

24 January 2008

ASX CODE: MZM

ISSUED SHARES: 36.9M

52 WEEK HIGH: \$0.36

52 WEEK LOW: \$0.15

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BOARD:

Denis O'Meara: Chairman

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KEY PROJECTS:

PEAK HILL (100%)

Gold

MT. PADBURY (90%)

Gold, Manganese, Uranium

ROBINSON RANGE (70%)

Uranium, Gold

CALLAWA (100%)

Copper, Gold

TALGA (90%)

Gold, VMS

NEW GOLD ZONE CONFIRMED AT PEAK HILL JUBILEE PROSPECT

- Assays received from the final 15 holes of the RC drilling programme at Peak Hill.
- Redrilling of JBRC0003 extends new zone from 116m to 147m with best results of **6m @ 16.4 g/t** and **7m @ 4.14 g/t**.
- JBRC0003 again finished in mineralisation - new zone remains open at depth.

Montezuma is pleased to announce that all 2m composite assay results have been received from the first 20 holes drilled in the Jubilee Prospect area within the Peak Hill Project.

Highlights from the programme include:

- **JBRC0003** 6m @ 16.4 g/t from 116m
 2m @ 3.88 g/t from 130m
 2m @ 8.31 g/t from 138m
 7m @ 4.14 g/t from 142m (EOH)
- **JBRC0007** 8m @ 9.35 g/t from 86m

A total of 20 holes were completed for 2,511m. All holes were drilled at -60°. Four planned holes were not drilled due to clearance issues.

The programme was designed to test extensions to known mineralisation as well as structural repetitions. The programme achieved both, particularly in hole JBRC0003, which intersected an overall mineralised zone of 35m down-hole width beneath previous drilling.

Gold at Jubilee occurs within quartz stock-work within the quartz/sericite Peak Hill Schists. The mineralisation occurs spatially alongside the margins of a doleritic dyke which crosscuts the basement lithologies.

Delays in releasing these results were caused by coarse gold issues which have impacted on the assay process. Work is ongoing and a suitable assay methodology is being investigated to provide more robust data from the re-splits and from future drilling in the area.

Assay results >0.5 g/t from the drilling (2m composites) are listed below.

Hole ID	Northing	Easting	From	To	Grade	Composite
JBRC001			26	28	0.67	
			30	32	0.87	4m @ 0.77 g/t
			96	98	0.81	
			116	118	2.78	
			118	120 EOH	0.66	4m @ 1.72 g/t
JBRC002			2	4	0.86	
			4	6	1.33	
			6	8	1.27	
			8	10	0.75	8m @ 1.05 g/t
			18	20	1.04	
JBRC003			116	118	16.30	
			118	120	30.89	
			120	122	1.53	6m @ 16.24 g/t
			130	132	3.88	2m @ 3.88 g/t
			138	140	8.31	2m @ 8.31 g/t
			142	144	0.54	
			144	146	0.93	
			146	147 EOH	1.66	7m @ 4.14 g/t
JBRC004			20	22	1.25	
JBRC005			28	30	1.48	
			44	46	0.65	
JBRC006			96	98	1.03	
			98	100	0.82	4m @ 0.93 g/t
JBRC008			50	52	0.67	
JBRC009			38	39	1.45	
			44	45	0.57	
			124	125	4.67	
			125	126	1.51	2m @ 3.09 g/t
			129	130	7.31	
JBRC015			4	6	0.52	
JBRC016			142	144	0.51	
JBRC017			86	88	0.70	
			88	90	35.10	
			90	92	1.10	
			92	94	0.51	8m @ 9.35 g/t
			128	130	1.48	
JBRC018			134	136	3.63	2m @ 3.63 g/t
JBRC019			144	146	2.14	

The RC drilling rig used for the programme proved underpowered for the deeper holes. The rig has been released from site and a Montezuma is currently sourcing a more appropriate rig to continue drilling at Peak Hill.

These encouraging results continue to support Montezuma's strategy of building on the existing +200,000 oz resource base at Peak Hill with the strategic goal of generating sufficient resources to support a stand-alone producing mine within 3 years.

MT PADBURY

In addition to planning follow up drilling at the Wood Creek gold prospect, Montezuma is also moving forward with its plans to accelerate work on the manganese at Mt Padbury, with assay results pending from several new zones identified since the previous release.

PILBARA

A drilling rig is currently being sourced to undertake first pass testing of the virgin Callawa Prospect in the East Pilbara region of Western Australia. Surface sampling at Callawa has previously returned results of up to 29% copper with significant associated gold and silver anomalism.

This target has never been drilled and all statutory clearances are in place to commence the maiden drilling programme as soon as a rig is available.

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 Australian Institute of Mining & 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.