

ASX RELEASE



MONTEZUMA MINING COMPANY LTD

PO Box 910 West Perth WA 6872
31 Ventnor Ave, West Perth WA 6005
Telephone +61 8 6315 1400
Facsimile +61 8 9486 7093
info@montezumamining.com.au
www.montezumamining.com.au

14 July 2011

ASX CODE: MZM
ISSUED SHARES: 48.95M
52 WEEK HIGH: \$0.95
52 WEEK LOW: \$0.26

CONTACT:

JUSTIN BROWN
Managing Director
+61 438 745 675

BOARD:

Seamus Cornelius: Chairman
Justin Brown: MD
John Ribbons: Non-Exec

KEY PROJECTS:

BUTCHERBIRD (100%)
Manganese, Copper

PEAK HILL (85-100%)
Gold

DURACK (earning 85%)
Gold, Copper

MT PADBURY (100% of gold)
Gold, Manganese, Iron

KEY SHARE POSITIONS:

AUVEX RESOURCES LTD
7,500,000 FPO Shares

BUXTON RESOURCES LTD
3,010,000 FPO Shares

LITHEX RESOURCES LTD
1,525,000 FPO Shares

EXTERRA RESOURCES LTD
2,000,000 FPO Shares

BUTCHERBIRD MANGANESE METALLURGICAL STUDY UPDATE

- DMS beneficiation test results received for Yanneri Ridge.
- Lump concentrate grades of up to 36.0% Mn confirmed.
- Crushed product grades of up to 38.6% Mn achieved.
- Further test work underway targeting grades over 40% Mn.

Montezuma Mining Company Ltd ("Montezuma") is pleased to advise it has received phase 1 & 2 beneficiation results from the diamond core manganese metallurgical study on the Yanneri Ridge JORC Resource.

Six vertical PQ3 diamond core holes were drilled into the resource during late 2010 to provide whole core sample material for metallurgical studies including beneficiation test work.

The first phase of the programme investigated the amenability of the material to upgrade via Dense Media Separation ("DMS") to produce a lump product. Results from phase 1 (see summary in Table 1 below) confirm that parts of the resource at Yanneri Ridge can be relatively easily beneficiated to grades in excess of 35% manganese with good yields and recoveries using relatively simple beneficiation techniques.

Mining Zone Intervals (Process to Cleaner DMS)								
HOLE ID	Concentrate					Feed	Total	
	Yield %	Mn %	Fe %	SiO ₂ %	P %	Mn %	Metres	Kg
10DD01	31.4	35.3	8.9	18.3	0.109	15.4	15.1	108
10DD02	14.7	26.1	16.3	20.3	0.122	10.3	14.9	136
10DD03	20.0	32.9	9.4	19.7	0.108	16.6	16.6	164
10DD04	20.2	28.5	14.2	20.3	0.109	10.2	14.8	154
10DD05	17.3	36.0	8.9	18.4	0.091	11.3	11.4	128
10DD06	18.3	33.2	11.2	19.0	0.087	13.3	11.7	129
Average	20.0	31.8	11.6	19.4	0.104	12.9	84.6	819

Table 1. Lump DMS product grades and mass yields from the diamond core beneficiation studies on the Yanneri Ridge manganese Resource.

Phase 2 work to date utilising grinding to <1mm and wet table separation has also confirmed continued improvement in both grade and recovery, with grades of up to 38.6% Mn achieved to date. This has provided encouragement that grades in excess of 40% may be achievable with further investigation, which is currently underway.

HOLE ID	NORTHING (MGA)	EASTING (MGA)	RL	DEPTH	AZIMUTH	DIP
10DD01	7297695.51	772298.11	627.16	30	330	-90
10DD02	7297899.84	772795.38	626.74	35	330	-90
10DD03	7297904.51	773300.63	632.37	38	330	-90
10DD04	7298097.56	773898.54	633.51	30	330	-90
10DD05	7297803.36	774099.88	638.04	25	330	-90
10DD06	7297804.14	774903.29	621.63	26	330	-90

Table 2. Diamond drill hole collar information.

The phase 1 test work comprised a detailed investigation of hole 10DD03 to determine the optimal process pathway to derive a lump product which was then applied to the remaining core material. The process selected comprised an optimal beneficiation pathway for lump product as follows:

1. Trommeling of the whole rock feed to remove clay waste material and derive lump sized rock as DMS feed.
2. Crushing via jaw crusher.
3. Rougher (S.G. 3.0) DMS upgrade of the lump sized feed.
4. Cleaner (S.G.3.4) DMS upgrade to yield a product concentrate of medium grades and Secondary product of low grades.

The Phase 2 processing was undertaken to investigate the amenability of the material to further upgrade through crushing of the lump product to <1mm and subsequent separation using wet tables. The results summarised in Table 3 confirm further incremental improvement at finer particle size.

The results of the test work to date show variability in the Mn Product, notably ranges in grade in the various localities. However, the study does prove that the Manganese mineralisation in the Yanneri Ridge Resource area is amenable to scrubber/trommel and DMS beneficiation to a Mn product grade that could be commercial.

The <1mm grinds of both Cleanser DMS 3.4 products processed over the wet tables show increasing grades of Mn with lessening gangue grades. These products were viewed under binocular microscope and seen to comprise discrete fine crystals of high grade cryptomelane and manganite and quartzo-feldspathic gangue minerals. This observation has led Montezuma to believe that further grinding studies using electromagnetic separation may demonstrate further upgrade of the Mn product grades, with consequent improved liberation/loss of silica, alumina and phosphorous. This study has been commenced and results will be reported to the market on completion.

10DD01: MZ 5.9 - 21.0m CIRCUIT SUMMARY									
PRODUCT	Yield %	Mn		Fe		SiO2		Al2O3	
		%	dist.	%	dist.	%	dist.	%	dist.
HG Primary Concentrate	27.05%	35.69	67.80%	8.51	21.92%	17.720	11.34%	4.90	12.50%
Secondary Concentrate	10.60%	28.83	21.47%	12.70	12.83%	20.757	5.21%	5.39	5.39%
Process Tails	9.21%	14.17	9.17%	19.06	16.72%	31.442	6.85%	7.44	6.46%
Fine Tails	53.14%	0.42	1.57%	9.59	48.53%	60.940	76.60%	15.10	75.65%
Calculated Head	100.00%	14.24	100.00%	10.50	100.00%	42.272	100.00%	10.61	100.00%

Table 16 10DD01 Circuit Summary

10DD02: MZ 14.1 - 29.0m CIRCUIT SUMMARY									
PRODUCT	Yield %	Mn		Fe		SiO2		Al2O3	
		%	dist.	%	dist.	%	dist.	%	dist.
HG Primary Concentrate	12.62%	25.59	30.23%	17.25	17.26%	19.896	5.78%	5.17	6.22%
Secondary Concentrate	16.38%	25.25	38.73%	15.64	20.32%	21.672	8.17%	5.47	8.54%
Process Tails	24.89%	11.63	27.11%	17.18	33.91%	36.754	21.05%	8.55	20.27%
Fine Tails	46.10%	0.91	3.93%	7.80	28.51%	61.270	65.00%	14.79	64.97%
Calculated Head	100.00%	10.68	100.00%	12.61	100.00%	43.459	100.00%	10.50	100.00%

Table 17 10DD02 Circuit Summary

10DD04: MZ 12.6 - 27.4m CIRCUIT SUMMARY									
PRODUCT	Yield %	Mn		Fe		SiO2		Al2O3	
		%	dist.	%	dist.	%	dist.	%	dist.
HG Primary Concentrate	17.21%	28.92	44.12%	14.40	18.55%	19.890	8.10%	5.22	8.70%
Secondary Concentrate	13.92%	25.78	31.80%	15.26	15.89%	21.603	7.12%	5.47	7.37%
Process Tails	33.84%	7.42	22.25%	14.92	37.79%	44.907	35.97%	10.50	34.39%
Fine Tails	35.03%	0.59	1.83%	10.59	27.77%	58.850	48.81%	14.62	49.55%
Calculated Head	100.00%	11.28	100.00%	13.36	100.00%	42.243	100.00%	10.34	100.00%

Table 18 10DD04 Circuit Summary

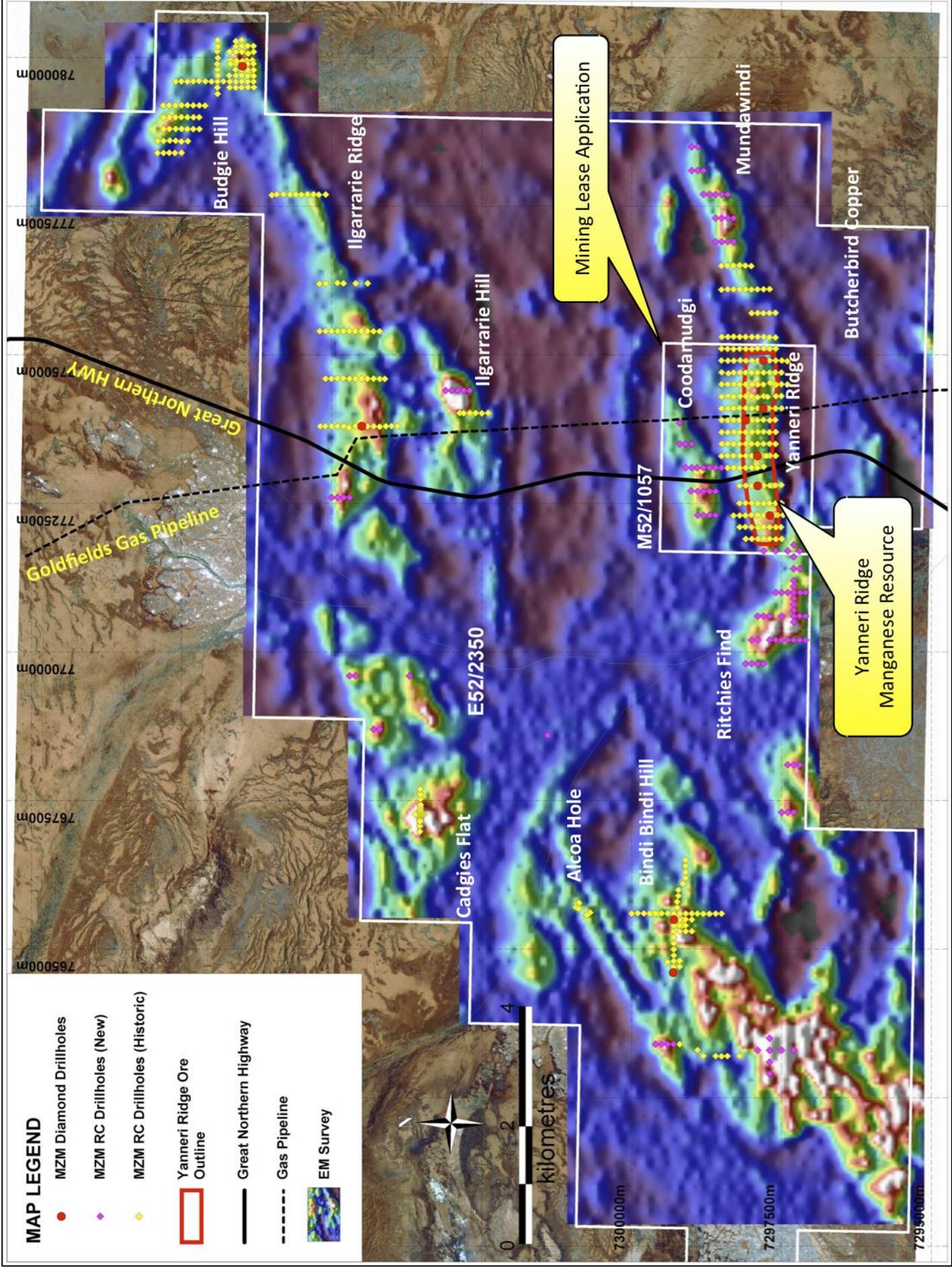
10DD05: MZ 8.0 - 25.5m CIRCUIT SUMMARY									
PRODUCT	Yield %	Mn		Fe		SiO2		Al2O3	
		%	dist.	%	dist.	%	dist.	%	dist.
HG Primary Concentrate	14.35%	36.83	48.89%	8.59	10.25%	17.220	5.29%	4.81	6.95%
Secondary Concentrate	9.29%	28.09	24.13%	13.43	10.37%	21.060	4.18%	5.48	5.12%
Process Tails	17.29%	12.43	19.88%	19.01	27.32%	33.816	12.50%	7.97	13.88%
Fine Tails	59.07%	1.30	7.10%	10.60	52.06%	61.760	78.03%	12.44	74.04%
Calculated Head	100.00%	10.81	100.00%	12.03	100.00%	46.756	100.00%	9.92	100.00%

Table 19 10DD05 Circuit Summary

10DD06: MZ 4.9 - 16.6m CIRCUIT SUMMARY									
PRODUCT	Yield %	Mn		Fe		SiO2		Al2O3	
		%	dist.	%	dist.	%	dist.	%	dist.
HG Primary Concentrate	14.95%	33.68	37.67%	10.69	11.85%	17.883	6.68%	4.53	7.37%
Secondary Concentrate	15.09%	26.76	30.20%	14.65	16.40%	21.261	8.02%	5.30	8.70%
Process Tails	26.60%	12.46	24.80%	19.98	39.42%	32.152	21.38%	7.64	22.12%
Fine Tails	43.36%	2.26	7.33%	10.05	32.33%	58.970	63.92%	13.10	61.81%
Calculated Head	100.00%	13.37	100.00%	13.48	100.00%	40.005	100.00%	9.19	100.00%

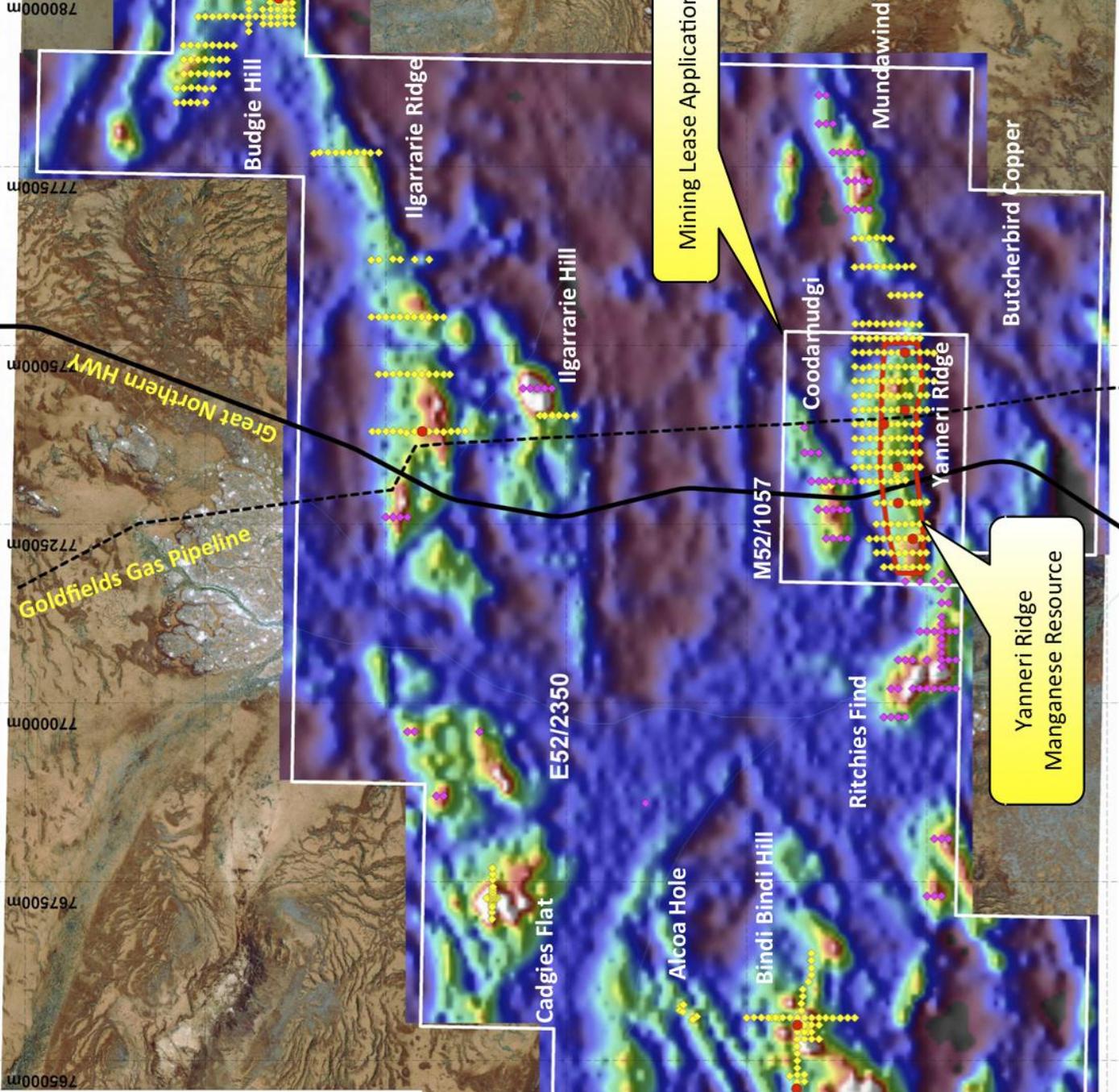
Table 20 10DD06 Circuit Summary

Table 3. Summary data from phase 2 <1mm grinding and wet table separation studies.



MAP LEGEND

- MZM Diamond Drillholes
- ◆ MZM RC Drillholes (New)
- ◇ MZM RC Drillholes (Historic)
- ▭ Yanneri Ridge Ore Outline
- Great Northern Highway
- - - Gas Pipeline
- EM Survey



780000m

777500m

77500m

77250m

77000m

76750m

76500m

M52/1057

730000m

7297500m

7295000m

Yanneri Ridge
Manganese Resource

Mining Lease Application

Butcherbird Copper

Great Northern HWY

77500m

Goldfields Gas Pipeline

77000m

76750m

76500m

Budgie Hill

Ilgarrarie Ridge

Ilgarrarie Hill

E52/2350

Cadgies Flat

Alcoa Hole

Bindi Bindi Hill

Ritchies Find

Yanneri Ridge

Coodamudgi

Mundawindi

Butcherbird Copper

Investor Coverage

Recent investor relations, corporate videos and broker/media coverage on the Company's projects can be viewed on the Company's website at www.montezumamining.com.au.

About Montezuma Mining Company Ltd

Listed in 2006, Montezuma (ASX: MZM) is a diversified explorer primarily focused on manganese, copper and gold. Montezuma has a 100% interest in the Butcherbird Manganese/Copper Project and an 85-100% interest in the Peak Hill and Durack Gold Projects in the Murchison region of Western Australia.

More Information

Justin Brown

Managing Director

Phone: +61 (8) 6315 1400

Mobile: +61 438 745 675

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 who is a full time employee of Montezuma Mining Company Ltd. 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 Australasian 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.