



# MONTEZUMA

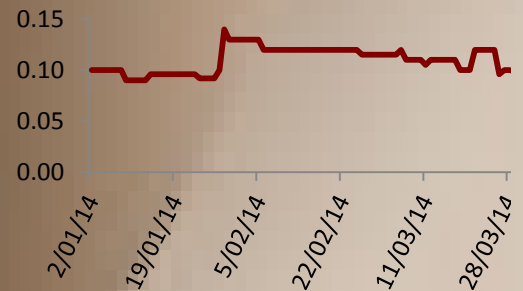
## MINING COMPANY LTD

### 31 March 2014 Quarterly Report

#### Market data

ASX code:	MZM
Share price:	\$0.10
Shares on issue:	70,464,350
Market capitalisation:	\$7.05m
Cash at 31 March 2014:	\$8.8m

#### Share Price



#### Substantial shareholders

Shareholder	Holding	% held
JPMorgan Nominees	5,771,732	8.19
Duketon Mining Ltd	5,382,500	7.64
Ranguta Ltd	5,326,375	7.56
Zero Nominees	4,425,000	6.28
Alpha Boxer Ltd	4,002,500	5.68

#### Board and management

Chairman	Seamus Cornelius
Executive Director	Justin Brown
Non-Executive Director	John Ribbons
Chief Executive Officer	Mike Moore



## March 2014 quarter highlights

- ◆ **Successful sale of the Peak Hill gold project**
- ◆ **Sale proceeds from Peak Hill received – cash of \$3.39 million (inclusive of environmental performance bonds) plus options and royalty**
- ◆ **Low cost Butcherbird manganese processing options confirmed**
  - ◆ **Crushing, screening and scrubbing has the potential to deliver a 33.8% Mn lump product at >31.5mm**
  - ◆ **Favourable iron manganese ratios with low deleterious element contamination**

Montezuma Mining Company Limited (ASX: MZM) continued to further advance its exploration activities and assess new venture opportunities during the quarter ended 31 March 2014.

## Butcherbird (100%)

Metallurgical studies on material recovered from the completed 14 hole, HQ sized (63 mm diameter) diamond drilling program totalling 474 metres (BBDD010 to BBDD023) continued during the March 2014 quarter. The purpose of the HQ diamond drilling program is to collect core samples to enhance the Company's understanding of the processing route options and more clearly define the ultimate manganese product specification.

The Butcherbird occurrence is unlike other manganese resources as it's composed of fairly competent manganiferous mineral bands or lenses in a matrix of weathered shales. Previous test work indicated that a substantial proportion of the gangue matrix could be rendered to slime by moderate energy input scrubbing.

Based on the test work interpretation and recognition that recovery of manganese units from scrubbed material of particle size smaller than 6.3 mm is impractical or uneconomic (or both), the expected product specification for a greater than 6.3 mm manganese ore lump would be in accordance with Table 1 below:

**Table 1: Expected product specification for > 6.3 mm manganese ore lump**

Potential Mn %	% SiO <sub>2</sub>	% Al <sub>2</sub> O <sub>3</sub>	% Fe	Mn/Fe ratio	% P
32.5	23.02	5.77	6.95	4.68	0.054

The results gained from test work confirmed the basic processing route required to deliver a clean >6.3 mm manganese product. With a production rate of 0.5 Mt per annum of manganese product the Butcherbird project would utilise conventional open pit mining techniques and have an operational mine life of 20 years with options to expand further resources. The project is located favourably in terms of infrastructure with the Great Northern Highway running through the tenement as well as the Goldfield’s Gas Pipeline. The town of Newman is located 125 km to the north, and is a significant industrial and commercial hub for the region with daily air services to Perth.

The Company is currently targeting consumers who are seeking long term supply of consistent grade manganese product with low deleterious element contamination.

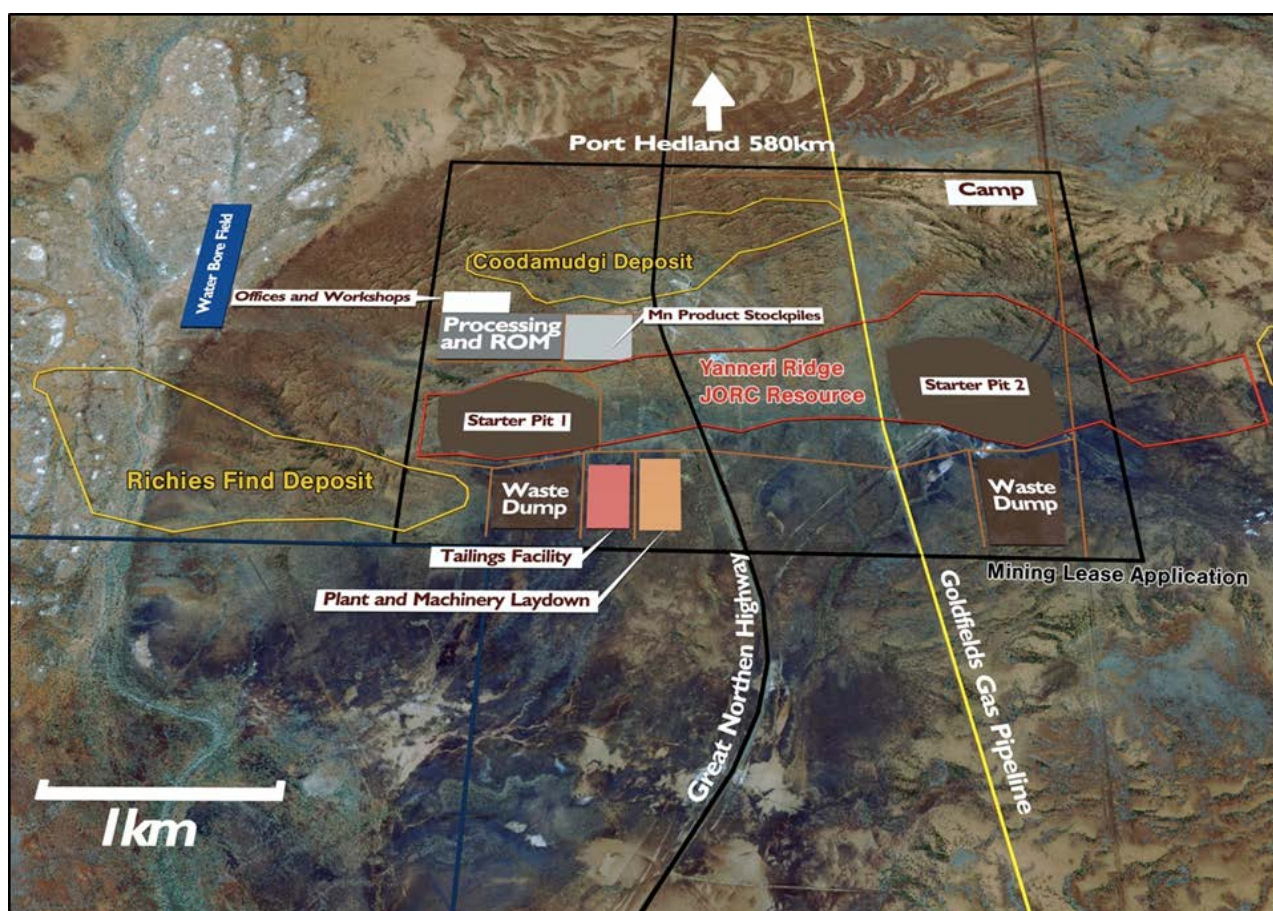


Figure 1. Conceptual mine layout plan showing key infrastructure within the Butcherbird Mining Lease Application surrounded by the Company’s exploration tenure.

# Peak Hill/Durack (85-100%)

Montezuma completed settlement on 31 January 2014, of the disposal of Peak Hill Metals Pty Ltd to Grosvenor Gold Pty Ltd ("Grosvenor"), Resource and Investment NL's ("RNI") wholly owned subsidiary, receiving:

- \$2.8 million cash;
- 2.1 million 35 cent options and 2.1 million 20 cent options in RNI;
- a 1% Gross Royalty, capped at \$1 million, on all revenue received from production from the Peak Hill Project; and
- \$594,300 cash as Grosvenor assumed responsibility for the Environmental Performance Bonds associated with the Peak Hill tenement holdings.

## FOR MORE INFORMATION...

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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.montezumamining.com.au>.

## 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 programs. Montezuma Mining has a 100% interest in the Butcherbird Manganese/Copper Project in the Murchison region of Western Australia.

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*The Information in this report that relates to exploration results is based on information compiled by Mr Justin Brown, who is a member of the Australian Institute of Mining and Metallurgy. Mr Brown is a geologist who is a full time employee of Montezuma Mining Company Ltd 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 Brown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The Information in this report that relates to metallurgical testing results is based on information compiled by Dr Tony Mason, who is a Fellow of the Institute of Materials, Minerals and Mining (FIMMM). Dr Mason is a consulting metallurgist who is a full time employee of Mineral Processors (WA) Pty Ltd 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. Dr Mason consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

## Appendix 1: Butcherbird Inferred Resource Estimates (MZM, ASX 7th December 2011)

Classification		Inferred Resource	
Cut-off		10% Mn	
Deposit	Tonnes (Mt)	Mn (%)	
Bindi Bindi Hill	8.75	11.09	
Budgie Hills	1.03	10.82	
Cadgies Flats	0.25	11.08	
Coodamudgi	12.9	11.48	
Illgararie Ridge	17.0	10.71	
Mundawindi	14.2	12.23	
Richies Find	16.1	11.56	
<b>SUBTOTAL</b>	<b>70.2</b>	<b>11.4</b>	
<i>Yanneri Ridge</i>	<i>48.8</i>	<i>11.8</i>	
<b>GLOBAL TOTAL</b>	<b>119.0</b>	<b>11.6</b>	

*Additional Resources estimated with 8% Mn cut for beneficiated product grading under 35% Mn.*

Classification		Inferred Resource	
Cut-off		8-10% Mn	
Deposit	Tonnes (Mt)	Mn (%)	
Bindi Bindi Hill	5.7	9.2	
Budgie Hills	3.5	8.9	
Cadgies Flats	0.2	9.1	
Coodamudgi	3.6	9.5	
Illgararie Ridge	18.5	9.2	
Mundawindi	2.1	9.4	
Richies Find	6.6	9.4	
<b>SUBTOTAL</b>	<b>40.1</b>	<b>9.3</b>	
<i>Yanneri Ridge*</i>	<i>15.8</i>	<i>9.4</i>	
<b>GLOBAL TOTAL</b>	<b>55.9</b>	<b>9.3</b>	



## Appendix 2: Tenements and Locations

### Montezuma Mining Company Limited

#### ASX Additional Information for Quarterly Report to 31 March 2014

	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	E52/2350	Butcher Bird WA	100%	N/A	100%
	P52/1227	Robinson Range WA	100%	Disposed	0%
	E36/833	Leinster	0%	Acquired	100%
	E52/1529	Mt Padbury WA	100% (royalty on iron ore and manganese)	N/A	100% (royalty on iron ore and manganese)
	E52/2237	Peak Hill WA	100%	Disposed	0%
	E52/2413	Peak Hill WA	100%	Disposed	0%
	E52/2471	Peak Hill WA	85%	Disposed	0%
	E52/2472	Peak Hill WA	100%	Disposed	0%
	M52/35	Peak Hill WA	100%	Disposed	0%
	M52/474	Peak Hill WA	100%	Disposed	0%
	M52/56	Peak Hill WA	100%	Disposed	0%
	M52/297	Peak Hill WA	100%	Disposed	0%
	P52/1343	Peak Hill WA	85%	Disposed	0%
	P52/1344	Peak Hill WA	85%	Disposed	0%
	P52/1345	Peak Hill WA	85%	Disposed	0%
	P52/1348	Peak Hill WA	85%	Disposed	0%
	P52/1234	Peak Hill WA	100%	Disposed	0%
	P52/1189	Peak Hill WA	85%	Disposed	0%
	P52/1190	Peak Hill WA	85%	Disposed	0%
	P52/1191	Peak Hill WA	85%	Disposed	0%
	P52/1192	Peak Hill WA	85%	Disposed	0%
	P52/1193	Peak Hill WA	85%	Disposed	0%
	M52/801	Peak Hill WA	85%	Disposed	0%
	E70/4465	Jubuk WA	100%	N/A	100%
	E53/1801	Mt Fisher WA	100%	Disposed	0%
	E38/2889	Malle Hen Point WA	100%	N/A	100%
	E39/1781	Tropicanna WA	100%	N/A	100%
	E28/2302	Green Dam WA	100%	N/A	100%
	E28/2313	Green Dam WA	100%	N/A	100%
	E28/2327	Green Dam WA	100%	N/A	100%
	E57/928	Currans Find WA	100%	N/A	100%
	E20/815	Weld Range WA	100%	N/A	100%
	E52/2647	Little Well South WA	100%	N/A	100%
E52/2969	Plutonic North WA	100%	N/A	100%	

	Tenement reference	Location	Interest at beginning of quarter	Acquired / Disposed	Interest at end of quarter
	E52/2831	Millidie Creek WA	100%	N/A	100%
	E51/1622	Telegraph Well WA	100%	N/A	100%
	E52/2759	Horseshoe Lights North WA	100%	N/A	100%
	E52/2658	Butcherbird South WA	100%	N/A	100%
	E52/2727	Butcherbird East WA	100%	N/A	100%
	E52/2895	Butcherbird West WA	100%	N/A	100%
	E52/2806	Butcherbird North WA	100%	Disposed	0%
	E52/2808	Butcherbird North East WA	100%	N/A	100%
	E52/2951	Butcherbird North WA	100%	N/A	100%
	E52/2953	Butcherbird North WA	100%	N/A	100%
	E20/659	Eelya Hill WA	10%	N/A	10%
	P20/2018	Eelya Hill WA	10%	N/A	10%
	P52/1417	Peak Hill WA	85%	Disposed	0%
	P52/1418	Peak Hill WA	85%	Disposed	0%
	P52/1419	Peak Hill WA	85%	Disposed	0%
	E47/2817	Hamersley Range WA	100%	N/A	100%
	E47/2818	Hamersley Range WA	100%	N/A	100%
	E47/2819	Hamersley Range WA	100%	N/A	100%
	E46/982	Pilbara WA	100%	N/A	100%
	E09/1985	Yalbra WA	15%	N/A	15%
	E37/1147	Leonora WA	100%	Disposed	0%
	E37/1176	Leonora WA	100%	N/A	100%
	L52/2	Peak Hill WA	100%	Disposed	0%
	L52/19	Peak Hill WA	100%	Disposed	0%
	L52/20	Peak Hill WA	100%	Disposed	0%
	L52/39	Peak Hill WA	100%	Disposed	0%
	L52/62	Peak Hill WA	100%	Disposed	0%
	L52/63	Peak Hill WA	100%	Disposed	0%
<b>Beneficial percentage interests held in farm-in or farm-out agreement</b>	E45/2375	Pilgangoora WA	10% (no tin-tantalum-lithium rights)	N/A	10% (no tin-tantalum-lithium rights)