

MONTEZUMA

MINING COMPANY LTD

Montezuma Mining signs option agreement to purchase 75% interest in Woodie Woodie West manganese prospect

- ◆ Montezuma acquires option to purchase a 75% interest in E45/3548.
- ◆ Tenement abuts the western boundary of the high grade Woodie Woodie Manganese Mine.
- ◆ Several drill targets have been identified with no recorded historical drilling.
- ◆ Tenement covers the identical rock sequences as the Woodie Woodie Mine.
- ◆ Drill testing to commence as soon as heritage clearances have been completed.

Montezuma Mining Company Ltd ("Montezuma") is pleased to advise that it has entered into an option agreement with Ucabs Pty Ltd ("UCABS"), whereby Montezuma may acquire 75% of UCABS's interest in the Woodie Woodie West Project. The key terms of the agreement are as follows:

- Montezuma has paid an initial option fee of \$15,000 for an exclusive 12 month period.
- A second option payment of \$10,000 is due on commencement of drilling.
- Option agreement contains provisions for extensions of the option period.
- Upon exercise of the option, Montezuma will acquire a 75% interest in the licence on payment of \$375,000 in cash and \$100,000 in shares.

Tenement E45/3548 lies immediately west of the world class high grade Woodie Woodie Manganese Mine in the East Pilbara region of Western Australia. Woodie Woodie has been producing manganese ore since the early 1950's from a series of deposits hosted within the Carawine Dolomite and Pinjin Chert Breccia. The mine produces ore with over 45% contained Mn and has produced in excess of 35Mt of ore to date.¹

The Woodie Woodie West Project hosts identical rocks to those that host the mineralisation at the adjacent mine, and the tenement is undrilled.

ABOUT MONTEZUMA MINING

Listed in 2006, Montezuma Mining Company Ltd (ASX: MZM) is a diversified explorer primarily focused on manganese, copper and gold. The Company's primary objective is to achieve returns for shareholders through selected strategic acquisitions and targeted exploration programs.

Montezuma Mining has 100% interests in the Butcherbird Manganese/Copper Project in the Murchison region of Western Australia and the Mallee Project in the Yamarna Belt, Western Australia.

JULY 2014 MARKET DATA

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|--------------------------|----------------------|
| ASX code: | MZM |
| Share price: | \$0.135 |
| Shares on issue: | 70,464,350 |
| Market capitalisation: | \$9.51m |
| Cash as at 30 June 2014: | Approximately \$8.7m |

FOR MORE INFORMATION...

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

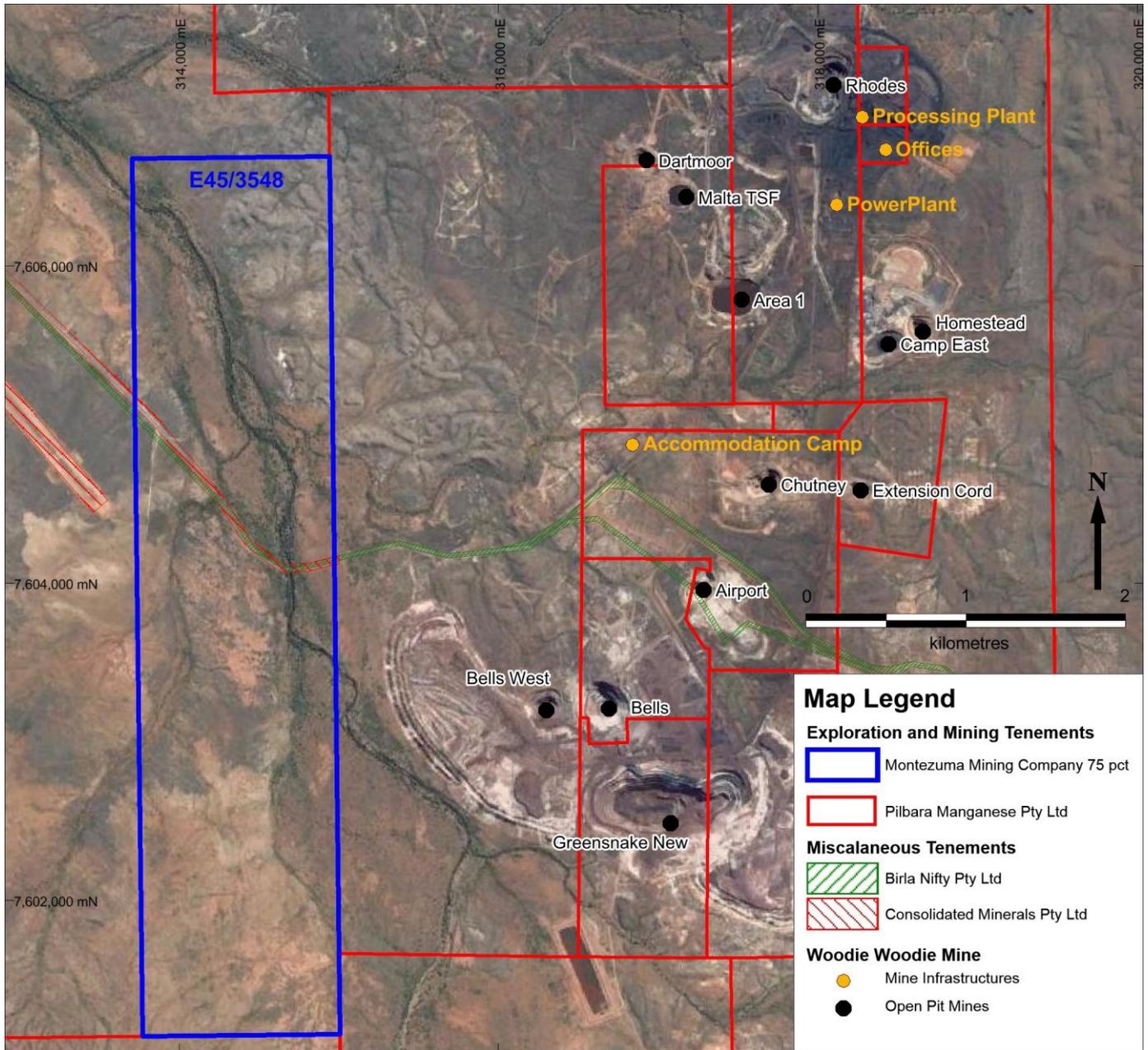


Figure 1: Aerial plan showing the location of E45/3548 adjacent to the multiple open pits and mine infrastructure at Woodie Woodie.

CEO Mike Moore said “Montezuma are very please to have concluded this deal with the holders of the Woodie Woodie West project. The ground holds considerable potential to host high grade manganese mineralisation similar to that at the world class Woodie Woodie Mine, and we are looking forward to testing this potential with a drilling campaign as soon as possible”.

It is envisaged that drill testing will commence on a number of identified target areas as soon as heritage clearances have been received.

¹Jones, Sarah and McNaughton, Neal J. and Grguric, Ben 2013. Structural controls and timing of Fault Hosted manganese at Woodie Woodie, East Pilbara, Western Australia. Ore Geology Reviews. 50: pp. 52-82.

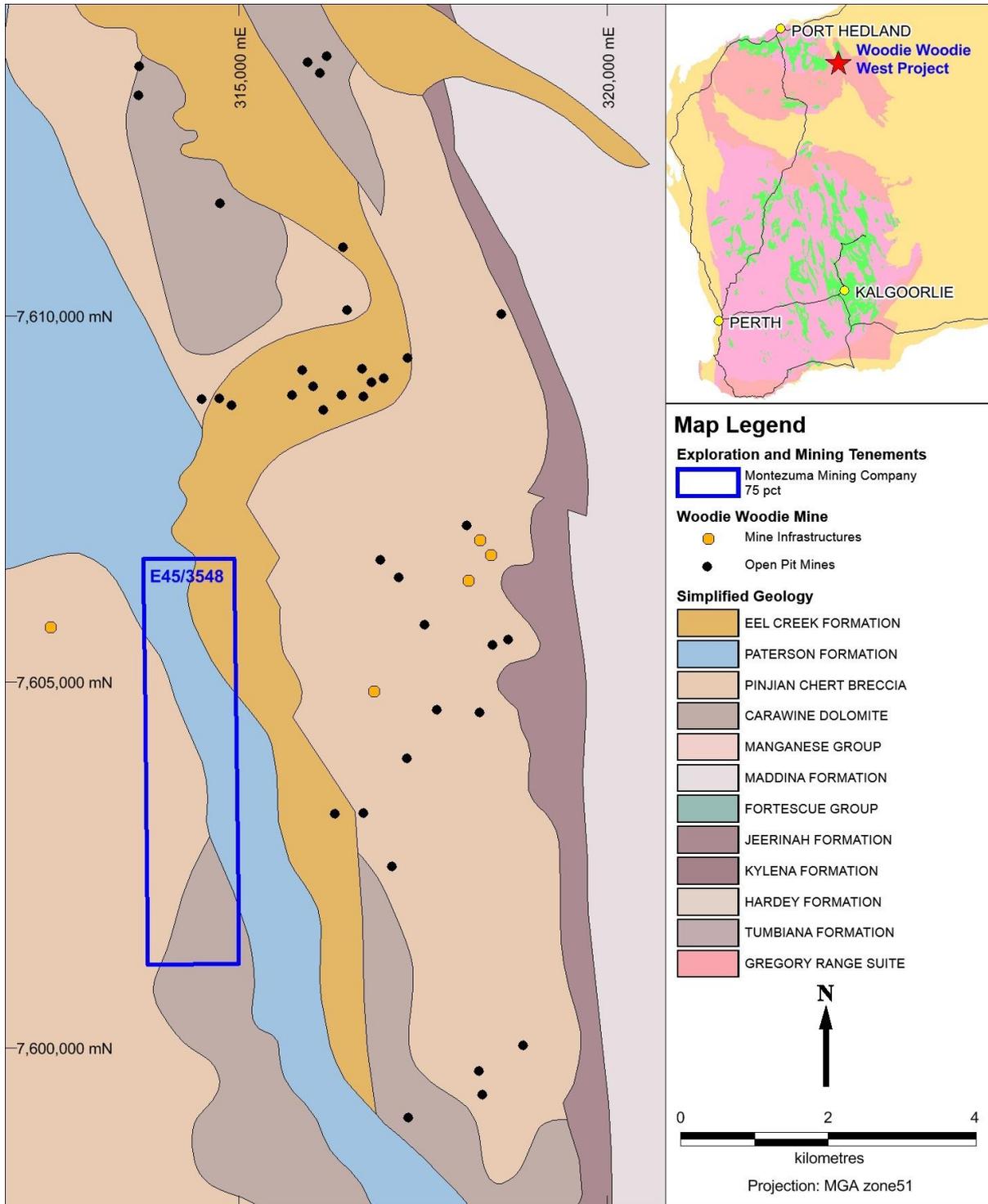


Figure 2: Geology plan showing existing pit locations and illustrating that the geology at Woodie Woodie West is largely identical to that at the Woodie Woodie Manganese Mine.

The Information in this report that relates to exploration results is based on information compiled by Mr Justin Brown, who is a member of the Australian Institute of Mining and 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.