



# MONTEZUMA

MINING COMPANY LTD

Montezuma Mining Company Ltd ("Montezuma") is pleased to advise that activities during the quarter have continued to generate highly encouraging results from the Company's flagship Yamarna Gold Project in WA.

## Highlights:

- Aircore geochemical drilling results confirmed strong **widespread regional anomalism** within multiple kilometre scale mineralised corridors in Archean basement rocks.
- Maiden reconnaissance RC drilling programme completed comprising 37 holes into the Jatz and Captain's Prospects.
- Results from the first 16 holes have been received with **assays up to 19.1 g/t Au**. Best results include:

YARC001: 10m @ 0.9 g/t from 46 metres and:

**7m @ 5.4 g/t Au** from 64 metres including:

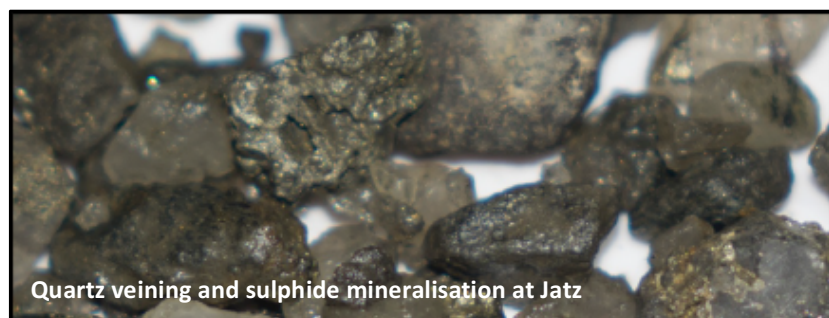
**2m @ 17.5 g/t Au** from 65 metres

YARC002: 4m @ 1.9 g/t Au from 119 metres including:

**2m @ 3.3 g/t Au** from 120 metres

YARC016: 4m @ 1.2 g/t Au from 80m

- Results confirm ore-grade mineralisation over 400m of strike within a prospective 5km long corridor at the Jatz Prospect.
- Results to date confirm the Jatz structural corridor as a high priority target zone for immediate follow up work.
- Results for the remaining 21 holes pending.
- Airborne survey completed to collect magnetic, radiometric and DTM datasets. Multiple additional targets defined.



Quartz veining and sulphide mineralisation at Jatz

## QUARTERLY OPERATIONS REPORT

31 DECEMBER 2015

### 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.

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

### MARKET DATA

ASX code:	MZM
Share Price:	\$0.23
Shares on issue:	70,464,350
Market capitalisation:	\$16.2M

### BOARD AND MANAGEMENT

Chairman	Seamus Cornelius
Executive Director	Justin Brown
Non-Executive Director	John Ribbons



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>

## YAMARNA PROJECT: (MZM 100%)

### Geochemical Aircore Drilling

During the September quarter a total of 202 aircore holes were completed for 7,525 metres. The programme was designed to test for basement (Archean) hosted primary gold mineralisation beneath multiple regional scale historic gold in soil anomalies<sup>1</sup>.

Samples were collected in four metre composites downhole except at notable geological boundaries, where sampling was constrained to the different units with particular attention given to separating transported cover, interface zones, palaeo-surfaces and underlying basement. A total of 2,280 samples were submitted for assay by Aqua Regia with an ICP-MS finish for gold and selected pathfinder elements including Au, Ag, As, Cu, Pb, Zn, Ni, Sb, Bi, W, Te and Mo.

The Archean geology intersected in the drilling was varied and indicated lithological and structural complexity, including multiple types of granite and mafic and meta-sedimentary rocks with quartz veining present in a number of the targeted areas. The overlying cover is variable in thickness, from approximately 12 metres in western areas to over 40m to the east. The cover comprises a combination of recent Aeolian dune material and various phases of alluvials and possible lacustrine members currently interpreted as Permian in age.

Samples returned indicate that the profile has four horizons that show significant gold anomalism, with the surface anomaly present in the soils data reflected in the upper parts of the drilling, an interpreted paleo-surface within the cover sequences, a strong interface anomaly at the Archean/Permian contact and primary basement hosted mineralisation in three holes. The basement mineralisation intersected also showed a moderate to strong copper, bismuth, molybdenum and tellurium association, a common assemblage in meso-thermal gold deposits in the Yilgarn Province.

Subsequent to the completion of this successful maiden programme, the company commenced the first ever RC drilling programme to test a selection of these anomalous areas.

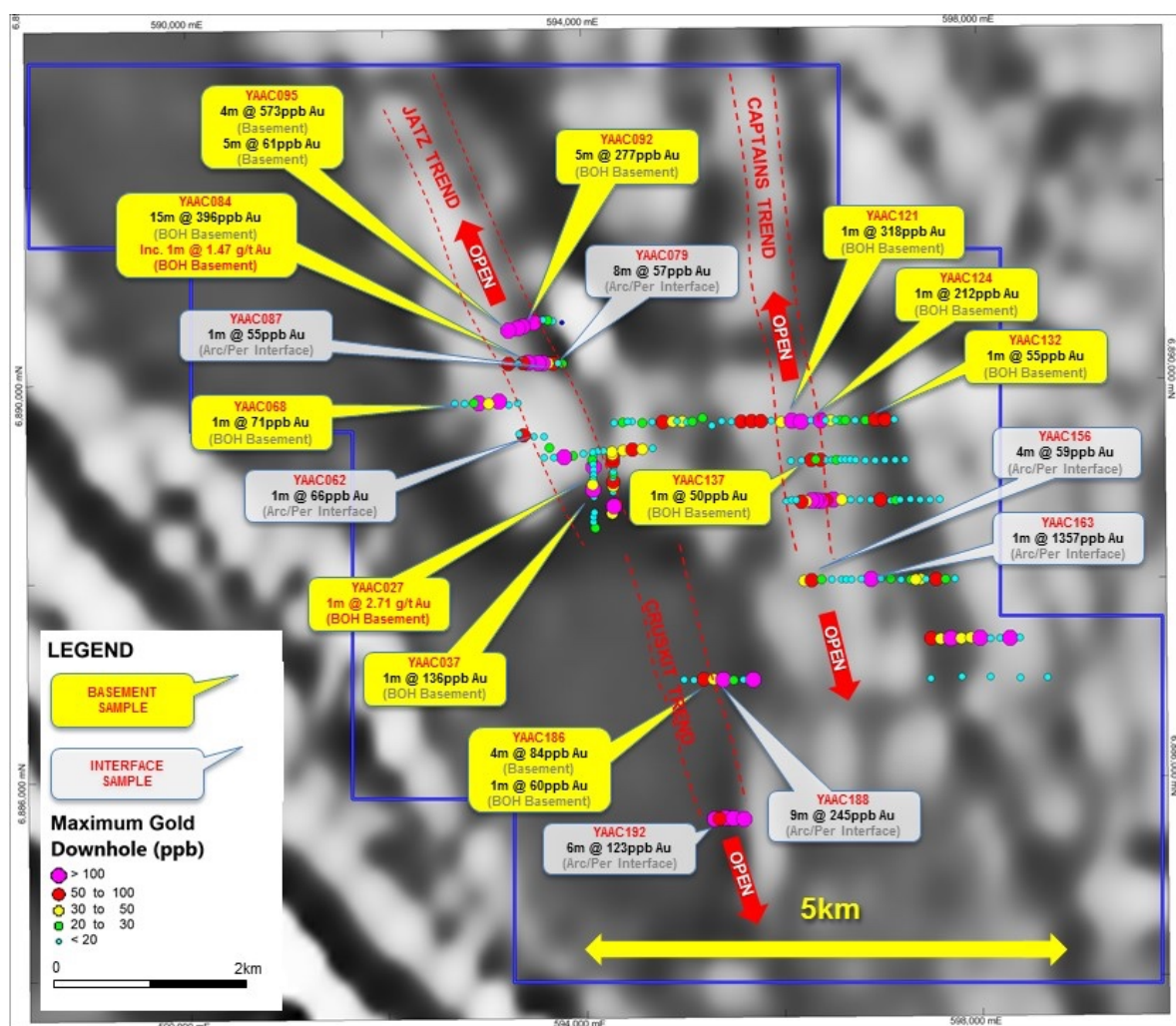
Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	Nominal RL (m)	Dip (°)	Azimuth (magnetic °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Au (ppb)	Interpreted Horizon
YAAC001	596504	6888804	400	-60	090	31	4	11	7	87	Recent Cover
YAAC002	596521	6888803	400	-90	000	36	14	18	4	173	Palaeo - Surface
YAAC007	597000	6888800	400	-90	000	46	16	20	4	91	Palaeo - Surface
YAAC015	596449	6888802	410	-90	000	36	0	8	8	55	Recent Cover
	and						8	12	4	57	Palaeo - Surface
	and						28	32	4	52	Archean/Permian
YAAC016	596401	6888790	410	-90	000	39	4	8	4	68	Recent Cover
	and						16	20	4	2281	Palaeo - Surface
	and						20	24	4	246	Palaeo - Surface
YAAC017	596351	6888795	410	-90	000	36	12	16	4	140	Palaeo - Surface

<sup>1</sup>Website reference [http://www.montezuma.com.au/images/uploads/150729\\_Results\\_Confirm\\_Yamarna\\_Gold\\_Targets.pdf](http://www.montezuma.com.au/images/uploads/150729_Results_Confirm_Yamarna_Gold_Targets.pdf)

Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	Nominal RL (m)	Dip (°)	Azimuth (magnetic °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Au (ppb)	Interpreted Horizon
YAAC018	596303	6888798	410	-90	000	39	12	16	4	703	Palaeo - Surface
	and						20	24	4	168	Palaeo - Surface
	and						24	28	4	338	Archaean/Permian
YAAC020	596199	6888785	410	-90	000	35	16	20	4	53	Palaeo - Surface
YAAC027	594100	6889153	415	-90	000	14	8	12	4	65	Palaeo - Surface
	and						12	13	1	89	Archaean/Permian
YAAC027	and						13	14	1	2708*	Archaean Basement
YAAC037	594096	6888924	415	-90	000	45	44	45	1	136	Archaean Basement
YAAC043	594305	6888754	415	-90	000	33	28	32	4	170	Archaean Basement
YAAC046	594302	6889002	415	-90	000	30	28	29	1	83	Archaean Basement
YAAC051	594298	6889202	415	-90	000	18	0	4	4	66	Recent Cover
YAAC053	594295	6889250	415	-90	000	13	0	4	4	59	Recent Cover
YAAC062	593804	6889252	415	-90	000	28	21	22	1	66	Archaean/Permian
							24	28	4	74	Archaean Basement
YAAC068	593398	6889475	415	-90	000	19	18	19	1	71	Archaean Basement
YAAC072	593149	6889817	415	-90	000	48	24	28	4	68	Archaean Basement
							44	48	4	189	Archaean Basement
YAAC074	592948	6889804	415	-90	000	51	24	28	4	183	Archaean Basement
YAAC079	593702	6890195	415	-90	000	61	12	20	8	57	Archaean/Permian
YAAC082	593596	6890200	415	-90	000	46	12	22	10	78	Archaean Basement
							34	38	4	80	Archaean Basement
YAAC083	593550	6890201	388	-90	000	46	16	24	8	87	Archaean Basement
YAAC084	593447	6890204	415	-90	000	55	40	55	15	396	Archaean Basement
YAAC084	Including						54	55	1	1472	Archaean Basement
YAAC085	593397	6890201	415	-90	000	54	40	50	10	67	Archaean Basement
YAAC087	593251	6890192	415	-90	000	30	15	16	1	55	Archaean/Permian
YAAC092	593504	6890607	415	-90	000	67	62	67	5	277	Archaean Basement
YAAC093	593398	6890569	415	-90	000	61	8	18	12	274	Recent Cover
							20	24	4	117	Archaean Basement
							40	50	10	56	Archaean Basement
YAAC094	593346	6890553	415	-90	000	62	40	60	20	74	Archaean Basement
YAAC095	593251	6890530	415	-90	000	68	46	50	4	573	Archaean Basement
							62	67	5	61	Archaean Basement
YAAC097	594498	6889325	415	-90	000	21	4	8	4	60	Recent Cover
YAAC106	594805	6889599	415	-90	000	18	0	4	4	66	Recent Cover
YAAC116	595598	6889596	410	-90	000	22	8	12	4	89	Palaeo - Surface
YAAC117	595702	6889601	410	-90	000	21	8	12	4	92	Palaeo - Surface
YAAC118	595799	6889598	410	-90	000	26	8	12	4	66	Palaeo - Surface
YAAC121	596110	6889601	410	-90	000	26	25	26	1	318	Archaean Basement
YAAC122	596201	6889593	410	-90	000	26	20	24	4	115	Palaeo - Surface
YAAC124	596402	6889604	410	-90	000	38	37	38	1	212	Archaean Basement
YAAC132	596952	6889608	410	-90	000	45	44	45	1	55	Archaean Basement
YAAC133	597052	6889605	410	-90	000	39	8	12	4	81	Palaeo - Surface
YAAC137	596302	6889205	410	-90	000	36	35	36	1	50	Archaean Basement
YAAC138	596401	6889206	410	-90	000	28	0	4	4	84	Recent Cover
YAAC156	596300	6887995	410	-90	000	47	40	44	4	59	Archaean/Permian
YAAC163	596897	6888004	410	-90	000	46	44	45	1	1357	Archaean/Permian
YAAC171	597557	6887997	410	-90	000	58	20	24	4	67	Palaeo - Surface
YAAC174	597501	6887400	410	-90	000	58	28	36	8	82	Palaeo - Surface

Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	Nominal RL (m)	Dip (°)	Azimuth (magnetic °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Au (ppb)	Interpreted Horizon
YAAC176	597702	6887401	410	-90	000	68	28	32	4	189	Palaeo - Surface
YAAC179	597998	6887401	410	-90	000	66	28	36	8	370	Palaeo - Surface
YAAC182	598300	6887401	410	-90	000	67	12	16	4	103	Palaeo - Surface
YAAC186	595197	6887009	410	-90	000	47	24	28	4	84	Archaean
							46	47	1	60	Archaean
YAAC188	595399	6886999	410	-90	000	48	32	41	9	245	Archaean/Permian
YAAC191	595698	6887000	410	-90	000	57	44	48	4	375	Archaean/Permian
YAAC192	595299	6885598	410	-90	000	53	36	42	6	123	Archaean/Permian
YAAC193	595403	6885608	410	-90	000	52	36	40	4	53	Palaeo - Surface
YAAC194	595352	6885601	410	-90	000	54	36	40	4	188	Palaeo - Surface
YAAC195	595450	6885605	410	-90	000	55	36	40	4	313	Palaeo - Surface
YAAC196	595489	6885605	410	-90	000	52	36	44	8	395	Palaeo - Surface
YAAC197	595600	6885597	410	-90	000	51	50	51	1	248	Palaeo - Surface

**Table 1: Significant gold assays >50ppb from recently completed aircore drilling at the Yamarna Project. All intersections are quoted as downhole widths. (Note - \* indicates this is a Fire Assay Repeat following an over range result initially.**



**Figure 1 : Regional collar location plan showing widespread gold anomalism in three major corridors**



## Reconnaissance RC Drilling

To follow up on the encouraging assay results from the maiden aircore drilling programme, 37 RC drillholes were completed for a total of 4,520m across traverses at the Jatz and Captain's Prospects to test for primary basement hosted mineralisation.

During the quarter, assay results for the first 16 RC drillholes were received, which returned multiple ore grade intercepts including high grades up to 19.1 g/t Au. The remaining 21 holes of the 37 hole programme remain pending.

The results received to date are from two reconnaissance drill traverses across a regional scale soil and aircore geochemical anomaly at the Jatz Prospect and have confirmed ore grade gold mineralisation over at least 400m of strike within this prospective zone. The two traverses represent the first ever RC drilling completed within the Jatz gold corridor which extends over an interpreted strike length of up to 5 km.

The gold occurs in zones of altered greenstones with variable silica, carbonate, pyrite, sericite alteration with quartz veining. The mineralisation has all the hallmarks of a mesothermal shear hosted gold system with potential for significant scale.

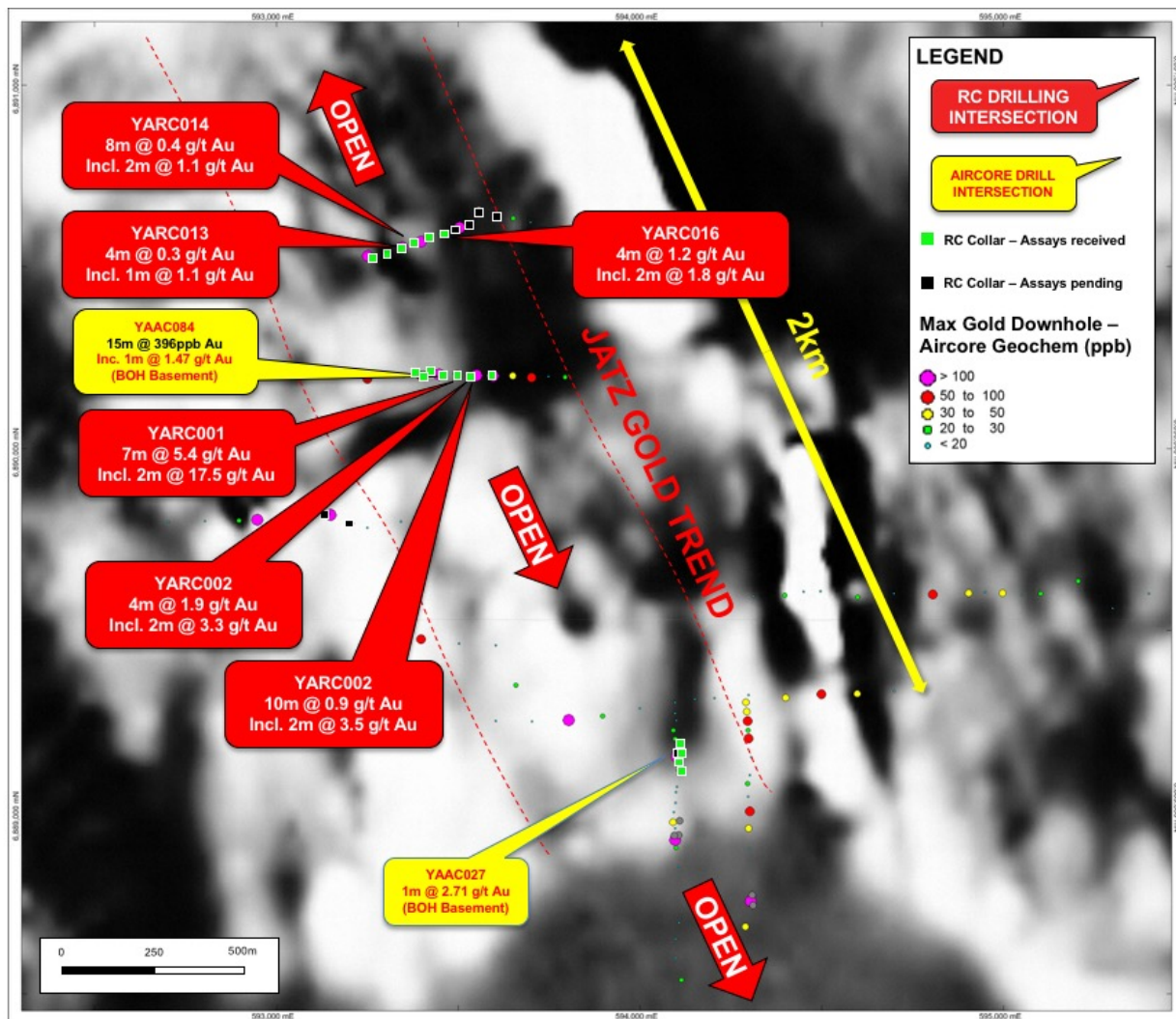


Figure 2: Collar locations over aeromagnetics. Assays from RC drilling are for the first 16 holes of a 37 hole programme.

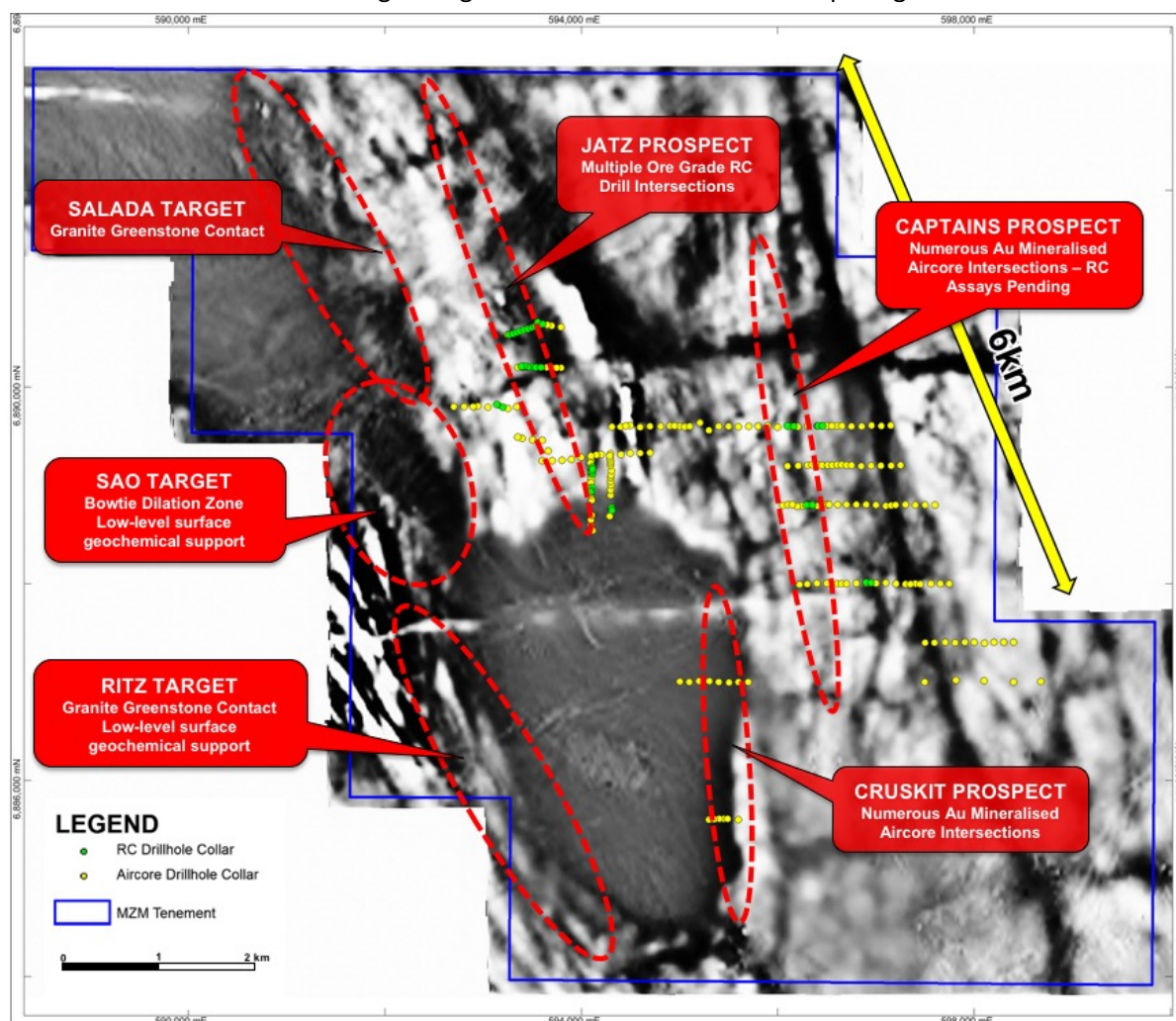
Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	Nominal RL (m)	Dip (°)	Az. (mag °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Au (g/t)
Previously reported aircore results at the Jatz Prospect										
YAAC027	594100	6889153	411	-90	000	14	13	14	1	2.7
YAAC084	593447	6890204	398	-90	000	55	40	55	15	0.4
New RC assay results										
YARC001	593496	6890206	398	-60	270	138	46	56	10	0.9*
						Including	52	54	2	3.5*
							64	71	7	5.4*
						Including	65	67	2	17.5*
YARC002	593532	6890201	398	-60	270	132	119	123	4	1.9*
						Including	120	122	2	3.2*
YARC003	593404	6890204	397	-60	090	120	46	47	1	0.2
							51	52	1	0.1
							79	81	2	0.2
YARC004	593457	6890205	398	-60	270	90	42	47	5	0.2
YARC005	593421	6890213	397	-60	270	96	45	47	2	0.3
YARC006	593387	6890207	397	-60	270	132	70	71	1	0.2
							95	96	1	0.3
							122	123	1	0.2
YARC007	594107	594107	411	-60	180	72	No Significant Assays			
YARC008	594110	594110	411	-60	180	78	No Significant Assays			
YARC009	594107	594107	411	-60	000	60	No Significant Assays			
YARC010	594110	594110	412	-60	000	78	No Significant Assays			
YARC011	593265	6890530	396	-60	250	150	59	65	6	0.1
							74	75	1	0.1
							103	104	1	0.3
							136	138	2	0.2
YARC012	593306	6890539	396	-60	250	120	77	79	2	0.1
YARC013	593344	6890553	395	-60	250	126	73	74	1	0.1
							107	111	4	0.3
						Including	110	111	1	1.1
YARC014	593376	6890567	395	-60	250	120	58	66	8	0.4
						Including	58	60	2	1.1
							71	72	1	0.1
YARC015	593414	6890581	395	-60	250	120	45	46	1	0.1
YARC016	593456	6890590	395	-60	250	192	80	84	4	1.2
						Including	81	83	2	1.8
							110	112	2	0.1
							126	133	7	0.3
							156	165	9	0.3
YARC017	593495	6890604	396	-60	250	215	Assays Pending			
YARC018	593530	6890617	397	-60	250	120	Assays Pending			
YARC019	593557	6890657	398	-60	250	168	Assays Pending			
YARC020	593605	6890639	397	-60	270	210	Assays Pending			
YARC021	593588	6890200	399	-60	270	201	Assays Pending			
YARC022	593203	6889794	399	-60	270	120	Assays Pending			
YARC023	593137	6889820	398	-60	270	126	Assays Pending			
YARC024	594113	6889163	412	-60	270	60	Assays Pending			
YARC025	594109	6888976	414	-60	180	138	Assays Pending			
YARC026	594106	6888937	416	-60	180	78	Assays Pending			

Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	Nominal RL (m)	Dip (°)	Az. (mag °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Au (g/t)
YARC027	594094	6888935	416	-60	000	54				Assays Pending
YARC028	594308	6888771	421	-60	270	120				Assays Pending
YARC029	594311	6888743	419	-60	270	126				Assays Pending
YARC030	596094	6889606	411	-60	270	120				Assays Pending
YARC031	596164	6889599	410	-60	270	120				Assays Pending
YARC032	596408	6889602	408	-60	270	120				Assays Pending
YARC033	596452	6889603	408	-60	270	120				Assays Pending
YARC034	596291	6888801	420	-60	270	120				Assays Pending
YARC035	596351.4	6888800	420	-60	270	120				Assays Pending
YARC036	596898	6888011	425	-60	270	120				Assays Pending
YARC037	596948	6888010	425	-60	270	120				Assays Pending

**Table 2: Significant gold assays >0.1 g/t (max. 2m internal dilution) from recently completed RC drilling at the Yamanra Project. All intersections are quoted as downhole widths. Assays have now been received for the first 16 holes of a 37 hole programme. Assays completed by Aqua Regia digest except where \* denotes fire assays.**

## Airborne Geophysical Survey

To assist with ongoing targeting efforts at the Yamanra Project a fixed wing airborne survey was conducted over the entire area of tenement E38/2889 to collect magnetic, radiometric and DTM datasets. The survey was flown on east-west lines with a nominal flight height of 30m and a nominal line spacing of 50m.



**Figure 3: Multiple new targets identified by recently flown close-spaced aeromagnetics. Targets shown over 1vD RTP data.**

Preliminary interpretation of the data has identified a number of new structural targets associated with the margins of a large internal granite intrusive. The targets have been designated as the Salada, Sao and Ritz Prospects and will be the focus of follow up work in the coming quarters, along with the ongoing work at Jatz, Captains and Cruskit.

## **Project Background**

The Yamarna Belt is historically underexplored and highly prospective for gold mineralisation. It has a current reported Mineral Resource by Gold Road Resources Limited (GOR) of 5.1 million ounces of gold<sup>2</sup> and hosts a number of new discoveries.

The only previous exploration recorded on Montezuma's tenure has been by WMC in 1997 comprising 377 soil geochemical samples collected on a 1,600m x 200m grid and in filled to 400m x 200m around areas of gold anomalism<sup>3</sup>.

A total of 36 samples recorded Au greater than 5ppb (anomalously high) with a peak result of 22ppb. The anomalies are associated with and in a similar orientation to interpreted granite-greenstone contact positions on the eastern side of the same suite of rocks that host GOR's Gruyere gold deposit.

Based on the regional geology and the coherent and extensive geochemical anomalism, Montezuma regards E38/2889 as having potential to host significant basement gold mineralisation.

## **BONNEVAL GOLD PROJECT FRANCE (UNDER APPLICATION)**

The Bonneval application continues to progress through the application approval process and the market will be advised when any material developments transpire.

## **FOR MORE INFORMATION...**

### **Justin Brown**

Executive Director

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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 <http://www.montezuma.com.au>.

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<sup>2</sup> Website reference <http://www.goldroad.com.au/reports/GruyereMaidenResourceAugust2014.pdf>

<sup>3</sup> [http://geodocs.dmp.wa.gov.au/common/searchAPI.do?cabinetId=2301&Report\\_Ref=A54286](http://geodocs.dmp.wa.gov.au/common/searchAPI.do?cabinetId=2301&Report_Ref=A54286)



*The information in this report that relates to Exploration Results, Mineral Resources and Mineral Reserves is based on information compiled by Mr Bradley Drabsch who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results, Mineral Resources and Mineral Reserves were compiled, Mr Drabsch was an employee of Montezuma Mining Company Ltd. Mr Drabsch 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 Drabsch or an entity related to or controlled by Mr Drabsch holds options over fully paid shares in the Company at the time of this report. Mr Drabsch consents to the inclusion of this information in the form and context in which it appears in this report.*

*In accordance with Listing Rule 5.23.2, the Company confirms in the subsequent public report that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.*

*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 31 December 2015**

	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	E09/1985	Yalbra WA	15%	N/A	15%
	E15/1447	Lake Lefroy WA	100%	N/A	100%
	E20/659	Eelya Hill WA	10%	N/A	10%
	P20/2018	Eelya Hill WA	10%	Disposed	0%
	E20/874	Sunday Well WA	100%	N/A	100%
	E20/880	Yallon Well	100%	N/A	100%
	E28/2313	Green Dam WA	100%	N/A	100%
	E28/2327	Green Dam WA	100%	N/A	100%
	E28/2504	Manners Flat WA	100%	N/A	100%
	E28/2550	Pinnacles WA	100%	Disposed	0%
	E28/2577	Pinnacles WA	0%	Acquired	100%
	E36/843	Leinster WA	100%	N/A	100%
	E37/1176	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%
	E38/2999	Malle Hen Point North WA	100%	N/A	100%
	E38/3092	Point Sunday	0%	Acquired	100%
	E46/982	Pilbara WA	100%	N/A	100%
	E51/1622	Telegraph Well WA	100%	N/A	100%
	E51/1693	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%
	E52/2658	Butcherbird South WA	100%	N/A	100%
	E52/2831	Millidie Creek WA	100%	N/A	100%
	E52/3082	Mt Padbury WA	100%	N/A	100%
	E52/3082	Mt Padbury WA	100%	N/A	100%
	E52/3272	Butcher Bird East WA	100%	Disposed	0%
	E52/3337	Butcher Bird North WA	100%	N/A	100%
	E52/3353	Peak Hill WA	0%	Acquired	100%
	E52/3354	Peak Hill WA	0%	Acquired	100%
	E52/3355	Peak Hill WA	0%	Acquired	100%
	E53/1834	Mt Keith WA	100%	Disposed	0%
	E58/489	Challa Well WA	100%	Disposed	0%
	E58/494	Naluthanna Hill WA	100%	N/A	100%
	E59/2143	Twin Peaks WA	100%	N/A	100%
	E63/1750	Lake Johnston WA	100%	N/A	100%
	E77/2294	Holleton WA	100%	Disposed	0%
	E77/2334	Holleton WA	0%	Acquired	100%
	E69/3311	Cunyua WA	100%	N/A	100%

Notes:

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