted cover. The known extent of the anomaly extends over 300m and is open along strike in both directions. On section, the anomaly overlaps the previous drilling and shows a weaker chargeability response (8-10 mV/V) coincident with the gold and sulphide mineralisation on the same section. Importantly, directly above

[3] See company announcement dated 18 October 2017.

the chargeability anomaly, there is a surface gold geochemical signature which appears to be 'bleeding' through the transported cover.

The survey has been successful in highlighting the highest priority part of the 2.5km long geochemical anomaly. If the interpretation of the various datasets is correct, the IP data should be mapping the higher concentrations of sulphides in the basement rocks, which are expected to have the best potential for higher gold grades.

Planning is now underway to design a drilling programme to test the anomaly and other targets within the Holleton Project.

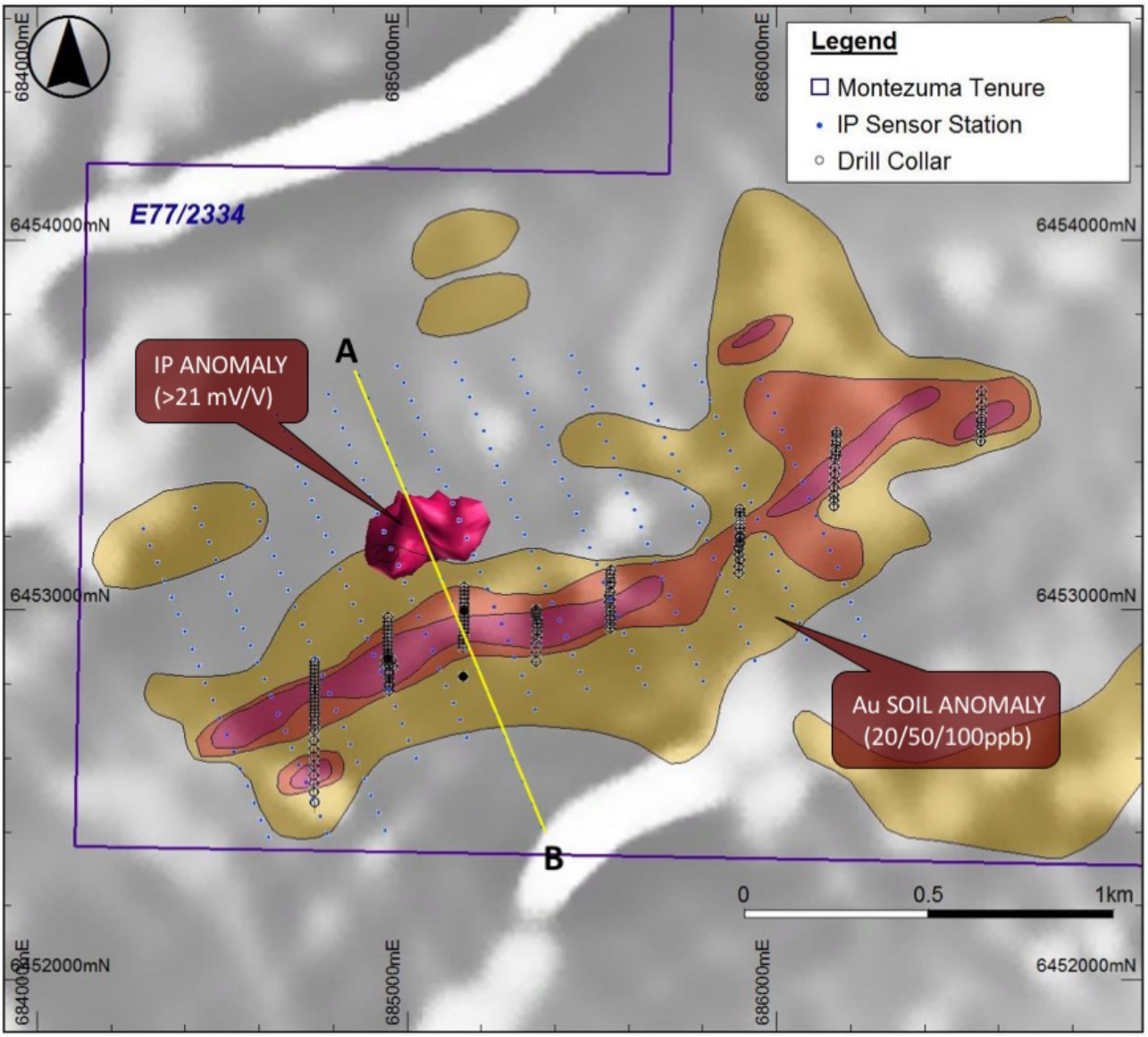


Figure 5: Plan view of the Brahma gold trend showing gold geochemical contours and the location of the IP survey stations overlaying magnetics (RTP 1VD).

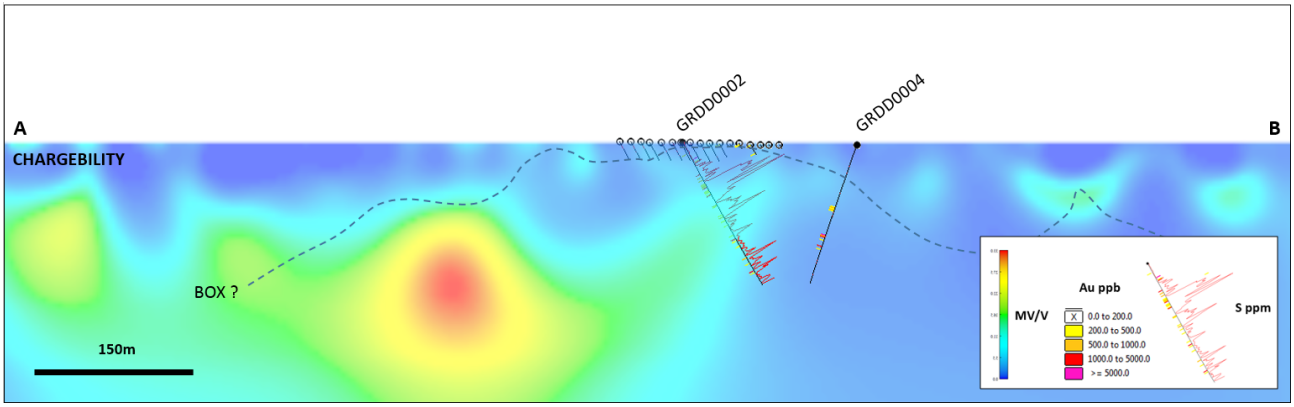


Figure 6: Sectional view of the inversion model along section A-B showing chargebility (mV/V) and historical drilling. Drill traces show gold values and sulphur assays. The lower order sulphur assays are coincident with the lower amplitude chargeability response indicating the undrilled higher amplitude anomaly may be indicative of higher gold grades.

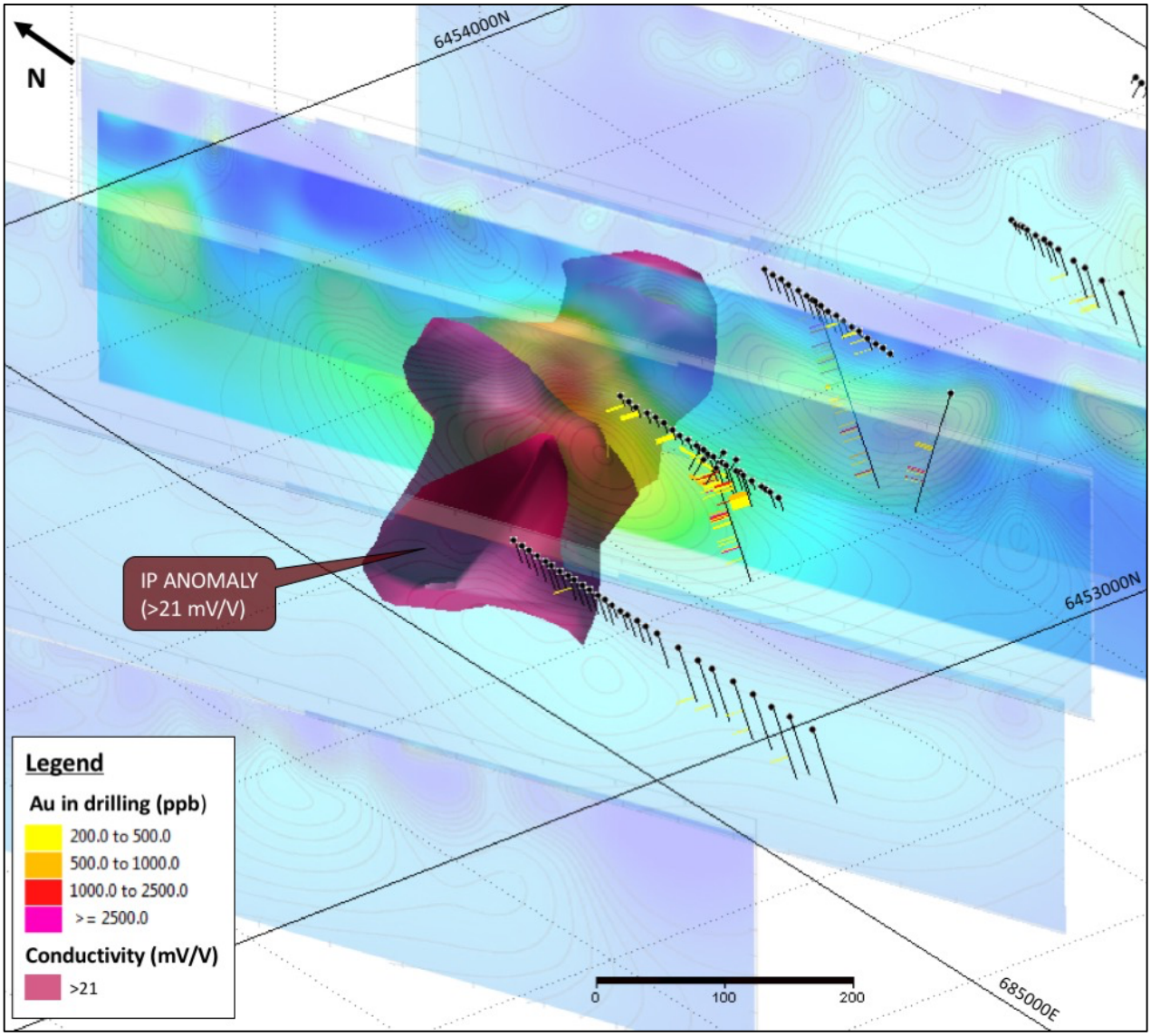
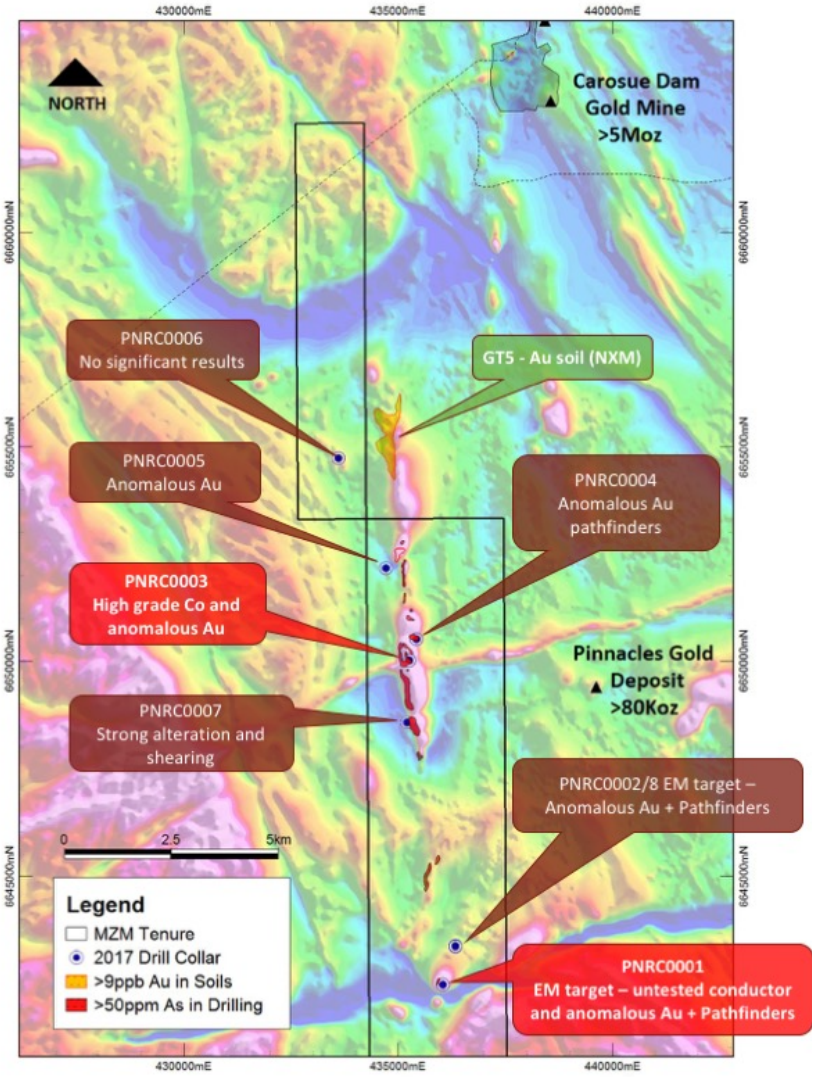


Figure 7: Orthographic view of the of the inversion model, IP section lines showing chargeability (mV/V) and historical drilling.

PINNACLES COBALT-NICKEL PROJECT (MZM 100%)

Assays were received during the quarter from a reconnaissance drilling programme comprising 8 holes for 1,335m has been completed at the Company's 100% owned Pinnacles Cobalt-Nickel Project.



Eight reverse circulation drill holes completed for 1,335m to test multiple target types with:

Cobalt: Drillhole PNRC0003. Confirmation drilling of high grade cobalt identified in historic drilling[4] and supply of sample material for metallurgical test work.

Nickel sulphide: Drillholes PNRC0001, 2 and 8. Two late time bedrock conductors identified in a recent EM survey, one of which is located beneath a historic sulphide intercept **of 2m @2.3% Ni**[5].

Gold: Drillholes PNRC0004-7. Historic work failed to analyse for gold in almost all drillholes however strong arsenic anomalism is clearly defined over significant strike lengths. The programme tested for gold association within the arsenic enriched rocks.

ASSAY RESULTS

Cobalt

Drillhole PNRC0003, which was designed to validate the historical cobalt values intersected within the main laterite zone, has confirmed exceptional grades over broad widths with a best intercept of **14m @ 0.15% Co**[6], and a maximum cobalt value of **0.45% Co** recorded over 1m at 35m. This intersection closely matches the thickness and grade of intersections in nearby historical drill holes.

In addition to confirming historic work, the samples obtained from this drillhole will be the focus of first pass metallurgical testing to establish whether the laterite ores at the Pinnacles Project are amendable to low capital

[4] See company announcement dated 10 May 2017
[5] See company announcement dated 17 May 2017
[6] See Company ASX Release dated 21 August 2017

cost processing pathways. If the early test work is successful, the Company will commence investigations into the best way to commercialise the large areas of near surface cobalt rich laterite material within the project area.

Nickel

Drilling targeting a bedrock EM anomaly encountered a thick cumulate ultramafic up to 150m in downhole thickness. Visual observations and portable XRF readings indicated the potential presence of weakly disseminated (cloud) nickel sulphide within the ultramafic. Laboratory assays support these observations, and show that the likely magmatic sulphides are confined to discrete zones proximal to the margins of the ultramafic, with nickel/copper values up to 0.35% Ni/0.03% Cu (The non-mineralised ultramafic averages **~0.10-0.22% nickel**). **The location of sulphides and geochemical profile of the stratigraphy is typical of a differentiated ultramafic that is intrusive in origin.** Petrology will now be completed to confirm these observations. The EM target remains untested and ranks highly given the presence of potential magmatic nickel sulphides within the host ultramafic and lack of other conductive lithologies encountered within PNRC0001.

Gold

The drill testing of historical geochemical anomalies and stratigraphic targets has revealed a number of strong coincident gold / pathfinder anomalies (Au-As-Bi-Te-Cu+/-Mo), and is indicative of the presence of a widespread hydro-thermal event. The recent results (supported by historical geochemistry) upgrade the potential for the discovery for gold mineralisation within the project tenure. Drill hole PNRC0007 was drilled to the west of the planned target due to restricted access, but still encountered strong alteration and shearing associated with the ultramafic/mafic contact.

The results also indicate that the ultramafic/mafic contact is a valid gold exploration target with anomalous gold (up to 116ppb Au) and other pathfinder elements (As-Bi-Te-Cu-Mo).

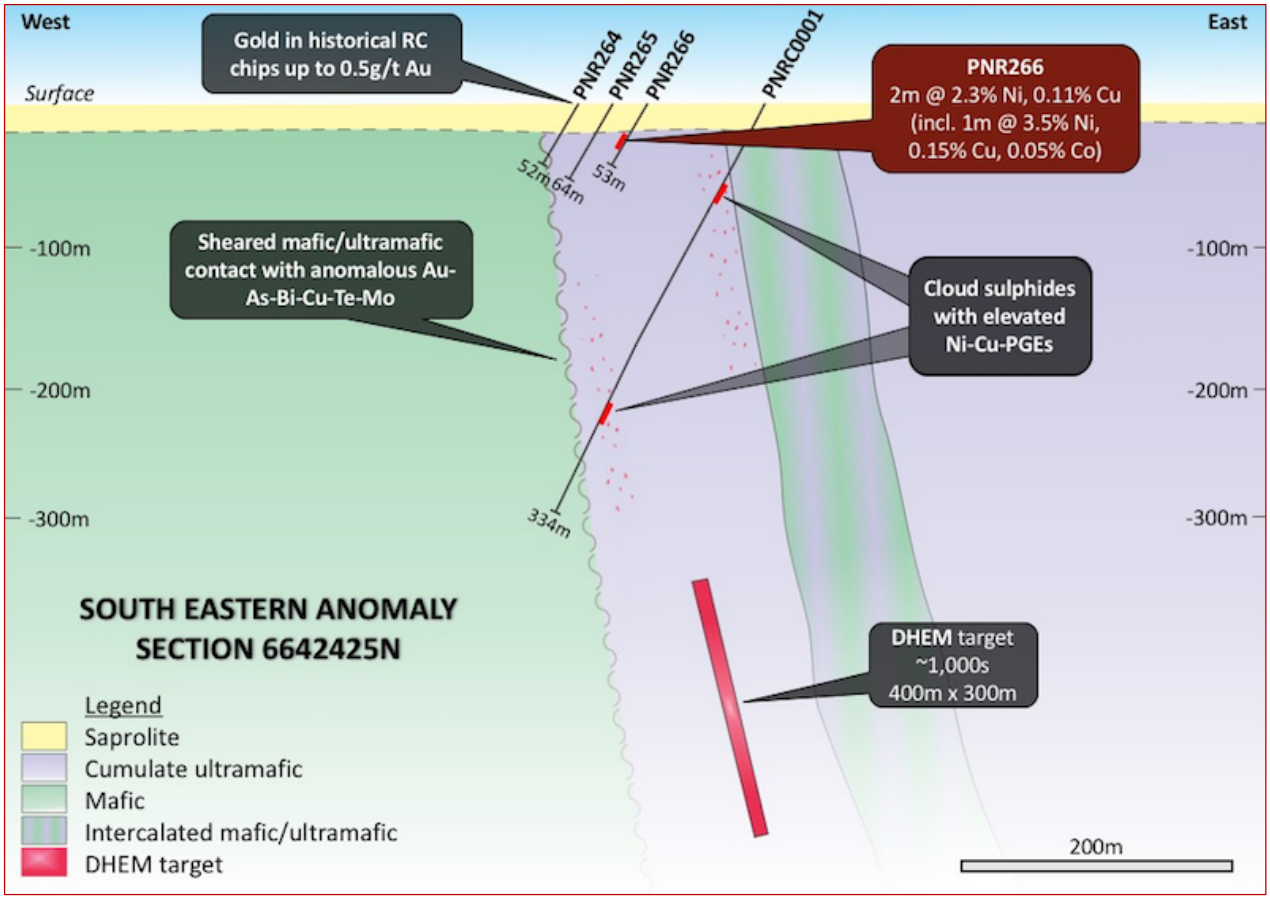


Figure 8: Schematic section along 6642425N showing historical drill holes, interpreted geology of PNRC0001 and untested DHEM conductor. Intercepts are downhole widths.

Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	RL (m)	Dip (^{0})	Azimuth (mag ^{0})	Total Depth (m)
PNRC0001	436049	6642443	390	-65	270	334
PNRC0002	436340	6643348	393	-65	270	297
PNRC0003	435276	6650012	403	-60	270	100
PNRC0004	435432	6650513	397	-60	225	150
PNRC0005	434716	6652156	401	-60	270	22
PNRC0006	433608	6654725	373	-60	240	142
PNRC0007	435315	6648560	401	-65	270	52
PNRC0008	436340	6643355	398	-65	282	238

Table 4. Drillhole Collar Locations

Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	RL (m)	Dip (°)	Azimuth (mag °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Co (%)	Ni (%)	Cu (%)	Pt+Pd (PPB)	Au (PPB)	As (PPM)	Bi (PPM)	Te (PPM)
PNRC0001	436049	6642443	390	-65	270	334	51	57	6	-	0.2	0.025	12	-	-	-	-
					Including		51	52	1	-	**0.35**	0.03	12	-	-	-	-
					And		216	221	5	-	0.16	0.02	40	-	-	-	-
					And		310	314	4	-	-	-	-	35	-	10	8
					Including		312	313	1	-	-	-	-	116	-	13	6
PNRC0002	436340	6643348	393	-65	270	297	No Sample										
PNRC0003	435276	6650012	403	-60	270	100	0	31	31	**-**	0.37	-	33	9	130	3	2
					And		34	48	14	**0.15**	0.53	-	13	3	28	3	3
PNRC0004	435432	6650513	397	-60	225	150	NSI										
PNRC0005	434716	6652156	401	-60	270	22	13	16	3	NS	NS	NS	NS	11	NS	NS	NS
PNRC0006	433608	6654725	373	-60	240	142	NSI										
PNRC0007	435315	6648560	401	-65	270	52	NSI										
PNRC0008	436340	6643355	398	-65	282	238	180	197	17	-	-	0.025	-	11	74	14	4
					And		212	235	23	-	-	0.06	-	13	42	9	3

Table 5. Significant Pinnacles drilling assay results. All intercepts are downhole widths.

LAKE JOHNSTON LITHIUM-GOLD-NICKEL PROJECT (MZM 85%)

Recently completed target generation activities have confirmed the potential for lithium mineralisation at the Company's Lake Johnston Project in Western Australia. The Lake Johnston Project is located approximately 460km east of Perth, and 25km south of the Maggie Hays and Emily Ann nickel deposits, currently held by Poseidon Nickel Ltd ("Poseidon").

The Lake Johnston area has recently become the focus of intensive lithium exploration due to known lithium occurrences at Mount Day and Lake Percy, and the recent discovery of the nearby, and potentially world-class, Earl Grey lithium deposit (Kidman Resources Ltd or 'Kidman')[7].

During a detailed review of historic data, a number of priority lithium targets have been identified within the project area. These targets have been generated with historical mapping and field reconnaissance in areas of outcrop, and historical drilling and auger sampling. The review has highlighted a high volume of pegmatites, both in drilling, and in outcrop, some coincident with elevated levels of lithium (up to 75ppm in lake auger drilling). Significantly, none of the identified pegmatites have been sampled for lithium or associated elements (eg rubidium).

Assays are pending from recently completed reconnasiance site investigations which included the collection of surface samples to test for lithium and associated pathfinder elements.

[7] http://kidmanresources.com.au/live/wp-content/uploads/2016/12/ASX-Announcement_Earl-Grey-Maiden-Resource-Correction-Announcement.pdf

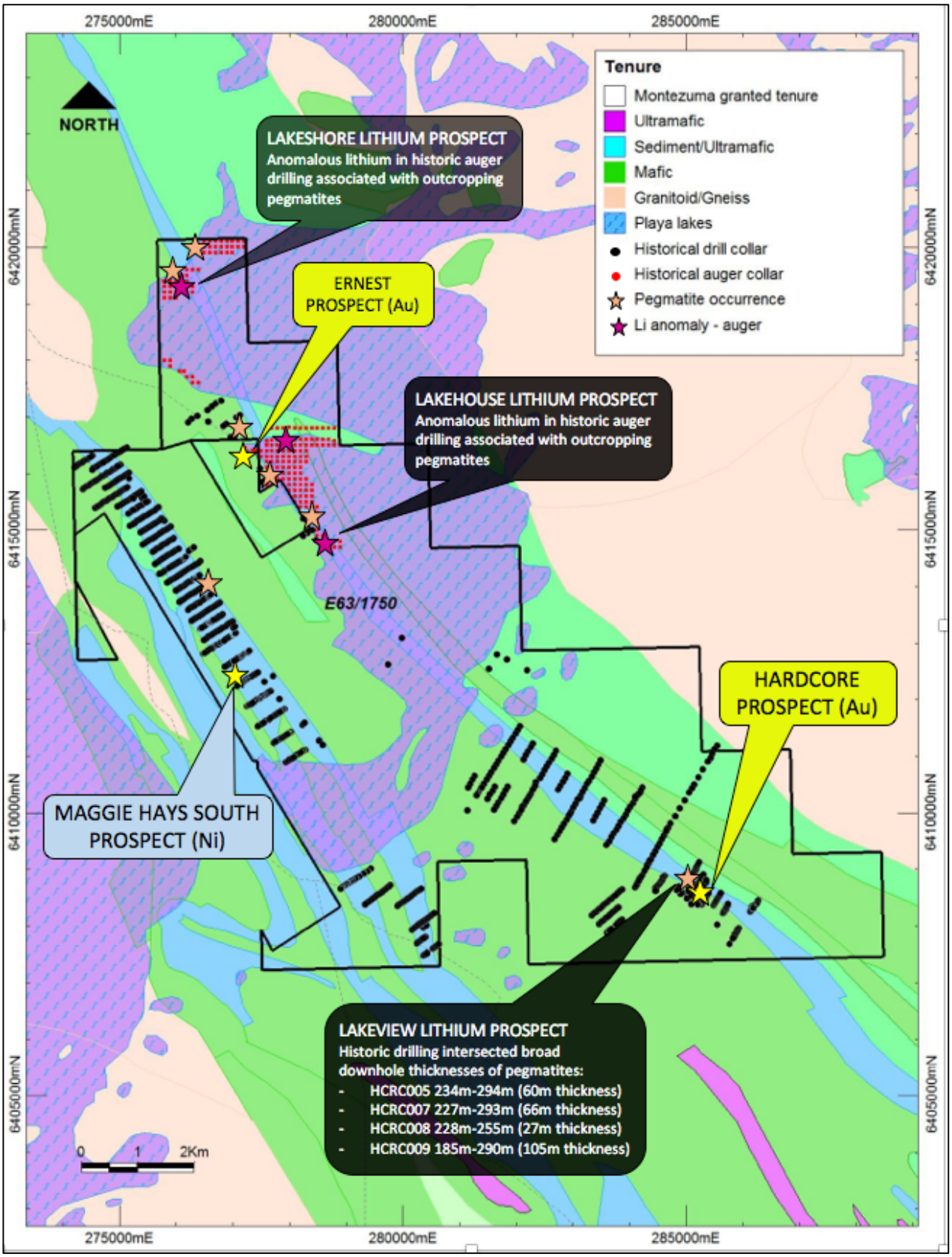


Figure 9: Detailed geological map showing historical auger and drilling locations, and the known pegmatite occurrences and lake auger lithium anomalies.

CORPORATE

Investment Portfolio (as at 30 September 2017)

In addition to cash reserves, the Company also currently holds securities in the following listed entities:

Listed securities at market value:	No. Held	Closing Price	Market Value
Alt Resources Ltd (ARS)	1,250,000	$0.044	$55,000
Buxton Resources Ltd (BUX)	500,000	$0.165	$82,500
Buxton Resources Ltd (BUX) 12.5c Options	2,000,000	N/A	-
Duketon Mining (DKM)	1,450,000	$0.120	$174,000
Anova Metals Ltd (AWV)	7,000,000	$0.096	$672,000
Auris Minerals Ltd (AUR)	1,000,000	$0.075	$75,000
Lefroy Exploration (LEX)	4,200,000	$0.140	$588,000
Danakali Limited (DNK)	7,527,369	$0.690	$5,193,884
Danakali Limited (DNK) 35c Options	2,272,727	N/A	-
Total as at 30 September 2017			**$6,785,384**

Divestment of the Yamarna Project

The Company reached agreement with Gold Road (North Yamarna) Pty Limited ("Gold Road") to divest exploration licence E38/2889.

Gold Road has paid consideration of $150,000 in cash and has agreed to pay Montezuma a Discovery Payment of $7.50 per resource ounce on future discoveries within the area covered by E38/2889.

Gold Road must prepare a Mineral Resource Statement on at least an annual basis and pay the Discovery Payment on each troy ounce of gold added to the global Mineral Resource within 45 days of the finalisation of each resource update.

The Discovery Payment is also payable on ounces included in a mine plan but which have not been included in a JORC resource.

This transaction is part of an ongoing strategy to realise value from non-core assets to allow the Company to maintain focus on the advancement of its commercialisation activities at the high purity Butcherbird Manganese Project and the Pinnacles Cobalt Project as well as other key portfolio assets.

The inclusion of the Discovery Payment in the transaction also provides Montezuma shareholders with an effective free-carry on future discoveries providing potential upside exposure with no risk and no requirement to allocate further funds to the project

FOR MORE INFORMATION…

Justin Brown

Executive Director

Phone: +61 8 6315 1400

Email: jbrown@montezuma.com.au

Company information, ASX announcements, investor presentations, corporate videos and other investor material on the Company's projects can be viewed at http://www.montezuma.com.au.

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr David O'Neill who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results and Exploration Targets were compiled, Mr O'Neill was an employee of Montezuma Mining Company Ltd. Mr O'Neill 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 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr O'Neill consents to the inclusion of this information in the form and context in which it appears in this report.

The information in this report that relates to the Butcherbord Mineral Resources is based on information compiled by Mr Mark Glassock who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Mineral Resources were compiled, Mr Glassock was a consultant to Montezuma Mining Company Ltd. Mr Glassock 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 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Glassock consents to the inclusion of this information in the form and context in which it appears in this report.

Please note with regard to exploration targets, the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Montezuma Mining Company Limited
ASX Additional Information for Quarterly Report to 30 September 2017

	Tenement reference	Location	Interest at beginning of quarter	Acquired/ Disposed	Interest at end of quarter
The mining tenements held at the end of the quarter and their location	E20/659	Eelya Hill WA	10%	N/A	10%
	E20/903	Yallon Well WA	100%	N/A	100%
	E20/922	Sunday Well WA	100%	N/A	100%
	E20/923	McCaskill Hill WA	100%	N/A	100%
	E20/927	Yallon Well WA	0%	Acquired	100%
	E28/2313	Green Dam WA	100%	N/A	100%
	E28/2327	Green Dam WA	100%	N/A	100%
	E28/2577	Pinnacles WA	100%	N/A	100%
	E28/2688	Pinnacles WA	100%	N/A	100%
	E28/2701	Pinnacles East WA	100%	N/A	100%
	E37/1176	Leonora WA	100%	N/A	100%
	E37/1295	Leonora WA	100%	N/A	100%
	E38/2889	Malle Hen Point WA	100%	N/A	100%
	E38/2961	Mt Venn WA	100%	N/A	100%
	E38/3092	Point Sunday WA	100%	N/A	100%
	E51/1781	Mt Maitland WA	100%	N/A	100%
	E52/1529	Mt Padbury WA	100% (Note 1)	N/A	100% (Note 1)
	E52/2350	Butcher Bird WA	100%	N/A	100%
	E52/2831	Millidie Creek WA	100%	Disposed	0%
	E52/3082	Mt Padbury WA	100%	N/A	100%
	E52/3354	Peak Hill WA	100%	N/A	100%
	E52/3470	Butcher Bird WA	100%	N/A	100%
	E52/3493	Butcher Bird WA	100%	N/A	100%
	E57/1060	Victory Well WA	100%	N/A	100%
	E58/494	Naluthanna Hill WA	100%	Disposed	0%
	E59/2184	Twin Peaks WA	100%	Disposed	0%
	E59/2246	Milgoo Peak WA	100%	N/A	100%
	E59/2267	Twin Peaks WA	100%	N/A	100%
	E63/1750	Lake Johnston WA	100%	N/A	100%
	E63/1789	Lake Johnston WA	100%	N/A	100%
	E63/1838	Lake Johnston WA	100%	N/A	100%
	E69/3478	Cunyu WA	100%	N/A	100%
	E69/3491	Glover Hill WA	100%	N/A	100%
	E69/3523	Fraser Range WA	0%	Acquired	100%
	E70/4994	Holleton West WA	100%	N/A	100%
	E70/5033	Holleton West	0%	Acquired	100%

	Tenement reference	Location	Interest at beginning of quarter	Acquired/ Disposed	Interest at end of quarter
	E77/2334	Holleton WA	100%	N/A	100%
	E77/2458	Holleton WA	1000%	N/A	100%
	E80/5056	Eileen Bore WA	100%	N/A	100%
	E80/5092	Cummins Range WA	100%	N/A	100%

Notes:

1) 100% interest held in all minerals other than iron ore and manganese.