

MONTEZUMA
MINING COMPANY LTD

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ABN 46 119 711 929

22 July 2011

Dear Option Holder

**YOUR OPTIONS TO ACQUIRE MONTEZUMA MINING COMPANY LTD SHARES AT \$0.20 PER SHARE
EXPIRE ON 31 AUGUST 2011**

We are writing to you as a registered holder of listed options in **MONTEZUMA MINING COMPANY LTD** to remind you that the options will expire at 5:00pm (WST) on 31 August 2011.

Your option holding may be exercised in whole or in part by payment of \$0.20 for each option by no later than 31 August 2011. If payment is not received by 5:00pm (WST) on 31 August 2011 the options will lapse and all rights under the options will cease at that time.

Some of the courses of action available to you as a holder of these soon to expire options are:

- a) Exercise the options on or before 31 August 2011.
- b) Sell your options. Quotation of the options will cease at the close of trading on 24 August 2011.
- c) Do nothing (ie, allow your options to expire). If you do not exercise or sell your options they will expire on 31 August 2011 and your right to subscribe for ordinary shares in **MONTEZUMA MINING COMPANY LTD** at \$0.20 per share will lapse.

There is no obligation on option holders to exercise their options. However, under paragraph 6.1 of Appendix 6A of the Australian Securities Exchange (**ASX**) Listing Rules, the Company is required to advise option holders of the information contained in this notice.

The market sale price of ordinary shares in **MONTEZUMA MINING COMPANY LTD** on ASX was 40 cents on 21 July 2011, being the last trading day in Perth prior to the date of this notice.

During the three (3) months preceding the date of this notice:

- the highest market sale price of ordinary shares on ASX was 70 cents on 1 June 2011; and
- the lowest market sale price of ordinary shares on ASX was 40 cents on 21 July 2011.

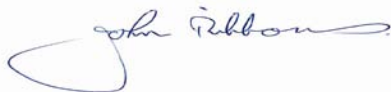
If you wish to exercise your options then you must complete your "Notice of Exercise of Options" form enclosed with this notice and forward it together with payment of \$0.20 per option exercised to be received no later than 5:00pm (WST) on **31 August 2011** to the Company's share registry, being:

Security Transfer Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953

OR 770 Canning Highway
APPLECROSS WA 6153

Cheques should be made payable to "**MONTEZUMA MINING COMPANY LTD**" in Australian dollars only and should be crossed "Not negotiable". If you have any further questions please do not hesitate to contact our Registry on telephone (08) 9315 2333, facsimile (08) 9315 2233, or e-mail registrar@securitytransfer.com.au.

Yours faithfully



John Ribbons
Company Secretary