

ASX RELEASE



MONTEZUMA MINING COMPANY LTD

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ABN 46 119 711 929

11 October 2010

ASX CODE: MZM

ISSUED SHARES: 42.33M

52 WEEK HIGH: \$0.40

52 WEEK LOW: \$0.16

CONTACT:

JUSTIN BROWN

Managing Director

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BOARD:

Denis O'Meara: Chairman

Justin Brown: MD

John Ribbons: Non-Exec

KEY PROJECTS:

PEAK HILL (85-100%)

Gold

DURACK (earning 85%)

Gold, Copper

BUTCHERBIRD (100%)

Manganese, 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

FURTHER MANGANESE INTERSECTED AT BINDI HILL AND CADGIES FLATS

- Drilling at Butcherbird (west) confirms large tonnages of beneficiable manganese mineralisation.
- Best Results include;
 - 10BBRC028: 16m @ 12.50% Mn from surface
 - 10BBRC054: 15m @ 11.61% Mn from surface
 - 10BBRC006: 24m @ 9.38% Mn from surface
- Results to date support at Bindi Hill support an ****Exploration Target of 20-30 Mt @ 8-15% manganese**. Excellent potential to exceed this with further drilling.
- 9,000m RC and DD drilling programme commencing mid-October to support maiden JORC Resource Estimate.

***It should be noted that 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.*

The Company is pleased to advise complete drilling results have now been received from the phase 1 drilling at the Bindi Bindi Hill, Alcoa Hole and Cadgies Flats manganese Prospects within the Butcherbird manganese/copper project.

The drilling results further confirm the presence of broad areas of beneficiable manganese material starting at surface and extending over significant mineable widths of 5-24m.

The work completed to date supports an ****Exploration Target potential at Bindi Bindi Hill of 20-30 Mt at 8-12% Mn**. Beneficiation test work completed so far suggests that the material can be beneficiated by crushing, screening and dense media separation and work is ongoing to further refine this process.

At Cadgies Flat the mineralisation is somewhat thinner, at around 5m but some very high grades have been returned from rock chips in this area and based on mapping since the first pass drilling was completed, we now believe that the best areas have yet to be drilled.

RC and Diamond drilling is scheduled to re-commence mid October to support more definitive metallurgical testing which are expected to yield better recoveries and potentially higher beneficiation grades than the work completed to date on RC chips. The drilling will also support a maiden JORC Resource Estimate over selected mineralised zones.

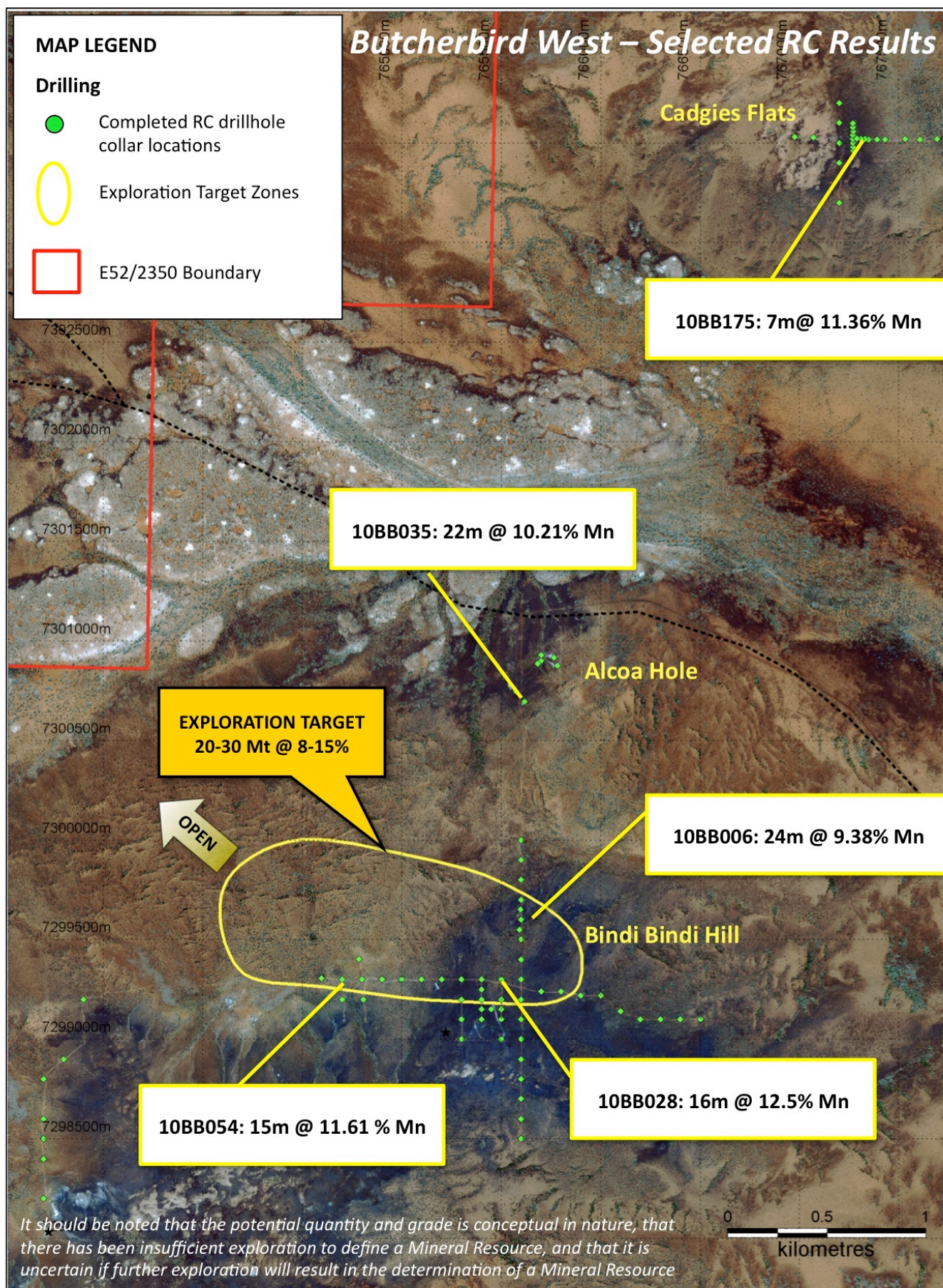


Figure 1: Plan view showing completed drillhole locations, selected RC composite intersections and prospect locations at Butcherbird (west).

Hole ID	Prospect	Northing	Easting	From	To	Interval	Mn(%)	Including	Fe(%)	SiO2(%)	P(%)
10BB001	Alcoa Hole	7300915	765764	0	1	1	7.26		8.3	46.1	0.03
				8	10	2	11.3		10.04	46.4	0.1
				12	14	2	9.1		8.56	49.95	0.12
10BB002	Alcoa Hole	7300900	765700	22	23	1	14.41		14.69	29.7	0.05
10BB003	Alcoa Hole	7300876	765781	4	9	5	10.66		9.27	43.76	0.06
				18	24	6	13.12		9.73	44.02	0.06
				29	38	9	11.54		11.21	37.86	0.07
10BB034	Alcoa Hole	7300694	765616	8	11	3	8.29		9.46	50.13	0.05
				25	37	12	11.6		9.98	37	0.08
10BB035	Alcoa Hole	7300745	765573	2	24	22	10.21	2m@16.03	11.29	45.01	0.08
				29	34	5	7.88		8.76	43.92	0.08
10BB005	Bindi Bindi Hill	7299650	765598	5	17	12	9.22		10.85	46.58	0.1
				20	29	9	9		10.14	40.5	0.14
10BB006	Bindi Bindi Hill	7299549	765593	0	24	24	9.38		9.99	43.47	0.09
10BB007	Bindi Bindi Hill	7299150	765500	0	10	10	12.2		10.8	43.94	0.1
10BB008	Bindi Bindi Hill	7299150	765450	0	9	9	11.8		11.23	43.03	0.1
10BB009	Bindi Bindi Hill	7299151	765400	0	9	9	10.24		10.57	42.68	0.12
10BB010	Bindi Bindi Hill	7299250	765400	1	12	11	10.86		11.55	42.34	0.11
10BB017	Bindi Bindi Hill	7299000	765300	0	2	2	7.38		9.65	47.1	0.08
10BB018	Bindi Bindi Hill	7299100	765300	6	12	6	9.72		8.88	46.38	0.09
10BB019	Bindi Bindi Hill	7299200	765300	0	10	10	12.81		10.57	42.92	0.1
10BB020	Bindi Bindi Hill	7299300	765300	2	11	9	13.15		11.68	40.66	0.11
10BB022	Bindi Bindi Hill	7299100	765400	0	4	4	11.23		10.05	40.48	0.08
				10	13	3	9.24		9.93	47.5	0.09
10BB023	Bindi Bindi Hill	7299200	765400	0	10	10	12.22	5m@16.21	9.57	42.5	0.11
10BB024	Bindi Bindi Hill	7299300	765400	0	15	15	11.87	3m@16.78	9.48	43.37	0.09
10BB025	Bindi Bindi Hill	7299000	765500	1	4	3	7.76		8.86	46.76	0.07
10BB026	Bindi Bindi Hill	7299100	765500	0	8	8	12.12	3m@17.14	9.07	42.43	0.08
10BB027	Bindi Bindi Hill	7299200	765500	0	13	13	12.16	4m@18.50	9.84	43.82	0.1
10BB028	Bindi Bindi Hill	7299300	765500	0	16	16	12.5	1m@22.23	9.61	45.06	0.1
10BB029	Bindi Bindi Hill	7299000	765600	1	6	5	5.33		8.04	47	0.13
10BB030	Bindi Bindi Hill	7299100	765600	0	6	6	8.01		7.78	46.43	0.09
10BB031	Bindi Bindi Hill	7299200	765600	0	7		12.42	2m@12.42	11.12	42.08	0.11
10BB032	Bindi Bindi Hill	7299300	765600	1	16	15	8.82		9.55	43.69	0.08
10BB054	Bindi Bindi Hill	7299300	764700	0	15	15	11.61	2m@22.70	9.02	46.62	0.08
				22	24	2	9.6		10.35	47.15	0.07
10BB054B	Bindi Bindi Hill	7299200	764700	1	6	5	8.09		10.52	49.94	0.1
				25	26	1	10.53		8.88	47.4	0.09
10BB054S	Bindi Bindi Hill	7299306	764597	4	25	21	10.58	9m@13.77	10.55	46.7	0.09
10BB055	Bindi Bindi Hill	7299300	764800	2	8	6	11.66	2m@13.89	8.96	47.13	0.08
				18	19	1	14.02		9.79	43.5	0.14
10BB055B	Bindi Bindi Hill	7299403	764784	8	24	16	9.87		10.86	47.79	0.1
10BB055C	Bindi Bindi Hill	7299200	764807	0	1	1	15.1		7.27	45.7	0.05
10BB056	Bindi Bindi Hill	7299300	764900	1	2	1	13.3		7.48	51.7	0.03
				5	13	8	9.04		8.54	50.31	0.07
10BB057	Bindi Bindi Hill	7299300	765000	1	13	12	12.26	6m@14.26	10.03	45.33	0.1
				23	26	3	6.49		8.09	47.27	0.12
10BB058	Bindi Bindi Hill	7299300	765100	1	14	13	8.28	4m@10.47	10.09	46.5	0.1
10BB059	Bindi Bindi Hill	7299300	765200	0	8	8	8.71	1m@12.00	8.02	44.55	0.1
10BB060	Bindi Bindi Hill	7298500	765600	1	2	1	10.38		10.91	46.7	0.04
10BB061	Bindi Bindi Hill	7298600	765600	4	6	2	9.6		9.82	46.95	0.09
10BB065	Bindi Bindi Hill	7299400	765600	0	17	17	8.66	5m@11.06	9.26	42.21	0.09
10BB066	Bindi Bindi Hill	7299500	765600	0	19	19	8.47	3m@10.77	10.07	45.23	0.09
10BB067	Bindi Bindi Hill	7299600	765600	1	27	26	9.52	2m@20.68	9.31	42.01	0.11
10BB068	Bindi Bindi Hill	7299700	765600	6	15	9	8.14		11.35	47.49	0.12
				20	33	13	8.09		9.39	39.77	0.09

Hole ID	Prospect	Northing	Easting	From	To	Interval	Mn(%)	Including	Fe(%)	SiO2(%)	P(%)
10BB069	Bindi Bindi Hill	7299800	765600	14	18	4	7.4		10.98	44.52	0.1
10BB071	Bindi Bindi Hill	7300000	765600	40	50	10	8.37		9.08	37.64	0.1
10BB072	Bindi Bindi Hill	7299240	765700	1	15	14	12.14	4m@15.76	10.52	42.12	0.09
10BB073	Bindi Bindi Hill	7299240	765800	0	16	16	9.73	2m@14.48	10.02	42.34	0.1
10BB074	Bindi Bindi Hill	7299220	765900	1	13	12	9.64		9.42	41.21	0.08
10BB075	Bindi Bindi Hill	7299220	766000	0	12	12	9.31		9.41	44.33	0.08
10BB076	Bindi Bindi Hill	7299140	766100	0	11	11	10.76	4m@13.54	9.75	46.94	0.1
10BB077	Bindi Bindi Hill	7299100	766200	0	11	11	9.94		9.64	48.34	0.07
10BB078	Bindi Bindi Hill	7299100	766300	0	12	12	9.31		9.06	46.16	0.08
10BB079	Bindi Bindi Hill	7299100	766400	0	12	12	9.96	4m@12.76	9.83	47.87	0.12
10BB080	Bindi Bindi Hill	7299100	766500	0	12	12	10.59	5m@10.59	9.81	44.68	0.12
10BB103	Cadgies Flats	7303520	767250	0	2	2	7.39		8.78	49.8	0.1
				6	7	1	8.98		10.77	47.3	0.09
				12	16	4	9.31		9.98	40.35	0.14
10BB105	Cadgies Flats	7303520	767210	7	17		7.81	1m@15.80	10.68	46.96	0.14
10BB106	Cadgies Flats	7303520	767190	2	4	2	9.83		8.37	43.8	0.12
				6	7	1	9.14		11.75	46.8	0.15
				10	13	3	8.23		11.21	42.97	0.14
10BB107	Cadgies Flats	7303520	767170	5	11	6	8.68		10.98	47.27	0.15
10BB108	Cadgies Flats	7303520	767150	1	2		8.21		10.42	39.3	0.15
				4	11	7	8.9	1m@15.33	12.43	44.58	0.15
10BB163	Cadgies Flats	7303461	767271	0	5	5	9.11		9.76	47.18	0.12
10BB164	Cadgies Flats	7303480	767270	0	6	6	10.91	2m@16.88	9.73	46	0.1
				15	18	3	8.21		10.4	41.3	0.13
10BB165	Cadgies Flats	7303500	767269	0	4	4	9.07		10.09	45.98	0.15
				11	18	7	6.79		9.3	46.66	0.1
10BB166	Cadgies Flats	7303520	767269	0	4	4	9.68	1m@14.33	10.91	46.2	0.11
				13	17	4	9.24		10.37	39.98	0.12
10BB167	Cadgies Flats	7303539	767269	0	4	4	8.68	1m@16.42	10.54	47.75	0.11
				14	17	3	8.44		10.51	40.97	0.11
10BB168	Cadgies Flats	7303557	767270	2	4	2	11.06	1m@14.71	7.89	48.05	0.16
10BB169	Cadgies Flats	7303578	767268	0	4	4	8.19	1m@14.79	10.01	45.12	0.16
				14	18	4	8.13		9.79	42.1	0.1
10BB170	Cadgies Flats	7303598	767267	0	4	4	9.58	1m@17.66	9.55	45.6	0.11
				7	9	2	8.85		9.65	48.75	0.1
10BB171	Cadgies Flats	7303522	767289	0	5	5	10.58	2m@14.29	10.1	46	0.11
				8	10	2	10.26		8.7	47.65	0.12
				14	18	4	8.3		10.07	41.65	0.13
10BB172	Cadgies Flats	7303520	767310	0	6	6	10.23		12.71	44.05	0.14
				13	19	6	7.06		9.11	45.27	0.11
10BB173	Cadgies Flats	7303519	767328	2	8	6	9.2	3m@11.23	10.72	47.62	0.12
10BB174	Cadgies Flats	7303517	767348	1	5	4	10.25	2m@13.86	8.78	47.98	0.07
				18	22	4	7.86		9.98	41.82	0.11
10BB175	Cadgies Flats	7303518	767391	2	9	7	11.36	4m@13.14	10.34	45	0.09
				16	23	7	6.67		9.14	45.16	0.09
10BB176	Cadgies Flats	7303517	767430	0	11	11	6.93	1m@15.72	10.86	51.34	0.1
				20	24	4	7.33		9.9	42.92	0.1
10BB177	Cadgies Flats	7303519	767533	2	12	10	8.37	3m@11.67	10.39	50.39	0.11
				22	24	2	9.1		10.14	39.85	0.14
10BB178	Cadgies Flats	7303518	767607	0	12	12	7.81	1m@17.43	10.38	51.12	0.1
				22	25	3	8.34		9.37	42.27	0.1
10BB179	Cadgies Flats	7303520	767692	0	1	1	7.31		25.25	30.1	0.05
10BB180	Cadgies Flats	7303528	767071	7	10	3	11.08		12.43	43.53	0.13
10BB181	Cadgies Flats	7303530	766976	3	13	10	7.61	2m@11.08	10	48.89	0.11
10BB043	Mungajerrie	7298200	763200	13	14	1	11.62		12.17	43.2	0.03
10BB047	Mungajerrie	7298600	763200	2	7	5	8.22		7.2	52.18	0.09

Hole ID	Prospect	Northing	Easting	From	To	Interval	Mn(%)	Including	Fe(%)	SiO2(%)	P(%)
10BB050	Mungajerrie	7298900	763300	6	8	2	8.25		7.5	51.35	0.07
10BB053	Mungajerrie	7299200	763400	7	9	2	7.08		5.68	55.8	0.06

Table1: RC Drilling results from the Bindi Bindi Hill, Alcoa Hole, and Cadgies Flats Prospects within the Butcherbird Project area. Composite results shown from geologically constrained zones and a bottom cut of approximately 6% manganese.

More Information

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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 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.