

31 March 2008

ASX CODE: MZM

ISSUED SHARES: 41.29M

52 WEEK HIGH: \$0.36

52 WEEK LOW: \$0.10

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BOARD:

Denis O'Meara: Chairman

Terry Grammer: Non-Exec

Ian Cornelius: Non-Exec

KEY PROJECTS:

PEAK HILL (100%)

Gold

MT. PADBURY (90%)

Gold, Manganese, Iron Ore

Uranium

ROBINSON RANGE (70%)

Gold, Uranium

CALLAWA (100%)

Copper, Gold

TALGA (90%)

Gold, VMS

MONTEZUMA ACQUIRES IRON ORE RIGHTS AT MT PADBURY

- High-grade assays up to **63% iron** returned from surface samples.
- Potential for significant **high-grade haematite** mineralisation.
- No drill testing of targets completed to date.

Montezuma is pleased to announce that it has successfully negotiated an agreement with Independence Group NL to acquire their 90% of the iron ore rights over the Mt Padbury licence E52/1529.

The licence contains approximately 23 strike kilometres of the banded iron and chert sediments that make up the Robinson Range. The sequence is known to host significant iron enrichment with sampling by previous workers highlighting elevated surface iron values in excess of 50% over significant strike lengths.

In one occurrence, where surface sampling returned grades of 63% from high grade haematite mineralisation, there is a projected exploration target potential of 5-7 million tonnes of high grade haematite ore grading 60-65%. The target size potential is based on the areal extent of the haematitic outcrop and a projected vertical depth of mineralisation of approximately 60m.

Sampling at this location returned low levels of silica (4.45% SiO₂) phosphorous (0.09%), sulphur (0.08%) and aluminium (1.68% Al₂O₃).

It should be noted that this 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.

Independence will receive a royalty of \$2/DMT of any iron ore successfully mined from within the licence. The remaining 10% free carried interest in E52/1529 is held by a private company.

The Mt Padbury licence continues to be a major focus, and to generate exploration success, and the latest deal adds to the prospectivity of this overall project area which is part of a >3000 km₂ holding in the region.

Sample #	Fe (%)	SiO2 (%)	P (%)	S (%)	Al ₂ O ₃ (%)	Ti (%)	Mn (%)
1168	57.9						
1170	41.9						
1171	55.6						
1172	63.0	4.45	0.09	0.08	1.68	0.05	0.04
1173	54.2						
1174	60.4						
1175	56.0						
1179	30.2						
1180	47.9						
1181	56.7						
1182	42.2						

Given the current and forecast ongoing strength in the iron ore markets going forward, Montezuma intends to seek to generate shareholder value by proactively seeking to capitalise on this opportunity.

In addition to the iron ore potential, the gold mineralisation at the Wood Creek Prospect presents an opportunity to define resource ounces for trucking to Peak Hill, and the high-grade manganese mineralisation previously announced is currently the focus of negotiations to maximise shareholder value through early production and cash-flow.

This new acquisition adds further exploration potential to complement the Company's core strategy of building on the existing +200,000 oz gold resource base at Peak Hill with the strategic goal of generating sufficient resources to support a stand-alone producing mine within 3 years.

More Information

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The Information in this report that relates to exploration results is based on information compiled by Liam Cornelius, who is a member of the Australasian 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

